As confidentially submitted to the Securities and Exchange Commission on November 4, 2022

Registration No. 333-

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

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

MINERALYS THERAPEUTICS, INC.

(Exact name of registrant as specified in its charter)

Delaware	**2834**	**84-1966887**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

150 N. Radnor Chester Road, Suite F200
Radnor, PA 19087
888-378-6240

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

Jon Congleton
Chief Executive Officer
Mineralys Therapeutics, Inc.
150 N. Radnor Chester Road, Suite F200
Radnor, PA 19087
(888) 378-6240

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

Copies to:

Cheston J. Larson **Matthew T. Bush** **Latham & Watkins LLP** **12670 High Bluff Drive** **San Diego, CA 92130** **(858) 523-5400**	**Adam Levy** **Chief Financial Officer and Chief Business Officer** **Mineralys Therapeutics, Inc.** **150 N. Radnor Chester Road, Suite F200** **Radnor, PA 19087** **(888) 378-6240**	**Ilir Mujalovic** **Shearman & Sterling LLP** **559 Lexington Avenue** **New York, NY 10022** **(212) 848-4000**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement is declared effective.

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

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

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

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

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

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☒

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

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

Subject to Completion
Preliminary Prospectus dated , 2022

PROSPECTUS

Shares

Common Stock

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

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

We are an "emerging growth company" and a "smaller reporting company" under the federal securities laws and are subject to reduced public company disclosure standards. See the section titled "Prospectus Summary—Implications of Being an Emerging Growth Company and a Smaller Reporting Company."

Investing in our common stock involves risks that are described in the "Risk Factors" section beginning on page13 of this prospectus.

	Per Share	Total
Public offering price	$	$
Underwriting discount(1)	$	$
Proceeds, before expenses, to us	$	$

(1) We refer you to "Underwriting" for additional information regarding underwriting compensation.

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

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The shares will be ready for delivery on or about , 2023.

BofA Securities

Evercore ISI

Stifel

Guggenheim Securities

Credit Suisse

Wells Fargo Securities

The date of this prospectus is , 2022.

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Neither we nor the underwriters have authorized anyone to provide you with information other than that contained in this prospectus or any free writing prospectus prepared by or on behalf of us or to which we have referred you. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the underwriters are offering to sell, and seeking offers to buy, shares of our common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus or any free writing prospectus is accurate only as of its date, regardless of its time of delivery or of any sale of shares of our common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

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

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus and is qualified in its entirety by the more detailed information and financial statements included elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our common stock. You should carefully read this entire prospectus, including the information under the sections titled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Special Note Regarding Forward-Looking Statements," and our financial statements and related notes included elsewhere in this prospectus, before making an investment decision. Unless the context requires otherwise, references in this prospectus to "Mineralys," the "Company," "we," "us," and "our" refer to Mineralys Therapeutics, Inc.

Overview

We are a clinical-stage biopharmaceutical company focused on developing medicines to target diseases driven by abnormally elevated aldosterone. Our product candidate, MLS-101, is a proprietary, orally administered, highly selective aldosterone synthase inhibitor (ASI) that we are initially developing for the treatment of patients with uncontrolled (uHTN) or resistant hypertension (rHTN). In the United States, there are over 115 million patients who have sustained elevated blood pressure (BP), or hypertension and more than half of this population fails to achieve their BP goals with currently available medications. There are over 30 million treated patients who do not achieve their BP goal, of whom 20 million have BP levels greater than 140 mmHg. Patients with hypertension that persists despite taking two or more medications have 1.8 and 2.5 times greater mortality risk due to either cardiovascular disease or stroke, respectively. In a Phase 2 clinical trial evaluating 200 subjects with uHTN and rHTN (Target-HTN), MLS-101 demonstrated a clinically meaningful and statistically significant reduction in BP with once daily dosing and was well tolerated with favorable safety data. In addition to hypertension, we intend to develop MLS-101 for the treatment of chronic kidney disease (CKD), and believe that our product candidate holds promise to be an innovative solution for the rapidly growing unmet need in multiple cardiorenal disorders.

Hypertension is one of the most common medical conditions globally, afflicting approximately 1.3 billion people and resulting in an estimated $130 billion annual economic burden in the United States alone. Despite the availability of multiple treatment options, including thiazide diuretics, angiotensin-converting enzyme (ACE)-inhibitors, angiotensin II receptor blockers (ARBs), calcium channel blockers, beta blockers, and mineralocorticoid receptor antagonists (MRAs), the prevalence of uHTN continues to grow, further exacerbated by the rapidly rising rate of obesity. A hypertensive patient's goal BP is defined as 130/80 mmHg. Over 30 million hypertensive patients in the United State have uHTN, as they are unable to achieve this goal despite taking two or more lines of medication. Within this population there are approximately 14 million patients suffering from rHTN: patients on three or more medications, including a diuretic, who fail to achieve their BP goal. Multiple large-scale studies have demonstrated that patients who fail to achieve their BP goal have a significantly elevated risk of developing heart disease, stroke and kidney disease. Compared with subjects without rHTN, those with the condition have a 1.5 and 2.3 times higher risk of composite cardiovascular events and end-stage renal disease, respectively. Notwithstanding this significant and growing unmet need, there has been a lack of U.S. Food and Drug Administration (FDA)-approved novel therapies targeting hypertension, with no new class of antihypertensive treatment approved within the last fifteen years.

Abnormally elevated aldosterone levels are a key factor in driving hypertension in approximately 25% of hypertensive patients. Developing an effective hypertension therapy that targets aldosterone synthase remains a significant challenge, given the tight homology between the enzymes that regulate aldosterone and cortisol synthesis, as well as aldosterone's role in potassium retention. Several large pharmaceutical companies have tried to develop ASIs, but their efforts have been hampered due to insufficient selectivity for aldosterone, resulting in off-target toxicities associated with cortisol inhibition. These challenges have led to the discontinuation of many ASIs in development to date.

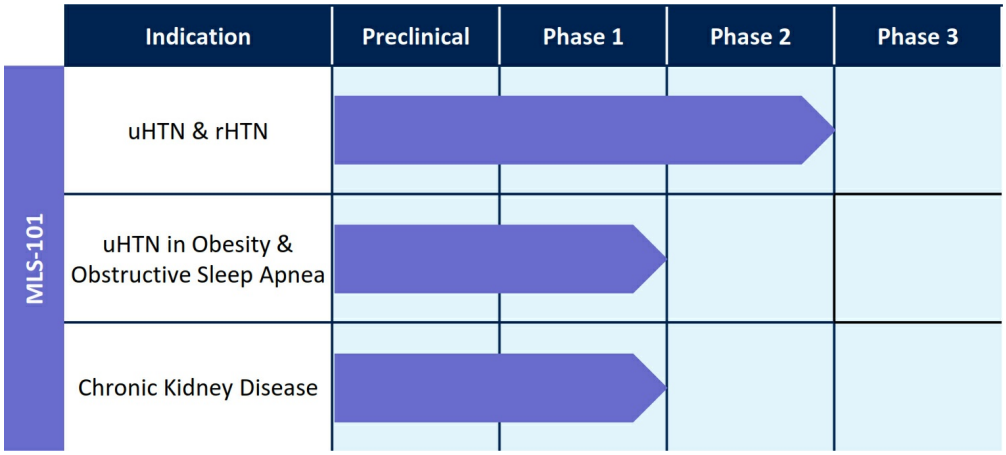
Our Product Candidate, MLS-101

Our product candidate, MLS-101, is a proprietary, orally administered, highly selective ASI that is designed to reduce aldosterone levels by inhibiting CYP11B2, the enzyme responsible for producing the hormone.

We licensed MLS-101 from Mitsubishi Tanabe Pharmaceutical Company (Mitsubishi Tanabe), who discovered the compound and provided the early foundational work, including demonstrating the selectivity of MLS-101, and progressing the asset through Phase 1 clinical development. We completed the Target-HTN trial, a Phase 2 proof of concept trial for MLS-101 in the treatment of uHTN and rHTN in 2022. Some of the key differentiators that we have observed to date for MLS-101, relative to initially developed ASIs, are:

- **Compelling Clinical Results:** Target-HTN demonstrated a clinically meaningful and statistically significant 9.7 mmHg and 7.9 mmHg reduction in systolic BP in the 50 mg and 100 mg QD cohorts, respectively. The reduction in systolic BP was supported by 24-hour mean ambulatory blood pressure monitoring (ABPM), which further demonstrated that MLS-101 provides both central and nighttime BP reduction;
- **High Selectivity:** Phase 1 and Phase 2 clinical data demonstrated high aldosterone selectivity with no cortisol suppression, as anticipated by the 374 to 1 inhibitory effect on the CYP11B2 enzyme. responsible for synthesizing aldosterone, compared to the CYP11B1 enzyme, which is responsible for synthesizing cortisol;
- **Optimal Half-Life:** A majority of our clinical trial subjects maintained a serum potassium in the normal range with incidences of hyperkalemia requiring dose adjustment or discontinuation. Five subjects experienced transient elevated serum potassium greater than 6.0 mmol/L, none of which were considered a serious adverse event (SAE) and all rapidly resolved after discontinuation or dose adjustment. MLS-101's observed 10 to 12 hour half-life may be viewed more favorably by physicians compared to compounds with longer half-lives, which may have greater risk of sustained potassium elevation; and
- **Convenient Dosing and Well Tolerated:** Target-HTN demonstrated clinically meaningful results on a once-daily dosing regimen. Furthermore, MLS-101 was well-tolerated.

Given that hypertension and abnormal aldosterone biology can lead to cardiorenal disease, we intend to further develop MLS-101 across other indications.



We intend to use the observations from MLS-101's completed Phase 1 trial in healthy volunteers and Phase 2 trial in uHTN and rHTN to inform the development of MLS-101 in uHTN related to obesity and obstructive sleep apnea (OSA). Beyond hypertension, we intend to develop MLS-101 for the treatment of CKD.

Target-HTN was a randomized, double blinded, placebo-controlled trial conducted in the United States across 200 subjects with uHTN and rHTN to evaluate the efficacy of MLS-101 at various doses either once or twice a day. All subjects were required to remain on background medications.

Target-HTN Key Clinical Results

BP Lowering Metrics	Associated BP Reduction	
	100mg QD Part 1	50mg QD
Placebo-adjusted Systolic BP	-7.9 mmHg	-9.7 mmHg
Placebo-adjusted 24-hour Systolic ABPM	-8.3 mmHg	-10.1 mmHg*
Placebo-adjusted 24-hour Systolic ABPM Nighttime	-8.2 mmHg	-6.6 mmHg*
Placebo-adjusted 24-hour Central Systolic BP	-10.6 mmHg	-10.5 mmHg*

*Represents analysis of all subjects with baseline hypertension, as measured by 24-hour ABPM for 50 mg QD cohort.

The results of the Target-HTN trial demonstrated a clinically meaningful and statistically significant placebo-adjusted reduction in systolic BP, as measured by automated office blood pressure (AOBP), of 9.7 mmHg ($p<0.01$) and 7.9 mmHg ($p<0.04$) in the 50 mg and 100 mg QD cohorts, respectively. In a meta-analysis of 147 randomized trials, a 10 mmHg reduction of systolic BP or a 5 mmHg reduction in diastolic BP has been shown to reduce the risk of stroke by 41% and coronary heart disease by 22%. The reduction in systolic BP was supported by comparable reductions in systolic BP, as measured by 24-hour mean ABPM. The ABPM data further demonstrated the benefits of MLS-101 on both central and nighttime BP reduction, which have been strongly linked to cardiovascular health risk. The trial results also highlighted that patients with a body mass index (BMI) greater than 30, or obese patients, who are at an elevated risk of cardiorenal diseases, exhibited a 13.2 or 16.6 mmHg placebo-adjusted reduction in systolic BP with a 100 mg QD or 50 mg QD dose, respectively. Treatment emergent SAEs were reported in three subjects, one of which was deemed to be possibly related to MLS-101 in a subject with worsening of preexisting hyponatremia, which reversed after discontinuation. The two active, once-daily doses saw modest increases in potassium levels across the cohorts of 0.25 mmol/L with the 50 mg QD and 0.35 mmol/L with the 100 mg QD dose. Five subjects experienced transient elevated serum potassium greater than 6.0 mmol/L, none of which were considered an SAE, and all rapidly resolved after discontinuation or dose adjustment, which is consistent with the short half-life of MLS-101. As anticipated, and in a manner similar to ACE-inhibitors and ARBs, the BP lowering effect of MLS-101 led to a beneficial, reversible dose-dependent reduction in estimated glomerular filtration rate (eGFR), a measure of kidney function. Finally, the selectivity of MLS-101 for aldosterone inhibition was confirmed as cortisol levels were not observed to be inhibited across the range of doses.

Our Strategy

Our strategy is to develop and commercialize MLS-101 for the treatment of diseases driven by abnormally elevated aldosterone, initially focused on hypertension, with the goal of eventually expanding to other cardiorenal diseases. Key elements of our strategy include:

- ***Advance MLS-101, our ASI product candidate, through clinical development for the treatment of uHTN and rHTN.*** uHTN and rHTN represent a significant unmet need within the 115 million patients in the United States who have hypertension. More than half of hypertensive patients fail to achieve

their BP goals despite treatment with multiple lines of therapy, and over 20 million treated patients have systolic BP greater than 140 mmHg. Topline data from our Target-HTN Phase 2 trial demonstrated that MLS-101 lowered the systolic BP of patients with uHTN and rHTN at a clinically meaningful and statistically significant level, with a mean placebo-adjusted reduction in systolic BP of 9.7 or 7.9 mmHg with a 50 or 100 mg QD dose, respectively. Additionally, treatment with MLS-101 demonstrated a robust effect in obese patients, who, studies show, tend to have abnormal aldosterone biology. We believe our approach of normalizing aldosterone levels can provide an effective and more targeted approach for the control of hypertension. We plan to continue to advance the development of MLS-101 in hypertension

- ***Expand the development of MLS-101 into additional indications where abnormally elevated aldosterone is a driver in the disease pathology, including CKD and potentially other cardiorenal indications.*** MLS-101 has been developed to normalize the production of aldosterone, and we believe this mechanism can be applied to other indications where abnormal aldosterone biology plays a role. We intend to initiate a Phase 2 proof of concept trial for CKD. Uninhibited aldosterone is known to play a critical role in the progression of CKD, which affects over 23 million people in the United States. Furthermore, we may expand the development of MLS-101 into additional cardiorenal indications.

- ***Opportunistically evaluate strategic partnerships to maximize the value of MLS-101. We have worldwide development and commercialization rights to MLS-101.*** Given the potential of aldosterone inhibition to treat multiple cardiorenal conditions, we may opportunistically explore partnerships with other biopharmaceutical companies that could provide expertise and resources to expand the development and commercialization of MLS-101.

- ***Continue to evaluate opportunities to selectively expand our pipeline beyond MLS-101.*** Our team has experience in various aspects of drug discovery, clinical development, business development and commercialization. We will continue to leverage our team's expertise to selectively evaluate potential strategic partnerships, collaborations, licenses and acquisitions to expand our pipeline, particularly in cardiorenal indications.

Our Team and Investors

Founded by Catalys Pacific in 2019, we are led by an experienced management team with diverse backgrounds and significant experience in drug discovery, development and company building. Our management team consists of industry veterans with extensive experience at pharmaceutical companies such as Amgen, Aventis, Cephalon, Novartis, ProQR, Sanifit, Teva, and Vertex. Together, our team has a proven track record in the discovery, development and commercialization of numerous approved therapeutics.

Since our inception, we have been supported by, and have raised approximately $158 million of capital from, a group of leading life science investors including Catalys Pacific, Samsara BioCapital, HBM Healthcare Investments, RA Capital Management, Andera Partners, Adams Street Partners, RTW Investments, Rock Springs Capital, SR One Capital Management, Sectoral Asset Management, Ysios Capital, HealthCor Management and Boulder Ventures.

Summary of Risks Associated with Our Business

Our ability to execute our business strategy is subject to numerous risks and uncertainties that you should consider before investing in the Company, as more fully described in the section titled "Risk Factors" immediately following this Prospectus Summary. These risks include, among others:

- We have a limited operating history and none of MLS-101 or any future product candidates have been approved for commercial sale. We have a history of significant net losses since our inception and expect to continue to incur significant losses for the foreseeable future. We may never generate any revenue of become profitable or, if we achieve profitability, we may not be able to sustain it.

- Even if we complete this offering, we will need substantial additional funds to pursue our business objectives, which may not be available on acceptable terms, or at all. Failure to obtain this necessary capital when needed on acceptable terms, or at all, may force us to delay, limit, reduce or terminate our product development programs, commercialization efforts or other operations.
- Our future performance at this time is entirely dependent on the success of our only product candidate, MLS-101, which is currently in clinical development and which has not completed a pivotal trial. If we are unable to advance MLS-101 in clinical development, obtain regulatory approval and ultimately commercialize MLS-101, or experience significant delays in doing so, our business will be materially harmed.
- Clinical and preclinical development involves a lengthy and expensive process with uncertain timelines and outcomes, and results of prior clinical trials and studies of MLS-101 are not necessarily predictive of future results. MLS-101 may not achieve favorable results in our clinical trials or receive regulatory approval on a timely basis, if at all.
- Use of MLS-101 or any future product candidates could be associated with adverse side effects, adverse events or other properties or safety risks, which could delay or preclude regulatory approval, cause us to suspend or discontinue clinical trials, abandon a product candidate, limit the commercial profile of an approved label or result in other significant negative consequences that could severely harm our business, prospects, operating results and financial condition.
- We heavily rely on our exclusive license with Mitsubishi Tanabe to provide us with intellectual property rights to develop and commercialize MLS-101. If the license is terminated, we would lose our rights to develop and commercialize MLS-101.
- The COVID-19 pandemic could adversely impact our business, including the conduct of our clinical trials.
- We face significant competition, and if our competitors develop and commercialize technologies or product candidates more rapidly than we do, or their technologies or product candidates are more effective, safer, or less expensive than MLS-101 and any future product candidates we develop, our business and our ability to develop and successfully commercialize products will be adversely affected.
- We rely on, and intend to continue to rely on third parties to conduct, supervise and monitor our clinical trials and preclinical studies. If these third parties do not successfully carry out their contractual duties, comply with applicable regulatory requirements or meet expected deadlines, our development programs and our ability to seek or obtain regulatory approval for or commercialize MLS-101 and any future product candidates may be delayed or subject to increased costs, each of which may have an adverse effect on our business and prospects.
- If we are unable to obtain, maintain and enforce patent or other intellectual property protection for MLS-101 or any future product candidates or technology, or if the scope of the patent or other intellectual property protection obtained is not sufficiently broad, our competitors or other third parties could develop and commercialize products similar or identical to ours, and our ability to successfully commercialize MLS-101 or any future product candidates may be adversely affected.

Our Corporate and Other Information

We were originally founded as a Delaware corporation on May 31, 2019 under the name Catalys SC1, Inc. On May 29, 2020, we changed our name to Mineralys Therapeutics, Inc. Our principal executive offices are located at 150 N. Radnor Chester Road, Suite F200, Radnor, PA 19087, and our telephone number is (888) 378-6240. Our website address is www.mineralystx.com. The information contained in, or accessible through, our website does not constitute part of this prospectus. We have included our website address as an inactive textual reference only.

We use our trademarks in this prospectus as well as trademarks, tradenames and service marks that are the property of other organizations. Solely for convenience, trademarks and tradenames referred to in this prospectus appear without the ® and ™ symbols, but those references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or that the applicable owner will not assert its rights, to these trademarks and tradenames.

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

We qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the JOBS Act). An emerging growth company may take advantage of certain reduced disclosure and other requirements that are otherwise applicable to public companies. These provisions include, but are not limited to:

- being permitted to provide only two years of audited financial statements, in addition to any required unaudited interim financial statements, with correspondingly reduced "Management's Discussion and Analysis of Financial Condition and Results of Operations" disclosure;
- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as amended (the Sarbanes-Oxley Act);
- not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements, unless the SEC determines the new rules are necessary for protecting the public;
- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We may take advantage of these provisions until the last day of our fiscal year following the fifth anniversary of the date of the first sale of our common equity securities pursuant to an effective registration statement under the Securities Act of 1933, as amended (the Securities Act), which such fifth anniversary will occur in 2028. However, if certain events occur prior to the end of such five-year period, including if we become a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act of 1934 (the Exchange Act), our annual gross revenues exceed $1.235 billion or we issue more than $1.0 billion of non-convertible debt in any three-year period, we will cease to be an emerging growth company prior to the end of such five-year period.

We have elected to take advantage of certain of the reduced disclosure obligations in this prospectus and in the registration statement of which this prospectus is a part and may elect to take advantage of other reduced reporting requirements in future filings. As a result, the information in this prospectus and that we provide to our stockholders in the future may be different than what you might receive from other public reporting companies in which you hold equity interests.

In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. We have irrevocably elected not to avail ourselves of this exemption and, therefore, we will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. We intend to rely on other exemptions provided by the JOBS Act, including without limitation, not being required to comply with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act.

We are also a "smaller reporting company" as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as our voting and non-voting common stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0

million during the most recently completed fiscal year and our voting and non-voting common stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

THE OFFERING

Common stock offered by us	shares.
Option to purchase additional shares	The underwriters have been granted an option to purchase up to additional shares of common stock from us at any time within 30 days from the date of this prospectus.
Common stock to be outstanding immediately after this offering	shares (or shares if the underwriters exercise their option to purchase additional shares in full).
Use of proceeds	We estimate that the net proceeds to us from this offering will be approximately $ million (or approximately $ million if the underwriters exercise their option to purchase additional shares in full) from the sale of the shares of common stock offered by us in this offering, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use the net proceeds of this offering, together with our existing cash, cash equivalents and short-term investments, to fund the research and development of MLS-101 and the remainder for working capital and general corporate purposes. See the section titled "Use of Proceeds."
Risk factors	Investing in our common stock involves a high degree of risk. See the section titled "Risk Factors" and other information included in this prospectus for a discussion of risks you should consider carefully before deciding to invest in our common stock.
Proposed Nasdaq Global Market symbol	"MLYS"

The number of shares of our common stock to be outstanding after this offering set forth above is based on shares of our common stock outstanding as of September 30, 2022, including shares subject to forfeiture, after giving effect to the automatic conversion of all outstanding shares of our convertible preferred stock into 222,843,084 shares of our common stock immediately prior to the closing of this offering, and excludes:

- shares of common stock issuable upon the exercise of stock options outstanding as of September 30, 2022, with a weighted-average exercise price of $ per share;
- shares of common stock reserved for future issuance under our 2023 Incentive Plan (the 2023 Plan), which will become effective in connection with this offering (which number includes shares of common stock reserved for issuance under our Amended and Restated 2020 Equity Incentive Plan (the 2020 Plan), which shares will be added to the 2023 Plan upon its effectiveness, but does not include any potential evergreen increases pursuant to the terms of the 2023 Plan); and
- shares of common stock reserved for future issuance under our 2023 Employee Stock Purchase Plan (the ESPP), which will become effective in connection with this offering (which number does not include any potential evergreen increases pursuant to the terms of the ESPP).

Unless otherwise indicated, all information contained in this prospectus assumes or gives effect to:

- the filing and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws, each of which will occur immediately prior to the closing of this offering;
- the automatic conversion of all outstanding shares of our convertible preferred stock into 222,843,084 shares of our common stock immediately prior to the closing of this offering;
- a -for- stock split of our common stock to be effected before the closing of this offering;
- no exercise of the outstanding options described above; and
- no exercise by the underwriters of their option to purchase additional shares of our common stock.

SUMMARY FINANCIAL DATA

The following tables set forth a summary of our historical financial data as of, and for the periods ended on, the dates indicated. We have derived the summary statements of operations data for the years ended December 31, 2020 and 2021 from our audited financial statements included elsewhere in this prospectus. We have derived the summary statements of operations data for the nine months ended September 30, 2021 and 2022 and the summary balance sheet data as of September 30, 2022 from our unaudited financial statements included elsewhere in this prospectus. The unaudited financial statements have been prepared on a basis consistent with our audited financial statements included in this prospectus and, in the opinion of management, reflect all adjustments, consisting only of normal recurring adjustments, necessary to fairly state the financial information in those statements. You should read these data together with our financial statements and related notes included elsewhere in this prospectus and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations." Our historical results for any prior period are not necessarily indicative of our future results, and our interim results are not necessarily indicative of our expected results for the year ending December 31, 2022.

	Year Ended December 31,		Nine Months Ended September 30,	
(in thousands, except share and per share data)	**2020**	**2021**	**2021**	**2022**
			(unaudited)	
Statements of Operations Data:				
Operating expenses:				
Research and development	$ 2,411	$ 16,308		
General and administrative	532	2,417		
Total operating expenses	2,943	18,725		
Loss from operations	(2,943)	(18,725)		
Other income (expense)				
Interest expense	(115)	(27)		
Change in fair value of convertible notes	(367)	(657)		
Other income (expense)	(1)	1		
Total other expenses, net	(483)	(683)		
Net loss	$ (3,426)	$ (19,408)	$	$
Net loss per share, basic and diluted[1]	$ (0.07)	$ (0.36)	$	$
Weighted-average shares of common stock outstanding, basic and diluted[1]	50,000,000	53,820,364		
Pro forma net loss per share, basic and diluted (unaudited)[2]		$ —		
Pro forma weighted-average shares of common stock outstanding, basic and diluted (unaudited)[2]		107, 006, 127		

(1) See Note 2 to our audited financial statements included elsewhere in this prospectus for an explanation of the method used to calculate historical net loss per share, basic and diluted, and the weighted-average number of shares of common stock used in the computation of the per share amounts.

(2) The calculations for the unaudited pro forma net loss per share attributable to common stockholders, basic and diluted, for the year ended December 31, 2021, exclude the $0.7 million change in fair value of the convertible notes and $27 thousand in interest expense, resulting in pro forma net loss attributable to common stockholders of $18.7 million for the year ended December 31, 2021. The unaudited pro forma weighted average common shares outstanding, basic and diluted, assume the conversion of all our outstanding shares of convertible preferred stock into 61,180,259 shares of our common stock, as if the conversion had occurred at the beginning of the period presented, or the issuance date, if later, and the conversion of our convertible notes into shares of our common stock, resulting in an additional 53,185,763 weighted average shares of our common stock.

(in thousands)	As of September 30, 2022		
	Actual	Pro forma[1] [3]	Pro forma as adjusted[2] [3]
		(unaudited)	(unaudited)
Balance Sheet Data:			
Cash, cash equivalents and short-term investments	$	$	$
Working capital[4]			
Total assets			
Convertible preferred stock			
Accumulated deficit			
Total stockholders' equity (deficit)			

(1) Gives effect to the automatic conversion of all outstanding shares of our convertible preferred stock into an aggregate of 222,843,084 shares of our common stock and the related reclassification of the carrying value of the convertible preferred stock to permanent equity immediately prior to the closing of this offering.

(2) Gives effect to (i) the pro forma adjustments set forth in footnote (1) above, and (ii) the issuance and sale of shares of our common stock in this offering at the assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. Each $1.00 increase (decrease) in the assumed initial public offering price of $ per share would increase (decrease) the pro forma as adjusted amount of each of our cash, cash equivalents and short-term investments, working capital, total assets and total stockholders' equity (deficit) by approximately $, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. Each increase (decrease) of 1.0 million shares in the number of shares offered by us at the assumed initial public offering price of $ per share would increase (decrease) the pro forma as adjusted amounts of each of our cash, cash equivalents and short-term investments, working capital, total assets and total stockholders' equity (deficit) by approximately $, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(3) The pro forma and pro forma as adjusted information discussed above is illustrative only and will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing.

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

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with all of the other information in this prospectus, including our financial statements and related notes included elsewhere in this prospectus and in "Management's Discussion and Analysis of Financial Condition and Results of Operations," before making an investment decision. Other risks and uncertainties that we do not presently consider to be material, or of which we are not presently aware, may become important factors that affect our future financial condition and financial performance. If any of those or the following risks are realized, our business, financial condition, results of operations and prospects could be materially and adversely affected. In that event, the trading price of our common stock could decline, and you could lose part or all of your investment.

Risks Related to Our Limited Operating History, Financial Position and Capital Requirements

We have a limited operating history, have incurred significant operating losses since our inception and expect to incur significant losses for the foreseeable future. We may never generate any revenue or become profitable or, if we achieve profitability, we may not be able to sustain it.

Biopharmaceutical product development is a highly speculative undertaking and involves a substantial degree of risk. We are a clinical-stage biopharmaceutical company with a limited operating history upon which you can evaluate our business and prospects. We commenced operations in 2019 and, to date, we have focused primarily on organizing and staffing our company, business planning, raising capital, in-licensing our product candidate, MLS-101, establishing our intellectual property portfolio and conducting research, preclinical studies, and clinical trials. We have not yet completed any pivotal clinical trials, obtained regulatory approvals, manufactured products at commercial scale, or arranged for a third party to do so on our behalf, or conducted sales and marketing activities necessary for successful product commercialization. Consequently, any predictions made about our future success or viability may not be as accurate as they could be if we had a history of successfully developing and commercializing biopharmaceutical products.

We have incurred significant operating losses since our inception and expect to incur significant losses for the foreseeable future. We do not have any products approved for sale and have not generated any revenue since our inception. If MLS-101 is not successfully developed, approved and commercialized, we may never generate significant revenue, if we generate any revenue at all. Our net losses were $19.4 million and $ million for the year ended December 2021 and the nine months ended September 30, 2022, respectively. As of December 31, 2021, we had an accumulated deficit of $23.0 million. Substantially all of our losses have resulted from expenses incurred in connection with in-licensing intellectual property related to, and developing, MLS-101 and from general and administrative costs associated with our operations. MLS-101 and any future product candidates will require substantial additional development time and resources before we would be able to apply for or receive regulatory approvals and begin generating revenue from product sales. We expect to continue to incur losses for the foreseeable future, and we anticipate these losses will increase substantially as we continue our development of, seek regulatory approval for and potentially commercialize MLS-101, seek to identify, assess, acquire, in-license intellectual property related to or develop additional product candidates and become a public company.

To become and remain profitable, we must succeed in developing, obtaining regulatory approvals for, and eventually commercializing products that generate significant revenue. This will require us to be successful in a range of challenging activities, including completing clinical trials and preclinical studies of MLS-101 and any future product candidates, acquiring additional product candidates, obtaining regulatory approval for MLS-101 and any future product candidates, and manufacturing, marketing, and selling any products for which we may obtain regulatory approval. We are only in the preliminary stages of most of these activities. We may never succeed in these activities and, even if we do, may never generate revenue that is significant enough to achieve profitability. In addition, we have not yet demonstrated an ability to successfully overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, particularly in the biopharmaceutical industry. Because of the numerous risks and uncertainties associated with biopharmaceutical product development, we are unable to accurately predict the timing or amount of increased expenses or when, or if, we will be able to achieve profitability. Even if we do achieve profitability, we may not be able to sustain or increase profitability on a

quarterly or annual basis. Our failure to become and remain profitable may have an adverse effect on the value of our company and could impair our ability to raise capital, expand our business, maintain our research and development efforts, diversify our product candidates, achieve our strategic objectives or even continue our operations. A decline in the value of our company could also cause you to lose all or part of your investment.

We will require substantial additional capital to finance our goals, and a failure to obtain this necessary capital when needed on acceptable terms, or at all, could force us to delay, limit, reduce or terminate our development programs, commercialization efforts or other operations.

The development of biopharmaceutical product candidates is capital-intensive. We expect our expenses to substantially increase in connection with our ongoing activities, particularly as we conduct our ongoing and planned clinical trials for MLS-101 and potentially seek regulatory approval for MLS-101 and any future product candidates we may develop and become a public company. In addition, if we are able to progress MLS-101 through development and commercialization, we will be required to make milestone and royalty payments to Mitsubishi Tanabe Pharma Corporation (Mitsubishi Tanabe) from whom we have in-licensed intellectual property related to MLS-101. If we obtain regulatory approval for MLS-101 or any future product candidates, we also expect to incur significant commercialization expenses related to product manufacturing, marketing, sales, and distribution. Because the outcome of any clinical trial or preclinical study is highly uncertain, we cannot reliably estimate the actual amount of financing necessary to successfully complete the development and commercialization of MLS-101 or any future product candidates. Furthermore, following the completion of this offering, we expect to incur additional costs associated with operating as a public company. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. If we are unable to raise capital when needed or on attractive terms, we could be forced to delay, reduce or eliminate our research and development programs or any future commercialization efforts.

Based on our current operating plan, we believe that the net proceeds from this offering, together with our existing cash, cash equivalents and short-term investments, will enable us to fund our operations for at least the next months from the date of this prospectus. We have based these estimates on assumptions that may prove to be wrong, and we could use our capital resources sooner than we currently expect. Our operating plans and other demands on our cash resources may change as a result of many factors currently unknown to us, and we may need to seek additional funds sooner than planned. The net proceeds of this offering, together with our existing cash and restricted cash, may not be sufficient to complete development of MLS-101, or any future product candidate, and after this offering, we will require substantial capital in order to advance MLS-101 and any future product candidates through clinical trials, regulatory approval and commercialization. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. Our ability to raise additional funds may be adversely impacted by potential worsening global economic conditions and the disruptions to, and volatility in, the credit and financial markets in the United States and worldwide resulting from factors that include but are not limited to, inflation, the conflict between Russia and Ukraine and other factors, diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates, and uncertainty about economic stability. If the equity and credit markets deteriorate, it may make any necessary debt or equity financing more difficult, more costly and more dilutive. If we are unable to raise capital when needed or on attractive terms, we could be forced to delay, reduce or eliminate our research and development programs or any future commercialization efforts, or even cease operations. We expect to finance our cash needs through public or private equity or debt financings or other capital sources, including potential collaborations, licenses and other similar arrangements. In addition, we may seek additional capital due to favorable market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. Attempting to secure additional financing may divert our management from our day-to-day activities, which may adversely affect our ability to develop MLS-101 and any future product candidates.

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

- the initiation, type, number, scope, progress, expansions, results, costs and timing of, clinical trials and preclinical studies of MLS-101 and any future product candidates we may choose to pursue, including any modifications to clinical development plans based on feedback that we may receive from regulatory authorities;

- the costs and timing of manufacturing for MLS-101, or any future product candidate, including commercial manufacture at sufficient scale, if any product candidate is approved, including as a result of inflation, any supply chain issues or component shortages;
- requirements of regulatory authorities in any additional jurisdictions in which we may seek approval for MLS-101 and any future product candidates and our anticipated timing for seeking approval in such jurisdictions;
- the costs, timing and outcome of regulatory meetings and reviews of MLS-101 or any future product candidates;
- any delays and cost increases that may result from the COVID-19 or any future pandemic;
- the costs of obtaining, maintaining, enforcing and protecting our patents and other intellectual property and proprietary rights;
- our efforts to enhance operational systems and hire additional personnel to satisfy our obligations as a public company, including enhanced internal control over financial reporting;
- the costs associated with hiring additional personnel and consultants as our business grows, including additional executive officers and clinical development, regulatory, CMC quality and commercial personnel;
- the timing and amount of the milestone, royalty or other payments we must make to Mitsubishi Tanabe, from whom we have in-licensed MLS-101, or any future licensors;
- the costs and timing of establishing or securing sales and marketing capabilities if MLS-101 or any future product candidate is approved;
- our ability to achieve sufficient market acceptance, coverage and adequate reimbursement from third-party payors and adequate market share and revenue for any approved products;
- our ability and strategic decision to develop future product candidates other than MLS-101, and the timing of such development, if any;
- patients' willingness to pay out-of-pocket for any approved products in the absence of coverage and/or adequate reimbursement from third-party payors;
- the terms and timing of establishing and maintaining collaborations, licenses and other similar arrangements; and
- costs associated with any products or technologies that we may in-license or acquire.

Conducting clinical trials and preclinical studies and potentially identifying future product candidates is a time consuming, expensive and uncertain process that takes years to complete, and we may never generate the necessary data or results required to obtain regulatory approval and commercialize MLS-101 or any future product candidates. If approved, MLS-101 and any future product candidates may not achieve commercial success. Our commercial revenue, if any, will initially be derived from sales of MLS-101, which we do not expect to be commercially available for many years, if at all. Accordingly, we will need to continue to rely on additional financing to achieve our business objectives. Adequate additional financing may not be available to us on acceptable terms, or at all.

Raising additional capital may cause dilution to our stockholders, including purchasers of common stock in this offering, restrict our operations or require us to relinquish rights to our technologies or product candidates.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through equity offerings, debt financings, or other capital sources, including potential collaborations, licenses and other similar arrangements. We do not have any committed external source of funds. To the extent that we raise

additional capital through the sale of equity or convertible debt securities, your ownership interest may be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as a common stockholder. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. Such restrictions could adversely impact our ability to conduct our operations and execute our business plan.

If we raise additional funds through future collaborations, licenses and other similar arrangements, we may be required to relinquish valuable rights to our future revenue streams, product candidates, research programs, intellectual property or proprietary technology, or grant licenses on terms that may not be favorable to us and/or that may reduce the value of our common stock. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed or on terms acceptable to us, we would be required to delay, limit, reduce, or terminate our product development or future commercialization efforts, or grant rights to develop and market product candidates that we might otherwise prefer to develop and market ourselves, or on less favorable terms than we would otherwise choose.

Risks Related to the Development and Regulatory Approval of Our Product Candidates

We currently depend entirely on the success of MLS-101, which is our only product candidate. If we are unable to advance MLS-101 in clinical development, obtain regulatory approval and ultimately commercialize MLS-101, or experience significant delays in doing so, our business will be materially harmed.

We currently only have one product candidate, MLS-101, the intellectual property for which we have in-licensed and which is in Phase 2 clinical development. Our business presently depends entirely on our ability to successfully develop, obtain regulatory approval for, and commercialize MLS-101 in a timely manner. This may make an investment in our company riskier than similar companies that have multiple product candidates in active development and may be able to better sustain the delay or failure of a lead product candidate. In addition, our assumptions about MLS-101's development potential are partially based on the data generated from preclinical studies and clinical trials conducted by our licensor and we may observe materially and adversely different results as we continue to conduct our clinical trials. The success of MLS-101 will depend on several factors, including the following:

- successful initiation and enrollment of clinical trials and completion of clinical trials with favorable results;
- acceptance of regulatory submissions by the FDA or comparable foreign regulatory authorities for the conduct of preclinical studies and clinical trials of MLS-101 and our proposed design of planned clinical studies and clinical trials of MLS-101;
- the frequency and severity of adverse events in preclinical and clinical trials;
- maintaining relationships with preclinical vendors to ensure successful completion of preclinical studies with favorable results, including toxicology and other studies designed to be compliant with good laboratory practices (GLP);
- maintaining and establishing relationships with contract research organizations (CROs) and clinical sites for the clinical development of MLS-101, and ability of such CROs and clinical sites to comply with clinical trial protocols, current Good Clinical Practice (GCP) and other applicable requirements;
- demonstrating the safety and efficacy of MLS-101 to the satisfaction of applicable regulatory authorities, including by establishing a safety database of a size satisfactory to regulatory authorities;
- receipt and maintenance of marketing approvals from applicable regulatory authorities for the initial and any additional indications;
- maintain relationships with our third-party manufacturers and their ability to comply with current Good Manufacturing Practices (cGMP) as well as making arrangements with our third-party manufacturers

for, or establishing our own, commercial manufacturing capabilities at a cost and scale sufficient to support commercialization;

- establishing sales, marketing and distribution capabilities and launching commercial sales of MLS-101, if and when approved, whether alone or in collaboration with others;
- obtaining, establishing, maintaining and enforcing patent and any potential trade secret protection or regulatory exclusivity for MLS-101;
- maintaining an acceptable safety profile of MLS-101 following regulatory approval, if any;
- maintaining and growing an organization of people who can develop and, if approved, commercialize, market and sell MLS-101; and
- acceptance of our products, if approved, by patients, the medical community and third-party payors.

If we are unable to develop, receive marketing approval for and successfully commercialize MLS-101, or if we experience delays as a result of any of the above factors or otherwise, our business would be significantly harmed.

Clinical and preclinical development involves a lengthy and expensive process with uncertain timelines and outcomes, and results of prior clinical trials and studies of MLS-101 are not necessarily predictive of future results. MLS-101 may not achieve favorable results in our nonclinical studies or clinical trials or receive regulatory approval on a timely basis, if at all.

Clinical and preclinical development is expensive and can take many years to complete, and its outcome is inherently uncertain. We cannot guarantee that any clinical trials or preclinical studies will be conducted as planned or completed on schedule, if at all, and failure can occur at any time during the trial or study process. Despite promising preclinical or clinical results, any product candidate can unexpectedly fail at any stage of clinical development. The historical failure rate for product candidates in our industry is high, particularly in the earlier stages of development.

The results from preclinical studies or clinical trials of a product candidate or a competitor's product candidate in the same class may not predict the results of later clinical trials of our product candidate, and interim, topline, or preliminary results of a clinical trial are not necessarily indicative of final results. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy characteristics despite having progressed through preclinical studies and initial clinical trials. For example, while we have completed the Target-HTN Phase 2 clinical trial of MLS-101, with 200 patients who had either completed eight weeks of treatment in, or withdrew from the trial, this population represents a small sample size relative to our targeted enrollment for our future planed clinical trials. As a result, we do not know how MLS-101 will perform in future clinical trials. It is not uncommon to observe results in clinical trials that are unexpected based on earlier clinical trials and preclinical studies, and many product candidates fail in clinical trials despite very promising early results. A number of companies in the biopharmaceutical and biotechnology industries have suffered significant setbacks in clinical development even after achieving promising results in earlier studies. Based upon negative or inconclusive results, we or any future collaborator may decide, or regulators may require us, to conduct additional preclinical studies or clinical trials, which would cause us to incur additional operating expenses and delays and may not be sufficient to support regulatory approval on a timely basis or at all.

As a result, we cannot be certain that our ongoing and planned clinical trials and preclinical studies will be successful. Any safety concerns observed in any one of our clinical trials in our targeted indications could limit the prospects for regulatory approval of MLS-101 in those and other indications, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Any difficulties or delays in the commencement or completion, or the termination or suspension, of our current or planned clinical trials or preclinical studies could result in increased costs to us, delay or limit our ability to generate revenue or adversely affect our commercial prospects.

Before obtaining marketing approval from regulatory authorities for the sale of MLS-101 or any future product candidates, we must conduct extensive clinical trials to demonstrate the safety and efficacy of the product candidates in humans. Before we can initiate clinical trials for any future product candidates, we must submit the results of preclinical studies to the FDA or comparable foreign regulatory authorities along with other information, including information about product candidate chemistry, manufacturing and controls and our proposed clinical trial protocol, as part of an investigational new drug application (IND) or similar regulatory submission. The FDA or comparable foreign regulatory authorities may require us to conduct additional preclinical studies for any product candidate before it allows us to initiate clinical trials under any IND or similar regulatory submission, which may lead to delays and increase the costs of our preclinical development programs. Moreover, even if we commence clinical trials, issues may arise that could cause regulatory authorities to suspend or terminate such clinical trials. Any such delays in the commencement or completion, or the termination or suspension, of our ongoing and planned clinical trials or preclinical studies for MLS-101 and any future product candidate could significantly affect our product development timelines and product development costs.

We do not know whether our planned clinical trials and preclinical studies will begin on time or be completed on schedule, if at all. The commencement, data readouts and completion of clinical trials and preclinical studies can be delayed for a number of reasons, including delays related to:

- inability to obtain animals or materials to initiate and generate sufficient preclinical, toxicology, or other in vivo or in vitro data to support the initiation or continuation of clinical trials;
- obtaining allowance from regulatory authorities to commence a trial or reaching a consensus with regulatory authorities on trial design;
- the FDA or comparable foreign regulatory authorities disagreeing as to the design or implementation of our clinical trials;
- any failure or delay in reaching an agreement with CROs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- delays in identifying, recruiting and training suitable clinical investigators;
- obtaining approval from one or more institutional review boards (IRBs) or ethics committees (EC) at clinical trial sites;
- IRBs/ECs refusing to approve, suspending or terminating the trial at an investigational site, precluding enrollment of additional subjects, or withdrawing their approval of the trial;
- major changes or amendments to the clinical trial protocol;
- clinical sites deviating from the trial protocol or dropping out of a trial;
- failure by our CROs to perform in accordance with cGCP requirements or applicable regulatory guidelines in other countries;
- obtaining raw materials for manufacturing sufficient quantities of MLS-101 or obtaining sufficient quantities of combination therapies or other materials needed for use in clinical trials and preclinical trials;
- obtaining adequate materials for packaging clinical trial material;
- expiration of the shelf life of clinical material for use in clinical trials prior to the enrollment of any of our clinical trials;

- subjects failing to enroll or remain in our trials at the rate we expect, or failing to return for post-treatment follow-up, including subjects failing to remain in our trials due to movement restrictions, heath reasons or otherwise resulting from the COVID-19 pandemic or any future public health concerns;
- individuals choosing an alternative product for the indications for which we are developing MLS-101 or any future product candidates, or participating in competing clinical trials;
- lack of adequate funding to continue the clinical trials, preclinical trials, manufacturing or incurring greater costs than we anticipate;
- subjects experiencing severe or serious unexpected drug-related adverse effects;
- occurrence of serious adverse events in trials of the same class of agents conducted by other companies that could be considered similar to MLS-101 or any future product candidates;
- selection of clinical endpoints that require prolonged periods of clinical observation or extended analysis of the resulting data;
- transfer of manufacturing processes to larger-scale facilities operated by a contract manufacturing organization (CMO), delays or failure by our CMOs or us to make any necessary changes to such manufacturing process, or failure of our CMOs to produce clinical trial materials in accordance with current good manufacturing practice (cGMP) regulations or other applicable requirements; and
- third parties being unwilling or unable to satisfy their contractual obligations to us in a timely manner.

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

Clinical trials must be conducted in accordance with the FDA and other applicable regulatory authorities' legal requirements, regulations or guidelines, and are subject to oversight by these governmental agencies and Ethics Committees or IRBs at the medical institutions where the clinical trials are conducted. We could also encounter delays if a clinical trial is suspended or terminated by us, by the IRBs of the institutions in which such trials are being conducted, by a Data Safety Monitoring Board for such trial or by the FDA or comparable foreign regulatory authorities. Such authorities may impose such a suspension or termination due to a number of factors, including failure to conduct the clinical trial in accordance GCP and other with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the FDA or comparable foreign regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. For example, the IRB for theMLS-101 Phase 2 clinical trial terminated one of the clinical sites due to failure to comply with the study protocol and GCP. In addition, changes in regulatory requirements and policies may occur, and we may need to amend clinical trial protocols to comply with these changes. Amendments may require us to resubmit our clinical trial protocols to IRBs for reexamination, which may impact the costs, timing or successful completion of a clinical trial.

Further, conducting clinical trials in foreign countries, as has been done for MLS-101 and intended to be done in the future for MLS-101 or any future product candidates, presents additional risks that may delay completion of our clinical trials. These risks include the failure of enrolled subjects in foreign countries to adhere to clinical protocols as a result of differences in healthcare services or cultural customs, managing additional administrative burdens associated with foreign regulatory schemes, and political and economic risks, including war, relevant to such foreign countries.

Moreover, principal investigators for our clinical trials may serve as scientific advisors or consultants to us from time to time and receive compensation in connection with such services. Under certain circumstances, we may be required to report some of these relationships to the FDA or comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authority may conclude that a financial relationship between us and a principal

investigator has created a conflict of interest or otherwise affected interpretation of the study. The FDA or comparable foreign regulatory authority may therefore question the integrity of the data generated at the applicable clinical trial site and the utility of the clinical trial itself may be jeopardized. This could result in a delay in approval, or rejection, of our marketing applications by the FDA or comparable foreign regulatory authority, as the case may be, and may ultimately lead to the denial of marketing approval of one or more of our product candidates.

In addition, many of the factors that cause, or lead to, the termination or suspension of, or a delay in the commencement or completion of, clinical trials may also ultimately lead to the denial of regulatory approval of a product candidate. We may make formulation or manufacturing changes to MLS-101 or any future product candidates, in which case we may need to conduct additional preclinical studies or clinical trials to bridge our modified product candidates to earlier versions. Any resulting delays to our clinical trials could shorten any period during which we may have the exclusive right to commercialize our product candidates. In such cases, our competitors may be able to bring products to market before we do, and the commercial viability of MLS-101 or any future product candidates could be significantly reduced. Any of these occurrences may harm our business, financial condition and prospects.

We may find it difficult to enroll patients in our clinical trials. If we encounter difficulties or delays enrolling patients in our clinical trials, our clinical development activities could be delayed or otherwise adversely affected.

Successful and timely completion of clinical trials will require that we identify and enroll a specified number of patients for each of our clinical trials. We may not be able to initiate or continue clinical trials for MLS-101 or any future product candidates if we are unable to identify and enroll a sufficient number of eligible patients to participate in these trials as required by the FDA or similar regulatory authorities outside the United States. Subject enrollment, a significant factor in the timing of clinical trials, is affected by many factors, including the size and characteristics of the patient population, the proximity of patients to clinical sites, the eligibility and exclusion criteria for the trial, the design of the clinical trial, the ability to obtain and maintain informed consents, the risk that enrolled patients will not complete a clinical trial, our ability to recruit clinical trial investigators with the appropriate competencies and experience, and competing clinical trials and clinicians' and patients' perceptions as to the potential advantages and risks of the product candidate being studied in relation to other available therapies, including any new products that may be approved for the indications we are investigating as well as any product candidates under development. We will be required to identify and enroll a sufficient number of patients for each of our clinical trials and monitor such patients adequately during and after treatment. Potential patients for any planned clinical trials may not be adequately diagnosed or identified with the diseases which we are targeting, which could adversely impact the outcomes of our trials and could have safety concerns for the potential patients. Potential patients for any planned clinical trials may also not meet the entry criteria for such trials.

Additionally, other pharmaceutical companies targeting these same diseases are recruiting clinical trial patients from these patient populations, which may make it more difficult to fully enroll our clinical trials. We may not be able to initiate or continue clinical trials if we are unable to locate a sufficient number of eligible patients to participate in the clinical trials required by the FDA or comparable foreign regulatory authorities. In addition, the process of finding and recruiting patients may prove costly. The timing of our clinical trials depends, in part, on the speed at which we can recruit patients to participate in our trials, as well as completion of required follow-up periods. The eligibility criteria of our clinical trials, once established, may further limit the pool of available trial participants. If patients are unwilling or unable to participate in our trials for any reason, including the existence of concurrent clinical trials for similar target populations, the availability of approved or authorized therapies, the effects of the COVID-19 pandemic, or the fact that enrolling in our trials may prevent patients from taking a different product, or we otherwise have difficulty enrolling a sufficient number of patients, the timeline for recruiting patients, conducting trials and obtaining regulatory approval of our product candidates may be delayed. Our inability to enroll a specified number of patients for any of our future clinical trials would result in significant delays or may require us to abandon one or more clinical trials altogether. In addition, we rely on, and will continue to rely on, CROs and clinical trial sites to ensure proper and timely conduct of our clinical trials and preclinical studies. Though we have entered into agreements governing their services, we will have limited influence over their actual performance.

We cannot assure you that our assumptions used in determining expected clinical trial timelines are correct or that we will not experience delays or difficulties in enrollment, or be required by the FDA or other regulatory authority to increase our enrollment, which would result in the delay of completion of such trials beyond our expected timelines.

Use of MLS-101 or any future product candidates could be associated with adverse side effects, adverse events or other properties or safety risks, which could delay or preclude regulatory approval, cause us to suspend or discontinue clinical trials, abandon a product candidate, limit the commercial profile of an approved label or result in other significant negative consequences that could severely harm our business, prospects, operating results and financial condition.

As is the case with biopharmaceuticals generally, it is likely that there may be adverse side effects associated with MLS-101 or any future product candidates' use. Results of our clinical trials could reveal a high and unacceptable severity and prevalence of expected or unexpected side effects or unexpected characteristics. Undesirable side effects caused by our product candidates when used alone or in combination with approved or investigational drugs could cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label, or lead to the delay or denial of regulatory approval by the FDA or comparable foreign regulatory authorities. The drug-related side effects could affect patient recruitment or the ability of enrolled patients to complete the trial or result in potential product liability claims. Any of these occurrences could severely harm our business, prospects, operating results and financial condition.

Moreover, if MLS-101 or any future product candidates are associated with undesirable side effects in clinical trials or demonstrate characteristics that are unexpected, we may elect to abandon their development or limit their development to more narrow uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe or more acceptable from a risk-benefit perspective, which may limit the commercial expectations for the product candidate if approved. We may also be required to modify our development and clinical trial plans based on findings in our ongoing clinical trials. Many compounds that initially showed promise in early-stage testing have later been found to cause side effects that prevented further development of the compounds.

It is possible that as we test MLS-101 or any future product candidates in larger, longer and more extensive clinical trials, including with different dosing regimens, or as the use of these product candidates becomes more widespread following any regulatory approval, more illnesses, injuries, discomforts and other adverse events than were observed in earlier trials, as well as new conditions that did not occur or went undetected in previous trials, may be discovered. If such side effects become known later in development or upon approval, if any, such findings may harm our business, financial condition and prospects significantly.

In addition, if MLS-101 or any future product candidates receives marketing approval, and we or others later identify undesirable side effects caused by such product, a number of potentially significant negative consequences could result, including:

- regulatory authorities may withdraw, suspend or limit approvals of such product, or seek an injunction against its manufacture or distribution;
- we may be required to recall a product or change the way such product is administered to patients;
- regulatory authorities may require additional warnings on the label, such as a "black box" warning or a contraindication;
- we may be required to change the way a product is distributed or administered, conduct additional clinical trials or change the labeling of a product or be required to conduct additional post-marketing studies or surveillance;
- we could be sued and held liable for harm caused to patients;
- sales of the product may decrease significantly or the product could become less competitive; and

- our reputation may suffer.

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

We may not be successful in our efforts to investigate MLS-101 in additional indications. We may expend our limited resources to pursue, acquire or license a new product candidate or a particular indication for MLS-101 and fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we focus on specific indications for MLS-101. We may fail to generate additional clinical development opportunities for MLS-101 for a number of reasons, including that MLS-101 may in indications we are seeking or may seek in the future, on further study, be shown to have harmful side effects, limited to no efficacy, or other characteristics that suggest it is unlikely to receive marketing approval and achieve market acceptance in such additional potential indications. Our resource allocation and other decisions may cause us to fail to identify and capitalize on viable potential product candidates or additional indications for MLS-101. Our spending on current and future research and development programs for new product candidates or additional indications for existing product candidates may not yield any commercially viable product candidates or indications. If we do not accurately evaluate the commercial potential or target market for a particular indication or product candidate, we may fail to develop such product candidate or indication, or relinquish valuable rights to that product candidate through collaborations, license agreements and other similar arrangements in cases where it would have been more advantageous for us to retain sole development and commercialization rights to such indication or product candidate, or negotiate less advantageous terms for any such arrangements than is optimal.

Additionally, we may pursue additional in-licenses or acquisitions of development-stage assets or programs, which entails additional risk to us. Identifying, selecting and acquiring promising product candidates requires substantial technical, financial and human resources expertise. Efforts to do so may not result in the actual acquisition or license of a particular product candidate, potentially resulting in a diversion of our management's time and the expenditure of our resources with no resulting benefit. For example, if we are unable to identify programs that ultimately result in approved products, we may spend material amounts of our capital and other resources evaluating, acquiring and developing products that ultimately do not provide a return on our investment.

We intend to conduct some of our clinical trials for MLS-101 outside of the United States. However, the FDA and other foreign equivalents may not accept data from such trials, in which case our development plans will be delayed, which could materially harm our business.

We intend to conduct one or more of our clinical trials for our MLS-101 product candidate outside the United States. The acceptance of study data from clinical trials conducted outside the U.S. or another jurisdiction by the FDA or comparable foreign regulatory authority may be subject to certain conditions or may not be accepted at all. In cases where data from foreign clinical trials are intended to serve as the sole basis for marketing approval in the U.S., the FDA will generally not approve the application on the basis of foreign data alone unless (i) the data are applicable to the U.S. population and U.S. medical practice; (ii) the trials were performed by clinical investigators of recognized competence and pursuant to GCP regulations; and (iii) the data may be considered valid without the need for an on-site inspection by the FDA, or if the FDA considers such inspection to be necessary, the FDA is able to validate the data through an on-site inspection or other appropriate means. In addition, even where the foreign study data are not intended to serve as the sole basis for approval, the FDA will not accept the data as support for an application for marketing approval unless the study is well-designed and well-conducted in accordance with GCP requirements and the FDA is able to validate the data from the study through an onsite inspection if deemed necessary. Many foreign regulatory authorities have similar approval requirements. There can be no assurance that the FDA or any comparable foreign regulatory authority will accept data from trials conducted outside of the U.S. or the applicable jurisdiction. If the FDA or any comparable foreign regulatory authority does not accept such data, it would result in the need for additional trials, which could be costly and time-consuming, and which may result in current or future product candidates that we may develop not receiving approval for commercialization in the

applicable jurisdiction. In addition, such foreign trials would be subject to the applicable local laws of the foreign jurisdictions where the trials are conducted, which may increase costs or time required to complete the clinical trial.

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

- additional foreign regulatory requirements;
- foreign exchange fluctuations;
- compliance with foreign manufacturing, customs, shipment and storage requirements;
- inconsistent standards for reporting and evaluating clinical data and adverse events;
- COVID-19 or any other pandemic or any future public health concerns;
- diminished protection of intellectual property in some countries; and
- political instability, civil unrest, war or similar events that may jeopardize our ability to commence, conduct or complete a clinical trial and evaluate resulting data.

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

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

Interim data from clinical trials that we may complete are further subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Adverse differences between interim, topline, or preliminary data and final data could significantly harm our business prospects. Further, disclosure of interim data by us or by our competitors could result in volatility in the price of our common stock.

In addition, others, including regulatory authorities, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability or commercialization of the particular product candidate or product and our company in general. Moreover, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and you or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular drug, product candidate or our business. If the interim, topline, or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, MLS-101 and any future product candidates may be harmed, which could harm our business, operating results, prospects or financial condition.

Changes in methods of product candidate manufacturing or formulation may result in additional costs or delay.

As product candidates progress through clinical trials to marketing approval and commercialization, it is common that various aspects of the development program, such as manufacturing methods and formulation, are altered along the way in an effort to optimize safety, efficacy, yield and manufacturing batch size, minimize costs and achieve consistent quality and results. For example, the manufacturing process being used to produce clinical material for our planned clinical trials is different than that used in prior trials of MLS-101. There can be no assurance that such changes will achieve these intended objectives. These changes and any future changes we may make to MLS-101 or any future product candidates may also cause such candidates to perform differently and affect the results of future clinical trials conducted with the altered materials. Such changes or related unfavorable clinical trial results could delay initiation or completion of additional clinical trials, require the conduct of bridging studies or clinical trials or the repetition of one or more studies or clinical trials, increase development costs, delay or prevent potential marketing approval and jeopardize our ability to commercialize MLS-101 or any future product candidates, if approved, and generate revenue.

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

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

Separately, in response to the COVID-19 pandemic, in March 2020, the FDA postponed most inspections of foreign and domestic manufacturing facilities. Subsequently, in July 2020, the FDA resumed certain on-site inspections of domestic manufacturing facilities subject to a risk-based prioritization system. The FDA utilized this risk-based assessment system to assist in determining when and where it was safest to conduct prioritized domestic inspections. Additionally, on April 15, 2021, the FDA issued a guidance document in which the FDA described its plans to conduct voluntary remote interactive evaluations of certain drug manufacturing facilities and clinical research sites, among other facilities. According to the guidance, the FDA may request such remote interactive evaluations where the FDA determines that remote evaluation would be appropriate based on mission needs and travel limitations. In July 2021, the FDA resumed standard inspectional operations of domestic facilities. More recently, the FDA has continued to monitor and implement changes to its inspectional activities to ensure the safety of its employees and those of the firms it regulates as it adapts to the evolving COVID-19 pandemic. Regulatory authorities outside the United States may adopt similar restrictions or other policy measures in response to the COVID-19 pandemic. If a prolonged government shutdown occurs, or if global health concerns continue to prevent the FDA or other regulatory authorities from conducting their regular inspections, reviews or other regulatory activities, it could significantly impact the ability of the FDA or other regulatory authorities to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

Risks Related to Our Reliance on Third Parties

We heavily rely on our exclusive license with Mitsubishi Tanabe to provide us with intellectual property rights to develop and commercialize MLS-101. If this license is terminated, we would lose our rights to develop and commercialize MLS-101.

Pursuant to our license with Mitsubishi Tanabe (the Mitsubishi License), we have, among other things, secured an exclusive, royalty-bearing license from Mitsubishi Tanabe under certain patents and know-how relating to MLS-101 to commercialize MLS-101 globally for the prevention, treatment, diagnosis, detection, monitoring or predisposition testing with respect to indications, diseases and conditions in humans (the Field). The Mitsubishi License expires on a country-by-country basis and product-by-product basis upon the expiration of the applicable royalty term with respect to each product in each country, as applicable, or in its entirety upon the expiration of the royalty term with respect to the last product commercialized in the last country, unless terminated earlier. We may terminate the Mitsubishi License in its entirety or on a Product-by-Product or country-by-country basis at our discretion upon (i) ninety days prior written notice to Mitsubishi Tanabe with respect to any country for which there is not a Product approved by the Regulatory Authority, and (ii) one hundred and eighty days prior written notice to Mitsubishi Tanabe with respect to any country for which there is a Product approved by the Regulatory Authority. We and Mitsubishi Tanabe may terminate the Mitsubishi License in the case of the other party's insolvency, or upon prior written notice within a specified time period for the other party's material uncured breach. Mitsubishi Tanabe may terminate the Mitsubishi License in its entirety if (i) we challenge the licensed patents, or assist any third party in challenging such patents; or (ii) have not initiated regulatory consultation for the first global clinical trials of MLS-101 in at least one major market country within a specified amount of time. In addition, if any of the regulatory milestones or other cash payments become due under the terms of the Mitsubishi License, and we do not have sufficient funds available to meet our obligations, Mitsubishi Tanabe has the right to terminate the Mitsubishi License upon our uncured failure to pay Mitsubishi Tanabe. If the Mitsubishi License is terminated, we would lose our rights to develop and commercialize MLS-101, which in turn would have a material adverse effect on our business, financial condition, results of operations and prospects, including, but not limited to, cessation of our operations to the extent we are unable to develop other product candidates at the time of such termination.

Additionally, pursuant to the license agreement with Mitsubishi Tanabe, if we elect to sublicense our rights under the Mitsubishi License to a third party with respect to exploitation of MLS-101 or any MLS-101 Product in certain countries in Asia, we agreed to negotiate such a sublicense first, for a specified period of time, with Mitsubishi Tanabe, if Mitsubishi Tanabe notifies us that it would like to obtain such a sublicense. We also agreed not to commercialize any competing product prior to three years following the first commercial sale of the first MLS-101 Product in any country without Mitsubishi Tanabe's prior consent. Lastly, if Mitsubishi Tanabe is interested in obtaining rights to any product or compound other than an MLS-101 Product, in the Field, which we may develop in the future, we are obligated to negotiate with Mitsubishi Tanabe in good faith for a certain period of time to provide it a non-exclusive, royalty-bearing license under certain of our know-how and patents to exploit such product or compound on terms and conditions to be mutually agreed to by the parties in their discretion. Accordingly, we may be obligated to enter into collaborations with Mitsubishi Tanabe in the future, even if we prefer another counterparty for strategic or other reasons, we are obligated to license certain of our future product candidates (if any) even if we would prefer to retain the use of such intellectual property, and we may not commercialize competing products for a certain period of time, even if we believe this presents a commercial opportunity. For additional information on the Mitsubishi License, see "Business—License Agreement with Mitsubishi Tanabe."

We rely on, and intend to continue to rely on third parties to conduct, supervise and monitor our clinical trials and preclinical studies. If these third parties do not successfully carry out their contractual duties, comply with applicable regulatory requirements or meet expected deadlines, our development programs and our ability to seek or obtain regulatory approval for or commercialize MLS-101 and any future product candidates may be delayed or subject to increased costs, each of which may have an adverse effect on our business and prospects.

We are dependent on third parties to conduct our clinical trials and preclinical studies. Specifically, we rely on, and intend to continue to rely on, medical institutions, clinical investigators, CROs and consultants to conduct preclinical studies and clinical trials, in each case in accordance with our clinical protocols and regulatory

requirements. These CROs, investigators and other third parties play a significant role in the conduct and timing of these trials and subsequent collection and analysis of data. Though we expect to carefully manage our relationships with our CROs, investigators and other third parties, there can be no assurance that we will not encounter challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects. Further, while we have and will have agreements governing the activities of our third-party contractors, we have limited influence over their actual performance. Nevertheless, we are responsible for ensuring that each of our clinical trials is conducted in accordance with the applicable protocol and legal, regulatory and scientific standards and requirements, and our reliance on our CROs and other third parties does not relieve us of our regulatory responsibilities. In addition, we and our CROs are required to comply with GLP and GCP requirements, which are regulations and guidelines enforced by the FDA and comparable foreign regulatory authorities for MLS-101 and any future product candidates in clinical development. Regulatory authorities enforce these GCPs through periodic inspections of trial sponsors, principal investigators and trial sites. If we or any of our CROs or trial sites fail to comply with applicable GLP or GCP or other requirements, the clinical data generated in our clinical trials may be deemed unreliable, and the FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. For example, the conduct of the MLS-101 Phase 2 clinical trial at one of our clinical sites was terminated by the IRB following our report to the IRB regarding such site's failure to comply with GCP, which we observed during one of our routine clinical site inspections. Furthermore, our clinical trials must be conducted with products produced under cGMP regulations. Failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process.

There is no guarantee that any of our CROs, investigators or other third parties will devote adequate time and resources to such trials or studies or perform as contractually required. If any of these third parties fail to meet expected deadlines, adhere to our clinical protocols or meet regulatory requirements, or otherwise performs in a substandard manner, our clinical trials may be extended, delayed or terminated. In addition, many of the third parties with whom we contract may also have relationships with other commercial entities, including our competitors, for whom they may also be conducting clinical trials or other development activities that could harm our competitive position. In addition, principal investigators for our clinical trials are expected to serve as scientific advisors or consultants to us from time to time and may receive cash or equity compensation in connection with such services. If these relationships and any related compensation result in perceived or actual conflicts of interest, or the FDA concludes that the financial relationship may have affected the interpretation of the study, the integrity of the data generated at the applicable clinical trial site may be questioned and the utility of the clinical trial itself may be jeopardized, which could result in the delay or rejection by the FDA of any New Drug Application (NDA) we submit. Any such delay or rejection could prevent us from receiving regulatory approval for, or commercializing MLS-101 and any future product candidates.

Our CROs have the right to terminate their agreements with us in the event of an uncured material breach and under other specified circumstances. If any of our relationships with these third parties terminate, we may not be able to enter into arrangements with alternative third parties on commercially reasonable terms, in a timely manner or at all. Switching or adding additional CROs, investigators and other third parties involves additional cost and requires our management's time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays occur, which can materially impact our ability to meet our desired clinical development timelines. Though we work to carefully manage our relationships with our CROs, investigators and other third parties, there can be no assurance that we will not encounter challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects.

We currently rely on a third party for the manufacture of MLS-101 for clinical development and expect to continue to rely on third parties for the foreseeable future. This reliance on third parties increases the risk that we will not have sufficient quantities of MLS-101 or such quantities at an acceptable cost, which could delay, prevent or impair our development or potential commercialization efforts.

We do not own or operate manufacturing facilities and have no plans to develop our own clinical or commercial-scale manufacturing capabilities. We rely on a third party, and expect to continue to rely, on third parties for the manufacture of MLS-101 and related raw materials for clinical development, as well as for

commercial manufacture if MLS-101 or any future product candidates receives marketing approval. The facilities used by third-party manufacturers to manufacture MLS-101 must be approved by the FDA and any comparable foreign regulatory authority pursuant to inspections that will be conducted after we submit an NDA to the FDA or any comparable submission to a foreign regulatory authority. We do not control the manufacturing process of, and are completely dependent on, third-party manufacturers for compliance with cGMP requirements for manufacture of products. If these third-party manufacturers cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or any comparable foreign regulatory authority, they will not be able to secure and/or maintain regulatory approval for their manufacturing facilities. In addition, we have no control over the ability of third-party manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or any comparable foreign regulatory authority does not approve these facilities for the manufacture of MLS-101 or if it withdraws any such approval in the future, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain regulatory approval for or market MLS-101, if approved. Our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, seizures or recalls of MLS-101 or products, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect supplies of our products.

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

- an inability to initiate or continue clinical trials of MLS-101 or any future product candidates;
- delay in submitting regulatory applications, or receiving marketing approvals, for MLS-101 or any future product candidates;
- subjecting third-party manufacturing facilities or our potential future manufacturing facilities to additional inspections by regulatory authorities;
- requirements to cease development or to recall batches of MLS-101 or any future product candidates; and
- in the event of approval to market and commercialize MLS-101 or any future product candidates, an inability to meet commercial demands for MLS-101 or any future product candidates.

In addition, we do not have any long-term commitments or supply agreements with any third-party manufacturers. We may be unable to establish any long-term supply agreements with third-party manufacturers or to do so on acceptable terms, which increases the risk of failing to timely obtain sufficient quantities of MLS-101 or such quantities at an acceptable cost. Even if we are able to establish agreements with third-party manufacturers, reliance on third-party manufacturers entails additional risks, including:

- failure of third-party manufacturers to comply with regulatory requirements and maintain quality assurance;
- breach of the manufacturing agreement by the third party;
- failure to manufacture our product according to our specifications;
- failure to obtain adequate raw materials and other materials required for manufacturing;
- failure to manufacture our product according to our schedule or at all;
- failure to successfully scale up manufacturing capacity, if required;
- misappropriation of our proprietary information, including any potential trade secrets and know-how; and

- termination or nonrenewal of the agreement by the third party at a time that is costly or inconvenient for us.

Any performance failure on the part of our existing or future manufacturers could delay clinical development or marketing approval, or jeopardize our ability to commence or continue commercialization of MLS-101 or any future product candidates, and any related remedial measures may be costly or time consuming to implement. We do not currently have arrangements in place for redundant supply or a second source for all required raw materials used in the manufacture of our product candidates. If our existing or future third-party manufacturers cannot perform as agreed, we may be required to replace such manufacturers and we may be unable to replace them on a timely basis or at all. Without additional suppliers of required raw materials, we may also be unable to meet the commercial needs of a commercial launch of any future product candidates.

In addition, our current and anticipated future dependence upon others for the manufacture of MLS-101 and any future product candidates may adversely affect our future profit margins and our ability to commercialize any products that receive marketing approval on a timely and competitive basis.

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

Because we currently rely on a third party to manufacture MLS-101 and to perform quality testing, we must, at times, share our proprietary technology and confidential information, including potential trade secrets, with them. We seek to protect our proprietary technology, in part, by entering into confidentiality agreements, and, if applicable, material transfer agreements, collaborative research agreements, consulting agreements or other similar agreements with our collaborators, advisors, employees and consultants prior to beginning research or disclosing proprietary information. These agreements typically limit the rights of the third parties to use or disclose our confidential information, including any potential trade secrets. Despite the contractual provisions employed when working with third parties, the need to share trade secrets and other confidential information increases the risk that such trade secrets become known by our competitors or other third parties, are intentionally or inadvertently incorporated into the technology of others or are disclosed or used in violation of these agreements. Given that our proprietary position is based, in part, on our know-how and despite our efforts to protect any potential trade secrets, a competitor's or other third party's discovery of our proprietary technology and confidential information or other unauthorized use or disclosure of such technology or information would impair our competitive position and may have a material adverse effect on our business, financial condition, results of operations and prospects.

We may seek to enter into collaborations, license agreements and other similar arrangements and may not be successful in doing so, and even if we are, we may relinquish valuable rights and may not realize the benefits of such relationships, and our collaborations would be subject to other risks attendant to third party relationships, including inability to prevent or control actions taken or not taken by such third parties which may adversely impact us.

We may seek to enter into collaborations, joint ventures, license agreements and other similar arrangements for the development or commercialization of MLS-101 and any future product candidates, due to capital costs required to develop or commercialize the product candidate or manufacturing constraints. We may not be successful in our efforts to establish or maintain such collaborations because our research and development pipeline may be insufficient, MLS-101 or any future product candidates may be deemed to be at too early of a stage of development for collaborative effort or third parties may not view our product candidates as having the requisite potential to demonstrate safety and efficacy or significant commercial opportunity. In addition, we face significant competition in seeking appropriate strategic partners, and the negotiation process can be time-consuming and complex. Even if we are successful in our efforts to establish such collaborations, the terms that we agree upon may not be favorable to us. For example, we may need to relinquish valuable rights to our future revenue streams, research programs, intellectual property or product candidates, or grant licenses on terms that may not be favorable to us, as part of any such arrangement, and such arrangements may restrict us from entering into additional agreements with other potential collaborators. In addition, if we enter into such collaborations, we will have limited control over the amount and timing of resources that our collaborators will dedicate to the development or commercialization of our

product candidates. Our ability to generate revenue from these arrangements will depend on any future collaborators' abilities to successfully perform the functions assigned to them in these arrangements. We cannot be certain that, following a collaboration, license or strategic transaction, we will achieve an economic benefit that justifies such transaction.

Furthermore, we may not be able to maintain such collaborations if, for example, the development or approval of a product candidate is delayed, the safety of a product candidate is questioned or the sales of an approved product candidate are unsatisfactory.

Collaborations involving MLS-101 or any future product candidates would pose significant risks to us, including the following:

- collaborators have significant discretion in determining the efforts and resources that they will apply to these collaborations;
- collaborators may not perform their obligations as expected or at all;
- we could grant exclusive rights to our collaborators that would prevent us from collaborating with others;
- collaborators may not pursue development and commercialization of any product candidates that achieve regulatory approval or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in the collaborators' strategic focus or available funding, or external factors, such as an acquisition, that divert resources or create competing priorities;
- collaborators may delay clinical trials, provide insufficient funding for a clinical trial program, stop a clinical trial or abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;
- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our product candidates if the collaborators believe that competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than ours;
- product candidates discovered in collaboration with us may be viewed by our collaborators as competitive with their own product candidates or drugs, which may cause collaborators to cease to devote resources to the commercialization of our product candidates;
- a collaborator with marketing and distribution rights to any product candidate that achieves regulatory approval may not commit sufficient resources to the marketing and distribution of such products;
- a collaborator's sales and marketing activities or other operations may not be in compliance with applicable laws, resulting in civil or criminal proceedings;
- disagreements with collaborators, including disagreements over proprietary rights, contract interpretation or the preferred course of development, might cause delays in or termination of the research, development or commercialization of product candidates, might lead to additional responsibilities for us with respect to product candidates, or might result in litigation or arbitration, any of which would be time-consuming and expensive;
- collaborators may not properly enforce, maintain or defend our or their intellectual property rights or may use our or their proprietary information in such a way as to invite litigation that could jeopardize or invalidate such intellectual property or proprietary information or expose us to potential litigation;
- collaborators may infringe, misappropriate or otherwise violate the intellectual property rights of third parties, which may expose us to litigation and potential liability;

- collaborators may not provide us with timely and accurate information regarding development, regulatory or commercialization status or results, which could adversely impact our ability to manage our own development efforts, accurately forecast financial results or provide timely information to our stockholders regarding our out-licensed product candidates;
- we may be required to invest resources and attention into such collaboration, which could distract from other business objectives;
- disputes may arise between the collaborators and us regarding ownership of or other rights in the intellectual property generated in the course of the collaborations;
- collaboration agreements may not lead to development or commercialization of product candidates in the most efficient manner or at all;
- if a collaborator of ours were to be involved in a business combination, the continued pursuit and emphasis on our product development or commercialization program could be delayed, diminished or terminated; and
- collaborations may be terminated, including for the convenience of the collaborator, prior to or upon the expiration of the agreed upon terms and, if terminated, we may find it more difficult to enter into future collaborations or be required to raise additional capital to pursue further development or commercialization of the applicable product candidates.

Any termination of collaborations we enter into in the future, or any delay in entering into collaborations related to MLS-101 or any future product candidates, could delay the development and commercialization of our product candidates and reduce their competitiveness if they reach the market, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Risks Related to Commercialization of MLS-101 and any Future Product Candidates

Even if we receive regulatory approval for MLS-101 or any future product candidates, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense. Additionally, MLS-101 and any future product candidates, if approved, could be subject to labeling and other restrictions on marketing or withdrawal from the market, and we may be subject to penalties if we fail to comply with regulatory requirements or if we experience unanticipated problems with our product candidates, when and if any of them are approved.

Any regulatory approvals that we may receive for MLS-101 or any future product candidates will require the submission of reports to regulatory authorities, subject us to surveillance to monitor the safety and efficacy of the product, may contain significant limitations related to use restrictions for specified age groups, warnings, precautions or contraindications, and may include burdensome post-approval study or risk management requirements. For example, the FDA may require a REMS as a condition of approval of MLS-101 or any future product candidates, which could include requirements for a medication guide, physician communication plans or additional elements to ensure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. In addition, if the FDA or a comparable foreign regulatory authority approves MLS-101 or any future product candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion, import, export and recordkeeping for our products will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, registration, as well as continued compliance with cGMPs and cGCP requirements for any clinical trials that we conduct post-approval. Manufacturers of approved products and their facilities are subject to continual review and periodic, unannounced inspections by the FDA and other regulatory authorities for compliance with cGMP regulations and standards. Failure to comply with regulatory requirements or later discovery of

previously unknown problems with our products, including adverse events of unanticipated severity or frequency, or with our third-party manufacturers or manufacturing processes, may result in, among other things:

- restrictions on the marketing or manufacturing of our products, withdrawal of the product from the market or voluntary or mandatory product recalls;
- restrictions on product distribution or use, or requirements to conduct post-marketing studies or clinical trials;
- restrictions on our ability to conduct clinical trials, including full or partial clinical holds on ongoing or planned trials;
- fines, restitutions, disgorgement of profits or revenue, warning letters, untitled letters, adverse publicity requirements or holds on clinical trials;
- refusal by the FDA or other regulatory authorities to approve pending applications or supplements to approved applications submitted by us or suspension or revocation of approvals;
- product seizure or detention, or refusal to permit the import or export of our products; and
- Injunctions and the imposition of civil or criminal penalties.

The occurrence of any event or penalty described above may inhibit our ability to commercialize MLS-101 or any future product candidates and generate revenue and could require us to expend significant time and resources in response and could generate negative publicity.

The FDA's and other regulatory authorities' policies may change and additional government regulations may be promulgated that could prevent, limit or delay marketing authorization of any product candidates we develop. We also cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may be subject to enforcement action and we may not achieve or sustain profitability.

The FDA and other regulatory agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses.

The FDA and other regulatory agencies strictly regulate the promotional claims that may be made about prescription products, such as MLS-101 or any future product candidates, if approved. In particular, a product may not be promoted for uses that are not approved by the FDA or such other regulatory agencies as reflected in the product's approved labeling. If we receive marketing approval for MLS-101 or any future product candidate, physicians may nevertheless prescribe it to their patients in a manner that is inconsistent with the approved label. If we are found to have promoted such off-label uses, we may become subject to significant liability. The U.S. federal government has levied large civil and criminal fines against companies for alleged improper promotion of off-label use and has enjoined several companies from engaging in off-label promotion. The government has also required companies to enter into consent decrees or imposed permanent injunctions under which specified promotional conduct is changed or curtailed. If we cannot successfully manage the promotion of MLS-101 or any future product candidates, if approved, we could become subject to significant liability, which would materially adversely affect our business and financial condition.

The commercial success of MLS-101 or any future product candidates will depend upon the degree of market acceptance of such product candidates by healthcare providers, product recipients, healthcare payors and others in the medical community. If MLS-101 or any future product candidates fail to achieve the broad degree of adoption by the medical community necessary for commercial success, our operating results and financial condition will be adversely affected, which may delay, prevent or limit our ability to generate revenue and continue our business.

MLS-101 and any future product candidates may not be commercially successful. Even if MLS-101 or any future product candidates receive regulatory approval, they may not gain market acceptance among healthcare providers, individuals within our target population, healthcare payors or the medical community. The commercial success of MLS-101 or any future product candidates will depend significantly on the broad adoption and use of the resulting product by these individuals and organizations for approved indications. The degree of market acceptance of our products will depend on a number of factors, including:

- demonstration of clinical efficacy and safety, including as compared to any more-established products;
- the indications for which our product candidates are approved;
- the limitation of our targeted patient population and other limitations or warnings contained in any FDA-approved labeling;
- acceptance of a new drug for the relevant indication by healthcare providers and their patients;
- the pricing and cost-effectiveness of our products, as well as the cost of treatment with our products in relation to alternative treatments and therapies;
- our ability to obtain and maintain sufficient third-party coverage and adequate reimbursement from government healthcare programs, including Medicare and Medicaid, private health insurers and other third-party payors;
- the willingness of patients to pay all, or a portion of, out-of-pocket costs associated with our products in the absence of sufficient third-party coverage and adequate reimbursement;
- any restrictions on the use of our products, and the prevalence and severity of any adverse effects;
- potential product liability claims;
- the timing of market introduction of our products as well as availability, safety and efficacy of competitive drugs;
- the effectiveness of our or any potential future collaborators' sales and marketing strategies; and
- unfavorable publicity relating to the product.

If MLS-101 or any future product candidate is approved but does not achieve an adequate level of acceptance by physicians, hospitals, healthcare payors or patients, we may not generate sufficient revenue from that product and may not become or remain profitable. Our efforts to educate the medical community and third-party payors regarding the benefits of our products may require significant resources and may never be successful.

The successful commercialization of MLS-101 or any future product candidates, if approved, will depend in part on the extent to which governmental authorities and health insurers establish coverage, adequate reimbursement levels and favorable pricing policies. Failure to obtain or maintain coverage and adequate reimbursement for our products could limit our ability to market those products and decrease our ability to generate revenue.

The availability of coverage and the adequacy of reimbursement by governmental healthcare programs such as Medicare and Medicaid, private health insurers and other third-party payors are essential for most patients to be able to afford prescription medications such as MLS-101 and any future product candidates, if approved. Our ability to achieve coverage and acceptable levels of reimbursement for our products by third-party payors will have an

effect on our ability to successfully commercialize those products. Accordingly, we will need to successfully implement a coverage and reimbursement strategy for any approved product candidate. Even if we obtain coverage for a given product by a third-party payor, the resulting reimbursement payment rates may not be adequate or may require co-payments that patients find unacceptably high.

If we participate in the Medicaid Drug Rebate Program or other governmental pricing programs, in certain circumstances, our products would be subject to ceiling prices set by such programs, which could reduce the revenue we may generate from any such products. Participation in such programs would also expose us to the risk of significant civil monetary penalties, sanctions and fines should we be found to be in violation of any applicable obligations thereunder.

For products administered under the supervision of a physician, obtaining coverage and adequate reimbursement may be particularly difficult because of the higher prices often associated with such drugs. Additionally, separate reimbursement for the product itself or the treatment or procedure in which the product is used may not be available, which may impact physician utilization. We cannot be sure that coverage and reimbursement in the United States, the European Union or elsewhere will be available, or at an acceptable level, for any product that we may develop, and any reimbursement that may become available may be decreased or eliminated in the future.

Third-party payors increasingly are challenging prices charged for biopharmaceutical products and services, and many third-party payors may refuse to provide coverage and reimbursement for particular drugs when an equivalent generic drug or a less expensive therapy is available. It is possible that a third-party payor may consider our products as substitutable and only offer to reimburse patients for the less expensive product. Even if we are successful in demonstrating improved efficacy or improved convenience of administration with our products, pricing of existing drugs may limit the amount we will be able to charge for our products. These payors may deny or revoke the reimbursement status of a given product or establish prices for new or existing marketed products at levels that are too low to enable us to realize an appropriate return on our investment in product development. If reimbursement is not available or is available only at limited levels, we may not be able to successfully commercialize our products and may not be able to obtain a satisfactory financial return on products that we may develop.

There is significant uncertainty related to third-party payor coverage and reimbursement of newly approved products. In the United States, third-party payors, including private and governmental payors, such as the Medicare and Medicaid programs, play an important role in determining the extent to which new drugs will be covered. Some third-party payors may require pre-approval of coverage for new or innovative devices or drug therapies before they will reimburse healthcare providers who use such therapies. It is difficult to predict at this time what third-party payors will decide with respect to the coverage and reimbursement for MLS-101 and any future product candidates.

Obtaining and maintaining reimbursement status is time-consuming, costly and uncertain. The Medicare and Medicaid programs increasingly are used as models for how private payors and other governmental payors develop their coverage and reimbursement policies for drugs. However, no uniform policy for coverage and reimbursement for products exists among third-party payors in the United States. Therefore, coverage and reimbursement for products can differ significantly from payor to payor. As a result, the coverage determination process is often a time consuming and costly process that will require us to provide scientific and clinical support for the use of our products to each payor separately, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance. Furthermore, rules and regulations regarding reimbursement change frequently and, in some cases, at short notice, and we believe that changes in these rules and regulations are likely.

Outside the United States, international operations are generally subject to extensive governmental price controls and other market regulations, and we believe the increasing emphasis on cost-containment initiatives in Europe and other countries has and will continue to put pressure on the pricing and usage of our products candidates, if approved in these jurisdictions. In many countries, the prices of medical products are subject to varying price control mechanisms as part of national health systems. Other countries allow companies to fix their own prices for medical products but monitor and control company profits. Additional foreign price controls or other changes in

pricing regulation could restrict the amount that we are able to charge for our products. Accordingly, in markets outside the United States, if any, the reimbursement for our products may be reduced compared with the United States and may be insufficient to generate commercially reasonable revenue and profits.

Moreover, increasing efforts by governmental and third-party payors in the United States and abroad to cap or reduce healthcare costs may cause such organizations to limit both coverage and the level of reimbursement for newly approved products and, as a result, they may not cover or provide adequate payment for our products. We expect to experience pricing pressures in connection with the sale of any of our products due to the trend toward managed healthcare, the increasing influence of health maintenance organizations and additional legislative changes. The downward pressure on healthcare costs in general, and prescription drugs, surgical procedures and other treatments in particular, has become very intense. As a result, increasingly high barriers are being erected to the entry of new products.

We face significant competition, and if our competitors develop and commercialize technologies or product candidates more rapidly than we do, or their technologies or product candidates are more effective, safer, or less expensive than MLS-101 and any future product candidates we develop, our business and our ability to develop and successfully commercialize products will be adversely affected.

The biopharmaceutical industry is characterized by rapid advancing technologies, intense competition and a strong emphasis on proprietary and novel products and product candidates. Our competitors have developed, are developing or may develop products, product candidates and processes competitive with MLS-101. MLS-101 and any future product candidates that we successfully develop and commercialize will compete with existing therapies and new therapies that may become available in the future. Our competitors include larger and better-funded pharmaceutical, biopharmaceutical, biotechnological and therapeutics companies. Moreover, we may also compete with universities and other research institutions who may be active in research in our target indications and could be in direct competition with us. We also compete with these organizations to recruit management, scientists and clinical development personnel, and our inability to compete successfully could negatively affect our level of expertise and our ability to execute our business plan. We will also face competition in establishing clinical trial sites, enrolling subjects for clinical trials and in identifying and in-licensing intellectual property related to new product candidates, as well as entering into collaborations, joint ventures, license agreements and other similar arrangements. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies.

We believe that our current and future competition for resources and eventually for customers can be grouped into three broad categories:

- companies working to develop aldosterone synthase inhibitors, including Boehringer Ingelheim, CinCor, Damian Pharma and PhaseBio;
- companies with product candidates with other mechanisms of action, including Idorsia, Quantum Genomics, IONIS, Alnylam, Sihuan Pharmaceutical Holdings Group and KBP BioSciences; and
- companies commercializing standard-of-care antihypertensive agents, such as ACE inhibitors, ARBs, thiazide diuretics and calcium channel blockers, many of which are available as generic medicines at very low prices including AstraZeneca, Johnson & Johnson, Merck, Novartis and Pfizer.

Many of our competitors have significantly greater financial, technical, manufacturing, marketing, sales and supply resources or experience than we do. If we successfully obtain approval for MLS-101 or any future product candidate, we will face competition based on many different factors, including the safety and effectiveness of our products, the ease with which our products can be administered, the timing and scope of regulatory approvals for these products, the availability and cost of manufacturing, marketing and sales capabilities, price, reimbursement coverage and patent position. Competing products could present superior treatment alternatives, including by being more effective, safer, more convenient, less expensive or marketed and sold more effectively than any products we may develop. Competing products may render MLS-101 or any future product candidates we develop obsolete or noncompetitive before we recover the expense of developing and commercializing our product candidates. If we are

unable to compete effectively, our opportunity to generate revenue from the sale of our products we may develop, if approved, could be adversely affected.

We currently have no marketing and sales organization and have no experience as a company in commercializing products, and we may need to invest significant resources to develop these capabilities. If we are unable to establish marketing and sales capabilities or enter into agreements with third parties to market and sell our products, we may not be able to generate product revenue.

We have no internal sales, marketing or distribution capabilities, nor have we commercialized a product. If MLS-101 or any future product candidates ultimately receives regulatory approval, we must build a marketing and sales organization with technical expertise and supporting distribution capabilities to commercialize each such product in major markets, which will be expensive and time consuming, or collaborate with third parties that have direct sales forces and established distribution systems, either to augment our own sales force and distribution systems or in lieu of our own sales force and distribution systems. We have no prior experience as a company with the marketing, sale or distribution of biopharmaceutical products and there are significant risks involved in the building and managing of a sales organization, including our ability to hire, retain and incentivize qualified individuals, generate sufficient sales leads, provide adequate training to sales and marketing personnel and effectively manage a geographically dispersed sales and marketing team. Any failure or delay in the development of our internal sales, marketing and distribution capabilities would adversely impact the commercialization of these products. We may not be able to enter into collaborations or hire consultants or external service providers to assist us in sales, marketing and distribution functions on acceptable financial terms, or at all. In addition, our product revenue and our profitability, if any, may be lower if we rely on third parties for these functions than if we were to market, sell and distribute any products that we develop ourselves. We likely will have little control over such third parties, and any of them may fail to devote the necessary resources and attention to sell and market our products effectively. If we are not successful in commercializing our products, either on our own or through arrangements with one or more third parties, we may not be able to generate any future product revenue and we would incur significant additional losses.

If the market opportunities for MLS-101 and any future product candidates are smaller than we believe they are, our revenue may be adversely affected, and our business may suffer.

The precise incidence and prevalence for all the conditions we aim to address with MLS-101 or any future product candidates are unknown. Our projections of both the number of people who have these diseases, as well as the subset of people with these diseases who have the potential to benefit from treatment with our product candidates, are based on a number of internal and third-party estimates. These estimates have been derived from a variety of sources, including the scientific literature, surveys of clinics, patient foundations or market research, and may prove to be incorrect. Further, new trials may change the estimated incidence or prevalence of these indications. While we believe our assumptions and the data underlying our estimates are reasonable, we have not independently verified the accuracy of the third-party data on which we have based our assumptions and estimates, and these assumptions and estimates may not be correct and the conditions supporting our assumptions or estimates may change at any time, including as a result of factors outside our control, thereby reducing the predictive accuracy of these underlying factors. The total addressable market across all of the potential indications for MLS-101 and any future product candidates will ultimately depend upon, among other things, the diagnosis criteria included in the final label for each such product candidate which receives marketing approval for these indications, the availability of alternative treatments and the safety, convenience, cost and efficacy of such product candidates relative to such alternative treatments, acceptance by the medical community and patient access, drug pricing and reimbursement. The number of patients in the United States and other major markets and elsewhere may turn out to be lower than expected, patients may not be otherwise amenable to treatment with our product candidates or new patients may become increasingly difficult to identify or gain access to, all of which would adversely affect our business, financial condition and results of operations.

Our future growth may depend, in part, on our ability to operate in foreign markets, where we would be subject to additional regulatory burdens and other risks and uncertainties.

Our future growth may depend, in part, on our ability to develop and commercialize MLS-101 and any future product candidates in foreign markets. We are not permitted to market or promote any product candidate before we receive regulatory approval from applicable regulatory authorities in foreign markets, and we may never receive such regulatory approvals for MLS-101 or any future product candidates. To obtain separate regulatory approval in many other countries we must comply with numerous and varying regulatory requirements regarding safety and efficacy and governing, among other things, clinical trials, commercial sales, pricing and distribution of MLS-101 and any future product candidates. Approval procedures may be more onerous than those in the United States and may require that we conduct additional preclinical studies or clinical trials. If we obtain regulatory approval of product candidates and ultimately commercialize our products in foreign markets, we would be subject to additional risks and uncertainties, including:

- different regulatory requirements for approval of drugs in foreign countries;
- reduced protection for intellectual property rights;
- the existence of additional third-party patent rights of potential relevance to our business;
- unexpected changes in tariffs, trade barriers and regulatory requirements;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- compliance with export control and import laws and regulations;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenue, and other obligations incident to doing business in another country;
- foreign reimbursement, pricing and insurance regimes;
- workforce uncertainty in countries where labor unrest is common;
- differing regulatory requirements with respect to manufacturing of products;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad;
- business interruptions resulting from geopolitical actions, including war and terrorism, or natural disasters including earthquakes, typhoons, floods and fires; and
- disruptions resulting from the impact of public health pandemics or epidemics (including, for example, the ongoing COVID-19 pandemic).

Risks Related to Our Business Operations and Industry

Our operating results may fluctuate significantly, which makes our future operating results difficult to predict and could cause our operating results to fall below expectations or any guidance we may provide.

Our quarterly and annual operating results may fluctuate significantly, which makes it difficult for us to predict our future operating results. These fluctuations may occur due to a variety of factors, many of which are outside of our control, including, but not limited to:

- the timing and cost of, and level of investment in, research, development, regulatory approval and commercialization activities relating to MLS-101 or any future product candidates, which may change from time to time;
- the timing and success or failure of preclinical studies or clinical trials for MLS-101 or any future product candidates or competing product candidates, or any other change in the competitive landscape of our industry, including consolidation among our competitors or partners;
- coverage and reimbursement policies with respect to MLS-101 or any future product candidates, if approved, and potential future drugs that compete with our products;
- expenditures that we may incur to acquire, develop or commercialize additional product candidates and technologies;
- the level of demand for any approved products, which may vary significantly;
- future accounting pronouncements or changes in our accounting policies;
- the timing and amount of any milestone, royalty or other payments payable by us or due to us under any collaboration, licensing or other similar agreement; and
- changes in general market and economic conditions.

The cumulative effects of these factors could result in large fluctuations and unpredictability in our quarterly and annual operating results. As a result, comparing our operating results on a period-to-period basis may not be meaningful. Investors should not rely on our past results as an indication of our future performance.

This variability and unpredictability could also result in our failing to meet the expectations of industry or financial analysts or investors for any period. If our revenue or operating results fall below the expectations of analysts or investors or below any forecasts we may provide to the market, or if the forecasts we provide to the market are below the expectations of analysts or investors, the price of our common stock could decline substantially. Such a stock price decline could occur even when we have met any previously publicly stated revenue or earnings guidance we may provide.

We are dependent on the services of our management and other clinical and scientific personnel, and if we are not able to retain these individuals or recruit additional management or clinical and scientific personnel, our business will suffer.

Our success depends in part on our continued ability to attract, retain and motivate highly qualified management, clinical and scientific personnel. We are highly dependent upon our senior management, as well as our senior scientists and other members of our management team. The loss of services of any of these individuals could delay or prevent the successful development of MLS-101 or any future product candidates, initiation or completion of our clinical trials and preclinical studies, regulatory approvals or the commercialization of MLS-101 or any of our product candidates. Although we have executed employment agreements or offer letters with each member of our senior management team, these agreements are terminable at will with or without notice and, therefore, we may not be able to retain their services as expected. We do not currently maintain “key person” life insurance on the lives of our executives or any of our employees. This lack of insurance means that we may not have adequate compensation for the loss of the services of these individuals.

In addition, job candidates and existing employees often consider the value of the stock awards they receive in connection with their employment. If the perceived benefits of our stock awards decline, either because we are a public company or for other reasons, it may harm our ability to recruit and retain highly skilled employees. Our employees may be more likely to leave us if the shares they own have significantly appreciated in value relative to the original purchase prices of the shares, or if the exercise prices of the options that they hold are significantly below the market price of our common stock, particularly after the expiration of the lock-up agreements described herein.

We will need to expand and effectively manage our managerial, operational, financial and other resources in order to successfully pursue our clinical development and commercialization efforts. We may not be successful in maintaining our unique company culture and continuing to attract or retain qualified management and scientific and clinical personnel in the future due to the intense competition for qualified personnel among biopharmaceutical, biotechnology and other businesses. Our industry has experienced a high rate of turnover of management personnel in recent years. If we are not able to attract, integrate, retain and motivate necessary personnel to accomplish our business objectives, we may experience constraints that will significantly impede the achievement of our development objectives, our ability to raise additional capital and our ability to implement our business strategy.

We will need to develop and expand our organization, and we may encounter difficulties in managing our growth and expanding our operations successfully, which could disrupt our operations.

As of September 30, 2022, we had 12 full-time employees. As we continue development and pursue the potential commercialization of MLS-101 and any future product candidates, as well as transition to functioning as a public company, we will need to expand our financial, accounting, development, regulatory, manufacturing, information technology, marketing and sales capabilities or contract with third parties to provide these capabilities for us. As our operations expand, we expect that we will need to manage additional relationships with various strategic partners, suppliers and other third parties and we may not be successful in doing so. Our future financial performance and our ability to develop and commercialize MLS-101 and any future product candidates and to compete effectively will depend, in part, on our ability to manage any future growth effectively.

We are subject to various U.S. federal, state and foreign healthcare laws and regulations, which could increase compliance costs, and our failure to comply with these laws and regulations could harm our results of operations and financial condition.

Our business operations and current and future arrangements with investigators, healthcare professionals, consultants, third-party payors, patient organizations and customers expose us to broadly applicable foreign, federal and state fraud and abuse and other healthcare laws and regulations. These laws may constrain the business or financial arrangements and relationships through which we conduct our operations, including how we research, market, sell and distribute any products for which we obtain marketing approval. Such laws include:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons or entities from knowingly and willfully soliciting, offering, receiving or providing any remuneration (including any kickback, bribe or certain rebates), directly or indirectly, overtly or covertly, in cash or in kind, in return for, either the referral of an individual or the purchase, lease, or order, or arranging for or recommending the purchase, lease, or order of any good, facility, item or service, for which payment may be made, in whole or in part, under a federal healthcare program such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of the federal Anti-Kickback Statute or specific intent to violate it in order to have committed a violation;

- the federal false claims laws, including the civil False Claims Act, and civil monetary penalties laws, which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, to the federal government, claims for payment or approval that are false or fraudulent, knowingly making, using or causing to be made or used, a false record or statement material to a false or fraudulent claim, or from knowingly making or causing to be made a false statement to avoid, decrease or conceal an obligation to pay money to the federal government. In addition, the government

may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the civil False Claims Act;

- the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), which imposes criminal and civil liability for, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, or knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement, in connection with the delivery of, or payment for, healthcare benefits, items or services. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;

- the federal Physician Payments Sunshine Act, which requires certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) to report annually to the Centers for Medicare & Medicaid Services (CMS), information related to payments and other "transfers of value" made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician practitioners (physician assistants, nurse practitioners, clinical nurse specialists, certified nurse anesthetists, anesthesiology assistants and certified nurse-midwives), and teaching hospitals and other healthcare providers, as well as ownership and investment interests held by such healthcare professionals and their immediate family members; and

- analogous state and foreign laws and regulations, such as state anti-kickback and false claims laws, which may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers; some state laws require biotechnology companies to comply with the biotechnology industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government and may require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; some state laws that require biotechnology companies to report information on the pricing of certain drug products; and some state and local laws that require the registration or pharmaceutical sales representatives.

Efforts to ensure that our current and future business arrangements with third parties will comply with applicable healthcare and privacy laws and regulations will involve ongoing substantial costs. It is possible that governmental authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If our operations are found to be in violation of any of these laws or any other governmental regulations that may apply to us, we may be subject to significant penalties, including civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, exclusion from participation in government-funded healthcare programs, such as Medicare and Medicaid, integrity oversight and reporting obligations, contractual damages, reputational harm, diminished profits and future earnings and the curtailment or restructuring of our operations. Defending against any such actions can be costly and time-consuming and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired. Further, if any of the physicians or other healthcare providers or entities with whom we expect to do business are found not to be in compliance with applicable laws or regulations, they may be subject to significant criminal, civil or administrative sanctions, including exclusions from government-funded healthcare programs.

Recently enacted legislation, future legislation and healthcare reform measures may increase the difficulty and cost for us to obtain marketing approval for and commercialize MLS-101 and any future product candidates and may affect the prices we may set.

In the United States and some foreign jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes to the healthcare system, including cost-containment measures that may reduce or limit coverage and reimbursement for newly approved drugs and affect our ability to profitably sell any product candidates for which we obtain marketing approval. In particular, there have been and continue to

be a number of initiatives at the U.S. federal and state levels that seek to reduce healthcare costs and improve the quality of healthcare.

For example, in March 2010, the ACA was enacted in the United States. The ACA established an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologic agents; extended manufacturers' Medicaid rebate liability to covered drugs dispensed to individuals who are enrolled in Medicaid managed care organizations; expanded eligibility criteria for Medicaid programs; expanded the entities eligible for discounts under the 340B drug pricing program; increased the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program; established a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in and conduct comparative clinical effectiveness research, along with funding for such research; and establishes a Center for Medicare & Medicaid Innovation at CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending.

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

In addition, other legislative changes have been proposed and adopted since the ACA was enacted. On March 11, 2021, the American Rescue Plan Act of 2021 was signed into law, which eliminates the statutory cap on the Medicaid drug rebate, currently set at 100% of a drug's AMP, beginning January 1, 2024. Further, there has been heightened governmental scrutiny in the United States of pharmaceutical pricing practices in light of the rising cost of prescription drugs. Such scrutiny has resulted in several recent congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient assistance programs, and reform government program reimbursement methodologies for products. Most recently, the Inflation Reduction Act of 2022, or IRA, included a number of significant drug pricing reforms, which include the establishment of a drug price negotiation program within the U.S. Department of Health and Human Services, or HHS (beginning in 2026) that requires manufacturers to charge a negotiated "maximum fair price" for certain selected drugs or pay an excise tax for noncompliance, the establishment of rebate payment requirements on manufacturers under Medicare Parts B and D to penalize price increases that outpace inflation (first due in 2023), and a redesign of the Part D benefit, as part of which manufacturers are required to provide discounts on Part D drugs (beginning in 2025). The IRA permits the HHS Secretary to implement many of these provisions through guidance, as opposed to regulation, for the initial years. Additional drug pricing proposals could appear in future legislation. Further, it is possible that additional governmental action is taken in response to the COVID-19 pandemic.

At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. Legally mandated price controls on payment amounts by third-party payors or other restrictions could harm our business, results of operations, financial condition and prospects. In addition, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other healthcare programs. This could reduce the ultimate demand for MLS-101 and any future product candidates, if approved, or put pressure on our product pricing, which could negatively affect our business, results of operations, financial condition and prospects.

We expect that these new laws and other healthcare reform measures that may be adopted in the future may result in additional reductions in Medicare and other healthcare funding, more rigorous coverage criteria, new

payment methodologies and additional downward pressure on the price that we receive for any approved product. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability or commercialize MLS-101 and any future product candidates, if approved.

If product liability lawsuits are brought against us, we may incur substantial liabilities and may be required to limit, delay or cease commercialization of our products.

We face an inherent risk of product liability as a result of the clinical trials of MLS-101 and any future product candidates and will face an even greater risk if we commercialize our product candidates, especially if our products are prescribed for off-label uses (even if we do not promote such uses). For example, we may be sued if our product candidates allegedly cause injury or are found to be otherwise unsuitable during product testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product candidate, negligence, strict liability and a breach of warranties. Claims may be brought against us by clinical trial participants, patients or others using, administering or selling products that may be approved in the future. Claims could also be asserted under state consumer protection acts.

If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit, delay or cease the commercialization of our products. Even a successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased demand for our products;
- injury to our reputation and significant negative media attention;
- withdrawal of clinical trial participants;
- costs to defend the related litigation;
- a diversion of our management's time and our resources;
- substantial monetary awards to trial participants or product recipients;
- product recalls, withdrawals or labeling, marketing or promotional restrictions;
- significant negative financial impact;
- the inability to commercialize MLS-101 or any future product candidates; and
- a decline in our stock price.

We currently hold approximately $10.0 million in product liability insurance coverage in the aggregate. We may need to increase our insurance coverage as we expand our clinical trials or if we commence commercialization of MLS-101 or any future product candidates. Insurance coverage is increasingly expensive. Our inability to obtain and retain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of MLS-101 or any future product candidates. Although we will maintain such insurance, any claim that may be brought against us could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by our insurance or that is in excess of the limits of our insurance coverage. Our insurance policies will also have various exclusions, and we may be subject to a product liability claim for which we have no coverage. We may have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts.

Our insurance policies are expensive and only protect us from some business risks, which will leave us exposed to significant uninsured liabilities.

We do not carry insurance for all categories of risk that our business may encounter. Some of the policies we currently maintain include property, general liability, employment benefits liability, business automobile, workers' compensation, products liability, malicious invasion of our electronic systems, and directors' and officers', and employment practices insurance. We do not know, however, if we will be able to maintain insurance with adequate levels of coverage. No assurance can be given that an insurance carrier will not seek to cancel or deny coverage after a claim has occurred. Any significant uninsured liability may require us to pay substantial amounts, which would adversely affect our financial position and results of operations.

We and any of our potential future collaborators will be required to report to regulatory authorities if any of our approved products cause or contribute to adverse medical events, and any failure to do so would result in sanctions that would materially harm our business.

If we or any of our potential future collaborators are successful in commercializing our products, the FDA and foreign regulatory authorities would require that we and such collaborators report certain information about adverse medical events if those products may have caused or contributed to those adverse events. The timing of our obligation to report would be triggered by the date we become aware of the adverse event as well as the nature of the event. We and any of our potential future collaborators or CROs may fail to report adverse events within the prescribed timeframe. If we or any of our potential future collaborators or CROs fail to comply with such reporting obligations, the FDA or a foreign regulatory authority could take action, including criminal prosecution, the imposition of civil monetary penalties, seizure of our products or delay in approval or clearance of future products.

We and our service providers may be subject to a variety of privacy and data security laws and contractual obligations, which could increase compliance costs, and our actual or perceived failure to comply with such laws and obligations could subject us to potentially significant liability, fines or penalties and otherwise harm our business.

We and our service providers maintain and will maintain a large quantity of sensitive information, including confidential business and patient health information, in connection with our preclinical studies and clinical trials, and are subject to laws and regulations governing the privacy and security of such information. The global data protection landscape is rapidly evolving, and we and our service providers may be affected by or subject to new, amended or existing laws and regulations in the future, including as our operations continue to expand or if we operate in foreign jurisdictions. These laws and regulations may be subject to differing interpretations, which adds to the complexity of processing personal data. Guidance on implementation and compliance practices are often updated or otherwise revised. This may create uncertainty in our business, affect our ability to operate in certain jurisdictions or to collect, store, transfer, use, share and otherwise process personal information, necessitate the acceptance of more onerous obligations in our contracts, result in liability or impose additional costs on us. The cost of compliance with these laws, regulations and standards is high and is likely to increase in the future. Any failure or perceived failure by us to comply with federal, state or foreign laws or regulation, our internal policies and procedures or our contracts governing our processing of personal information could result in negative publicity, government investigations and enforcement actions, claims by third parties and damage to our reputation, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

As our operations and business grow, we may become subject to or affected by new or additional data protection laws and regulations and face increased scrutiny or attention from regulatory authorities. In the United States, numerous federal and state laws and regulations, including health information privacy laws, data breach notification laws and consumer protection laws (e.g., Section 5 of the Federal Trade Commission Act), that govern the collection, use, storage, transfer, disclosure, protection and other processing of health-related and other personal information could apply to our operations or the operations of our collaborators and third-party providers. In addition, we may obtain health information from third parties (including research institutions from which we obtain clinical trial data) that are subject to privacy and security requirements under HIPAA. Depending on the facts and circumstances, we could be subject to significant penalties if we violate HIPAA.

In addition, certain state laws govern the privacy and security of health-related and other personal information in certain circumstances, some of which may be more stringent, broader in scope or offer greater individual rights with respect to protected health information than HIPAA, many of which may differ from each other, thus, complicating compliance efforts. These laws are evolving rapidly and may differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts. Such laws and regulations will be subject to interpretation by various courts and other governmental authorities, thus creating potentially complex compliance issues for us and our future customers and strategic partners. Failure to comply with these laws, where applicable, can result in the imposition of significant civil and/or criminal penalties and private litigation. By way of example, the California Consumer Privacy Act (CCPA), which went into effect on January 1, 2020, gives California residents individual privacy rights to access and delete their personal information, opt out of certain personal information sharing, and receive detailed information about how their personal information is used. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation. The CCPA may increase our compliance costs and potential liability and many similar laws have been proposed at the federal level and in other states. Further, the California Privacy Rights Act (CPRA) recently passed in California. The CPRA will impose additional data protection obligations on covered businesses, including additional consumer rights processes, limitations on data uses, new audit requirements for higher risk data, and opt outs for certain uses of sensitive data. It will also create a new California data protection agency authorized to issue substantive regulations and could result in increased privacy and information security enforcement. The majority of the provisions of the CPRA will go into effect on January 1, 2023, and additional compliance investment and potential business process changes may be required. Other states are exploring their own laws, which may or may not be similar to the CCPA or the CPRA. In the event that we are subject to or affected by HIPAA, the CCPA, the CPRA or other domestic privacy and data protection laws, any liability from failure to comply with the requirements of these laws could adversely affect our financial condition.

There also are a wide variety of privacy laws in other countries that may impact our operations, now or in the future. For example, in Europe, the General Data Protection Regulation (GDPR) imposes stringent requirements regarding the collection, use, disclosure, storage, transfer or other processing of personal data of individuals within the European Economic Area (EEA), including providing information to individuals regarding data processing activities, implementing safeguards to protect the security and confidentiality of personal data, providing notification of data breaches and taking certain measures when engaging third-party processors. Companies that must comply with the GDPR face increased compliance obligations and risk, including more robust regulatory enforcement of data protection requirements and potential fines for noncompliance of up to €20 million or 4% of the annual global revenue of the noncompliant company, whichever is greater. The GDPR also confers a private right of action in some circumstances on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies and obtain compensation for damages resulting from violations of the GDPR. Among other things, the GDPR requires the establishment of a lawful basis for the processing of data, imposes requirements relating to the consent of the individuals to whom the personal data relates, including detailed notices for clinical trial subjects and investigators, as well as requirements regarding the security of personal data and notification of data processing obligations to the competent national data processing authorities. In addition, the GDPR increases the scrutiny of transfers of personal data from the EEA to the United States and other jurisdictions that the European Commission does not recognize as having “adequate” data protection laws. Recent legal developments in Europe have created complexity and uncertainty regarding transfers of personal data from the EEA to the United States. For example, on July 16, 2020, the Court of Justice of the European Union (CJEU) invalidated the EU-US Privacy Shield Framework (Privacy Shield) under which personal data could be transferred from the EEA to United States entities that had self-certified under the Privacy Shield scheme. While the CJEU upheld the adequacy of the standard contractual clauses (a standard form of contract approved by the European Commission as an adequate personal data transfer mechanism, and potential alternative to the Privacy Shield), it made clear that reliance on the standard contractual clauses alone may not necessarily be sufficient in all circumstances. Use of the standard contractual clauses must now be assessed on a case-by-case basis taking into account the legal regime applicable in the destination country, in particular applicable surveillance laws and rights of individuals, and additional measures and/or contractual provisions may need to be put in place, however, the nature of these additional measures is currently uncertain. The European Commission issued revised standard contractual clauses on June 4, 2021 to account for the decision of the CJEU and recommendations made by the European Data Protection Board. The revised standard contractual clauses must be used for relevant new data transfers beginning on September 27, 2021 and existing

standard contractual clauses arrangements must be migrated to the revised clauses by December 27, 2022. The new standard contractual clauses apply only to the transfer of personal data outside of the EEA and not the United Kingdom; the United Kingdom's Information Commissioner's Office launched a public consultation on its draft revised data transfers mechanisms in August 2021 and the United Kingdom standard contractual clauses came into force in March 2022, with a two-year grace period. There is some uncertainty around whether the revised clauses can be used for all types of data transfers, particularly whether they can be relied on for data transfers to non-EEA entities subject to the GDPR. As supervisory authorities issue further guidance on personal data export mechanisms, including circumstances where the standard contractual clauses cannot be used, and/or start taking enforcement action, we could suffer additional costs, complaints and/or regulatory investigations or fines, and/or if we are otherwise unable to transfer personal data between and among countries and regions in which we operate, it could affect the manner in which we provide our services, the geographical location or segregation of our relevant systems and operations, and could adversely affect our financial results.

Further, following the withdrawal of the United Kingdom from the European Union and the EEA and the end of the transition period, from January 1, 2021, we have to comply with the GDPR and separately the GDPR as implemented in the United Kingdom, which, together with the amended UK Data Protection Act 2018, retains the GDPR in UK national law. The UK GDPR mirrors the fines under the GDPR and has the ability to fine up to the greater of €20 million/£17 million or 4% of global turnover. The relationship between the United Kingdom and the European Union and the EEA in relation to certain aspects of data protection law remains unclear, and it is unclear how United Kingdom data protection laws and regulations will develop in the medium to longer term. The European Commission has adopted an adequacy decision in favor of the United Kingdom, enabling data transfers from EU member states to the United Kingdom without additional safeguards. However, the UK adequacy decision will automatically expire in June 2025 unless the European Commission re-assesses and renews or extends that decision, which could have implications for our transfer of personal data.

In many jurisdictions, enforcement actions and consequences for noncompliance are rising. In the United States, these include enforcement actions in response to rules and regulations promulgated under the authority of federal agencies and state attorneys general and legislatures and consumer protection agencies. In addition, privacy advocates and industry groups have regularly proposed, and may propose in the future, self-regulatory standards that may legally or contractually apply to us. If we fail to follow these security standards, even if no personal information is compromised, we may incur significant fines or experience a significant increase in costs. Many state legislatures have adopted legislation that regulates how businesses operate online, including measures relating to privacy, data security and data breaches. Laws in all U.S. states require businesses to provide notice to customers whose personally identifiable information has been disclosed as a result of a data breach. The laws are not consistent, and compliance in the event of a widespread data breach is costly.

Compliance with U.S. and international data protection laws and regulations could require us to take on more onerous obligations in our contracts, restrict our ability to collect, store, use, transfer, disclose and otherwise process data, update our data privacy and security policies and procedures, or in some cases, impact our ability to operate in certain jurisdictions. Failure by us or our collaborators and our service providers to comply with U.S. and international data protection laws and regulations could result in government enforcement actions (which could include civil or criminal penalties), private litigation and/or adverse publicity and could negatively affect our operating results and business. Moreover, clinical trial subjects about whom we or our potential collaborators obtain information, as well as the providers who share this information with us, may contractually limit our ability to use and disclose such information. Claims that we have violated individuals' privacy rights, failed to comply with data protection laws, or breached our contractual obligations, even if we are not found liable, could be expensive and time consuming to defend, could result in adverse publicity and adversely affect our business, financial condition, results of operations and prospects. Should any of these events occur, they could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our internal information technology systems, or those of any of our service providers, may fail or suffer security breaches, loss or leakage of data and other disruptions, which could result in a material disruption of our product development programs, comprise sensitive information related to our business or prevent us from accessing critical information, potentially exposing us to liability or otherwise adversely affecting our business.

We are increasingly dependent upon information technology systems, infrastructure and data to operate our business. In the ordinary course of business, we collect, store and transmit confidential information (including but not limited to intellectual property, proprietary business information and personal information). It is critical that we do so in a secure manner to maintain the confidentiality and integrity of such confidential information.

Attacks upon information technology systems are increasing in their frequency, levels of persistence, sophistication and intensity, and are being conducted by sophisticated and organized groups and individuals with a wide range of motives and expertise. These attacks can present meaningful risks to our operations, data and commercial information. As a result of the COVID-19 pandemic, we may also face increased cybersecurity risks due to our reliance on internet technology and the number of our employees who are working remotely, which may create additional opportunities for cybercriminals to exploit vulnerabilities. Furthermore, because the techniques used to obtain unauthorized access to, or to sabotage, systems change frequently and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures. We may also experience security breaches that may remain undetected for an extended period. Even if identified, we may be unable to adequately investigate or remediate incidents or breaches due to attackers increasingly using tools and techniques that are designed to circumvent controls, to avoid detection, and to remove or obfuscate forensic evidence. It is not possible to prevent all cybersecurity threats to our information technology systems and information and those of our third-party service providers, over which we exert less control, and any controls we implement to do so may prove to be ineffective.

If any security breach or other incident, whether actual or perceived, were to occur, it could impact our reputation and/or operations, cause us to incur significant costs, including legal expenses, harm customer confidence, hurt our expansion into new markets, cause us to incur remediation costs, or cause us to lose existing customers. For example, the loss of clinical trial data from clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. We also rely on a third party to manufacture MLS-101, and similar events relating to their computer systems could also have a material adverse effect on our business. To the extent that any actual or perceived disruption or security breach affects our systems (or those of our third-party collaborators, service providers, contractors or consultants) or were to result in a loss of or accidental, unlawful or unauthorized access to, use of, release of, or other processing of personally identifiable information, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability, the further development and commercialization of MLS-101 or any future product candidates could be delayed, and we could be subject to significant fines, penalties or liabilities for any noncompliance to certain privacy and security laws.

Further, despite the implementation of security measures, our internal technology systems (including infrastructure) and those of our current and any future CROs and other contractors, consultants and collaborators are vulnerable to breakdown or other damage or interruption from service interruptions, system malfunction, computer viruses, cybersecurity threats (such as ransomware attacks, denial-of-service attacks, cyber-attacks or cyber-intrusions over the Internet, hacking, phishing and other social engineering attacks), unauthorized access or use, natural disasters, terrorism, war and telecommunication and electrical failures. Such information technology systems are additionally vulnerable to security incidents from inadvertent or intentional actions by our employees, contractors, consultants or other third parties. We and certain of our service providers are from time to time subject to cyberattacks and security incidents and we experienced security incidents in the past and may experience security incidents in the future. If a significant system failure, accident or security breach were to occur, it may cause interruptions in our operations or result in the unauthorized disclosure of or access to personally identifiable information or individually identifiable health information, and result in a material disruption of our development programs and our business operations, whether due to a loss of any potential trade secrets or other similar disruptions. Although we currently hold cybersecurity insurance, the costs related to significant security breaches or disruptions could be material and cause us to incur significant expenses.

We have also outsourced elements of our information technology infrastructure, and as a result a number of third-party vendors may or could have access to our confidential information. If our third-party vendors fail to protect their information technology systems and our confidential and proprietary information, we may be vulnerable to disruptions in service and unauthorized access to our confidential or proprietary information and we could incur liability and reputational damage. If the information technology systems of our third-party vendors and other contractors and consultants become subject to disruptions or security breaches, we may have insufficient recourse against such third parties and we may have to expend significant resources to mitigate the impact of such an event, and to develop and implement protections to prevent future events of this nature from occurring. Some of the federal, state and foreign government requirements include obligations of companies to notify individuals of security breaches involving particular categories of personally identifiable information, which could result from breaches experienced by us or by our vendors, contractors, or organizations with which we have formed strategic relationships.

Our business, operations and clinical development timelines and plans are subject to risks arising from the COVID-19 pandemic and other epidemic diseases.

The COVID-19 worldwide pandemic has presented substantial public health and economic challenges and has affected our employees, patients, physicians and other healthcare providers, communities and business operations, as well as the U.S. and global economies and financial markets. International and U.S. governmental authorities in impacted regions have taken, and may in the future continue to take, actions in an effort to slow the spread of COVID-19 and variants of the virus, including issuing varying forms of "stay-at-home" orders, and restricting business functions outside of one's home. To date we have not experienced material disruptions in our business operations. However, while it is not possible at this time to estimate the impact that COVID-19 could have on our business in the future, particularly as we advance MLS-101 through clinical development, the continued spread of COVID-19 and the measures taken by the governmental authorities, and any future epidemic or pandemic disease outbreaks, could disrupt the supply chain and the manufacture or shipment of drug substances and finished drug products for MLS-101 for use in our clinical trials and research and preclinical studies and, delay, limit or prevent our employees and CROs from continuing research and development activities, impede our clinical trial initiation and recruitment and the ability of patients to continue in clinical trials, including due to measures taken that may limit social interaction or prevent reopening of high-transmission settings, impede testing, monitoring, data collection and analysis and other related activities, any of which could delay our preclinical studies and clinical trials and increase our development costs, and have a material adverse effect on our business, financial condition and results of operations. The COVID-19 pandemic and any future epidemic or pandemic disease outbreak could also potentially further affect the business of the FDA, EMA or other regulatory authorities, which could result in delays in meetings related to our planned clinical trials. The COVID-19 pandemic and mitigation measures have had and may continue to have, and any future epidemic disease outbreak may have, an adverse impact on global economic conditions which could have an adverse effect on our business and financial condition, including impairing our ability to raise capital when needed. The extent to which the COVID-19 pandemic impacts our results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the severity of the virus, including the identification of new variants, the rate of vaccine administration, and the actions to contain its impact.

Our business could be affected by litigation, government investigations and enforcement actions.

We currently operate in a number of jurisdictions in a highly regulated industry and we could be subject to litigation, government investigation and enforcement actions on a variety of matters in the United States or foreign jurisdictions, including, without limitation, intellectual property, regulatory, product liability, environmental, whistleblower, false claims, privacy, anti-kickback, anti-bribery, securities, commercial, employment and other claims and legal proceedings which may arise from conducting our business. Any determination that our operations or activities are not in compliance with existing laws or regulations could result in the imposition of fines, civil and criminal penalties, equitable remedies, including disgorgement, injunctive relief and/or other sanctions against us, and remediation of any such findings could have an adverse effect on our business operations.

Legal proceedings, government investigations and enforcement actions can be expensive and time-consuming. An adverse outcome resulting from any such proceedings, investigations or enforcement actions could

result in significant damages awards, fines, penalties, exclusion from the federal healthcare programs, healthcare debarment, injunctive relief, product recalls, reputational damage and modifications of our business practices, which could have a material adverse effect on our business and results of operations. Even if such a proceeding, investigation or enforcement action is ultimately decided in our favor, the investigation and defense thereof could require substantial financial and management resources.

Our employees and independent contractors, including principal investigators, CROs, consultants and vendors, may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements and insider trading, which could harm our business, financial condition and results of operations.

We are exposed to the risk that our employees and independent contractors, including principal investigators, CROs, consultants and vendors may engage in misconduct or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to us that violate: (i) the laws and regulations of the FDA and other similar regulatory requirements, including those laws that require the reporting of true, complete and accurate information to such authorities, (ii) manufacturing standards, including cGMP requirements, (iii) federal and state data privacy, security, fraud and abuse and other healthcare laws and regulations in the United States and abroad (iv) laws that require the true, complete and accurate reporting of financial information or data, or (v) laws that prohibit insider trading. Activities subject to these laws also involve the improper use or misrepresentation of information obtained in the course of clinical trials, the creation of fraudulent data in our preclinical studies or clinical trials or illegal misappropriation of drug product, which could result in regulatory sanctions and cause serious harm to our reputation. It is not always possible to identify and deter misconduct by employees and other third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. In addition, we are subject to the risk that a person or government could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business and financial results, including, without limitation, the imposition of significant civil, criminal and administrative penalties, damages, monetary fines, disgorgements, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, imprisonment, contractual damages, reputational harm, diminished profits and future earnings, additional reporting requirements and oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

We may engage in strategic transactions that could increase our capital requirements, dilute our stockholders, cause us to incur debt or assume contingent liabilities, subject us to other risks, adversely affect our liquidity, increase our expenses and present significant distractions to our management.

Although we currently have no agreements or commitments to complete any such transactions and are not involved in negotiations to do so, from time to time, we may consider strategic transactions, such as acquisitions of companies, asset purchases and out-licensing or in-licensing of intellectual property, products or technologies. Additional potential transactions that we may consider in the future include a variety of business arrangements, including spin-offs, strategic partnerships, joint ventures, restructurings, divestitures, business combinations and investments. We may not be able to find suitable partners or acquisition candidates, and we may not be able to complete such transactions on favorable terms, if at all. Any future transactions could increase our near and long-term expenditures, result in potentially dilutive issuances of our equity securities, including our common stock, or the incurrence of debt, contingent liabilities, amortization expenses or acquired in-process research and development expenses, any of which could affect our financial condition, liquidity and results of operations. Future acquisitions may also require us to obtain additional financing, which may not be available on favorable terms or at all. These transactions may never be successful and may require significant time and attention of our management. In addition, the integration of any business that we may acquire in the future may disrupt our existing business and may be a complex, risky and costly endeavor for which we may never realize the full benefits. Furthermore, we may experience losses related to investments in other companies, including as a result of failure to realize expected benefits or the materialization of unexpected liabilities or risks, which could have a material negative effect on our results of operations and financial condition. Accordingly, although there can be no assurance that we will undertake

or successfully complete any additional transactions of the nature described above, any additional transactions that we do complete could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our ability to use net operating loss carryforwards and other tax attributes may be limited in connection with this offering or other ownership changes.

We have incurred substantial losses during our history, do not expect to become profitable in the near future and may never achieve profitability. To the extent that we continue to generate taxable losses, unused losses will carry forward to offset future taxable income, if any (subject to limitations), until such unused losses expire (if at all). At December 31, 2021, we had net operating loss (NOL) carryforwards of approximately $4.2 million for federal income tax purposes and $0.2 million for state income tax purposes. Our federal NOL carryforwards will not expire but may generally only be used to offset 80% of taxable income, which may require us to pay federal income taxes in future years despite generating federal NOL carryforwards in prior years. Our state NOL carryforwards begin to expire in various amounts in 2041.

In addition, our NOL carryforwards and other tax attributes are subject to review and possible adjustment by the Internal Revenue Service (IRS) and state tax authorities. Furthermore, in general, under Section 382 of the U.S. Internal Revenue Code of 1986, as amended (the Code), our federal NOL carryforwards may be or become subject to an annual limitation in the event we have had or have in the future an "ownership change." For these purposes, an "ownership change" generally occurs if one or more stockholders or groups of stockholders who own at least 5% of a company's stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. Similar rules may apply under state tax laws. We have not yet determined the amount of the cumulative change in our ownership resulting from this offering or other transactions, or any resulting limitations on our ability to utilize our NOL carryforwards and other tax attributes. However, we believe that our ability to utilize our NOL carryforwards and other tax attributes to offset future taxable income or tax liabilities may be limited as a result of ownership changes, including potential changes in connection with this offering. If we earn taxable income, such limitations could result in increased future income tax liability to us and our future cash flows could be adversely affected. We have recorded a full valuation allowance related to our NOL carryforwards and other deferred tax assets due to the uncertainty of the ultimate realization of the future benefits of those assets.

Inflation could adversely affect our business and results of operations.

While inflation in the United States has been relatively low in recent years, during 2021 and 2022, the economy in the United States encountered a material level of inflation. The impact of COVID-19, geopolitical developments such as the Russia-Ukraine conflict and global supply chain disruptions continue to increase uncertainty in the outlook of near-term and long-term economic activity, including whether inflation will continue and how long, and at what rate. Increases in inflation raise our costs for commodities, labor, materials and services and other costs required to grow and operate our business, and failure to secure these on reasonable terms may adversely impact our financial condition. Additionally, increases in inflation, along with the uncertainties surrounding COVID-19, geopolitical developments and global supply chain disruptions, have caused, and may in the future cause, global economic uncertainty and uncertainty about the interest rate environment, which may make it more difficult, costly or dilutive for us to secure additional financing. A failure to adequately respond to these risks could have a material adverse impact on our financial condition, results of operations or cash flows.

Risks Related to Our Intellectual Property

If we are unable to obtain, maintain and enforce patent or other intellectual property protection for MLS-101 or any future product candidates or technology, or if the scope of the patent or other intellectual property protection obtained is not sufficiently broad, our competitors or other third parties could develop and commercialize products similar or identical to ours, and our ability to successfully commercialize MLS-101 or any future product candidates may be adversely affected.

We rely upon a combination of patents, trademarks, and in-licenses of intellectual property rights to protect the intellectual property related to MLS-101 and any future product candidates and technologies to prevent third

parties from copying and surpassing our achievements, thus eroding our competitive position in our market. These legal measures afford only limited protection, and competitors or others may gain access to or use our intellectual property and proprietary information. Our success depends in large part on our ability to obtain, maintain, expand, enforce, and defend the scope of our intellectual property protection in the United States and other countries with respect to our product candidates and other proprietary technologies we may develop. We generally seek to protect our proprietary position, in part, by filing patent applications in the United States and abroad relating to MLS-101 and any future product candidates, manufacturing processes, and methods of use. We have in-licensed from Mitsubishi Tanabe a number of patents and patent applications relating to MLS-101 and structurally related compounds, the manufacture of MLS-101 and structurally related compounds, and methods of use of MLS-101. In addition to the patents and patent applications in-licensed from Mitsubishi Tanabe, our portfolio includes pending patent applications solely owned by us and pending patent applications jointly owned with Mitsubishi Tanabe. If we or Mitsubishi Tanabe are unable to obtain, maintain or enforce patent protection, our business, financial condition, results of operations and prospects could be materially harmed.

Changes in either the patent laws or their interpretation in the United States and other jurisdictions may diminish our or our licensor's ability to protect our intellectual property, obtain, maintain and enforce our intellectual property rights and, more generally, could affect the value of our intellectual property or narrow the scope of our protection. We cannot predict whether the patent applications we currently or may in the future pursue or in-license will issue as patents in any particular jurisdiction, will provide sufficient protection against competitors or other third parties, or if these patents are challenged by our competitors, will be found to be invalid, unenforceable, or not infringed.

The patent prosecution process is expensive, time-consuming, and complex, and we or our licensors may not be able to file, prosecute, maintain, enforce, or license all necessary or desirable patent applications or reissue applications at a reasonable cost or in a timely manner or in all jurisdictions. It is also possible that we will fail to identify patentable aspects of our research and development output in time to obtain patent protection before public disclosures are made. Although we enter into non-disclosure and confidentiality agreements with parties who have access to confidential or patentable aspects of our research and development output, such as our employees, third-party collaborators, CROs, contract manufacturers, consultants, advisors and other third parties, any of these parties may breach the agreements and disclose such output before a patent application is filed, thereby jeopardizing our or our licensors' ability to seek patent protection. Consequently, we may not be able to prevent any third party from using any of our technology that is in the public domain to compete with MLS-101 and any future product candidates or technologies. In addition, our ability to obtain and maintain valid and enforceable patents depends on whether the differences between our inventions and the prior art allow our inventions to be patentable in light of the prior art. Furthermore, publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we or our licensors were the first to invent the inventions claimed in any of our licensed patents or pending patent applications, or that we or our licensors were the first to make the inventions claimed in those owned or licensed patents or pending patent applications, or that we or our licensors were the first to file for patent protection of such inventions. If a third party can establish that we or our licensors were not the first to make or the first to file for patent protection of such inventions, our owned or licensed patents and patent applications may not issue as patents and even if issued, may be challenged and invalidated or rendered unenforceable.

Composition of matter patents for pharmaceutical product candidates often provide a strong form of intellectual property protection for those types of products, as such patents provide protection without regard to any method of use. We cannot be certain that the claims in our pending patent applications covering compositions of matter of our MLS-101 or any future product candidates will be considered patentable by the United States Patent and Trademark Office (USPTO), or by patent offices in foreign countries, or that the claims in any of our issued or reissued patents will be considered valid and enforceable by courts in the United States or foreign countries. Method of use patents protect the use of a product for the specified method. This type of patent does not prevent a competitor from making and marketing a product that is identical to our product for an indication that is outside the scope of the patented method. Moreover, even if competitors do not actively promote their product for our targeted indications, physicians may prescribe these products "off-label." Although off-label prescriptions may infringe or contribute to

the infringement of method of use patents, the practice is common and such infringement is difficult to prevent or prosecute.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has been the subject of much litigation in recent years. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our pending and future patent applications may not result in patents being issued. Any issued patents may not afford sufficient protection of our product candidates or their intended uses against competitors, nor can there be any assurance that the patents issued will not be infringed, designed around, invalidated by third parties, or effectively prevent others from commercializing competitive technologies, products or product candidates. Further, even if these patents are granted, they may be difficult to enforce. Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated if we fail to comply with these requirements. In the event we experience noncompliance events that cannot be corrected and we lose our patent rights, competitors could enter the market, which would have a material adverse effect on our business. Further, any issued patents that we may license or own covering our MLS-101 or any future product candidates could be narrowed or found invalid or unenforceable if challenged in court or before administrative bodies in the United States or other countries, including the USPTO. Also, patent terms, including any extensions or adjustments that may or may not be available to us, may be inadequate to protect our competitive position on our product candidates for an adequate amount of time, and we may be subject to claims challenging the inventorship, validity, enforceability of our patents and/or other intellectual property. Changes in United States patent law, or laws in other countries, could diminish the value of patents in general, thereby impairing our ability to protect our product candidates. Further, if we encounter delays in our clinical trials or delays in obtaining regulatory approval, the period of time during which we could market our product candidates under patent protection would be reduced. Thus, the patents that we own and license may not afford us any meaningful competitive advantage.

Moreover, the claim coverage in a patent application can be significantly reduced before the corresponding patent is granted. Even if our owned or in-licensed patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us or otherwise provide us with any competitive advantage. Any patents issuing from our patent applications may be challenged, narrowed, circumvented or invalidated by third parties. Our competitors or other third parties may avail themselves of safe harbors under the Drug Price Competition and Patent Term Restoration Act of 1984 (Hatch-Waxman Amendments) to conduct research and clinical trials. Consequently, we do not know whether MLS-101 or any of our future product candidates and other proprietary technology will be protectable or remain protected by valid and enforceable patents. Even if a patent is granted, our competitors or other third parties may be able to circumvent the patent by developing similar or alternative technologies or products in a non-infringing manner which could materially adversely affect our business, financial condition, results of operations and prospects. In addition, given the amount of time required for the development, testing and regulatory review of our future product candidates, patents protecting the product candidates might expire before or shortly after such product candidates are commercialized. As a result, our intellectual property may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

The issuance of a patent is not conclusive as to its inventorship, scope, validity, or enforceability and our patent rights may be challenged in the courts or patent offices in the United States and abroad. We may be subject to a third-party post-issuance submission of prior art to the United States Patent and Trademark Office (USPTO) challenging the validity of one or more claims of our in-licensed patents or patents we may own in the future. Such submissions may also be made prior to a patent's issuance, precluding the granting of a patent based on one of our owned or licensed pending patent applications. A third party may also claim that our patent rights are invalid or unenforceable in a litigation. The outcome following legal assertions of invalidity and unenforceability is unpredictable. In addition, we may become involved in opposition, derivation, revocation, reexamination, reissue, post-grant and inter partes review or interference proceedings and other similar proceedings in foreign jurisdictions challenging the validity, priority or other features of patentability of our patent rights. An adverse determination in any such submission, proceeding or litigation could reduce the scope of, or invalidate or render unenforceable, our patent rights, allow third parties to commercialize our product candidates and other proprietary technologies we may

develop and compete directly with us, without payment to us, or result in our inability to manufacture or commercialize our products without infringing third-party patent rights. Such adverse determinations may also require us to cease using the related technology or to attempt to license rights from the prevailing party. Such proceedings also may result in substantial cost and require significant time from our scientists and management, even if the eventual outcome is favorable to us. Any of the foregoing, could have a material adverse effect on our business, financial condition, results of operations and prospects.

Moreover, some of our patent rights are, and may in the future be, co-owned with third parties, including Mitsubishi Tanabe. In the United States, each co-owner has the freedom to license and exploit the technology. If we are unable to obtain an exclusive license to any such third-party co-owners' interest in such patent rights, such co-owners may be able to license their rights to other third parties, including our competitors, and our competitors could market competing products and technology. In addition, we may need the cooperation of any such co-owners of such patent rights in order to enforce such patent rights against third parties, and such cooperation may not be provided to us. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

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

Filing, prosecuting, maintaining, enforcing and defending patents on MLS-101 and any future product candidates in all countries throughout the world is expensive, and the laws of foreign countries may not protect our intellectual property rights to the same extent as the laws of the United States. Prosecution of patent applications is often a longer process and patents may grant at a later date, and with a shorter term, than in the United States. The requirements for patentability differ in certain jurisdictions and countries. Additionally, the patent laws of some countries do not afford intellectual property protection to the same extent as the laws of the United States. For example, unlike patent law in the United States, patent law in most European countries and many other jurisdictions precludes the patentability of methods of treatment and diagnosis of the human body. Other countries may impose substantial restrictions on the scope of claims, limiting patent protection to specifically disclosed embodiments. Consequently, we may not be able to prevent third parties from practicing our or our licensors' inventions in all countries outside the United States, or from selling or importing products made using our intellectual property in and into the United States or other jurisdictions. Competitors may use our or our licensors' intellectual property in jurisdictions where we or our licensors have not pursued and obtained patent protection to develop their own products and, further, may export otherwise infringing products to territories where we have patent protection but enforcement is not as strong as that in the United States. These products may compete with our products, and our owned and in-licensed patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, particularly those relating to biotechnology products, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our intellectual property and proprietary rights generally. In addition, some jurisdictions, such as Europe, Japan and China, may have a higher standard for patentability than in the United States, including, for example, the requirement of claims having literal support in the original patent filing and the limitation on using supporting data that is not in the original patent filing. Under those heightened patentability requirements, we may not be able to obtain sufficient patent protection in certain jurisdictions even though the same or similar patent protection can be secured in the United States and other jurisdictions.

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

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

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

The USPTO and various non-U.S. government agencies require compliance with several procedural, documentary, fee payment and other similar provisions during the patent application process. In some circumstances, we are dependent on our licensors to take the necessary action to comply with these requirements with respect to our licensed intellectual property. For example, periodic maintenance fees, renewal fees, annuity fees, and various other government fees on patents and applications will be due to be paid to the USPTO and various government patent agencies outside of the United States over the lifetime of our owned or licensed patents and applications or any patents and applications we may own in the future. In certain circumstances, we rely on our licensors to pay these fees due to U.S. and non-U.S. patent agencies. In some cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. There are situations, however, in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in a partial or complete loss of patent rights in the relevant jurisdiction. In such an event, potential competitors might be able to enter the market with similar or identical products or technology, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

The USPTO and various non-U.S. government agencies require compliance with certain foreign filing requirements during the patent application process. For example, in some countries, including the United States, China, India and some European countries, a foreign filing license is required before certain patent applications are filed. The foreign filing license requirements vary by country and depend on various factors, including where the inventive activity occurred, citizenship status of the inventors, the residency of the inventors and the invention owner, the place of business for the invention owner and the nature of the subject matter to be disclosed (e.g., items related to national security or national defense). In some cases, a foreign filing license may be obtained retroactively in accordance with the applicable rules. There are situations, however, in which non-compliance can result in abandonment of a pending patent application or can be grounds for revoking or invalidating an issued patent, resulting in the loss of patent rights in the relevant jurisdiction. In such an event, potential competitors might be able to enter the relevant markets with similar or identical products or technology, which could have a material adverse effect on our business, financial condition, results of operations and prospects. We are also dependent on our licensors to take the necessary actions to comply with these requirements with respect to our licensed intellectual property.

The COVID-19 pandemic may impair our and our licensors' ability to comply with these procedural, document submission, fee payment, and other requirements imposed by government patent agencies, which may materially and adversely affect our ability to obtain or maintain patent protection for our products and product candidates.

Changes in patent laws or their interpretations could diminish the value of patents in general, thereby impairing our ability to protect our products.

Changes in either the patent laws or interpretation of the patent laws in the United States could increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. Assuming that other requirements for patentability are met, prior to March 2013, in the United States, the first to invent the claimed invention was entitled to the patent, while outside the United States, the first to file a patent application was entitled to the patent. After March 2013, under the Leahy-Smith America Invents Act (the America Invents Act) enacted in September 2011, the United States transitioned to a first inventor to file system in which, assuming that other requirements for patentability are met, the first inventor to file a patent application will

be entitled to the patent on an invention regardless of whether a third party was the first to invent the claimed invention. A third party that files a patent application in the USPTO after March 2013, but before us or our licensors could therefore be awarded a patent covering an invention of ours or our licensors even if we had made the invention before it was made by such third party. This will require us to be cognizant going forward of the time from invention to filing of a patent application. Since patent applications in the United States and most other countries are confidential for a period of time after filing or until issuance, we cannot be certain that we or our licensors were the first to either (i) file any patent application related to MLS-101 or any of our product candidates and other proprietary technologies we may develop or (ii) invent any of the inventions claimed in our patents or patent applications.

The America Invents Act also includes a number of significant changes that affect the way patent applications will be prosecuted and also may affect patent litigation. These include allowing third party protests and submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent by USPTO administered post-grant proceedings, including post-grant review, inter partes review and derivation proceedings. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in United States federal courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to invalidate our patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action. Therefore, the America Invents Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of patents issuing from those patent applications, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, the patent positions of companies in the development and commercialization of pharmaceuticals are particularly uncertain. Recent U.S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. We cannot predict how decisions by the courts, the U.S. Congress or the USPTO may impact the value of our patent rights. This combination of events has created uncertainty with respect to the validity and enforceability of patents, once obtained. Depending on future actions by the U.S. Congress, the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that could have a material adverse effect on our existing patent portfolio and our ability to protect and enforce our intellectual property in the future. Similarly, changes in patent law and regulations in other countries or jurisdictions or changes in the governmental bodies that enforce them or changes in how the relevant governmental authority enforces patent laws or regulations may weaken our ability to obtain new patents or to enforce patents that we have licensed or that we may obtain in the future.

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

Our patent rights may be subject to priority, validity, inventorship and enforceability disputes. Legal proceedings relating to intellectual property claims, with or without merit, are unpredictable and generally expensive and time-consuming and likely to divert significant resources from our core business, including distracting our management and scientific personnel from their normal responsibilities and generally harm our business. If we or our licensors are unsuccessful in any of these proceedings, such patents and patent applications may be narrowed, invalidated or held unenforceable, we may be required to obtain licenses from third parties, which may not be available on commercially reasonable terms or at all, or we may be required to cease the development, manufacture and commercialization of MLS-101 or future product candidates. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

If we or our licensors' initiate legal proceedings against a third party to enforce a patent covering MLS-101 or any of our future product candidates, the defendant could counterclaim that such patent is invalid or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace. Grounds for a validity challenge could include an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, non-enablement, lack of sufficient written description, failure to claim patent-eligible subject matter or obviousness-type double patenting. Grounds for an

unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. Third parties may raise claims challenging the validity or enforceability of a patent before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include re-examination, post-grant review, inter partes review, interference proceedings, derivation proceedings, and equivalent proceedings in foreign jurisdictions (e.g., opposition proceedings). Such proceedings could result in the revocation of, cancellation of or amendment to our patent rights in such a way that they no longer cover our product candidates or prevent third parties from competing with our product candidates. The outcome following legal assertions of invalidity and unenforceability is unpredictable. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which we or our licensing partners and the patent examiner were unaware during prosecution. If a third party were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on MLS-101 and any future product candidates. Such a loss of patent protection would have a material adverse impact on our business, financial condition, results of operations and prospects.

We cannot ensure that patent rights relating to inventions described and claimed in our pending patent applications will issue or that patents based on our patent applications will not be challenged and rendered invalid and/or unenforceable.

We have pending United States and foreign patent applications in our portfolio; however, we cannot predict:

- if and when patents may issue based on our patent applications;
- the scope of protection of any patent issuing based on our patent applications;
- whether the claims of any patent issuing based on our patent applications will provide protection against competitors;
- whether or not third parties will find ways to invalidate or circumvent our patent rights;
- whether or not others will obtain patents claiming aspects similar to those covered by our patents and patent applications;
- whether we will need to initiate litigation or administrative proceedings to enforce and/or defend our patent rights which will be costly whether we win or lose; and/or
- whether the patent applications that we own, or in-license will result in issued patents with claims that cover MLS-101 or any of our future product candidates or uses thereof in the United States or in other foreign countries.

The claims in our pending patent applications directed to MLS-101 and any or our future product candidates and/or technologies may not be considered patentable by the USPTO or by patent offices in foreign countries. Any such patent applications may not issue as granted patents. One aspect of the determination of patentability of our inventions depends on the scope and content of the "prior art," information that was or is deemed available to a person of skill in the relevant art prior to the priority date of the claimed invention. There may be prior art of which we are not aware that may affect the patentability of our patent claims or, if issued, affect the validity or enforceability of a patent claim. Even if the patents do issue based on our patent applications, third parties may challenge the validity, enforceability or scope thereof, which may result in such patents being narrowed, invalidated or held unenforceable. Furthermore, even if they are unchallenged, patents in our portfolio may not adequately exclude third parties from practicing relevant technology or prevent others from designing around our claims. If the breadth or strength of our intellectual property position with respect to our product candidates is threatened, it could dissuade companies from collaborating with us to develop and threaten our ability to commercialize our product candidates. In the event of litigation or administrative proceedings, the claims in any of our issued patents may not be considered valid by courts in the United States or foreign countries.

Patent terms may be inadequate to protect the competitive position of our product candidates for an adequate amount of time.

Patents have a limited lifespan. In the United States, if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years from its earliest U.S. non-provisional or international patent application filing date. Various extensions may be available, but the life of a patent, and the protection it affords, is limited. Even if patents covering our product candidates are obtained, once the patent has expired, we may be vulnerable to competition from competitive products, including generics. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such product candidates might expire before or shortly after such product candidates are commercialized. As a result, our owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours. If we do not have sufficient patent life to protect our products, our business, financial condition, results of operations, and prospects will be adversely affected.

If we do not obtain patent term extension and equivalent extensions outside of the United States for our product candidates, our business may be materially harmed.

Depending upon the timing, duration and specifics of any FDA marketing approval of MLS-101 or any future product candidate we may develop, one or more of our in-licensed issued U.S. patents or issued U.S. patents we may own in the future may be eligible for limited patent term extension under the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent term extension (PTE) of up to 5 years as compensation for patent term lost during the FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond a total of fourteen (14) years from the date of product approval, only 1 patent may be extended, and only those claims covering the approved drug, a method for using it or a method for manufacturing it may be extended. Similar patent term restoration provisions to compensate for commercialization delay caused by regulatory review are also available in certain foreign jurisdictions, such as in Europe under Supplemental Protection Certificate (SPC). However, we may not be granted an extension for various reasons, including failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents, or failing to satisfy other applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. In addition, to the extent we wish to pursue patent term extension based on a patent that we in-license from a third-party, we may need the cooperation of that third party. If we are unable to obtain patent term extension, or the foreign equivalent, or if the term of any such extension is less than we request, our competitors may obtain approval of competing products following our patent expiration, and our business, financial condition, results of operations and prospects could be materially harmed).

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

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

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

In addition to seeking patent protection for our product candidates and proprietary technologies, we mya also rely on trade secret protection and confidentiality agreements to protect our unpatented know-how, technology, and other proprietary information and to maintain our competitive position. We seek to protect any potential trade secrets and other proprietary technology, in part, by entering into non-disclosure and confidentiality agreements with parties who have access to them, such as our employees, third-party collaborators, CROs, contract manufacturers, consultants, advisors and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants. Trade secrets and know-how can be difficult to protect. We cannot guarantee that we have entered into applicable agreements with each party that may have or have had access to any potential trade secrets or proprietary technology and processes. Despite these efforts, any of these parties may breach the agreements and disclose our proprietary information, including any potential trade secrets, and we may not be able to obtain adequate remedies for such breaches. Monitoring unauthorized uses and disclosures is difficult, and we do not know whether the steps we have taken to protect our proprietary technologies will be effective. We cannot guarantee that any potential trade secrets and other proprietary and confidential information will not be disclosed or that competitors will not otherwise gain access to any potential trade secrets. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. If any of our potential trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us.

Furthermore, others may independently discover any potential trade secrets and proprietary information. If any of our potential trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them, or those to whom they communicate it, from using that technology or information to compete with us. If any of our potential trade secrets were to be disclosed or misappropriated or if any such information were to be independently developed by a competitor or other third party, our competitive position would be materially and adversely harmed.

We may be subject to claims that third parties have an ownership interest in any potential trade secrets. For example, we may have disputes arise from conflicting obligations of our employees, consultants or others who are involved in developing our product candidate. Litigation may be necessary to defend against these and other claims challenging ownership of any potential trade secrets. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable trade secret rights, such as exclusive ownership of, or right to use, trade secrets that are important to our product candidates and other proprietary technologies we may develop. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to our management and other employees. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may not identify relevant third-party patents or may incorrectly interpret the relevance, scope or expiration of a third-party patent, which might adversely affect our ability to develop and market our products and product candidates.

We cannot guarantee that any of our or our licensors' patent searches or analyses, including the identification of relevant patents, the scope of patent claims or the expiration of relevant patents, are complete or thorough, nor can we be certain that we or our licensors have identified each and every third-party patent and pending patent application in the United States and abroad that is relevant to or necessary for the commercialization of our current and future products and product candidates in any jurisdiction. Patent applications in the United States and elsewhere are not published until approximately 18 months after the earliest filing for which priority is claimed, with such earliest filing date being commonly referred to as the priority date. Therefore, patent applications covering our product candidates could have been filed by others without our knowledge. Additionally, pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover product candidates or the use of our product candidates. The scope of a patent claim is determined by the

interpretation of the law, the words of a patent claim, the written disclosure in a patent and the patent's prosecution history. Our interpretation of the relevance or the scope of a patent or a pending patent application may be incorrect, which may negatively impact our ability to market our products. We may incorrectly determine that our products or product candidates are not covered by a third-party patent or may incorrectly predict whether a third party's pending patent application will issue with claims of relevant scope. Our determination of the expiration date of any patent in the United States or abroad that we consider relevant may be incorrect, and we may incorrectly conclude that a third-party patent is invalid and unenforceable. Our failure to identify and correctly interpret relevant patents may negatively impact our ability to develop and market our products and product candidates. If we fail to identify and correctly interpret relevant patents, we may be subject to infringement claims. Also, because the claims of published patent applications can change between publication and patent grant, there may be published patent applications that may ultimately issue with claims that we infringe. As the number of competitors in the market grows and the number of patents issued in this area increases, the possibility of patent infringement claims escalates. Moreover, in recent years, individuals and groups that are non-practicing entities, commonly referred to as "patent trolls," have purchased patents and other intellectual property assets for the purpose of making claims of infringement in order to extract settlements. From time to time, we may receive threatening letters, notices or "invitations to license," or may be the subject of claims that our products and business operations infringe or violate the intellectual property rights of others. We cannot guarantee that we will be able to successfully settle or otherwise resolve such infringement claims. If we fail in any such dispute, in addition to being forced to pay damages, we may be temporarily or permanently prohibited from commercializing any of our product candidates that are held to be infringing. We might, if possible, also be forced to redesign product candidates or services so that we no longer infringe the third-party intellectual property rights. Any of these events, even if we were ultimately to prevail, could require us to divert substantial financial and management resources that we would otherwise be able to devote to our business.

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

Some of our employees, consultants and advisors are currently or were previously employed at universities or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Although we try to ensure that our employees, consultants and advisors do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or these individuals have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's current or former employer. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to our management.

In addition, while it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. Such claims could have a material adverse effect on our business, financial condition, results of operations and prospects.

Third-party claims of intellectual property infringement, misappropriation or other violations against us or our collaborators could be expensive and time consuming and may prevent or delay the development and commercialization of our product candidates.

Our commercial success depends in part on our ability to avoid infringing, misappropriating and otherwise violating the patents and other intellectual property rights of third parties. There is a substantial amount of complex litigation involving patents and other intellectual property rights in the biotechnology and pharmaceutical industries, as well as administrative proceedings for challenging patents, including interference, derivation and reexamination proceedings before the USPTO or oppositions and other comparable proceedings in foreign jurisdictions. Such

challenges may result in loss of exclusivity or freedom to operate or in patent claims being narrowed, invalidated or held unenforceable, in whole or in part, which could limit our ability to stop others from using or commercializing similar or identical products and techniques without payment, or limit the duration of the patent protection of our technology. As discussed above, recently, due to changes in U.S. law referred to as patent reform, new procedures including inter partes review and post-grant review have also been implemented. As stated above, this reform adds uncertainty to the possibility of challenge to our patent rights in the future.

Numerous U.S. and foreign issued patents and pending patent applications owned by third parties exist in the fields in which we are commercializing or plan to commercialize MLS-101. As the biotechnology and pharmaceutical industries expand and more patents are issued, and as we gain greater visibility and market exposure as a public company, the risk increases that MLS-101 or any future product candidates, and commercializing activities may give rise to claims of infringement of the patent rights of others. We cannot assure you that MLS-101 or any future product candidates develop will not infringe existing or future patents owned by third parties. We may not be aware of patents that have already been issued for which a third party, such as a competitor in the fields in which we are developing MLS-101 or our future product candidates, might accuse us of infringing. It is also possible that patents owned by third parties of which we are aware, but which we do not believe we infringe or that we believe we have valid defenses to any claims of patent infringement, could be found to be infringed by us. It is not unusual that corresponding patents issued in different countries have different scopes of coverage, such that in one country a third-party patent does not pose a material risk, but in another country, the corresponding third-party patent may pose a material risk to MLS-101 and any future product candidates. As such, we monitor third-party patents in the relevant pharmaceutical markets. In addition, because patent applications can take many years to issue, there may be currently pending patent applications that may later result in issued patents that we may infringe.

In the event that any third-party claims that we infringe their patents or that we are otherwise employing their proprietary technology without authorization and initiates litigation against us, even if we believe such claims are without merit, a court of competent jurisdiction could hold that such patents are valid, enforceable and infringed by us. Defense of infringement claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of management and other employee resources from our business, and may impact our reputation. In the event of a successful claim of infringement against us, we may be enjoined from further developing or commercializing the infringing products or technologies. In addition, we may be required to pay substantial damages, including treble damages and attorneys' fees for willful infringement, obtain one or more licenses from third parties, pay royalties and/or redesign our infringing products or technologies, which may be impossible or require substantial time and monetary expenditure. Such licenses may not be available on commercially reasonable terms or at all. Even if we are able to obtain a license, the license would likely obligate us to pay license fees or royalties or both, and the rights granted to us might be nonexclusive, which could result in our competitors gaining access to the same intellectual property. If we are unable to obtain a necessary license to a third-party patent on commercially reasonable terms or at all, we may be unable to commercialize the infringing products or technologies or such commercialization efforts may be significantly delayed, which could in turn significantly harm our business. In addition, we may in the future pursue patent challenges with respect to third-party patents, including as a defense against the foregoing infringement claims. The outcome of such challenges is unpredictable.

Even if resolved in our favor, the foregoing proceedings could be very expensive, particularly for a company of our size, and time-consuming. Such proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such proceedings adequately. Some of our competitors may be able to sustain the costs of litigation or administrative proceedings more effectively than we can because of greater financial resources. Such proceedings may also absorb significant time of our technical and management personnel and distract them from their normal responsibilities. Uncertainties resulting from such proceedings could impair our ability to compete in the marketplace. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. The occurrence of any of the foregoing could have a material adverse effect on our business, financial condition or results of operations.

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

Third parties, such as a competitor, may infringe our patent rights. In an infringement proceeding, a court may decide that a patent owned by us or licensed to us is invalid or unenforceable or may refuse to stop the other party from using the invention at issue on the grounds that the patent does not cover the technology in question. In addition, our or our licensors' patent rights may become involved in inventorship, priority or validity disputes. To counter or defend against such claims can be expensive and time-consuming. An adverse result in any litigation proceeding could put our patent rights at risk of being invalidated, held unenforceable or interpreted narrowly. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation and proceedings, there is a risk that some of our confidential information could be compromised by disclosure during such litigation and proceedings.

Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace.

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

Our registered or unregistered trademarks or trade names may be challenged, infringed, diluted, circumvented or declared generic or determined to be infringing, misappropriating or violating other marks. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition among potential partners or customers in the markets of interest. During trademark registration proceedings, we may receive rejections of our applications by the USPTO or in other foreign jurisdictions. Although we are given an opportunity to respond to such rejections, we may be unable to overcome them. In the event that our trademarks are successfully challenged, we could be forced to rebrand our products, which could result in loss of brand recognition, and could require us to devote resources to advertising and marketing new brands. In addition, in the USPTO and in comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks, which may not survive such proceedings. Moreover, any name we may propose to use with MLS-101 or any future product candidate in the United States must be approved by the FDA, regardless of whether we have registered it, or applied to register it, as a trademark. Similar requirements exist in Europe. The FDA typically conducts a review of proposed product names, including an evaluation of potential for confusion with other product names. If the FDA or an equivalent administrative body in a foreign jurisdiction objects to any of our proposed proprietary product names, we may be required to expend significant additional resources in an effort to identify a suitable substitute name that would qualify under applicable trademark laws, not infringe, misappropriate or otherwise violate the existing rights of third parties and be acceptable to the FDA. Furthermore, in many countries, owning and maintaining a trademark registration may not provide an adequate defense against a subsequent infringement claim asserted by the owner of a senior trademark.

We may not be able to obtain, protect or enforce our rights to these trademarks and trade names, which we need to build name recognition among potential partners or customers in our markets of interest. At times, competitors or other third parties may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement, misappropriation, dilution or other claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. Over the long

term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected. Our efforts to obtain, enforce or protect our proprietary rights related to trademarks, trade names, domain name or other intellectual property may be ineffective and could result in substantial costs and diversion of resources and could adversely affect our business, financial condition, results of operations and prospects.

Intellectual property rights do not necessarily address all potential threats.

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

- others may be able to make products that are similar to MLS-101 or any future product candidates or utilize similar technology but that are not covered by the claims of the patents that we license or may own;
- we or our licensors might not have been the first to make the inventions covered by our or our licensors' current or future patent applications;
- We or our licensors might not have been the first to file patent applications covering our or their inventions;
- others may independently develop similar or alternative technologies or duplicate any of our or our licensors' technologies without infringing our intellectual property rights;
- it is possible that our or our licensors' current or future patent applications will not lead to issued patents;
- any patent issuing from our or our licensors' current or future patent applications may be held invalid or unenforceable, including as a result of legal challenges by our competitors or other third parties;
- Others may have access to the same intellectual property rights licensed to use in the future on a non-exclusive basis;
- our competitors or other third parties might conduct research and development activities in countries where we or our licensors do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may not develop additional proprietary technologies that are patentable;
- the patents or other intellectual property rights of others may harm our business; and
- we may choose not to file for patent protection in order to maintain certain trade secrets or know-how, and a third party may subsequently file a patent application covering such intellectual property.

Should any of the foregoing occur, it could adversely affect our business, financial condition, results of operations and prospects.

We partially depend on intellectual property licensed from third parties, and our licensors may not always act in our best interest. If we fail to comply with our obligations under our intellectual property licenses, if the licenses are terminated or if disputes regarding these licenses arise, we could lose significant rights that are important to our business.

We are a party to the Mitsubishi License under which we are granted rights to intellectual property that are important to MLS-101 and our business and we may enter into additional license agreements in the future with other third parties. The Mitsubishi License imposes, and we expect that any future license agreements where we in-license intellectual property, will impose on us, various development, regulatory and/or commercial diligence obligations, payment of milestones and/or royalties and other obligations. We may need to devote substantial time and attention to ensuring that we are compliant with our obligations under such agreements, which may divert management's time and attention away from our research and development programs or other day-to-day activities. If we fail to comply with our obligations under these agreements, or we are subject to bankruptcy-related proceedings, the licensor may

have the right to terminate the license, in which event we would not be able to develop or market products covered by the license, or we may be subject to litigation for breach of these agreements.

If we or our licensors fail to adequately protect our licensed intellectual property, our ability to commercialize MLS-101 or any future product candidates could suffer. We do not have complete control over the maintenance, prosecution and litigation of our in-licensed patents and patent applications and may have limited control over future intellectual property that may be in-licensed. For example, we cannot be certain that activities such as the maintenance and prosecution by our licensors have been or will be conducted in compliance with applicable laws and regulations or will result in valid and enforceable patents and other intellectual property rights. It is possible that our licensors' infringement proceedings or defense activities may be less vigorous than had we conducted them ourselves or may not be conducted in accordance with our best interests.

In addition, the agreements under which we license intellectual property or technology from third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant patents, know-how and proprietary technology, or increase what we believe to be our financial or other obligations under the relevant agreement. Disputes that may arise between us and our licensors regarding intellectual property subject to a license agreement could include disputes regarding:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether and the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;
- our right to sublicense patent and other rights to third parties under collaborative development relationships;
- our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of MLS-101 or any future product candidates and what activities satisfy those diligence obligations; and
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us.

If disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected technology or MLS-101 or any future product candidates. As a result, any termination of or disputes over our intellectual property licenses could result in the loss of our ability to develop and commercialize MLS-101 or any future product candidates, or we could lose other significant rights, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

For example, our agreements with certain of our third-party research partners provide that improvements developed in the course of our relationship may be owned solely by either us or our third-party research partner, or jointly between us and the third party. If we determine that rights to such improvements owned solely by a research partner or other third party with whom we collaborate are necessary to commercialize MLS-101 or any future product candidates or maintain our competitive advantage, we may need to obtain a license from such third party in order to use the improvements and continue developing, manufacturing or marketing MLS-101 or any future product candidates. We may not be able to obtain such a license on an exclusive basis, on commercially reasonable terms, or at all, which could prevent us from commercializing MLS-101 or any future product candidates or allow our competitors or others the chance to access technology that is important to our business. We also may need the cooperation of any co-owners of our intellectual property in order to enforce such intellectual property against third parties, and such cooperation may not be provided to us.

We may not be successful in obtaining or maintaining necessary rights to product components and processes for our development pipeline through acquisitions and in-licenses.

The growth of our business may depend in part on our ability to acquire, in-license or use third-party intellectual property and proprietary rights. For example, MLS-101 or any future product candidates may require specific formulations to work effectively and efficiently, we may develop product candidates containing our compounds and pre-existing pharmaceutical compounds, or we may be required by the FDA or comparable foreign regulatory authorities to provide a companion diagnostic test or tests with our product candidates, any of which could require us to obtain rights to use intellectual property held by third parties. In addition, with respect to any patent or other intellectual property rights we may co-own with third parties, we may require licenses to such co-owners interest to such patents. We may be unable to acquire or in-license any compositions, methods of use, processes or other third-party intellectual property rights from third parties that we identify as necessary or important to our business operations. In addition, we may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, if at all. Were that to happen, we may need to cease use of the compositions or methods covered by those third-party intellectual property rights, and may need to seek to develop alternative approaches that do not infringe, misappropriate or otherwise violate those intellectual property rights, which may entail additional costs and development delays, even if we were able to develop such alternatives, which may not be feasible. Even if we are able to obtain a license, it may be non-exclusive, which means that our competitors may also receive access to the same technologies licensed to us. In that event, we may be required to expend significant time and resources to develop or license replacement technology.

Additionally, we may collaborate with academic institutions to accelerate our preclinical research or development under written agreements with these institutions. In certain cases, these institutions provide us with an option to negotiate a license to any of the institution's rights in technology resulting from the collaboration. Even if we hold such an option, we may be unable to negotiate a license from the institution within the specified timeframe or under terms that are acceptable to us. If we are unable to do so, the institution may offer the intellectual property rights to others, potentially blocking our ability to pursue our program.

The licensing and acquisition of third-party intellectual property rights is a competitive area, and companies that may be more established or have greater resources than we do may also be pursuing strategies to license or acquire third-party intellectual property rights that we may consider necessary or attractive in order to commercialize MLS-101 or any future product candidates. More established companies may have a competitive advantage over us due to their size, cash resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. There can be no assurance that we will be able to successfully complete these types of negotiations and ultimately acquire the rights to the intellectual property surrounding the additional product candidates that we may seek to develop or market. If we are unable to successfully obtain rights to required third-party intellectual property or to maintain the existing intellectual property rights we have, we may have to abandon development of certain programs and our business financial condition, results of operations and prospects could suffer.

Our intellectual property licensed from third parties may be subject to retained rights.

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

Government agencies may provide funding, facilities, personnel or other assistance in connection with the development of the intellectual property rights owned by or licensed to us. Such government agencies may have retained rights in such intellectual property. For example, the United States federal government retains certain rights in inventions produced with its financial assistance under the Patent and Trademark Law Amendments Act, or the Bayh-Dole Act; these include the right to grant or require us to grant mandatory licenses or sublicenses to such intellectual property to third parties under certain specified circumstances, including if it is necessary to meet health

and safety needs that we are not reasonably satisfying or if it is necessary to meet requirements for public use specified by federal regulations, or to manufacture products in the United States. Any exercise of such rights, including with respect to any such required sublicense of these licenses could result in the loss of significant rights and could harm our ability to commercialize licensed products. While it is our policy to avoid engaging our university partners in projects in which there is a risk that government funds may be commingled, we cannot be sure that any such co-developed intellectual property will be free from government rights. If, in the future, we co-own or license in technology which is critical to our business that is developed in whole or in part with government funds subject to certain government rights, our ability to enforce or otherwise exploit patents covering such technology may be adversely affected.

Risks Related to Our Common Stock and This Offering

There has been no public market for our common stock. An active, liquid and orderly market for our common stock may not develop, or we may in the future fail to satisfy the continued listing requirements of the Nasdaq and our stock may be delisted, and you may not be able to resell your common stock at or above the initial public offering price or at all.

Prior to this offering, there has been no public market for our common stock. Although we have applied to list our common stock on the Nasdaq Global Market (Nasdaq), an active trading market for our common stock may never develop or may not be sustained following this offering. We and the representatives of the underwriters will determine the initial public offering price of our common stock through negotiation. This price will not necessarily reflect the price at which investors in the market will be willing to buy and sell our shares following this offering. In addition, an active trading market may not develop following the consummation of this offering or, if it is developed, may not be sustained. The lack of an active market may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. An inactive market may also impair our ability to raise capital by selling shares and may impair our ability to acquire other businesses or technologies using our shares as consideration, which, in turn, could materially adversely affect our business.

If, after listing, we fail to satisfy the continued listing requirements of Nasdaq, such as the corporate governance requirements or the minimum closing bid price requirement, Nasdaq may take steps to delist our common stock. Such a delisting would likely have a negative effect on the price of our common stock and would impair your ability to sell or purchase our common stock when you wish to do so. In the event of a delisting, we can provide no assurance that any action taken by us to restore compliance with listing requirements would allow our common stock to become listed again, stabilize the market price or improve the liquidity of our common stock, prevent our common stock from dropping below the Nasdaq minimum bid price requirement or prevent future non-compliance with the listing requirements of Nasdaq.

The trading price of the shares of our common stock could be highly volatile, and purchasers of our common stock could incur substantial losses.

Our stock price is likely to be volatile. The stock market in general and the market for stock of biopharmaceutical companies in particular have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. As a result of this volatility, investors may not be able to sell their common stock at or above the initial public offering price. The market price for our common stock may be influenced by those factors discussed in this “Risk Factors” section and many others, including:

- results of our clinical trials and preclinical studies, and the results of trials of our competitors or those of other companies in our market sector;
- our ability to enroll subjects in our future clinical trials;
- our ability to obtain and maintain regulatory approval of MLS-101 or any future product candidates or additional indications thereof, or limitations to specific label indications or patient populations for its use, or changes or delays in the regulatory review process;
- regulatory or legal developments in the United States and foreign countries;

- changes in the structure of healthcare payment systems;
- the success or failure of our efforts to identify, develop, acquire or license additional product candidates;
- innovations, clinical trial results, product approvals and other developments by our competitors;
- announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures or capital commitments;
- the degree and rate of physician and market adoption of any of our current and future product candidates;
- manufacturing, supply or distribution delays or shortages, including our inability to obtain adequate product supply, at acceptable prices or at all;
- any changes to our relationship with any manufacturers, suppliers, collaborators or other strategic partners;
- achievement of expected product sales and profitability;
- variations in our financial results or those of companies that are perceived to be similar to us, including variations from expectations of securities analysts or investors;
- market conditions in the biopharmaceutical sector and issuance of securities analysts' reports or recommendations;
- trading volume of our common stock;
- an inability to obtain additional funding or obtaining funding on unattractive terms;
- sales of our stock by us, our insiders or our stockholders, as well as the anticipation of lock-up releases;
- general economic, industry and market conditions other events or factors, many of which are beyond our control;
- actual or anticipated fluctuations in our financial condition and results of operations;
- publication of news releases by other companies in our industry, and especially direct competitors, including about adverse developments related to safety, effectiveness, accuracy and usability of their products, reputational concerns, reimbursement coverage, regulatory compliance, and product recalls;
- announcement or progression of geopolitical events (including in relation to the conflict between Russia and Ukraine);
- additions or departures of senior management or key personnel;
- intellectual property, product liability or other litigation against us or our inability to enforce our intellectual property;
- changes in our capital structure, such as future issuances of securities and the incurrence of additional debt; and
- changes in accounting standards, policies, guidelines, interpretations or principles.

In addition, in the past, stockholders have initiated class action lawsuits against biopharmaceutical companies following periods of volatility in the market prices of these companies' stock. Such litigation, if instituted against us, could cause us to incur substantial costs, divert our management's attention and resources and damage

our reputation, which could have a material adverse effect on our business, financial condition and results of operations and prospects.

We will have broad discretion in the use of the net proceeds from this offering, and may use them ineffectively, in ways that you and other stockholders may not approve, or in ways that do not increase the value of your investment.

Our management will have broad discretion in the application of the net proceeds from this offering, including for any of the purposes described in "Use of Proceeds." Because of the number and variability of factors that will determine our use of the net proceeds from this offering, their ultimate use may vary substantially from their currently intended use. Our management might not apply our net proceeds in ways that ultimately increase the value of your investment, in ways that are otherwise ineffective or in ways with which you disagree, and the failure by our management to apply these funds effectively could harm our business. Pending their use, we may invest the net proceeds from this offering in short- and intermediate-term, interest-bearing obligations, investment-grade instruments, certificates of deposit or direct or guaranteed obligations of the U.S. government. These investments may not yield a favorable return to our stockholders. If we do not invest or apply the net proceeds from this offering in ways that enhance stockholder value, we may fail to achieve expected results, which could cause our stock price to decline.

You will suffer immediate and substantial dilution in the net tangible book value of the common stock you purchase in this offering.

The initial public offering price of our common stock is substantially higher than the pro forma as adjusted net tangible book value per share of our outstanding common stock immediately after the completion of this offering. Purchasers of common stock in this offering will experience immediate dilution of approximately $ per share, assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover of this prospectus. In the past, we issued options to acquire common stock at prices significantly below the initial public offering price. To the extent these outstanding options are ultimately exercised, investors purchasing common stock in this offering will sustain further dilution. For a further description of the dilution that you will experience immediately after this offering, see "Dilution."

After this offering, our executive officers, directors and principal stockholders, if they choose to act together, will continue to have the ability to significantly influence all matters submitted to stockholders for approval and may prevent new investors from influencing significant corporate decisions.

Following the completion of this offering, our executive officers, directors and greater than 5% stockholders, in the aggregate, will own approximately % of our outstanding common stock (assuming no exercise of the underwriters' option to purchase additional shares and no exercise of outstanding options and without giving effect to any potential purchases by such persons in this offering). As a result, such persons, acting together, will have the ability to significantly influence all matters submitted to our board of directors or stockholders for approval, including the appointment of our management, the election and removal of directors and approval of any significant transactions, as well as our management and business affairs, which may prevent new investors from influencing some or all of the foregoing. This concentration of ownership may have the effect of delaying, deferring or preventing a change in control, impeding a merger, consolidation, takeover or other business combination involving us, or discouraging a potential acquiror from making a tender offer or otherwise attempting to obtain control of our business, even if such a transaction would benefit other stockholders.

We do not currently intend to pay dividends on our common stock, and, consequently, your ability to achieve a return on your investment will depend on appreciation, if any, in the price of our common stock.

We have never declared or paid any cash dividend on our common stock. We currently anticipate that we will retain future earnings for the development, operation and expansion of our business and do not anticipate declaring or paying any cash dividends for the foreseeable future. In addition, any future debt agreements may preclude us from paying dividends. For the foreseeable future, any return to stockholders will therefore be limited to the appreciation of their stock. There is no guarantee that shares of our common stock will appreciate in value or even maintain the price at which stockholders have purchased their shares.

Sales of a substantial number of shares of our common stock by our existing stockholders in the public market could cause our stock price to fall.

Sales of a substantial number of shares of our common stock in the public market or the perception that these sales might occur could significantly reduce the market price of our common stock and impair our ability to raise adequate capital through the sale of additional equity or equity-linked securities.

Based on shares of common stock outstanding as of September 30, 2022, upon the closing of this offering, we will have outstanding a total of shares of common stock, assuming no exercise of the underwriters' option to purchase additional shares and no exercise of outstanding options or warrants. Of these shares, only the shares of common stock sold in this offering by us, plus any shares sold upon exercise of the underwriters' option to purchase additional shares, will be freely tradable, without restriction, in the public market immediately following this offering, unless they are purchased by one of our affiliates.

Our directors and executive officers and holders of substantially all of our outstanding securities have entered into lock-up agreements with the underwriters pursuant to which they may not, with limited exceptions, for a period of 180 days from the date of this prospectus, offer, sell or otherwise transfer or dispose of any of our securities, without the prior written consent of BofA, Evercore and Stifel. The underwriters may permit our officers, directors and other securityholders who are subject to the lock-up agreements to sell shares prior to the expiration of the lock-up agreements at any time in their sole discretion. See "Underwriting." Sales of these shares, or perceptions that they will be sold, could cause the trading price of our common stock to decline. After the lock-up agreements expire, up to an additional shares of common stock will be eligible for sale in the public market, of which shares will be held by directors, executive officers and other affiliates and will be subject to volume limitations under Rule 144 under the Securities Act of 1933, as amended (the Securities Act), in each case based on shares of common stock outstanding as of September 30, 2022 and without giving effect to any potential purchases by such persons in this offering.

In addition, as of September 30, 2022, shares of common stock that are subject to outstanding options under our employee benefit plans will become eligible for sale in the public market to the extent permitted by the provisions of various vesting schedules, the lock-up agreements and Rule 144 and Rule 701 under the Securities Act. If these additional shares of common stock are sold, or if it is perceived that they will be sold, in the public market, the trading price of our common stock could decline.

After this offering, the holders of shares of our outstanding common stock, or approximately % of our total outstanding common stock based on shares outstanding as of September 30, 2022, will be entitled to rights with respect to the registration of their shares under the Securities Act, subject to vesting and the 180-day lock-up agreements described above. See "Description of Capital Stock—Registration Rights." Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act, except for shares held by affiliates, as defined in Rule 144 under the Securities Act. Any sales of securities by these stockholders could have a material adverse effect on the trading price of our common stock.

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

We are an emerging growth company, as defined in the JOBS Act, and may remain an emerging growth company until the last day of the fiscal year following the fifth anniversary of the completion of this offering. However, if certain events occur prior to the end of such five-year period, including if we become a "large accelerated filer", as defined under the Securities Exchange Act of 1934, as amended (the Exchange Act), our annual gross revenue exceed $1.235 billion or we issue more than $1.0 billion of non-convertible debt in any three-year period, we will cease to be an emerging growth company prior to the end of such five-year period. For so long as we remain an emerging growth company, we are permitted and intend to rely on exemptions from certain disclosure

requirements that are applicable to other public companies that are not emerging growth companies. These exemptions include:

- being permitted to provide only two years of audited financial statements, in addition to any required unaudited interim financial statements, with correspondingly reduced "Management's Discussion and Analysis of Financial Condition and Results of Operations" disclosure in connection with registered securities offerings;
- not being required to comply with the auditor attestation requirements in the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002 (Sarbanes-Oxley);
- not being required to comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements, unless the U.S. Securities and Exchange Commission (SEC) determines the new rules are necessary for protecting the public;
- reduced disclosure obligations regarding executive compensation; and
- exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and shareholder approval of any golden parachute payments not previously approved.

We have taken advantage of reduced reporting burdens in this prospectus. In particular, in this prospectus, we have provided only two years of audited financial statements and have not included all of the executive compensation related information that would be required if we were not an emerging growth company. We cannot predict whether investors will find our common stock less attractive if we rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be reduced or more volatile. In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of these accounting standards until they would otherwise apply to private companies. We have irrevocably elected to avail ourselves of this exemption and, therefore, we may not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. We intend to rely on other exemptions provided by the JOBS Act, including without limitation, not being required to comply with the auditor attestation requirements of Section 404(b) of Sarbanes-Oxley.

We are also a smaller reporting company as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as our voting and non-voting common stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and our voting and non-voting common stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

Provisions in our charter documents and under Delaware law could discourage a takeover that stockholders may consider favorable and may lead to entrenchment of management.

Our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect immediately prior to the consummation of this offering will contain provisions that could significantly reduce the value of our shares to a potential acquiror or delay or prevent changes in control or changes in our management without the consent of our board of directors. The provisions in our charter documents will include the following:

- a classified board of directors with three-year staggered terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;

- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the exclusive right of our board of directors, unless the board of directors grants such right to the stockholders, to elect a director to fill a vacancy created by the expansion of the board of directors or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our board of directors;
- the required approval of at least 66-2/3% of the shares entitled to vote to remove a director for cause, and the prohibition on removal of directors without cause;
- the ability of our board of directors to authorize the issuance of shares of preferred stock and to determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquiror;
- the ability of our board of directors to alter our amended and restated bylaws without obtaining stockholder approval;
- the required approval of at least 66-2/3% of the shares entitled to vote to adopt, amend or repeal our amended and restated bylaws or repeal the provisions of our amended and restated certificate of incorporation regarding the election and removal of directors;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- an exclusive forum provision providing that the Court of Chancery of the State of Delaware will be the exclusive forum for certain actions and proceedings;
- the requirement that a special meeting of stockholders may be called only by the board of directors, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors; and
- advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise attempting to obtain control of us.

We are also subject to the anti-takeover provisions contained in Section 203 of the Delaware General Corporation Law. Under Section 203, a corporation may not, in general, engage in a business combination with any holder of 15% or more of its capital stock unless the holder has held the stock for three years or, among other exceptions, the board of directors has approved the transaction.

Our current amended and restated certificate of incorporation provides, and our amended and restated certificate of incorporation will provide, that the Court of Chancery of the State of Delaware will be the exclusive forum for substantially all disputes between us and our stockholders and that the federal district courts shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees or the underwriters or any offering giving rise to such claim.

Our current amended and restated certificate of incorporation provides, and our amended and restated certificate of incorporation that will be in effect immediately prior to the consummation of this offering will provide, that the Court of Chancery of the State of Delaware is the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty, any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws, or any action asserting a claim against us that is governed by the internal affairs doctrine; provided, that, this provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act. Furthermore, our amended and restated certificate of incorporation will also provide that unless we

consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. These choice of forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and other employees and result in increased costs for investors to bring a claim. By agreeing to this provision, however, stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. Furthermore, the enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. If a court were to find the choice of forum provisions in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business and financial condition.

General Risk Factors

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

As a public company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. We will be subject to the reporting requirements of the Exchange Act, which will require, among other things, that we file with the SEC annual, quarterly and current reports with respect to our business and financial condition. In addition, Sarbanes-Oxley, as well as rules subsequently adopted by the SEC and Nasdaq to implement provisions of Sarbanes-Oxley, impose significant requirements on public companies, including requiring establishment and maintenance of effective disclosure and financial controls and certain corporate governance practices. Further, pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, the SEC has adopted additional rules and regulations in these areas, such as mandatory "say on pay" voting requirements that will apply to us when we cease to be an emerging growth company. Stockholder activism, the current political environment and the current high level of government intervention and regulatory reform may lead to substantial new regulations and disclosure obligations, which may lead to additional compliance costs and impact the manner in which we operate our business in ways we cannot currently anticipate.

We expect the rules and regulations applicable to public companies to substantially increase our legal and financial compliance costs and to make some activities more time consuming and costly. The increased costs will decrease our net income or increase our net loss, and may require us to reduce expenditures in other areas of our business or increase the prices of our products, if approved. For example, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to incur substantial costs to maintain the same or similar coverage. We cannot predict or estimate the amount or timing of additional costs we may incur to comply with these requirements. The impact of these requirements could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as executive officers. If these requirements divert the attention of our management and personnel from other business concerns, they could have a material adverse effect on our business, financial condition and results of operations.

We are subject to U.S. and certain foreign export and import controls, sanctions, embargoes, anti-corruption laws and anti-money laundering laws and regulations. Compliance with these legal standards could impair our ability to compete in domestic and international markets. We could face criminal liability and other serious consequences for violations, which could harm our business.

We are subject to export control and import laws and regulations, including the U.S. Export Administration Regulations, U.S. Customs regulations, and various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Controls and anti-corruption and anti-money laundering laws and regulations, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act and other state and national anti-bribery and anti-money laundering laws in the countries in which we conduct activities. Anti-corruption laws are interpreted broadly and prohibit companies and their employees, agents, CROs, contractors and other collaborators

and partners from authorizing, promising, offering, providing, soliciting or receiving, directly or indirectly, improper payments or anything else of value to recipients in the public or private sector. We may engage third parties for clinical trials outside of the United States, to sell our products abroad if and when we enter a commercialization phase, and/or to obtain necessary permits, licenses, patent registrations and other regulatory approvals. We have direct or indirect interactions with officials and employees of government agencies or government-affiliated hospitals, universities and other organizations. We can be held liable for the corrupt or other illegal activities of our employees, agents, CROs, contractors and other collaborators and partners, even if we do not explicitly authorize or have actual knowledge of such activities, and any training or compliance programs or other initiatives we undertake to prevent such activities may not be effective. Any violations of the laws and regulations described above may result in substantial civil and criminal fines and penalties, imprisonment, the loss of export or import privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm and other consequences.

Furthermore, U.S. export control laws and economic sanctions prohibit the provision of certain products and services to countries, governments, and persons targeted by U.S. sanctions. U.S. sanctions that have been or may be imposed as a result of military conflicts in other countries may impact our ability to continue activities at future clinical trial sites within regions covered by such sanctions. If we fail to comply with export and import regulations and such economic sanctions, penalties could be imposed, including fines and/or denial of certain export privileges. These export and import controls and economic sanctions could also adversely affect our supply chain.

Our third-party manufacturers or suppliers may use potent chemical agents and hazardous materials, and any claims relating to improper handling, storage or disposal of these materials could be time-consuming or costly.

Our third-party manufacturers or suppliers use, and potential future collaborators will use, biological materials, potent chemical agents and may use hazardous materials, including chemicals and biological agents and compounds that could be dangerous to human health and safety of the environment. The operations of our third-party manufacturers and suppliers also produce hazardous waste products. Federal, state and local laws and regulations govern the use, generation, manufacture, storage, handling and disposal of these materials and wastes. Compliance with applicable environmental laws and regulations may be expensive, and current or future environmental laws and regulations may impair our product development efforts. In addition, our third-party manufacturers and suppliers cannot eliminate the risk of accidental injury or contamination from these materials or wastes. We do not carry specific biological or hazardous waste insurance coverage, and our property, casualty and general liability insurance policies specifically exclude coverage for damages and fines arising from biological or hazardous waste exposure or contamination. In the event of contamination or injury at our manufacturers' or suppliers' sites, we could be held liable for damages or be penalized with fines in an amount exceeding our resources, and our clinical trials or regulatory approvals could be suspended. Although we maintain workers' compensation insurance for certain costs and expenses we may incur due to injuries to our employees resulting from work-related injuries, this insurance may not provide adequate coverage against potential liabilities. We do not maintain insurance for toxic tort claims that may be asserted against us in connection with our third-party manufacturers' and suppliers' storage or disposal of biologic, hazardous or radioactive materials.

In addition, our third-party manufacturers and suppliers may need to incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations, which have tended to become more stringent over time, which may increase the cost of their services to us. These current or future laws and regulations may impair our research, development or production efforts. Failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions or liabilities for our third-party manufacturers and suppliers, which could in turn materially adversely affect our business, financial condition, results of operations and prospects. To the extent we develop our own manufacturing operations in the future, we may similarly incur substantial costs to ensure compliance with these laws, and all the foregoing risks will further apply to us, as well.

Business disruptions could seriously harm our future revenue and financial condition and increase our costs and expenses.

Our operations and the operations of our suppliers, CROs, CMOs and clinical sites could be subject to earthquakes, power shortages, telecommunications or infrastructure failures, cybersecurity incidents, physical

security breaches, water shortages, floods, hurricanes, typhoons, blizzards and other extreme weather conditions, fires, public health pandemics or epidemics (including, for example, the COVID-19 pandemic) and other natural or manmade disasters or business interruptions, for which we are predominantly self-insured. We rely on third-party manufacturers or suppliers to produce MLS-101 and its components and on CROs and clinical sites to conduct our clinical trials, and do not have a redundant source of supply for all components of our product candidate. Our ability to obtain clinical or, if approved, commercial, supplies of MLS-101 or any future product candidates could be disrupted if the operations of these suppliers were affected by a man-made or natural disaster or other business interruption, and our ability to commence, conduct or complete our clinical trials in a timely manner could be similarly adversely affected by any of the foregoing. The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses.

Unstable market and economic conditions may have serious adverse consequences on our business, financial condition and stock price.

The global credit and financial markets have recently experienced extreme volatility and disruptions, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates and uncertainty about economic stability. The financial markets and the global economy may also be adversely affected by the current or anticipated impact of military conflict, including the conflict between Russia and Ukraine, terrorism or other geopolitical events. Sanctions imposed by the United States and other countries in response to such conflicts, including the one in Ukraine, may also adversely impact the financial markets and the global economy, and any economic countermeasures by the affected countries or others could exacerbate market and economic instability. There can be no assurance that further deterioration in credit and financial markets and confidence in economic conditions will not occur. Our general business strategy may be adversely affected by any such economic downturn, volatile business environment or continued unpredictable and unstable market conditions. If the current equity and credit markets deteriorate, it may make any necessary debt or equity financing more difficult, more costly and more dilutive. Failure to secure any necessary financing in a timely manner and on favorable terms could have a material adverse effect on our growth strategy, financial performance and stock price and could require us to delay, limit, reduce, or terminate our product development or future commercialization efforts or grant rights to develop and market our product candidates even if we would otherwise prefer to develop and market such product candidates ourselves, or on less favorable terms than we would otherwise choose. In addition, if one or more of our current service providers, manufacturers and other partners may not survive an economic downturn, which could directly affect our ability to attain our clinical development goals on schedule and on budget.

Changes in tax law may materially adversely affect our financial condition, results of operations and cash flows, or adversely impact the value of an investment in our common stock.

New income, sales, use or other tax laws, statutes, rules, regulations or ordinances could be enacted at any time, or interpreted, changed, modified or applied adversely to us, any of which could adversely affect our business operations and financial performance. We urge our investors to consult with their legal and tax advisors with respect to any changes in tax law and the potential tax consequences of investing in our common stock.

If securities or industry analysts do not publish research or reports or publish unfavorable research or reports about our business, our stock price and trading volume could decline.

The trading market for our common stock will depend in part on the research and reports that securities or industry analysts publish about us, our business, our market or our competitors. We do not currently have and may never obtain research coverage by securities and industry analysts. If no securities or industry analysts commence coverage of our company, the trading price for our stock would be negatively impacted. In the event we obtain securities or industry analyst coverage, if one or more of the analysts who covers us downgrades our stock, or if we fail to meet the expectations of one or more of these analysts, our stock price would likely decline. If one or more of these analysts ceases to cover us or fails to regularly publish reports on us, interest in our stock could decrease, which could cause our stock price or trading volume to decline.

If we fail to maintain proper and effective internal control over financial reporting, our ability to produce accurate and timely financial statements could be impaired, investors may lose confidence in our financial reporting and the trading price of our common stock may decline.

Pursuant to Section 404 of Sarbanes-Oxley, our management will be required to report upon the effectiveness of our internal control over financial reporting beginning with the annual report for our fiscal year ending December 31, 2023. When we lose our status as an "emerging growth company" and do not otherwise qualify as a "smaller reporting company" with less than $100 million in annual revenue, our independent registered public accounting firm will be required to attest to the effectiveness of our internal control over financial reporting. The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. To comply with the requirements of being a reporting company under the Exchange Act, we may need to upgrade our information technology systems; implement additional financial and management controls, reporting systems and procedures; and hire additional accounting and finance staff. If we or, if required, our auditors are unable to conclude that our internal control over financial reporting is effective, investors may lose confidence in our financial reporting and the trading price of our common stock may decline.

We cannot assure you that there will not be material weaknesses or significant deficiencies in our internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition, results of operations or cash flows. If we are unable to conclude that our internal control over financial reporting is effective, or if our independent registered public accounting firm determines we have a material weakness or significant deficiency in our internal control over financial reporting once that firm begin its Section 404 reviews, investors may lose confidence in the accuracy and completeness of our financial reports, the market price of our common stock could decline, and we could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities. Failure to remedy any material weakness in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets.

We could be subject to securities class action litigation.

In the past, securities class action litigation has often been brought against a company following a decline in the market price of its securities. This risk is especially relevant for us because biotechnology and biopharmaceutical companies have experienced significant stock price volatility in recent years. If we face such litigation, even if ultimately decided in our favor, it could result in substantial costs and a diversion of our management's attention and resources, which could harm our business.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements about us and our industry. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future results of operations and financial position, business strategy, research and development plans, the anticipated timing, costs, design and conduct of our ongoing and planned preclinical studies and planned clinical trials for MLS-101 and any future product candidates, the timing and likelihood of regulatory filings and approvals for MLS-101 and any future product candidates, our ability to commercialize our product candidates, if approved, the impact of the COVID-19 pandemic on our business, the pricing and reimbursement of our product candidates, if approved, the potential to develop future product candidates, the potential benefits of strategic collaborations and our intent to enter into any strategic arrangements, the timing and likelihood of success, and plans and objectives of management for, future operations, and future results of anticipated product development efforts, are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these terms or other similar expressions. The forward-looking statements in this prospectus are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial and other trends that we believe may affect our business, financial condition and results of operations. These forward-looking statements speak only as of the date of this prospectus and are subject to a number of risks, uncertainties and assumptions described under the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this prospectus. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified and some of which are beyond our control, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Moreover, we operate in an evolving environment. New risk factors and uncertainties may emerge from time to time, and it is not possible for management to predict all risk factors and uncertainties. Except as required by applicable law, we undertake no obligation to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise. You should, however, review the factors and risks we describe in the reports we will file from time to time with the SEC after the date of this prospectus. See the section titled "Where You Can Find More Information."

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

MARKET AND INDUSTRY DATA

We obtained the industry, market and competitive position data used throughout this prospectus from our own internal estimates and research, as well as from independent market research, industry and general publications and surveys, governmental agencies and publicly available information in addition to research, surveys and studies conducted by third parties. The content of these third-party sources, except to the extent specifically set forth in this prospectus, does not constitute a portion of this prospectus and is not incorporated herein. Internal estimates are derived from publicly available information released by industry analysts and third-party sources, our internal research and our industry experience, and are based on assumptions made by us based on such data and our knowledge of our industry and market, which we believe to be reasonable. In some cases, we do not expressly refer to the sources from which this data is derived. In that regard, when we refer to one or more sources of this type of data in any paragraph, you should assume that other data of this type appearing in the same paragraph is derived from the same sources, unless otherwise expressly stated or the context otherwise requires.

In addition, while we are responsible for all of the disclosure contained in this prospectus and we believe the industry, market and competitive position data included in this prospectus is reliable and based on reasonable assumptions, such data involve risks and uncertainties and are subject to change based on various factors, including those discussed in the sections titled “Risk Factors” and “Special Note Regarding Forward-Looking Statements.” These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties or by us. Certain monetary amounts, percentages, and other figures included elsewhere in this prospectus have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables or charts may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

USE OF PROCEEDS

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

Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the net proceeds to us from this offering by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. An increase or decrease of 1.0 million shares in the number of shares of common stock offered by us would increase or decrease, as applicable, the net proceeds to us from this offering, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, by approximately $ million, assuming the assumed initial public offering price stays the same. The information discussed above is illustrative only and will adjust based on the actual initial public offering price and other terms of this offering determined at pricing.

The principal purposes of this offering are to obtain additional capital to support our operations, to create a public market for our common stock and to facilitate our future access to the public equity markets. We intend to use approximately $ million of the net proceeds from this offering, together with our existing cash, cash equivalents and short-term investments, to fund the research and development of MLS-101, and the remainder for working capital and general corporate purposes.

We may also use a portion of the remaining net proceeds and our existing cash, cash equivalents and short-term investments to in-license, acquire, or invest in complementary businesses, technologies, products or assets. However, we have no current commitments or obligations to do so.

We believe, based on our current operating plan, that the net proceeds from this offering, together with our existing cash, cash equivalents and short-term investments, will be sufficient to fund our operations for at least the next months from the date of this prospectus. In particular, we expect that the net proceeds from this offering, together with our existing cash, cash equivalents and short-term investments, will allow us to . We have based these estimates on assumptions that may prove to be wrong, and we could use our capital resources sooner than we currently expect. Additionally, our expected use of existing cash, cash equivalents and short-term investments and our net proceeds from this offering represent our intentions based upon our current plans and business conditions, which could change in the future as our plans and business conditions evolve. The amounts and timing of our actual expenditures may vary significantly depending on numerous factors, including the progress and costs of our development activities, the status of and results from clinical trials and preclinical studies, as well as any collaborations that we may enter into with third parties for MLS-101 and any future product candidates, and the amount of cash used in our operations and any unforeseen cash needs as well as other factors described in the sections of this prospectus titled “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Special Note Regarding Forward-Looking Statements.” The net proceeds from this offering, together with our existing cash, cash equivalents, and short-term investments will not be sufficient to complete development of MLS-101, and after this offering, we will require substantial capital in order to advance MLS-101 and any future product candidates through clinical trials, regulatory approval and commercialization.

Our management will have broad discretion in the application of the net proceeds from this offering, and investors will be relying on the judgment of our management regarding the application of those net proceeds. The timing and amount of our actual expenditures will be based on many factors, including cash flows from operations and the anticipated growth of our business. Pending the uses described above, we plan to invest the net proceeds in a variety of capital preservation instruments, including short-term, interest-bearing obligations, investment-grade instruments, certificates of deposit and direct or guaranteed obligations of the United States.

DIVIDEND POLICY

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain future earnings, if any, to finance the operation of our business and do not anticipate paying any cash dividends on our capital stock in the foreseeable future. Any future determination related to our dividend policy will be made at the discretion of our board of directors after considering our financial condition, results of operations, current and anticipated capital requirements, business prospects and other factors our board of directors deems relevant, and subject to applicable laws and the restrictions contained in any future financing instruments.

CAPITALIZATION

The following table sets forth our cash, cash equivalents and short-term investments and capitalization as of September 30, 2022:

- on an actual basis;
- on a pro forma basis to reflect (i) the automatic conversion of all outstanding shares of our convertible preferred stock into 222,843,084 shares of our common stock and the related reclassification of the carrying value of the convertible preferred stock to permanent equity immediately prior to the closing of this offering, and (ii) the filing and effectiveness of our amended and restated certificate of incorporation immediately prior to the closing of this offering; and
- on a pro forma as adjusted basis to give further effect to our issuance and sale of shares of our common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The pro forma and pro forma as adjusted information below is illustrative only, and our cash, cash equivalents and short-term investments and capitalization following the closing of this offering will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing. You should read this information in conjunction with our financial statements and related notes included in this prospectus and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other financial information contained in this prospectus.

	As of September 30, 2022		
	Actual	Pro forma	Pro forma as adjusted[1]
(in thousands, except share and par value data)		(unaudited)	
Cash, cash equivalents and short-term investments	$	$	$
Convertible preferred stock, $0.0001 par value, shares authorized, shares issued and outstanding, actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted			
Stockholders' equity (deficit):			
Common stock, $0.0001 par value; shares authorized, shares issued and outstanding; shares authorized, shares issued and outstanding, excluding shares subject to forfeiture or a right of repurchase, pro forma; shares authorized, shares issued and outstanding, excluding shares subject to forfeiture or a right of repurchase, pro forma as adjusted			
Additional paid-in capital			
Accumulated other comprehensive income			
Accumulated deficit			
Total stockholders' equity (deficit)			
Total capitalization	$	$	$

(1) Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the pro forma as adjusted amount of each of our cash, cash equivalents and short-term investments, additional paid-in capital, total stockholders' equity (deficit) and total capitalization by approximately $, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. Each increase or decrease of 1.0 million shares in the number of shares offered by us at the assumed initial public offering price of $ per share would increase or decrease, as applicable, the pro forma as adjusted amount of each of our cash, cash equivalents and short-term investments, additional paid-in capital, total stockholders' equity (deficit) and total capitalization by approximately $, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters' option to purchase additional shares is exercised in full, our pro forma as adjusted cash, cash equivalents and short-term investments, additional paid-in capital, total stockholders' equity (deficit), and total capitalization as of September 30, 2022, would be $ million, $ million, $ million, and $ million, respectively.

The number of shares of our common stock to be outstanding after this offering set forth above is based on shares of our common stock outstanding as of September 30, 2022, including shares subject to forfeiture or our right of repurchase, after giving effect to the automatic conversion of all outstanding shares of our convertible preferred stock into 222,843,084 shares of our common stock immediately prior to the closing of this offering, and excludes:

- shares of common stock issuable upon the exercise of stock options outstanding as of September 30, 2022, with a weighted-average exercise price of $ per share;
- shares of common stock reserved for future issuance under the 2023 Plan, which will become effective in connection with this offering (which number includes shares of common stock reserved for issuance under our 2020 Plan, which shares will be added to the 2023 Plan upon its effectiveness, but does not include any potential evergreen increases pursuant to the terms of the 2023 Plan); and
- shares of common stock reserved for future issuance under the ESPP, which will become effective in connection with this offering (which number does not include any potential evergreen increases pursuant to the terms of the ESPP).

DILUTION

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

As of September 30, 2022, our historical net tangible book value (deficit) was $ million, or $ per share of our common stock, based on shares of common stock issued and outstanding as of such date, including shares subject to forfeiture or our right of repurchase as of such date. Our historical net tangible book value (deficit) per share represents total tangible assets less total liabilities and convertible preferred stock, which is not included within permanent equity, divided by the number of shares of common stock outstanding at September 30, 2022.

On a pro forma basis, after giving effect to the automatic conversion of all outstanding shares of our convertible preferred stock into 222,843,084 shares of our common stock and the related reclassification of the carrying value of the convertible preferred stock to permanent equity immediately prior to the closing of this offering, our pro forma net tangible book value (deficit) as of September 30, 2022 would have been approximately $ million, or approximately $ per share of our common stock.

After giving further effect to the sale of shares of our common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of September 30, 2022 would have been approximately $ million, or approximately $ per share. This amount represents an immediate increase in pro forma net tangible book value of approximately $ per share to our existing stockholders and an immediate dilution in pro forma net tangible book value of approximately $ per share to new investors purchasing shares of common stock in this offering.

Dilution per share to new investors is determined by subtracting pro forma as adjusted net tangible book value per share after this offering from the initial public offering price per share paid by new investors. The following table illustrates this dilution (without giving effect to any exercise by the underwriters of their option to purchase additional shares):

Assumed initial public offering price per share		$
Historical net tangible book value (deficit) per share as of September 30, 2022	$	
Pro forma increase in historical net tangible book value per share as of September 30, 2022 attributable to the pro forma adjustments described above		
Pro forma net tangible book value per share as of September 30, 2022	$	
Increase in pro forma net tangible book value per share attributable to new investors participating in this offering		
Pro forma as adjusted net tangible book value per share after this offering		
Dilution per share to new investors participating in this offering		$

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

If the underwriters exercise their option to purchase additional shares of our common stock in full in this offering, the pro forma as adjusted net tangible book value after the offering would be approximately $ per share, the increase in pro forma as adjusted net tangible book value per share to existing stockholders would be approximately $ per share and the dilution per share to investors in this offering would be $ per share, in each case assuming an initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus.

The dilution information above is for illustration purposes only. Our pro forma as adjusted net tangible book value following the closing of this offering will depend on the actual initial public offering price and other terms of this offering determined at pricing.

The following table summarizes on the pro forma as adjusted basis described above, as of September 30, 2022, the differences between the number of shares purchased from us, the total consideration paid to us in cash and the average price per share paid by existing stockholders for shares issued prior to this offering and the price to be paid by new investors in this offering. The calculations below are based on an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, before deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares purchased		Total consideration		Weighted-average price per share
	Number	Percent	Amount	Percent	
Existing stockholders before this offering		%	$	%	$
New investors participating in this offering					$
Total		100 %		100 %	

If the underwriters exercise their option to purchase additional shares of our common stock in full:

- the percentage of shares of common stock held by existing stockholders will decrease to approximately % of the total number of shares of our common stock outstanding after this offering; and
- the number of shares held by new investors participating in this offering will increase to , or approximately % of the total number of shares of our common stock outstanding after this offering.

The foregoing tables and calculations above (other than the historical net tangible book value calculations) are based on shares of our common stock outstanding as of September 30, 2022, including shares subject to forfeiture or our right of repurchase, after giving effect to the automatic conversion of all outstanding shares of our convertible preferred stock into 222,843,084 shares of our common stock immediately prior to the closing of this offering, and exclude:

- shares of common stock issuable upon the exercise of outstanding stock options as of September 30, 2022, with a weighted-average exercise price of $ per share;
- shares of common stock reserved for future issuance under the 2023 Plan, which will become effective in connection with this offering (which number includes shares of common stock reserved for issuance under our 2020 Plan, which shares will be added to the 2023 Plan upon its effectiveness, but does not include any potential evergreen increases pursuant to the terms of the 2023 Plan); and
- shares of common stock reserved for future issuance under the ESPP, which will become effective in connection with this offering (which number does not include any potential evergreen increases pursuant to the terms of the ESPP).

To the extent any outstanding options are exercised, new options or other equity awards are issued under our equity incentive plans, or we issue additional equity or convertible securities in the future, there will be further dilution to new investors participating in this offering.

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

Overview

We are a clinical-stage biopharmaceutical company focused on developing medicines to target diseases driven by abnormally elevated aldosterone. Our product candidate, MLS-101, is a proprietary, orally administered, highly selective aldosterone synthase inhibitor (ASI) that we are initially developing for the treatment of patients with uncontrolled (uHTN) or resistant hypertension (rHTN). In the United States, there are over 115 million patients who have sustained elevated blood pressure (BP), or hypertension and more than half of this population fails to achieve their BP goals with currently available medications. There are over 30 million treated patients who do not achieve their BP goal, of whome 20 million have systolic BP levels greater than 140 mmHg. Patients with hypertension that persists despite taking two or more medications have 1.8 and 2.5 times greater mortality risk due to either cardiovascular disease or stroke, respectively. In a Phase 2 clinical trial evaluating 200 subjects with uHTN and rHTN (Target-HTN), MLS-101 demonstrated a clinically meaningful and statistically significant reduction in BP with once daily dosing and was well tolerated with favorable safety data. In addition to hypertension, we intend to develop MLS-101 for the treatment of chronic kidney disease (CKD), and believe that our product candidate holds promise to be an innovative solution for the rapidly growing unmet need in multiple cardiorenal disorders.

MLS-101 has been developed to normalize the production of aldosterone, and we believe this mechanism can be applied to other indications where abnormal aldosterone biology plays a role. We intend to initiate a Phase 2 proof of concept trial for CKD. Uninhibited aldosterone is known to play a critical role in the progression of CKD, which affects over 23 million people in the United States. Furthermore, we may expand the development of MLS-101 into additional cardiorenal indications.

We commenced our operations in May 2019 and have devoted substantially all of our resources to date to organizing and staffing our company, business planning, raising capital, in-licensing our product candidate, MLS-101, establishing our intellectual property portfolio, conducting research, preclinical studies and clinical trials, and providing other general and administrative support for our operations. We have funded operations to date primarily through the issuance of convertible promissory notes and our convertible preferred stock. As of December 31, 2021, we had cash of $10.6 million. From inception to September 30, 2022, we raised aggregate gross proceeds of approximately $158.0 million from the issuance of convertible promissory notes and convertible preferred stock.

We do not have any products approved for sale, have not generated any revenue and have incurred net losses since our inception. Our operations to date have been limited to business planning, raising capital, in-licensing and developing MLS-101, conducting clinical trials, and other research and development activities. Our net losses for the years ended December 31, 2020 and 2021 were $3.4 million and $19.4 million, respectively. As of December 31, 2021, we had an accumulated deficit of $23.0 million. Our net losses may fluctuate significantly from quarter-to-quarter and year-to-year, depending on the timing of our clinical development activities and other research and development activities. We expect our expenses and operating losses will increase substantially as we conduct our ongoing and planned clinical trials for MLS-101, potentially seek regulatory approval for MLS-101 and any future product candidates we may develop, expand our clinical, regulatory, quality, manufacturing and commercialization capabilities, obtain, maintain, protect and enforce our intellectual property, expand our general and administrative support functions, including hiring additional personnel, and incur additional costs associated with operating as a public company.

Based on our current operating plan, we believe that our existing cash, cash equivalents and short-term investments, together with the estimated net proceeds from this offering, will be sufficient to meet our anticipated cash requirements through at least the next 12 months. We have never generated any revenue and do not expect to generate any revenue from product sales unless and until we successfully complete development of, and obtain regulatory approval for, MLS-101, which will not be for several years, if ever. Accordingly, until such time as we can generate significant revenue from sales of MLS-101, if ever, we expect to finance our cash needs through equity offerings, debt financings, or other capital sources, including potential collaborations, licenses, and other similar arrangements. However, we may be unable to raise additional funds or enter into such other arrangements when

needed on favorable terms or at all. Our failure to raise capital or enter into such other arrangements when needed would have a negative impact on our financial condition and could force us to delay, limit, reduce, or terminate our product development or future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves. For more information, see "*Liquidity and Capital Resources.*"

The global COVID-19 pandemic continues to evolve, and we will continue to monitor the COVID-19 situation closely. We have not experienced a material impact from the COVID-19 pandemic to-date; however, the extent of the impact of the COVID-19 pandemic on our business, operations, and clinical development timelines and plans remains uncertain, and will depend on certain developments, including its impact on our clinical trial enrollment, trial sites, manufacturers, CROs, and other third parties with whom we do business, as well as its impact on regulatory authorities and our key scientific and management personnel. The ultimate impact of the COVID-19 pandemic, including the impact of new variants of the virus that causes COVID-19, or a similar health pandemic is highly uncertain and subject to change. To the extent possible, we are conducting business as usual, with necessary or advisable modifications to employee travel and most of our employees working remotely. We will continue to actively monitor the evolving situation related to COVID-19 and may take further actions that alter our operations, including those that may be required by federal, state, or local authorities, or that we determine are in the best interests of our employees and other third parties with whom we do business. At this point, the extent to which the COVID-19 pandemic may affect our business, operations, and development timelines and plans, including the resulting impact on our expenditures and capital needs, remains uncertain and is subject to change.

License Agreement with Mitsubishi Tanabe

In July 2020, we entered into a license agreement (the Mitsubishi License) with Mitsubishi Tanabe Pharma Corporation (Mitsubishi Tanabe), pursuant to which Mitsubishi Tanabe granted us an exclusive, worldwide, royalty-bearing, sublicensable license under Mitsubishi Tanabe's patent and other intellectual property rights to exploit products incorporating MLS-101 (formerly MT-4129) (MLS-101 Products) for the prevention, treatment, diagnosis, detection, monitoring, or predisposition testing with respect to indications, diseases, and conditions in humans. We paid Mitsubishi Tanabe a $1.0 million upfront fee, and we are obligated to pay Mitsubishi Tanabe development milestone payments of up to $9.0 million in the aggregate and commercial milestone payments of up to $155.0 million in the aggregate upon first commercial sale and upon meeting certain annual sales targets, as well as additional commercial milestone payments of up to $10.0 million for a second indication. Additionally, we are obligated to pay Mitsubishi Tanabe tiered royalties at percentages ranging from the mid-single digits to ten percent (10%) of aggregate net sales of each MLS-101 Product on an MLS-101 Product-by-MLS-101 Product and country-by-country basis, until the later of (i) the expiration of the last-to-expire valid Mitsubishi Tanabe patent claim covering an MLS-101 Product, (ii) ten years from the first commercial sale of an MLS-101 Product, or (iii) the expiration of regulatory exclusivity in such country. Such royalties are subject to reduction under specified conditions, including lack of patent coverage and generic competition.

We are obligated to use commercially reasonable efforts to conduct and complete the development activities and to file for regulatory approval for at least one MLS-101 Product in a major market country and consider in good faith to develop at least one MLS-101 Product in a non-major market country. If we elect to sublicense our rights under the Mitsubishi License to a third party with respect to exploitation of MLS-101 or any MLS-101 Product in certain countries in Asia, Mitsubishi Tanabe has a right of first negotiation, for a specified period of time. We also agreed not to commercialize any competing product prior to three years following the first commercial sale of the first MLS-101 Product in any country without Mitsubishi Tanabe's prior consent. For additional information regarding the Mitsubishi License, including termination provisions, see "Business—Intellectual property—License agreement with Mitsubishi Tanabe."

Key Components of Results of Operations

Operating Expenses

Research and Development

Research and development expenses consist primarily of external and internal costs related to the development of MLS-101. Research and development expenses are recognized as incurred, and payments made prior to the receipt of goods or services to be used in research and development are capitalized until the goods are received or when the services are performed.

Research and development expenses include:

- salaries, bonuses, employee benefits, and stock-based compensation charges for those individuals involved in research and development efforts;
- external research and development expenses incurred under agreements with contract research organizations (CROs) and consultants to conduct and support our clinical trials of MLS-101, and payments made under the Mitsubishi License; and
- costs related to manufacturing MLS-101 for our clinical trials.

We plan to substantially increase our research and development expenses for the foreseeable future as we continue the development of MLS-101. We cannot determine with certainty the timing of initiation, the duration, or the completion costs of current or future clinical trials and preclinical studies of MLS-101 or any future product candidates due to the inherently unpredictable nature of clinical and preclinical development. Clinical and preclinical development timelines, the probability of success, and development costs can differ materially from expectations. In addition, we cannot forecast whether MLS-101 or any future product candidates may be subject to future collaborations, when such arrangements will be secured, if at all, and to what degree such arrangements would affect our development plans and capital requirements.

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

- the initiation, type, number, scope, progress, expansions, results, costs, and timing of clinical trials and preclinical studies of MLS-101 and any future product candidates we may choose to pursue, including any modifications to clinical development plans based on feedback that we may receive from regulatory authorities;
- our ability and strategic decision to develop future product candidates other than MLS-101, and the timing of such development, if any;
- our ability to receive timely regulatory approvals for MLS-101, any future product candidates, and additional indications of MLS-101 and any future product candidates, in the jurisdictions in which we or any future partners apply for such approvals;
- the costs and timing of manufacturing MLS-101 or any future product candidates for use in our trials, including as a result of inflation, any supply chain issues or component shortages;
- any additional jurisdictions in which we may seek approval for MLS-101 and any future product candidates and timing of seeking approval in such jurisdictions;
- the drop-out or discontinuation rates of clinical trial patients;
- potential additional safety monitoring requested by regulatory agencies;
- the duration of patient participation in the trials and follow-up;
- the phase of development of the product candidate;

- the impact of any interruptions to our operations or to those of the third parties with whom we work due to the ongoing COVID-19 pandemic;
- the efficacy and safety profile of the relevant product candidate; and
- the extent to which we establish strategic collaborations or other arrangements.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel-related expenses, including employee salaries, bonuses, benefits, and stock-based compensation charges, for personnel in executive and administrative functions. Other significant general and administrative expenses include legal fees relating to intellectual property and corporate matters, professional fees for accounting, tax and consulting services, and insurance costs. We expect our general and administrative expenses will increase for the foreseeable future to support our increased research and development activities, manufacturing activities, and the increased costs associated with operating as a public company. These increased costs will likely include increased expenses related to hiring of additional personnel, audit, legal, regulatory, and tax-related services associated with maintaining compliance with exchange listing and Securities and Exchange Commission (SEC) requirements and requirements of the Sarbanes-Oxley Act of 2002 (SOX), director and officer insurance costs, and investor and public relations costs.

Other Expense, Net

Interest Expense

Interest expense consisted of interest on our outstanding Convertible Notes described below prior to their conversion into shares of our Series A convertible preferred stock in February 2021.

Change in Fair Value of Convertible Notes

We issued convertible promissory notes in 2019 and 2020 (the Convertible Notes) for which we elected the fair value option. We adjusted the carrying value of our Convertible Notes to their estimated fair value at each reporting date, with any change in fair value of the Convertible Notes recorded as an increase or decrease to change in fair value of Convertible Notes in our statements of operations. All outstanding Convertible Notes and related accrued interest converted into shares of our Series A convertible preferred stock in February 2021.

Results of Operations

Comparison of the Years Ended December 31, 2020 and 2021

	Year Ended December 31,	
	2020	2021
	(in thousands)	
Research and development expenses	$ 2,411	$ 16,308
General and administrative expenses	532	2,417
Other expense, net	483	683
Net loss	$ 3,426	$ 19,408

Research and Development Expenses

Research and development expenses increased by $13.9 million for the year ended December 31, 2021, compared to the year ended December 31, 2020, which was primarily due to an increase of $11.6 million in preclinical and clinical costs related to the research and development of MLS-101, an increase of $1.7 million in personnel expenses upon hiring additional employees in 2021 to support research and development, and an increase of $1.6 million for clinical supply, manufacturing and regulatory costs.

We acquired the licensed rights to MLS-101 in July 2020 and began a proof-of-concept Phase 2 clinical trial in the United States in 2021. Costs related to executing our clinical trial in 2021 was the primary driver of the increase in our research and development expense in 2021. This increase was partially offset by $1.0 million in licensing fees as a result of the upfront payment in 2020 relating to the Mitsubishi License.

General and Administrative Expenses

General and administrative expenses increased by $1.9 million for the year ended December 31, 2021, compared to the year ended December 31, 2020. The increase was primarily due to increases in professional fees of $0.9 million related to accounting and legal support, compensation expense of $0.8 million associated with additional employees hired in early 2021, and $0.2 million in other general expenses.

Total Other Expense, Net

Total other expense, net increased by $0.2 million for the year ended December 31, 2021 compared to the year ended December 31, 2020 and was related to our Convertible Notes, which were converted into Series A Preferred Stock in February 2021. Specifically, during the year ended December 31, 2021 as compared to the year ended December 31, 2020, the expense associated with the change in fair value of the Convertible Notes increased by $0.3 million, which was partially offset by a decrease in interest expense of $0.1 million due to the short period of time in 2021 that the Convertible Notes were outstanding prior to their conversion in February 2021.

Liquidity and Capital Resources

We have incurred net losses and negative cash flows from operations since our inception and anticipate we will continue to incur net losses and have negative cash flows from operations for the foreseeable future as we continue the development of, seek regulatory approval for and potentially commercialize MLS-101, seek to identify, assess, acquire and in-license intellectual property related to or develop additional product candidates and become a public company. We have funded our operations to date through the gross proceeds of approximately $158.0 million from the sale and issuance of convertible preferred stock and Convertible Notes. As of September 30, 2022, we had cash of $ million.

Funding Requirements

Based on our current operating plan, we believe that our existing cash, cash equivalents and marketable securities, together with the estimated net proceeds from this offering, will be sufficient to meet our anticipated cash requirements through at least the next months. However, our forecast of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement that involves risks and uncertainties, and actual results could vary materially. We have based this estimate on assumptions that may prove to be wrong, and we could deplete our capital resources sooner than we expect. Additionally, the process of testing product candidates in clinical trials is costly, and the timing of progress and expenses in these trials is uncertain.

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

- the initiation, type, number, scope, progress, expansions, results, costs, and timing of clinical trials and preclinical studies of MLS-101 and any future product candidates we may choose to pursue, including any modifications to clinical development plans based on feedback that we may receive from regulatory authorities;
- our ability and strategic decision to develop future product candidates other than MLS-101, and the timing of such development, if any;
- our ability to receive timely regulatory approvals for MLS-101, any future product candidates, and additional indications of MLS-101 and any future product candidates, in the jurisdictions in which we or any future partners apply for such approvals;

- the costs and timing of manufacturing for MLS-101, or any future product candidate, including commercial manufacture at sufficient scale, if any product candidate is approved, including as a result of inflation, any supply chain issues or component shortages;
- any additional jurisdictions in which we may seek approval for MLS-101 and any future product candidates and timing of seeking approval in such jurisdictions;
- the costs, timing, and outcome of regulatory meetings and reviews of MLS-101 or any future product candidates;
- any delays and cost increases that may result from the COVID-19 or any future pandemic;
- the costs of obtaining, maintaining, enforcing, and protecting our patents and other intellectual property and proprietary rights;
- our efforts to enhance operational systems and hire additional personnel to satisfy our obligations as a public company, including enhanced internal control over financial reporting;
- the costs associated with hiring additional personnel and consultants as our business grows, including additional executive officers and clinical development, regulatory, CMC, quality and commercial personnel;
- the timing and amount of the milestone, royalty, or other payments we must make to Mitsubishi Tanabe, from whom we have in-licensed MLS-101, or any future licensors;
- the costs and timing of establishing or securing sales and marketing capabilities if MLS-101 or any future product candidate is approved;
- our ability to achieve sufficient market acceptance, coverage and adequate reimbursement from third-party payors, and adequate market share and revenue for any approved products;
- patients' willingness to pay out-of-pocket for any approved products in the absence of coverage and/or adequate reimbursement from third-party payors;
- the terms and timing of establishing and maintaining collaborations, licenses, and other similar arrangements;
- costs associated with any products or technologies that we may in-license or acquire; and
- the other risks and uncertainties described in "Risk Factors," "Special Note Regarding Forward-Looking Statements" and elsewhere in this prospectus.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through equity offerings, debt financings, or other capital sources, including potential collaborations, licenses, and other similar arrangements. We do not have any committed external source of funds. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders may be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. Debt financing and equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, or declaring dividends. Our ability to raise additional funds may be adversely impacted by potential worsening global economic conditions and the disruptions to, and volatility in, the credit and financial markets in the United States and worldwide resulting from factors that include but are not limited to, inflation, the conflict between Russia and Ukraine and other factors, diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates, and uncertainty about economic stability. If the equity and credit markets deteriorate, it may make any necessary debt or equity financing more difficult, more costly and more dilutive. If we raise additional funds through future collaborations, licenses, or other similar arrangements with third parties, we may have to relinquish valuable rights to our future revenue

streams, product candidates, research programs intellectual property or proprietary technology, or grant licenses on terms that may not be favorable to us and/or may reduce the value of our common stock. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed or on terms acceptable to us, we may be required to delay, limit, reduce, or terminate our product development or future commercialization efforts or grant rights to develop and market our product candidates even if we would otherwise prefer to develop and market such product candidates ourselves, or on less favorable terms than we would otherwise choose.

Cash Flows

Since inception, we have primarily used our available cash to fund expenditures related to the in-license and development of MLS-101. The following table sets forth a summary of cash flows for the periods presented:

	Year Ended December 31,	
	2020	2021
	(in thousands)	
Net cash provided by (used in):		
Operating activities	$ (2,463)	$ (14,559)
Financing activities	3,830	23,812
Net	$ 1,367	$ 9,253

Operating Activities

Net cash used in operating activities of $14.6 million during the year ended December 31, 2021 increased, compared to $2.5 million during the year ended December 31, 2020, which was primarily attributable to an increase in cash used to support our operating activities, including but not limited to, the development of MLS-101 and related clinical trial expenses, personnel and compensation expense, and general working capital requirements. The $12.1 million increase in cash used was also attributable to an increase in net loss of $16.0 million, partially offset by the net effect of changes in working capital of $3.6 million and an increase in non-cash operating expenses of $0.3 million.

Financing Activities

Net cash provided by financing activities of $23.8 million during the year ended December 31, 2021 increased by $20.0 million from $3.8 million during the year ended December 31, 2020. In 2021, we received $23.8 million in net proceeds from the issuance and sale of our Series A preferred stock. In 2020, we received net proceeds of approximately $3.9 million from the sale of Convertible Notes.

Contractual Obligations and Commitments

Under the Mitsubishi License, we have milestone payment obligations that are contingent upon the achievement of certain development milestones and specified levels of product sales and are required to make certain royalty payments in connection with the sale of products developed under the agreement. We are currently unable to estimate the timing or likelihood of achieving the milestones or making future product sales. See above and Note 4. “Commitments and Contingencies” to our financial statements included elsewhere in this prospectus for additional information regarding the Mitsubishi License. For additional information regarding the Mitsubishi License, see “Business—Intellectual property—License agreement with Mitsubishi Tanabe.”

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

Critical Accounting Policies and Significant Judgments and Estimates

We have prepared the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP). The preparation of these financial statements requires us to make estimates,

assumptions, and judgments that affect the reported amounts of assets, liabilities, expenses, and related disclosures at the date of the financial statements, and the reported amounts of expenses during the reporting period. On an ongoing basis, management evaluates its critical estimates, including those related to accrued research and development expenses. We base our estimates on our historical experience and on assumptions that we believe are reasonable; however, actual results may differ materially from these estimates under different assumptions or conditions.

For information on our significant accounting policies, please refer to Note 2. "*Summary of Significant Accounting Policies*" of the notes to our financial statements included elsewhere in this prospectus.

Prepaid and Accrued Research and Development Expenses

As part of the process of preparing our financial statements, we are required to estimate our prepaid and accrued research and development expenses. This process involves reviewing open contracts and purchase orders, communicating with our personnel to identify services that have been performed on our behalf, and estimating the level of service performed and the associated cost incurred for the service when we have not yet been invoiced or otherwise notified of the actual cost. The majority of our service providers provide us invoices monthly in arrears for services performed. We make estimates of our prepaid and accrued research and development expenses as of each balance sheet date in our financial statements based on facts and circumstances known to us at the time. We confirm the accuracy of estimates with the service providers and make adjustments if necessary. Examples of estimated prepaid and accrued research and development expenses include expenses for:

- CROs in connection with clinical trials;
- investigative sites in connection with clinical trials;
- vendors in connection with preclinical development activities; and
- vendors related to product manufacturing, development, and distribution of clinical materials.

Prepaid and expense accruals related to clinical trials are based on our estimates of services received and efforts expended pursuant to contracts with multiple research institutions and CROs that conduct and manage clinical trials on our behalf. The financial terms of these agreements vary from contract to contract and may result in uneven payment flows. Payments under some of these contracts depend on factors such as the enrollment of patients and the completion of clinical trial milestones. In accruing costs, we estimate the period over which services will be performed and the level of effort to be expended in each period based upon patient enrollment, clinical site activations, or information provided to us by our vendors on their actual costs incurred. Any estimates of the level of services performed or the costs of these services could differ from actual results.

To date, we have not experienced significant changes in our estimates of accrued research and development expenses after a reporting period. However, due to the nature of estimates, we cannot assure that we will not make changes to our estimates in the future as we become aware of additional information about the status or conduct of our clinical trials and other research activities.

Fair Value Option for Convertible Notes

We elected to account for our Convertible Notes at fair value in order to measure those liabilities at amounts that more accurately reflected the current economic environment in which the Company operates. We recorded the Convertible Notes at fair value at the date of each issuance with changes in fair value recorded in earnings at each reporting period until their conversion into Series A convertible preferred stock in February 2021. The fair value of the Convertible Notes was determined using a guideline transaction method valuation model. Significant assumptions used to determine the fair value of the put feature include the estimated probability of exercise of the put option and the discount rate used to calculate fair value. The estimated probability of exercise is based on management's expectation for future equity financing transactions. The discount rate is based on the weighted-average effective yield of notes previously issued by the Company, adjusted for changes in market yields of biotechnology sector CCC-rated debt.

Determination of the Fair Value of our Common Stock

Historically for all periods prior to this offering, since there has been no public market for our common stock, we have been required to estimate the fair value of the common stock underlying our equity awards when performing fair value calculations. The fair value of the common stock underlying our equity awards was determined on each grant date by our board of directors, taking into consideration input from management and independent third-party valuation analyses. All options to purchase shares of our common stock are intended to be granted with an exercise price per share no less than the fair value per share of our common stock underlying those options on the date of grant, based on the information known to us on the date of grant. Prior to obtaining the Mitsubishi License in July 2020, the fair value of our common stock was nominal because we were not sufficiently capitalized and held no assets that could be used to generate future revenues. Subsequent to obtaining the Mitsubishi License, we considered various objective and subjective factors to determine the fair value of our common stock, including:

- valuations of our common stock performed with the assistance of independent third-party valuation specialists;
- our stage of development and business strategy, including the status of research and development efforts of MLS-101, and the material risks related to our business and industry;
- our results of operations and financial position, including our levels of available capital resources;
- the valuation of publicly-traded companies in the life sciences and biotechnology sectors, as well as recently completed mergers and acquisitions of peer companies;
- the lack of marketability of our common stock as a private company;
- the prices of our convertible preferred stock sold to investors in arm's length transactions and the rights, preferences, and privileges of our convertible preferred stock relative to those of our common stock; and
- the likelihood of achieving a liquidity event for the holders of our common stock, such as an initial public offering or a sale of our company, given prevailing market conditions.

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

Following the completion of this offering, the fair value of our common stock will be based on the closing price as reported on the date of grant on the primary stock exchange on which our common stock is traded.

Stock-Based Compensation Expense

Stock-based compensation expense represents the cost of the grant date fair value of equity awards recognized over the requisite service period of the awards (generally the vesting period) on a straight-line basis with forfeitures recognized as they occur. We have not recognized any material amount of stock-based compensation and do not have any material amounts of unrecognized stock-based compensation related to those awards.

We estimate the fair value of option grants using the Black-Scholes option pricing model. Estimating the fair value of equity awards as of the grant date using valuation models, such as the Black-Scholes option pricing model, is affected by assumptions regarding a number of variables, including the risk-free interest rate, the expected stock price volatility, the expected term of stock options, the expected dividend yield and the fair value of the underlying common stock on the date of grant. Changes in the assumptions can materially affect the fair value and ultimately how much stock-based compensation expense is recognized. These inputs are subjective and generally require significant analysis and judgment to develop. See Note 2. "*Summary of Significant Accounting Policies*" of

the notes to our financial statements included elsewhere in this prospectus for information concerning certain of the specific assumptions we used in applying the Black-Scholes option pricing model to determine the estimated fair value of our stock options granted during 2021.

JOBS Act and Smaller Reporting Company Status

As an emerging growth company under the Jumpstart Our Business Startups Act of 2012 (the JOBS Act), we can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to use the extended transition period for complying with new or revised accounting standards and as a result of this election, our consolidated financial statements may not be comparable to companies that comply with public company effective dates. We intend to rely on other exemptions provided by the JOBS Act, including without limitation, not being required to comply with the auditor attestation requirements of Section 404(b) of Sarbanes-Oxley.

We will remain an emerging growth company until the earliest of (i) the last day of the fiscal year following the fifth anniversary of the consummation of this offering, (ii) the last day of the fiscal year in which we have total annual gross revenue of at least $1.235 billion, (iii) the last day of the fiscal year in which we are deemed to be a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which would occur if, among other factors, the market value of our common stock held by non-affiliates exceeded $700.0 million as of the last business day of the second fiscal quarter of such year (subject to certain conditions), or (iv) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period.

We are also a smaller reporting company as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as our voting and non-voting common stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and our voting and non-voting common stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

Recent Accounting Pronouncements

We have reviewed all recently issued accounting pronouncements and have determined that, other than as disclosed elsewhere in this prospectus, such standards do not have a material impact on our financial statements or do not otherwise apply to our operations.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Risk

We are exposed to market risk related to changes in interest rates of our investment portfolio of cash equivalents and short-term investments. As of September 30, 2021, our cash equivalents and short-term investments consisted of money market funds and US treasury and government securities. As of December 31, 2020 and 2021, we had no cash equivalents and short-term investments. Our primary exposure to market risk is interest income sensitivity, which is affected by changes in the general level of US interest rates. The fair value of our short-term investments is subject to change as a result of potential changes in market interest rates, including changes resulting from the impact of the COVID-19 pandemic. Due to the nature of our cash equivalents and investments, we believe an immediate hypothetical 10% change in interest rates would not have had a material effect on our results of operations during the periods presented.

Foreign Currency Exchange Risk

We are exposed to market risk related to changes in foreign currency exchange rates. We contract with vendors that are located outside the United States and certain invoices are denominated in foreign currencies. We are subject to fluctuations in foreign currency rates in connection with these arrangements. To date, these fluctuations

have not been significant, and we have not had a formal hedging program with respect to foreign currency. We believe an immediate hypothetical 10% change in exchange rates would not have had a material effect on our results of operations during the periods presented.

Effects of Inflation

Inflation generally affects us by increasing our cost of labor and research and development contract costs. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, we may experience some effect in the near future (especially if inflation rates continue to rise) due to an impact on the costs to conduct clinical trials, labor costs we incur to attract and retain qualified personnel, and other operational costs. Inflationary costs could adversely affect our business, financial condition and results of operations.

BUSINESS

Business Overview

We are a clinical-stage biopharmaceutical company focused on developing medicines to target diseases driven by abnormally elevated aldosterone. Our product candidate, MLS-101, is a proprietary, orally administered, highly selective aldosterone synthase inhibitor (ASI) that we are initially developing for the treatment of patients with uncontrolled (uHTN) or resistant hypertension (rHTN). In the United States, there are over 115 million patients who have sustained elevated blood pressure (BP), or hypertension and more than half of this population fails to achieve their BP goals with currently available medications. There are over 30 million treated patients who do not achieve their BP goal, of whom 20 million have systolic BP levels greater than 140 mmHg. Patients with hypertension that persists despite taking two or more medications have 1.8 and 2.5 times greater mortality risk due to either cardiovascular disease or stroke, respectively. In a Phase 2 clinical trial evaluating 200 subjects with uHTN and rHTN (Target-HTN), MLS-101 demonstrated a clinically meaningful and statistically significant reduction in BP with once daily dosing and was well tolerated with favorable safety data. In addition to hypertension, we intend to develop MLS-101 for the treatment of chronic kidney disease (CKD), and believe that our product candidate holds promise to be an innovative solution for the rapidly growing unmet need in multiple cardiorenal disorders.

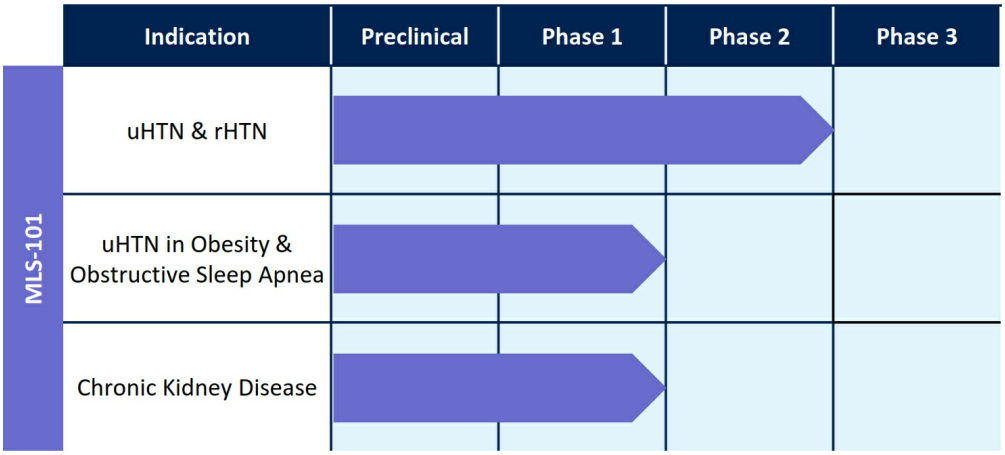
Hypertension is one of the most common medical conditions globally, afflicting approximately 1.3 billion people and resulting in an estimated $130 billion annual economic burden in the United States alone. Despite the availability of multiple treatment options, including thiazide diuretics, angiotensin-converting enzyme (ACE)-inhibitors, angiotensin II receptor blockers (ARBs), calcium channel blockers, beta blockers, and mineralocorticoid receptor antagonists (MRAs), the prevalence of uHTN continues to grow, further exacerbated by the rapidly rising rate of obesity. A hypertensive patient's goal BP is defined as 130/80 mmHg. Over 30 million hypertensive patients in the United State have uHTN, as they are unable to achieve this goal despite taking two or more lines of medication. Within this population there are approximately 14 million patients suffering from rHTN: patients on three or more medications, including a diuretic, who fail to achieve their BP goal. Multiple large-scale studies have demonstrated that patients who fail to achieve their BP goal have a significantly elevated risk of developing heart disease, stroke and kidney disease. Compared with subjects without rHTN, those with the condition have a 1.5 and 2.3 times higher risk of composite cardiovascular events and end-stage renal disease, respectively. Notwithstanding this significant and growing unmet need, there has been a lack of U.S. Food and Drug Administration (FDA)-approved novel therapies targeting hypertension, with no new class of antihypertensive treatment approved within the last fifteen years.

Abnormally elevated aldosterone levels are a key factor in driving hypertension in approximately 25% of hypertensive patients. Developing an effective hypertension therapy that targets aldosterone synthase remains a significant challenge, given the tight homology between the enzymes that regulate aldosterone and cortisol synthesis, as well as aldosterone's role in potassium retention. Several large pharmaceutical companies have tried to develop ASIs, but their efforts have been hampered due to insufficient selectivity for aldosterone, resulting in off-target toxicities associated with cortisol inhibition. These challenges have led to the discontinuation of many ASIs in development to date.

Our Product Candidate, MLS-101

Our product candidate, MLS-101, is a proprietary, orally administered, highly selective ASI that is designed to reduce aldosterone levels by inhibiting CYP11B2, the enzyme responsible for producing the hormone. We licensed MLS-101 from Mitsubishi Tanabe Pharmaceutical Company (Mitsubishi Tanabe), who discovered the compound and provided the early foundational work, including demonstrating the selectivity of MLS-101, and progressing the asset through Phase 1 clinical development. We completed the Target-HTN trial, a Phase 2 proof of

concept trial for MLS-101 in the treatment of uHTN and rHTN in 2022. Given that hypertension and abnormal aldosterone biology can lead to cardiorenal disease, we intend to further develop MLS-101 across other indications.



We intend to use the observations from MLS-101's completed Phase 1 trial in healthy volunteers and Phase 2 trial in uHTN and rHTN to inform the development of MLS-101 in uHTN related to obesity and obstructive sleep apnea (OSA). Beyond hypertension, we intend to develop MLS-101 for the treatment of CKD.

Target-HTN was a randomized, double blinded, placebo-controlled trial conducted in the United States across 200 subjects with uHTN and rHTN to evaluate the efficacy of MLS-101 at various doses either once or twice a day. All subjects were required to remain on background medications.

Target-HTN Key Clinical Results

BP Lowering Metrics	Associated BP Reduction	
	100mg QD Part 1	50mg QD
Placebo-adjusted Systolic BP	-7.9 mmHg	-9.7 mmHg
Placebo-adjusted 24-hour Systolic ABPM	-8.3 mmHg	-10.1 mmHg*
Placebo-adjusted 24-hour Systolic ABPM Nighttime	-8.2 mmHg	-6.6 mmHg*
Placebo-adjusted 24-hour Central Systolic BP	-10.6 mmHg	-10.5 mmHg*

*Represents analysis of all subjects with baseline hypertension, as measured by 24-hour ABPM for 50 mg QD cohort.

Target-HTN's results demonstrated a statistically significant placebo-adjusted reduction in systolic BP, as measured by automated office blood pressure (AOBP), of 9.7 mmHg ($p<0.01$) and 7.9 mmHg ($p<0.04$) in the 50 mg and 100 mg QD cohorts, respectively. In a meta-analysis of 147 randomized trials, a 10 mmHg reduction of systolic BP or a 5 mmHg reduction in diastolic BP has been shown to reduce the risk of stroke by 41% and coronary heart

disease by 22%. The reduction in systolic BP was validated and confirmed by comparable reductions in systolic BP, as measured by 24-hour mean ambulatory blood pressure monitoring (ABPM).The ABPM data further demonstrated the benefits of MLS-101 on both central and nighttime BP reduction, which have been strongly linked to cardiovascular health risk. The trial results also highlighted that patients with a body mass index (BMI) greater than 30, or obese patients, who are at an elevated risk of cardiorenal diseases, exhibited a 13.2 or 16.6 mmHg placebo-adjusted reduction in systolic BP with a 100 mg QD or 50 mg QD dose, respectively. Treatment emergent, serious adverse events (SAEs) were reported in three subjects, one of which was deemed to be possibly related to MLS-101 in a subject with worsening of preexisting hyponatremia, which reversed after discontinuation. The two active, once-daily doses saw modest increases in potassium levels across the cohorts of 0.25 mmol/L with the 50 mg QD and 0.35 mmol/L with the 100 mg QD dose Five subjects experienced transient elevated serum potassium greater than 6.0 mmol/L, none of which were considered an SAE, and all rapidly resolved after discontinuation or dose adjustment, which is consistent with the short half-life of MLS-101. As anticipated, and in a manner similar to ACE-inhibitors and ARBs, the BP lowering effect of MLS-101 led to a beneficial, reversible dose-dependent reduction in estimated glomerular filtration rate (eGFR), a measure of kidney function. Finally, the selectivity of MLS-101 for aldosterone inhibition was confirmed as cortisol levels were not observed to be inhibited across the range of doses.

Our Strategy

Our strategy is to develop and commercialize MLS-101 for the treatment of diseases driven by abnormally elevated aldosterone, initially focused on hypertension, with the goal of eventually expanding to other cardiorenal diseases. Key elements of our strategy include:

- ***Advance MLS-101, our ASI product candidate, through clinical development for the treatment of uHTN and rHTN.*** uHTN and rHTN represent a significant unmet need within the 115 million patients in the United States who have hypertension. More than half of hypertensive patients fail to achieve their BP goals despite treatment with multiple lines of therapy, and over 20 million treated patients have systolic BP greater than 140 mmHg. Topline data from our Target-HTN Phase 2 trial demonstrated that MLS-101 lowered the systolic BP of patients with uHTN and rHTN at a clinically meaningful and statistically significant level, with a mean placebo-adjusted reduction in systolic BP of 9.7 or 7.9 mmHg with a 50 or 100 mg QD dose, respectively. Additionally, treatment with MLS-101 demonstrated a robust effect in obese patients, who, studies show, tend to have abnormal aldosterone biology. We believe our approach of normalizing aldosterone levels can provide an effective and more targeted approach for the control of hypertension. We plan to continue to advance the development of MLS-101 in hypertension.

- ***Expand the development of MLS-101 into additional indications where abnormally elevated aldosterone is a driver in the disease pathology, including CKD and potentially other cardiorenal indications.*** MLS-101 has been developed to normalize the production of aldosterone, and we believe this mechanism can be applied to other indications where abnormal aldosterone biology plays a role. We intend to initiate a Phase 2 proof of concept trial for CKD. Uninhibited aldosterone is known to play a critical role in the progression of CKD, which affects over 23 million people in the United States. Furthermore, we may expand the development of MLS-101 into additional cardiorenal indications.

- ***Opportunistically evaluate strategic partnerships to maximize the value of MLS-101.*** We have worldwide development and commercialization rights to MLS-101. Given the potential of aldosterone inhibition to treat multiple cardiorenal conditions, we may opportunistically explore partnerships with other biopharmaceutical companies that could provide expertise and resources to expand the development and commercialization of MLS-101.

- ***Continue to evaluate opportunities to selectively expand our pipeline beyond MLS-101.*** Our team has experience in various aspects of drug discovery, clinical development, business development and commercialization. We will continue to leverage our team's expertise to selectively evaluate potential strategic partnerships, collaborations, licenses and acquisitions to expand our pipeline, particularly in cardiorenal indications.

Background of Hypertension

In healthy individuals, normal BP, also known as peripheral blood pressure, is below 130 over 80, meaning the pressure measurement is lower than 130 mmHg when the heart is contracting (systolic BP) and at or below 80 mmHg when the heart is relaxed (diastolic BP). Sustained, elevated BP, or hypertension, can result in increased chances of life-threatening complications such as heart disease, stroke or kidney disease, among others.

The prevalence of hypertension has been increasing in recent decades. A comprehensive study published in The Lancet journal shows that in patients aged 30 to 79, total hypertension cases nearly doubled worldwide from 1990 to 2019. Furthermore, obesity, especially when associated with increased visceral adiposity, is a major cause of hypertension, accounting for 65% to 75% of the risk for developing human primary (essential) hypertension. Despite hypertension being one of the most common preventable risk factors for premature death, approximately 1.3 billion people worldwide have hypertension, with hypertension as a primary or contributing cause to more than 670,000 deaths in the United States in 2020 alone. The costs of hypertension and related health issues are a major burden on already strained healthcare systems, with total spend of $130 billion annually in the United States alone. While there are multiple therapeutic options available, most of which are generic and accessible, more than half of all treated hypertensive patients fail to achieve their BP goal.

The current standard-of-care for patients newly diagnosed with hypertension is based on a set of guidelines set forth by the American College of Cardiology and the American Heart Association. A hypertensive patient’s target BP is defined as below 130/80 mmHg. Depending on baseline BP levels, these guidelines recommend the patient typically begin with lifestyle modifications and then, assuming BP does not achieve the desired target, initiate treatment with antihypertensive agents selected primarily from the following five drug classes, which may later be combined with each other if the patient's target BP is not successfully achieved with the initial therapy:

- Thiazide diuretics, which increase fluid excretion from the kidney by blocking reabsorption of sodium and chloride in the nephron;
- ACE inhibitors, which inhibit the RAAS axis by blocking the action of ACE in the lungs, which converts angiotensin I to angiotensin II;
- ARBs, which block the effects of angiotensin II at the level of the angiotensin receptor;
- Calcium channel blockers, which slow cardiac contractions and relax arteries by preventing calcium from entering the cells of the heart and arteries; and
- Beta blockers, which cause the heart to beat more slowly and with less force, which lowers BP.

Despite numerous available treatment options, the majority of hypertensive patients require multiple therapies to achieve their target BP. Evidence demonstrates that adding a second- or third-line antihypertensive agent typically provides an additional 6 to 7 mmHg reduction in systolic BP. However, the incremental reduction in systolic BP provided by successive lines of treatment does not always adequately enable patients to reach their BP goal. Therefore, many patients require three, four or more antihypertensive agents in an attempt to achieve their target BP. In addition, while hypertension is an asymptomatic disease, many of the currently available treatments have side effects and tolerability issues, which may limit their use. For example, patients taking ACE inhibitors often develop a chronic cough and those taking beta blockers often experience lethargy.

In a meta-analysis of 147 randomized trials, a 10 mmHg reduction in systolic BP or a 5 mmHg reduction in diastolic BP has been shown to reduce the risk of stroke by 41% and coronary heart disease by 22%. The Systolic BP Intervention Trial (SPRINT) study further demonstrated that in adults with hypertension but without diabetes, lowering systolic BP below 120 mmHg reduced cardiovascular events by 25% and reduced the overall risk of death by 27% compared to those with a systolic BP of 140 mmHg or higher. The importance of nighttime BP as a predictor of cardiovascular risk is increasingly recognized. Evidence has demonstrated that higher nighttime systolic BP has a strong association with increased cardiovascular risk. The study’s findings stress the importance of targeting a reduction in nighttime systolic BP when considering treatment approaches.

There are approximately 30 million patients in the United States with uHTN and within this population, 14 million suffer from rHTN. Treatment options are limited for rHTN patients, and the current standard-of-care is to introduce a MRA agent, which blocks the effect of aldosterone, to their existing antihypertensive regimen.

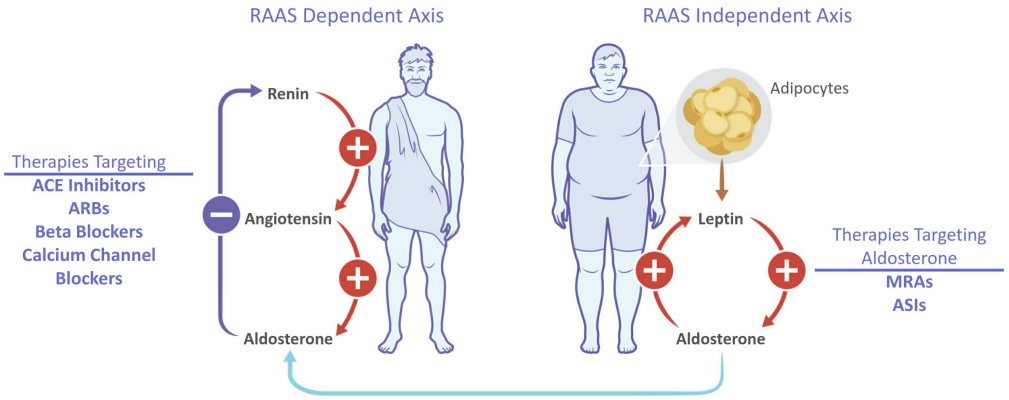
Background of Aldosterone and its Role in Hypertension

Aldosterone is a mineralocorticoid steroid hormone primarily made in the outer layer of the adrenal gland called the adrenal cortex, which plays an important role in controlling the balance of water and salts by keeping sodium in and releasing potassium from the body. This maintenance of homeostasis ensures the body can maintain normal BP.

In a healthy person, homeostatic balance is maintained via a feedback loop called the renin-angiotensin aldosterone system (RAAS). Renin is a key enzyme that is released by the kidneys when they sense changes in BP to control the production of aldosterone, in order to help the kidneys regulate water and salt levels in the body. In a normal physiological state, aldosterone production increases when BP is too low and decreases when BP is too high. This is considered renin-dependent hypertension due to the linkage of renin levels to aldosterone production.

In addition to the self-regulated RAAS, there are other pathways that drive aldosterone production. Evolving information about hormone regulation of visceral adipocytes and the adrenal gland support the hypothesis that adipokines, specifically elevated leptin and reduced adiponectin, can affect aldosterone and renin, respectively. The net result is an increase in aldosterone and prevention of the normal feedback inhibition of renin. This is considered renin-independent aldosterone production and is due to dysregulated systems biology, which is often prevalent in an obese population.

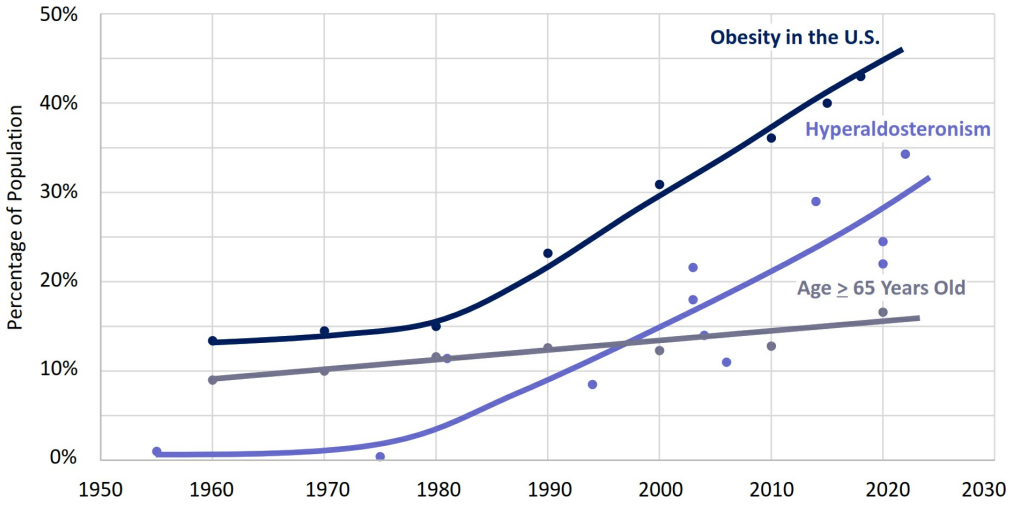
Overview of renin-dependent and renin-independent aldosterone production



Elevated aldosterone also causes insulin resistance, inflammation and fibrosis of the heart, fibrosis and remodeling of blood vessels, and tubulointerstitial fibrosis and glomerular injury in the kidney. Aldosterone excess is believed to lead to a higher risk of stroke, kidney damage, congestive heart failure and heart attack, compared to high BP alone. Many of these symptoms are often comorbidities in an obese population.

Many of the therapies designed to address hypertension, such as ACE inhibitors, ARBs, beta blockers, calcium channel blockers and diuretics, were developed and introduced several decades ago, when the incidence of obesity was below 20% and abnormal aldosterone production affected less than 10% of the U.S. population. The increasing prevalence of obesity and hypertension, driven by the renin-independent axis, has resulted in higher incidences of uHTN and rHTN. Currently available therapies are generally effective in managing renin-dependent hypertension, however they fail to adequately address the shifting biology of hypertension today. For example, ACE inhibitors and ARBs indirectly reduce aldosterone levels, but up to 40% of treated patients experience “aldosterone breakthrough,” whereby their aldosterone levels return to normal or higher levels and result in elevated BP.

Growing epidemic of obesity is correlated to rise in hyperaldosteronism



MRAs, which were initially introduced in the 1950s, are designed to work by blocking the effect of aldosterone, whether renin-dependent or renin-independent, from the mineralocorticoid receptor (MR) but do not inhibit aldosterone production. There are two well-known MRAs available in the United States for the treatment of hypertension, spironolactone and eplerenone, which are both available as generic medicines. MRAs are known to be effective in lowering BP; however, they have demonstrated side effects that have limited their use. Specifically, spironolactone, the most commonly prescribed MRA, is known for inducing hyperkalemia as well as gynecomastia in men and fertility issues in women. Additionally, when aldosterone is blocked from binding to the MR, circulating aldosterone levels increase two- to three-fold and may cause other harmful non-MR-related effects in the body.

More recently, several pharmaceutical companies have tried to develop ASIs. The approach of blocking the synthesis of aldosterone and reducing plasma aldosterone levels is thought to be a preferable approach versus the use of MRAs that block the action of aldosterone at the MR. However, the task of creating a safe and effective ASI proved to be technically challenging. The major enzymes in the synthesis of aldosterone and cortisol share a high degree of amino acid sequence similarity. Therefore, an ASI needs to be very selective in inhibiting the synthesis of aldosterone without impacting the synthesis of cortisol. Initial attempts to develop ASIs failed in either preclinical or clinical development due to their inability to selectively inhibit aldosterone, which resulted in such ASIs inhibiting cortisol levels and leading to related harmful effects.

Our Product Candidate, MLS-101

Our product candidate, MLS-101, is a proprietary, orally administered, highly selective ASI designed to reduce aldosterone levels by inhibiting CYP11B2, the enzyme responsible for producing the hormone. We are initially developing MLS-101 for the treatment of hypertension and have recently completed Target-HTN, our initial Phase 2 proof of concept clinical trial. In this trial, MLS-101 was well tolerated with favorable safety data and demonstrated compelling clinical results, and once daily dosing flexibility. The observed 10 to 12 hour half-life of MLS-101 has the potential to normalize aldosterone levels to provide a clinically meaningful reduction in BP, and to flexibly manage the challenges of elevated serum potassium. Some of the key differentiators that we have observed to date for MLS-101, relative to initially developed ASIs, include:

- **Compelling Clinical Results:** Target-HTN demonstrated a statistically significant 9.7 mmHg and 7.9 mmHg reduction in systolic BP in the 50 mg and 100 mg QD cohorts, respectively, which we believe to be clinically meaningful. The reduction in systolic BP was validated and confirmed by 24-hour

mean ABPM, which further demonstrated that MLS-101 provides both central and nighttime BP reduction;

- **High Selectivity:** Phase 1 and Phase 2 clinical data demonstrated high aldosterone selectivity with no cortisol suppression, as anticipated by the 374 to 1 inhibitory effect on the CYP11B2 enzyme compared to the CYP11B1 enzyme, which is responsible for synthesizing cortisol;
- **Optimal Half-Life:** A majority of our clinical trial subjects maintained a serum potassium in the normal range with incidences of hyperkalemia requiring dose adjustment or discontinuation. Five subjects experienced transient elevated serum potassium greater than 6.0 mmol/L, none of which were considered an SAE and all rapidly resolved after discontinuation or dose adjustment. MLS-101's observed 10 to 12 hour half-life may be viewed more favorably by physicians compared to compounds with longer half-lives, which may have greater risk of sustained potassium elevation; and
- **Convenient Dosing and Well Tolerated:** Target-HTN demonstrated clinically meaningful results on a once-daily dosing regimen. Furthermore, MLS-101 was well-tolerated.

Target-HTN Phase 2 Clinical Trial

Target-HTN was a two-part Phase 2 randomized, double-blind, placebo-controlled, dose-ranging, multi-center trial designed to evaluate the safety, efficacy and tolerability of orally administered MLS-101 for the treatment of uHTN and rHTN, when used as an add-on therapy to stable background treatment of two or more antihypertensive medications in 200 males and females. The trial was conducted in the United States.

The objectives of the Target-HTN trial were the following:

- Proof-of-concept for the use of MLS-101 in patients with uHTN and rHTN;
- Establishing the dose range and regimen for late-stage development;
- Determining whether clinical results support a once-a-day dosing regimen;
- Evaluating hypothesized predictors of clinical response, specifically obesity and plasma renin activity, as potentially useful strategies for prioritizing the use of MLS-101 as a targeted therapy for hypertension;
- Characterizing safety and establishing an initial estimate of the benefit/risk profile; and
- Evaluating exploratory endpoints that may be predictive of future utility of MLS-101 in associated cardiorenal indications such as congestive heart failure and CKD.

The trial was conducted in two parts. In Part 1, subjects were initially pre-screened for a period of up to two weeks with a requirement for their systolic/diastolic BP to be over 130/80 mmHg with the use of two or more background medications indicated for hypertension such as ACE inhibitors, ARBs, calcium channel blockers or diuretics. Subjects in Part 1 were also required to have low-renin hypertension defined as hypertension with a plasma renin activity level of 1.0 ng/mL/h or less. Subjects were excluded if they were taking an MRA or sodium channel blocker. Once subjects met the prescreening criteria, they were followed for two weeks during a blinded, placebo run-in period where their elevated BP was reconfirmed while compliant on background medication and placebo. If patients were compliant on their background medication and continued to have BP above 130/80 mmHg, subjects were randomized in five active cohorts and one placebo cohort. Subjects were dosed for eight weeks, then, upon withdrawal of study medication, followed for another four weeks.

Baseline demographics of the patients enrolled in Target-HTN

Category	Mean ± SEM of Baseline
Systolic BP (mmHg)	143.3 ± 0.85
Diastolic BP (mmHg)	81.6 ± 0.68
Body Mass Index (kg/m^2)	31.1 ± 0.41
Mean Baseline eGFR	77.4 ± 2.55
Ethnicity % Black	39.3%
Gender % Male	41.7%
Diabetes	37.4%
Heart Failure	3.0%
Previous Myocardial Infarction	6.7%
Number of Background Antihypertensive Medications	2 medications = 52.8% 3 or more medications = 47.2%
Use of Thiazide or Thiazide-like Diuretic	56.4%
Use of ACE or ARB	77.9%

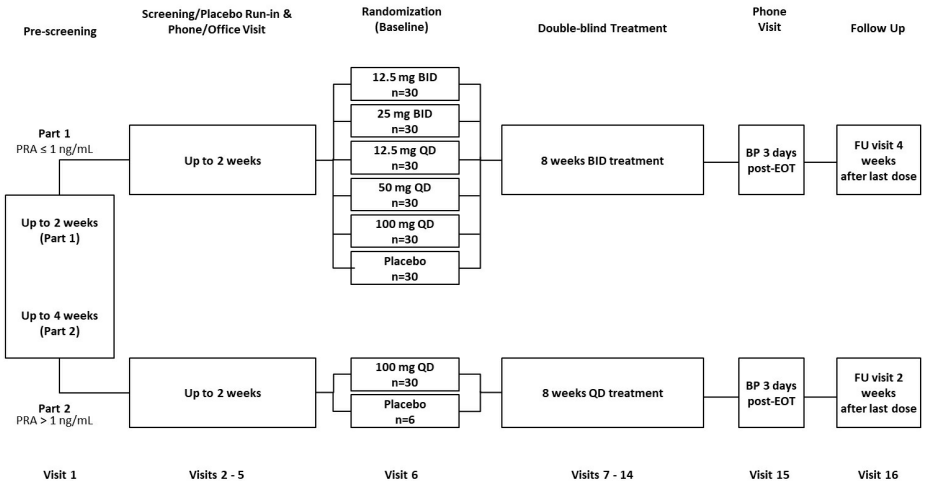
We conducted a pre-planned interim analysis for Part 1 of the trial when approximately one-third (65 subjects) of the planned enrollment had completed a minimum of four weeks of treatment, representing approximately 10-12 subjects per cohort. To preserve the blinding of the trial, the interim analysis was conducted by a small team that was not involved in operational aspects of the trial and no results of the analysis were shared with the operational team at clinical trial sites. The primary purpose of the interim analysis was to assess whether the chosen dose range appeared to adequately span the range from sub-therapeutic to maximum therapeutic response determined by change in systolic BP at week 4 relative to baseline. As a result of the interim analysis, we discontinued further enrollment in two of the lower dose cohorts (12.5 mg QD and 12.5 mg BID) due to the modest efficacy and projected benefit/risk ratio and initiated Part 2 of the trial.

Part 2 was designed to study the effect of MLS-101 in subjects with normal-to-high renin levels, and we selected 100 mg QD as the dose to study based on its efficacy and safety as demonstrated in the interim analysis. Subjects enrolled in Part 2 were randomized to either 100 mg of MLS-101 once daily (n=31) or placebo (n=6) to preserve the blinded randomization of the trial. The Part 2 subjects followed the same study conduct as Part 1 subjects, with the exception of a follow up period, which was shortened from four weeks to two weeks.

The primary endpoint of Target-HTN was change in seated, pre-dose morning systolic BP at week 8 versus baseline reading as measured by AOBP. The pre-planned analysis of the primary endpoint was a mixed effects model with repeated measures (MMRM). Between Part 1 and Part 2, 100 mg QD, the pre-planned comparison of the

primary endpoint was an unpaired, two-tailed T-test, using the observed change from baseline to week 8. Secondary endpoints included 24-hour ABPM change at week 8 versus baseline, diastolic BP change at week 8 versus baseline and proportion of subjects achieving BP goal at week 8. For the purpose of evaluating safety, findings from the 100 mg QD cohorts from Parts 1 and 2 were pooled.

Phase 2 Target-HTN Clinical Trial Design



BID = twice daily; EOT = end of treatment; FU = follow up; PRA = plasma renin activity; QD = once daily

Efficacy

The outcomes of the Phase 2 proof of concept study of MLS-101, as shown in the chart below, demonstrated efficacy across defined endpoints and was well tolerated with favorable safety data in once-daily dosing.

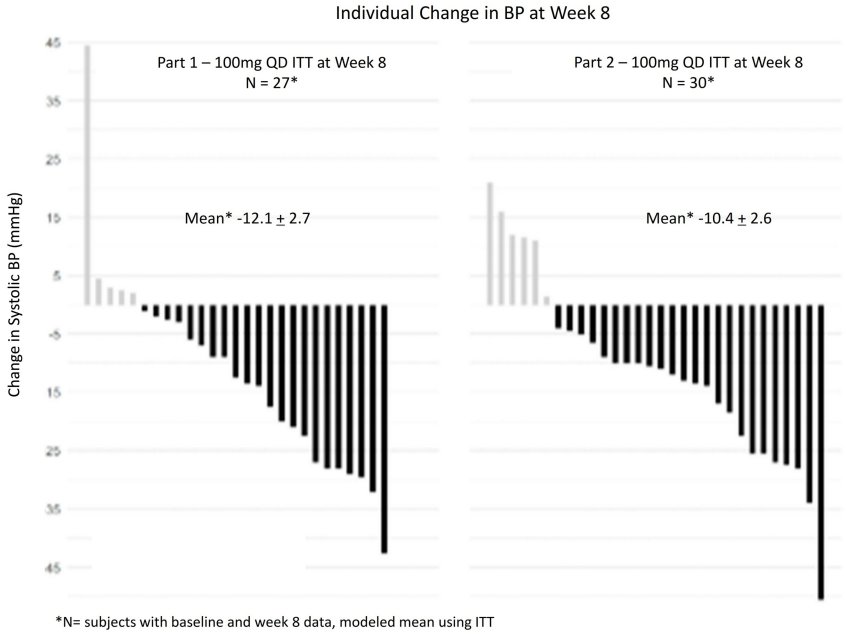
The primary endpoint for Part 1 of Target-HTN was the change in systolic BP at week 8 relative to baseline. As indicated in the table below, in an intent-to-treat analysis, MLS-101 showed a statistically significant reduction in systolic BP, which we believe to be clinically meaningful, in a dose-dependent manner. The once-daily doses of 50 mg and 100 mg of MLS-101 demonstrated comparable reduction in systolic BP, as compared to the twice-daily dosing of MLS-101 with either 12.5 mg or 25 mg of MLS-101. In a predefined per protocol analysis, the 100 mg once daily cohort exhibited a 10.3 mmHg placebo-adjusted reduction in systolic BP (per protocol defined as subjects taking at least 75% of their doses and a week 8 AOBP measurement). The higher doses of both once-daily and twice-daily MLS-101 also generated a reduction in diastolic BP over the course of the trial, which we believe to be clinically meaningful.

Target-HTN Efficacy Data, as Measured by AOBP

	Placebo n=30	12.5 mg QD n=22	50 mg QD n=28	100 mg QD n=30	12.5 mg BID n=22	25 mg BID n=30
Systolic BP, mmHg	-4.3 ± 2.6	-5.6 ± 3.1	-13.9 ±2.6	-12.2 ± 2.7	-11.3 ± 3.1	-11.0 ± 2.6
Placebo-adjusted Systolic BP, mmHg		-1.4 p=0.731	-9.7 p=0.010	-7.9 p=0.037	-7.1 p=0.082	-6.8 p=0.067
Diastolic BP, mmHg	-1.3 ± 1.8	-1.8 ± 2.6	-8.1 ± 1.7	-4.8 ± 1.5	-6.1 ± 1.8	-3.8 ± 2.1

We believe the difference between BP reduction in the 50 mg and 100 mg cohorts was not statistically significant and confirmed that this was predominantly the result of a single outlier in the 100 mg cohort who discontinued study drug after less than two weeks of treatment, yet remained in the study.

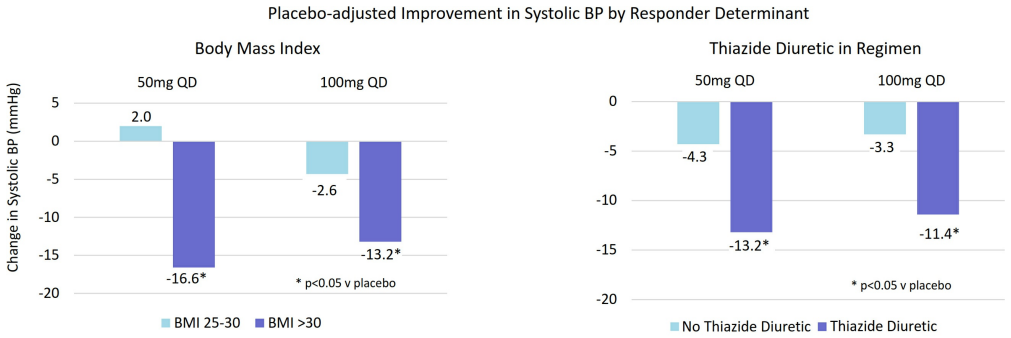
In Part 2, 31 subjects with normal or elevated renin were treated with once daily MLS-101 at 100 mg QD and assessed similarly to those in Part 1. The reduction in systolic BP in Part 2 of this trial was not statistically different from the reduction seen in Part 1 (see figure below). As a result, we believe that MLS-101 has the potential to be effective across the entire range of renin levels.



A further predefined objective of this trial was to evaluate potential predictors of clinical response to MLS-101. There was no consistent difference in clinical response to MLS-101 observed based on gender, race, age, ethnicity or number of baseline antihypertensive medicines. Our analysis of the clinical results demonstrated the following determinants to be positively correlated to clinical response:

- **Obesity.** Hypertensive subjects with a BMI ≥30 kg/m2 demonstrated a significant reduction of systolic BP with a placebo-adjusted reduction of 16.6 mmHg with 50 mg QD and a reduction of 13.2 mmHg with 100 mg QD in Part 1 of the study. The obesity finding, in particular, (i) lends support to our hypothesis of the linkage between obesity-leptin-aldosterone axis and hypertension and (ii) serves as an important rationale for the design of our proposed pivotal validation program; and

- **Use of diuretics.** Subjects taking a diuretic as a part of their background regimen demonstrated a significant reduction of systolic BP with a placebo-adjusted reduction of 13.2 mmHg with 50 mg QD and a reduction of 11.4 mmHg with 100 mg QD in Part 1 of the study.



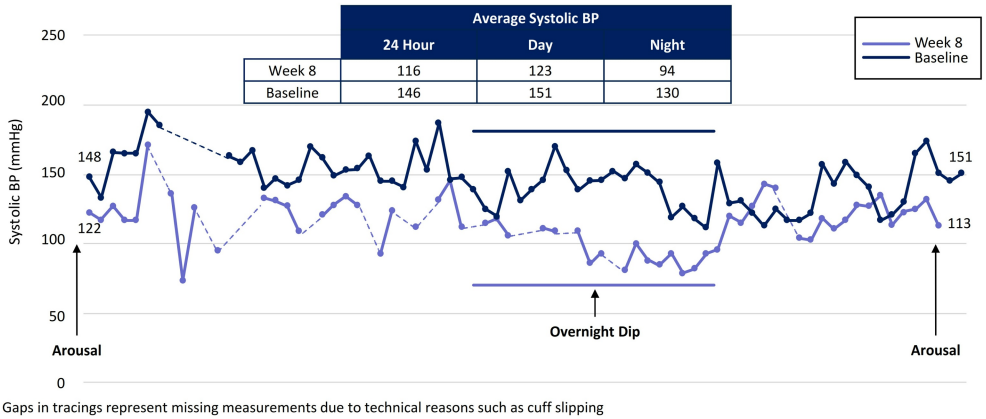
Analysis using a mixed model repeated measures (MMRM) approach with fixed effects of categorical terms for treatment, week, and treatment by week interaction, and analyte as a fixed continuous covariate.

Subjects were required to wear a device that captures BP readings multiple times per hour over a 24 hour period. This measurement provides a more complete picture of the patient's hypertension status than in office measurements and eliminates the impact of the phenomenon known as "white coat" hypertension, which occurs when BP readings at a healthcare provider's office are higher than in other settings such as at home. The change in 24-hr systolic ABPM from baseline to week 7 or 8 for the Part 1 100 mg QD cohort, demonstrated a group mean reduction in average systolic BP of approximately 8.9 mmHg with placebo-adjusted reduction of 8.3 mmHg. The ABPM response in the 50 mg QD was complicated by evidence of "white coat" hypertension, but when the effect of censoring data from individuals who were not hypertensive by ABPM (the 50 mg QD hypertensive ABPM set), there was evidence of a 10.1 mmHg placebo-adjusted reduction in systolic BP. The average overnight BP reduction in the 100 mg QD cohort was a placebo-adjusted reduction of 8.2 mmHg in the 100 mg QD cohort and in the 50 mg QD hypertensive ABPM set there was a placebo-adjusted reduction of 6.6 mmHg.

The reduction in overnight BP, and restoration of dipping that was also observed in the 100 mg QD cohort, is of potential importance to the objective of reducing morbidity and mortality from uHTN, as the link between elevated nighttime BP and risk for cardiovascular risk has been long established in the medical literature.

Single Subject in Part 1 of Target-HTN Demonstrated Reduction in Average 24-hour BP

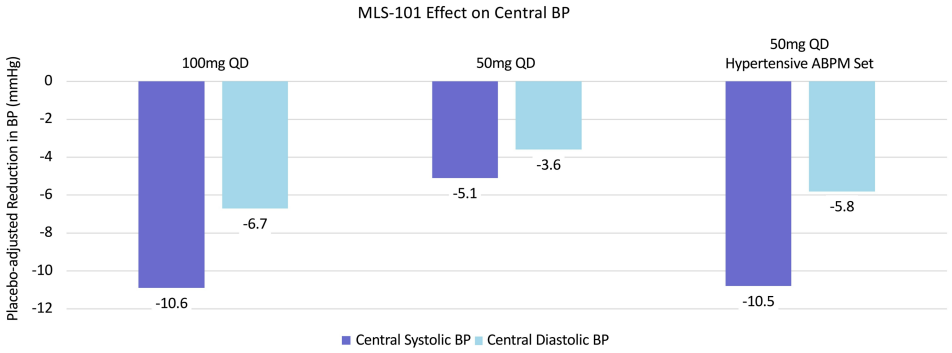
Reduction and Restoration of Normal Nocturnal Dipping Patterns Versus Baseline



Gaps in tracings represent missing measurements due to technical reasons such as cuff slipping

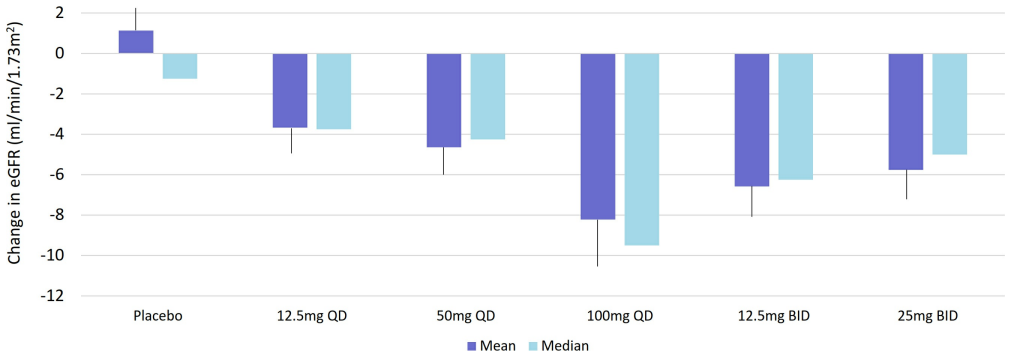
The above reflects a single subject in Part 1 receiving MLS-101 100 mg QD (black tracing) versus baseline (gray tracing) showing average 24-hour BP reduction and restoration of normal nocturnal dipping pattern. Gaps in tracings represent missing measurements due to technical reasons, such as cuff slipping off. Although not every patient will experience similar results, we believe the above data is indicative of a patient who has responded favorably to MLS-101.

Central BP is the pressure in the aorta, the large artery that sends blood from the heart throughout the body. Many experts believe that central BP is a useful measurement because central BP may be a more accurate way of predicting if a person will have heart disease or stroke. The central BP reading in this trial was captured using the 24-hour ABPM via an integrated software package that measures the pulse waveform and thus obtains central BP measurements. As indicated below, MLS-101 at doses of 100 mg and 50 mg once daily demonstrated relevant reductions in central BP, which we believe to be clinically meaningful, with placebo-adjusted reductions in central systolic BP of 10.6 mmHg for 100 mg QD and 10.5 mmHg for the 50 mg QD hypertensive ABPM set. Reductions in central diastolic BP were 6.7 with 100 mg once daily and 5.8 mmHg with 50 mg QD hypertensive ABPM set.



The eGFR measures how well an individual's kidneys are filtering waste and extra water from the body via the urine. In hypertensive patients, the eGFR will progressively decline and individuals may begin to exhibit signs and symptoms of CKD at eGFR levels below 45mL/min/1.73m^2. As demonstrated in previous studies with antihypertensives, such as ACE inhibitors and ARBs, an initial reduction of eGFR in treated hypertensive patients may represent a positive benefit as it indicates an alleviation of pressure on the glomerulus and potentially slows or arrests the progression to CKD. In this trial, a dose-dependent reduction in eGFR was demonstrated (as seen below), which we believe is clinically meaningful and has the potential to provide a renal protection benefit that we intend to further assess in future clinical trials.

Change in eGFR Rate by Dose



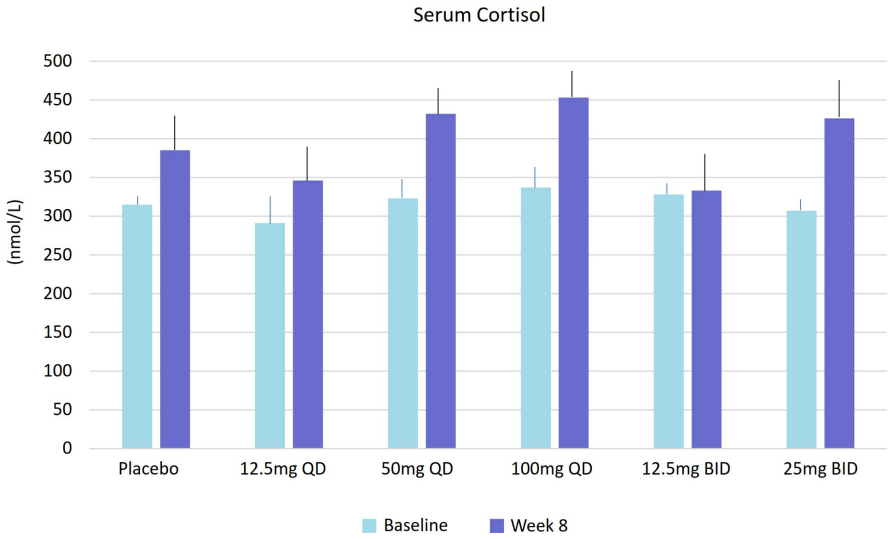
Safety

MLS-101 has been observed to be well-tolerated, specifically in four key measures that we believe to be of special interest when evaluating the safety of MLS-101:

- **Cortisol Inhibition:** No evidence of suppression of cortisol production was observed. The chart below shows baseline and week 8 measurements of cortisol for placebo and all five active cohorts from Part 1

of the trial. We believe the slight increase in all cohorts, including placebo, is not meaningful, as it is below the upper limit of the normal range, which is 552 nmol/L;

No Meaningful Inhibition of Cortisol Observed in Target-HTN

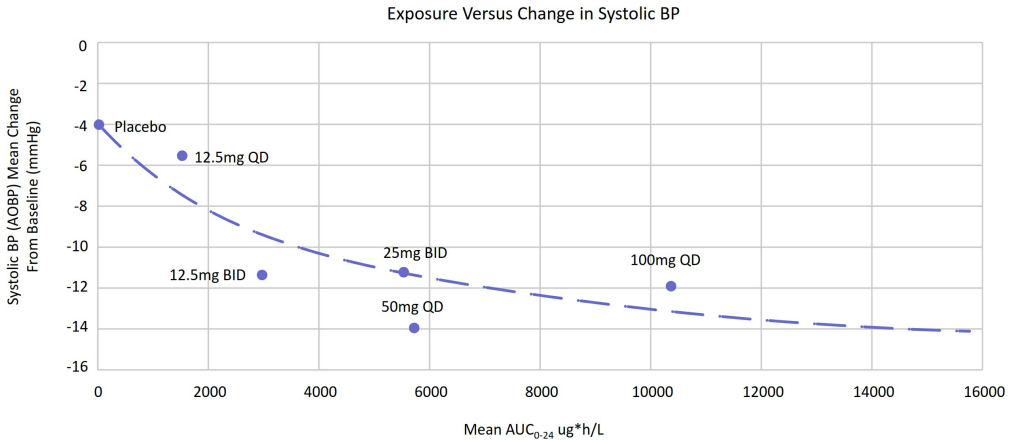


- **Hypotension (sitting systolic BP < 100 mmHg):** Hypotension and orthostatic hypotension was seen in three and three subjects, respectively, and was reversible, likely related to study medication and expected based on MLS-101's mechanism of action;
- **Hyponatremia (serum sodium < 135 mmol/L):** Severe hyponatremia, possibly related to study medication, was seen in one subject with preexisting hyponatremia, and was reversible after drug discontinuation; and
- **Hyperkalemia (serum potassium > 5.1 mmol/L):** There was an expected, dose-dependent increase in serum potassium, though the majority of subjects maintained a serum potassium in the normal range. The two active, once-daily doses saw modest increases in potassium levels across the cohorts of 0.25 mmol/L with the 50 mg QD and 0.35 mmol/L with the 100 mg QD dose. Five subjects across the five active dose cohorts experienced an isolated instance of elevated potassium above 6 mmol/L (two were deemed to be a factitious reading, three worsening of pre-existing hyperkalemia and one was a confirmed de-novo episode of hyperkalemia). Consistent with the short terminal elimination half-life of MLS-101, all episodes were rapidly reversible after per protocol dose reduction, temporarily holding study medication or treatment discontinuation. An Independent Data Safety Monitoring Board expressed no concerns about the effect of MLS-101 on serum potassium in the MLS-101-201 trial.

Based on the totality of available data, there have been no safety concerns that prompted changes to the IB or protocol. Three SAEs, including one event of chest pain, one event of metastases to peritoneum and one event of hyponatremia, were reported and treatment discontinued. Hyponatremia was assessed as possibly related to the study drug. The other two events were assessed as unrelated to the study drug. To date, the most frequent non-serious AEs reported, defined as events with five or more affected subjects, including the placebo group, were related to hyperkalemia – all determinations above upper limit of normal of 5.1 mmol/L (20.0%), decreased glomerular filtration (5.5%), urinary tract infections (4.5%), diarrhea (3.0%), hypertension (2.5%) and COVID infection (2.5%). In some of the hyperkalemia events, study treatment was dose adjusted temporarily or permanently discontinued according to safety guidelines in the protocol.

Pharmacokinetics

The 24-hr. exposure/response relationship for systolic BP at week 8 across treatment groups suggests QD dosing up to 100 mg. The trial results suggest a minimal effective dose between 12.5 mg/24 hours and 25 mg/24 hours (12.5mg BID) and a maximum efficacious dose of 50 mg to 100 mg QD for MLS-101. All doses in excess of 12.5 mg QD are active doses, which is to be expected. Given the relatively short half-life of MLS-101, the group mean exposure in the 25 mg BID and 50 mg QD cohorts was similar, suggesting little drug accumulation. The comparable efficacy of the 25 mg BID and 50 mg QD cohorts suggests that once daily dosing is sufficient to achieve maximum blood pressure reduction.



Phase 1 Clinical Trial Results

The Phase 1 program of MLS-101 consisted of a randomized, double-blind, placebo-controlled, first-time-in-human trial to determine the safety, tolerability, pharmacokinetics and pharmacodynamics of single and multiple ascending doses of MLS-101 in healthy subjects, including the effect of gender and age on the pharmacokinetics of a single dose of MLS-101 in healthy subjects.

MLS-101 was well-tolerated at single and multiple doses in the first-in-human trial. No deaths or other SAEs were observed. One subject in the Part 2 Multiple Ascending Dose trial, 360 mg dose group discontinued treatment due to a treatment-emergent AE of sinus tachycardia. Across all cohorts, dizziness/dizziness postural was reported by 9 out of 87 (10.3%) MLS-101-treated subjects compared to 1 out of 29 (3.4%) placebo subjects.

The high selectivity of MLS-101 was demonstrated in both the single ascending dose (SAD) and multiple ascending dose (MAD) parts of this trial. It was shown that MLS-101 decreased plasma aldosterone concentration in a dose-dependent manner in the SAD portion of the trial with a 36-77% reduction in 24-hour serum aldosterone at doses ranging from 5 mg to 800 mg. This finding was further validated in the MAD part of the trial with 40 mg, 120 mg and 360 mg reducing 24-hour serum aldosterone in a dose dependent manner. In the SAD trial MLS-101 did not inhibit cortisol production across the range of doses and in the MAD study cortisol was not inhibited even with adrenocorticotropic hormone (ACTH) cortisol stimulation challenge on day six. The results of this trial demonstrated the selectivity for aldosterone synthase with MLS-101.

The impact on age and gender was also evaluated in the Phase 1 program for MLS-101. It was demonstrated that neither of these sub-groups exhibited differentiated exposure levels to MLS-101.

A Phase 1, open-label, randomized, 2-sequence study to evaluate the effect of food on the pharmacokinetics of MLS-101 in healthy subjects has been completed. Based on the results of this trial, MLS-101 can be administered without regard to meals in all ongoing and future clinical trials as well as upon approval in hypertensive patients.

We have also completed drug interaction studies with MLS-101 with metformin and esomeprazole. The metformin study was completed based on the possible inhibition of the MATE1 metabolic pathway by MLS-101. MATE1 is one of four pathways for metformin metabolism. This trial demonstrated that MLS-101 has little effect on metformin and based on the minimal increases in metformin concentrations, MLS-101 is not expected to be viewed as even a weak inhibitor of metformin based on FDA definitions. The DDI study with esomeprazole was to evaluate the effect of varying gastric pH levels on the absorption and availability of MLS-101. As anticipated for MLS-101, which is a weak base, there was reduced absorption in the alkaline gastric environment produced by the proton pump inhibitors (PPI). Further studies will be performed to provide labeling guidelines for timing vis-à-vis meals or dose-adjustment of MLS-101 for individuals using a PPI.

Preclinical Data

The pharmacological profile for MLS-101 was assessed via in vitro pharmacology studies that demonstrated a selectivity ratio of 374 times more selective for aldosterone inhibition over cortisol inhibition. MLS-101 inhibited hCYP11B2, the synthetic pathway for aldosterone, and hCYP11B1, the synthetic pathway of cortisol with inhibition constant (Ki) values of 1.27 nmol/L and 475 nmol/L, respectively.

Single-dose oral administration of MLS-101 significantly decreased plasma aldosterone concentration (PAC) in a sodium-depleted non-human primate model. However, single-dose oral administration of MLS-101 did not affect PACs in ACTH-loaded non-human primates even at a dose 100-fold higher than those required to reduce PAC. These results indicate that MLS-101 inhibits CYP11B2 with higher selectivity over CYP11B1, an enzyme responsible for cortisol production.

Additional Indications

We also plan to expand the development of MLS-101 into additional indications where abnormally elevated aldosterone is a driver in the disease pathology, including CKD. Uninhibited aldosterone is known to play a critical role in the progression of CKD, which affects over 23 million people in the United States. We intend to initiate a Phase 2 proof of concept trial for CKD and in the future may expand into other cardiorenal indications driven by abnormally elevated aldosterone.

Our Team and Investors

Founded by Catalys Pacific in 2019, we are led by an experienced management team with diverse backgrounds and significant experience in drug discovery, development and company building. Our management team are industry veterans with extensive experience at pharmaceutical companies such as Amgen, Aventis, Cephalon, Novartis, ProQR, Sanifit, Teva and Vertex. Together, our team has a proven track record in the discovery, development and commercialization of numerous approved therapeutics.

Since our inception, we have been supported by, and have raised approximately $158 million of capital from, a group of leading life science investors including Catalys Pacific, Samsara BioCapital, HBM Healthcare Investments, RA Capital Management, Andera Partners, Adams Street Partners, RTW Investments, Rock Springs Capital, SR One Capital Management, Sectoral Asset Management, Ysios Capital, HealthCor Management and Boulder Ventures.

Mineralys' License Agreement with Mitsubishi Tanabe Pharma Corporation

In July 2020, we entered into a license agreement (the Mitsubishi License) with Mitsubishi Tanabe Pharma Corporation (Mitsubishi Tanabe), pursuant to which Mitsubishi Tanabe granted us an exclusive, worldwide, royalty-bearing, sublicensable license under Mitsubishi Tanabe's patent and other intellectual property rights to exploit products incorporating MLS-101 (formerly MT-4129) (MLS-101 Products) for the prevention, treatment, diagnosis, detection, monitoring or predisposition testing with respect to indications, diseases and conditions in humans (the Field). We paid Mitsubishi Tanabe a $1.0 million upfront fee, and we are obligated to pay Mitsubishi Tanabe development milestone payments of up to $9.0 million in the aggregate and commercial milestone payments of up to $155.0 million in the aggregate upon first commercial sale and upon meeting certain annual sales targets, as well as additional commercial milestone payments of up to $10.0 million for a second indication. Additionally, we are

obligated to pay Mitsubishi Tanabe tiered royalties at percentages ranging from the mid-single digits to ten percent (10%) of aggregate net sales of each MLS-101 Product on a MLS-101 Product-by-MLS-101 Product and country-by-country basis, until the later of (i) the expiration of the last-to-expire valid Mitsubishi Tanabe patent claim covering an MLS-101 Product, (ii) ten years from the first commercial sale of an MLS-101 Product, or (iii) the expiration of regulatory exclusivity in such country. Such royalties are subject to reduction under specified conditions, including lack of patent coverage and generic competition.

We are obligated to use commercially reasonable efforts to conduct and complete the development activities and to file for regulatory approval for at least one MLS-101 Product in a major market country and consider in good faith to develop at least one MLS-101 Product in a non-major market country. If we elect to sublicense our rights under the Mitsubishi License to a third party with respect to exploitation of MLS-101 or any MLS-101 Product in certain countries in Asia, Mitsubishi Tanabe has a right of first negotiation, for a specified period of time. We also agreed not to commercialize any competing product prior to three years following the first commercial sale of the first MLS-101 Product in any country without Mitsubishi Tanabe's prior consent.

Unless terminated earlier, the Mitsubishi License will continue until the expiration of all of our royalty obligations to Mitsubishi Tanabe. We may terminate the Mitsubishi License for any or no reason upon 90 or 180 days' prior written notice to Mitsubishi Tanabe depending on whether the MLS-101 Product has received regulatory approval. Mitsubishi Tanabe may terminate the Mitsubishi License if we have not initiated regulatory consultation for the first global clinical trials of MLS-101 in at least one major market country within a specified amount of time or if we or our affiliates or sublicensees initiates a challenge to the patent rights licensed to us by Mitsubishi Tanabe. In addition, either party may terminate the Mitsubishi License in the event of an uncured material breach by or bankruptcy of the other party, subject to certain notice and cure periods, or upon the other party's bankruptcy or insolvency.

Manufacturing

We do not own or operate manufacturing facilities for the production of MLS-101, nor do we have plans to develop our own manufacturing operations in the foreseeable future. We currently depend on third-party contract manufacturers for our required raw materials, active pharmaceutical ingredients, and finished product candidates for our clinical trials. We do not have any current contractual arrangements for the manufacture of commercial supplies of MLS-101. We currently employ internal resources and third-party consultants to manage our manufacturing contractors.

Sales and Marketing

We have not yet defined our sales, marketing or product distribution strategy for MLS-101 because it is still in clinical development. Our commercial strategy may include the use of strategic partners, distributors, a contract sales force, or the establishment of our own commercial sales force. We plan to further evaluate these alternatives as we approach approval for MLS-101, if any.

Competition

The biopharmaceutical industry is characterized by rapid advancing technologies, intense competition and a strong emphasis on proprietary and novel products and product candidates. MLS-101, if approved, may address multiple markets. Ultimately, the disease(s) MLS-101 targets and for which it may receive marketing authorization will determine our competition. There are competing programs under development by other companies for our initially targeted indication of hypertension. MLS-101, if approved, will have to compete with existing therapies and new therapies that may become available in the future. We face potential competition from many different sources, including larger and better-funded pharmaceutical, biopharmaceutical, biotechnological and therapeutics companies. In many cases, the companies with competing programs will have access to greater financial, technical, manufacturing, marketing, sales and supply resources, will have more expertise and experience than us, and may be more advanced in those programs. Moreover, we may also compete with universities and other research institutions who may be active in research in our target indications and could be in direct competition with us. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies.

We believe our current and future competition can be grouped into three broad categories:

- Companies working to develop ASIs, including Boehringer Ingelheim, CinCor, Damian Pharma and PhaseBio;
- Companies with product candidates with other mechanisms of action, including Alnylam, Idorsia, Ionis, KBP BioSciences, Sihuan Pharmaceutical Holdings Group and Quantum Genomics; and
- Companies commercializing standard-of-care antihypertensive agents, such as ACE inhibitors, ARBs, thiazide diuretics and calcium channel blockers, many of which are available as generic medicines at very low prices including AstraZeneca, Johnson & Johnson, Merck, Novartis and Pfizer.

If we successfully obtain approval for MLS-101 or any future product candidate, we believe that the key competitive factors that will affect the success of MLS-101 will be efficacy, safety, tolerability, convenience, price and the availability of reimbursement from government and other third-party payors relative to such competing products. Our commercial opportunity could be reduced or eliminated if its competitors have products that are superior in one or more of these categories.

Intellectual Property

Intellectual property, including patents, trade secrets, trademarks and copyrights, is important to our business. Our commercial success depends in part on our ability to obtain and maintain proprietary intellectual property protection for our clinical stage product candidate, MLS-101, as well as for future product candidates and novel discoveries, product development technologies, and know-how. Our commercial success also depends in part on our ability to operate without infringing on the proprietary rights of others and to prevent others from infringing our proprietary rights. Our policy is to develop and maintain protection of our proprietary position by, among other methods, licensing or filing U.S. and foreign patents and applications relating to our product candidates, technology, inventions, and improvements that are important to the development and implementation of our business.

Our patent portfolio is built with a goal of establishing broad protection that generally includes, for the product candidate compound, claims directed to composition of matter, pharmaceutical compositions or formulations, methods of synthesis, and methods of treatment using such pharmaceutical compositions or formulations. We are seeking and maintaining patent protection in the United States and key foreign jurisdictions where we intend to market MLS-101. Our patent portfolio includes a combination of patents and patent applications solely owned by us, patents and pending patent applications licensed from Mitsubishi Tanabe Pharma Corporation, or Mitsubishi Tanabe, and pending patent applications jointly owned with Mitsubishi Tanabe. As of October 25, 2022, our patent portfolio comprises 9 distinct patent families protecting our technology relating to MLS-101 and its synthetic intermediates, methods of synthesizing MLS-101 and related compounds, various formulations of MLS-101 products, as well as methods of treating diseases with MLS-101 and related compounds. As of October 25, 2022, our portfolio of exclusively licensed, wholly owned, and jointly owned patents and pending patent applications consists of four issued U.S. patents, four pending U.S. provisional patent applications, one issued European patent validated in Austria, Belgium, Czechia, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Liechtenstein, Netherlands, Norway, Poland, Portugal, Spain, Sweden, Turkey, and the United Kingdom, one issued European patent validated in France, Germany, Italy, Spain, and the United Kingdom, one pending European application, four issued Japanese patents, one issued Canadian patent, one issued Australian patent, one pending Brazilian application, one issued Chinese patent, one issued Indian Patent, one issued Indonesian patent, one issued Korean patent, one issued Malaysian patent, one issued Mexican patent, two issued Russian patents, one issued Singaporean patent, one issued Taiwanese patent, one pending Thai application, one issued Vietnamese application, and three pending PCT applications. Our issued patents and pending applications have nominal expiration dates ranging from 2035 to about 2042, without accounting for any available patent term adjustments or extensions. If filed, patent applications claiming priority to our pending U.S. Provisional Applications will have expiration dates ranging from 2042 to 2043.

The term of individual patents in our portfolio depends upon the legal term of patents in the countries in which they are obtained. In most countries in which we file, including the United States, the patent term is 20 years from the earliest date of filing a non-provisional patent application. In the United States, the term of a patent may be

eligible for patent term adjustment, which permits patent term restoration as compensation for delays incurred at the USPTO during the patent prosecution process. In addition, for patents that cover an FDA-approved drug, the Drug Price Competition and Patent Term Restoration Act of 1984, or the Hatch-Waxman Act, permits a patent term extension of up to five years beyond the expiration of the patent. While the length of the patent term extension is related to the length of time the drug is under regulatory review, patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, and only one patent per approved drug may be extended under the Hatch-Waxman Act. Similar provisions are available in Europe and other foreign jurisdictions to extend the term of a patent that covers an approved drug. In the future, if and when our products receive FDA approval, we expect to apply for patent term extensions on patents covering those products. We plan to seek any available patent term extension to any issued patents we may be granted in any jurisdiction where such extensions are available; however, there is no guarantee that the applicable authorities, including the FDA in the United States, will agree with our assessment of whether such extensions should be granted, and if granted, the length of such extensions.

The patent positions of companies like ours are generally uncertain and involve complex legal and factual questions. The relevant patent laws and their interpretation outside of the United States is also uncertain. Changes in either the patent laws or their interpretation in the United States and other countries may diminish our ability to protect our technology or product candidates and could affect the value of such intellectual property. In particular, our ability to stop third parties from making, using, selling, offering to sell or importing products that infringe our intellectual property will depend in part on our success in obtaining and enforcing patent claims that cover our technology, inventions and improvements. We cannot guarantee that patents will be granted with respect to any of our pending patent applications or with respect to any patent applications we may file in the future, nor can we be sure that any patents that may be granted to us in the future will be commercially useful in protecting our products, the methods of use or manufacture of those products. Moreover, issued patents do not guarantee the right to practice our technology in relation to the commercialization of our products. Issued patents only allow us to block potential competitors from practicing the claimed inventions of the issued patents.

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

We may also rely on trade secrets relating to our discovery programs and product candidates, and seek to protect and maintain the confidentiality of proprietary information to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection. It is our policy to require our employees, consultants, outside scientific collaborators, sponsored researchers and other advisors to execute confidentiality agreements upon the commencement of employment or consulting relationships with us, and for employees and consultants to enter into invention assignment agreements with us. These agreements provide that all confidential information developed or made known to the individual during the course of the individual's relationship with us is to be kept confidential and not disclosed to third parties except in specific circumstances. Where applicable, the agreements provide that all inventions to which the individual contributed as an inventor shall be assigned to us, and as such, will become our property. There can be no assurance, however, that these agreements will provide meaningful protection or adequate remedies for our trade secrets in the event of unauthorized use or disclosure of such information.

Further, we have and will continue to pursue trademark protection for our company name and brand. As of October 25, 2022, we own 4 registered trademarks in the United States and foreign jurisdictions relating to the registered trademark "MINERALYS".

Government Regulation

Government authorities in the United States, at the federal, state and local level, and other countries extensively regulate, among other things, the research, development, testing, manufacture, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, marketing and export and import of products such as those we are developing. A new drug must be approved by the FDA through the New Drug Application (NDA) process before it may be legally marketed in the United States.

U.S. drug development process

In the United States, the FDA regulates drugs under the federal Food, Drug, and Cosmetic Act (FDCA) and its implementing regulations. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state and local statutes and regulations require the expenditure of substantial time and financial resources. The process required by the FDA before a drug may be marketed in the United States generally involves the following:

- completion of preclinical laboratory tests, animal studies and formulation studies in accordance with Good Laboratory Practice regulations (GLPs) and other applicable regulations;
- submission to the FDA of an Investigational New Drug application (IND), which must become effective before human clinical trials may begin;
- approval by an independent institutional review board (IRB), or ethics committee at each clinical site before each trial may be initiated;
- performance of adequate and well-controlled human clinical trials in accordance with Good Clinical Practice regulations (GCPs) to evaluate the safety and efficacy of the product candidate for its intended use;
- submission to the FDA of an NDA after completion of all pivotal trials;
- satisfactory completion of an FDA advisory committee review, if applicable;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the drug is produced to assess compliance with current Good Manufacturing Practice requirements (cGMPs) to assure that the facilities, methods and controls are adequate to preserve the drug's identity, strength, quality and purity, and of potential inspection of selected clinical investigation sites to assess compliance with GCPs; and
- FDA review and approval of the NDA to permit commercial marketing of the product for particular indications for use in the United States.

Once a product candidate is identified for development, it enters the preclinical testing stage. Preclinical tests include laboratory evaluations of product chemistry, toxicity and formulation, as well as animal studies. An IND sponsor must submit the results of the preclinical tests, together with manufacturing information and analytical data, to the FDA as part of an IND. An IND is a request for authorization from the FDA to administer an investigational drug product to humans. An IND will also include a protocol detailing, among other things, the objectives of the clinical trial, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated, if the trial includes an efficacy evaluation. Some preclinical testing may continue even after the IND is submitted. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA, within the 30-day time period, places the clinical trial on a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. Clinical holds also may be imposed by the FDA at any time before or during clinical trials due to safety concerns about on-going or proposed clinical trials or non-

compliance with specific FDA requirements, and the trials may not begin or continue until the FDA notifies the sponsor that the hold has been lifted.

All clinical trials must be conducted under the supervision of one or more qualified investigators in accordance with GCPs, which include the requirement that all research subjects provide their informed consent in writing for their participation in any clinical trial. Clinical trials must be conducted under protocols detailing the objectives of the trial, dosing procedures, subject selection and exclusion criteria and the safety and effectiveness criteria to be evaluated. Each protocol must be submitted to the FDA as part of the IND, and a separate submission to the existing IND must be made for each successive clinical trial conducted during product development and for any subsequent protocol amendments. While the IND is active, progress reports summarizing the results of the clinical trials and nonclinical studies performed since the last progress report, among other information, must be submitted at least annually to the FDA, and written IND safety reports must be submitted to the FDA and investigators for serious and unexpected suspected adverse events, findings from other studies suggesting a significant risk to humans exposed to the same or similar drugs, findings from animal or in vitro testing suggesting a significant risk to humans, and any clinically important increased incidence of a serious suspected adverse reaction compared to that listed in the protocol or investigator brochure.

Furthermore, an independent IRB at each institution participating in the clinical trial must review and approve each protocol before a clinical trial commences at that institution and must also approve the information regarding the trial and the consent form that must be provided to each trial subject or his or her legal representative, monitor the study until completed and otherwise comply with IRB regulations. The FDA or the sponsor may suspend a clinical trial at any time on various grounds, including a finding that the research subjects or patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements or if the drug has been associated with unexpected serious harm to patients. In addition, some clinical trials are overseen by an independent group of qualified experts organized by the sponsor, known as a data safety monitoring board or committee. Depending on its charter, this group may determine whether a trial may move forward at designated check points based on access to certain data from the trial. There are also requirements governing the reporting of ongoing clinical studies and clinical study results to public registries, including clinicaltrials.gov.

Human clinical trials are typically conducted in three sequential phases that may overlap or be combined:

- *Phase 1:* The product candidate is initially introduced into healthy human subjects and tested for safety, dosage tolerance, absorption, metabolism, distribution and excretion and, if possible, to gain an early indication of its effectiveness.
- *Phase 2:* The product candidate is administered to a limited patient population with a specified disease or condition to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product candidate for specific targeted diseases and to determine dosage tolerance and appropriate dosage.
- *Phase 3:* The product candidate is administered to an expanded patient population to further evaluate dosage, to provide substantial evidence of efficacy and to further test for safety, generally at multiple geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall risk-benefit ratio of the product candidate and provide an adequate basis for product labeling.

Post-approval trials, sometimes referred to as Phase 4 studies, may be conducted after initial marketing approval. These trials are used to gain additional experience from the treatment of patients in the intended therapeutic indication. In certain instances, the FDA may mandate the performance of Phase 4 clinical trials as a condition of approval of an NDA.

During the development of a new drug, sponsors are given opportunities to meet with the FDA at certain points. These points may be prior to submission of an IND, at the end of Phase 2, and before an NDA is submitted. Meetings at other times may be requested. These meetings can provide an opportunity for the sponsor to share information about the data gathered to date, for the FDA to provide advice, and for the sponsor and the FDA to reach agreement on the next phase of development.

Concurrent with clinical trials, companies usually complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the drug and finalize a process for manufacturing the product in commercial quantities in accordance with cGMPs. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, the manufacturer must develop methods for testing the identity, strength, quality and purity of the final drug. In addition, appropriate packaging must be selected and tested, and stability studies must be conducted to demonstrate that the product candidate does not undergo unacceptable deterioration over its shelf life.

U.S. review and approval process

The results of product development, preclinical and other nonclinical studies and clinical trials, along with descriptions of the manufacturing process, analytical tests conducted on the chemistry of the drug, proposed labeling and other relevant information are submitted to the FDA as part of an NDA requesting approval to market the product. The submission of an NDA is subject to the payment of substantial user fees; a waiver of such fees may be obtained under certain limited circumstances.

The FDA conducts a preliminary review of all NDAs within the first 60 days after submission, before accepting them for filing, to determine whether they are sufficiently complete to permit substantive review. The FDA may request additional information rather than accept an NDA for filing. In this event, the NDA must be resubmitted with the additional information. The resubmitted application also is subject to review before the FDA accepts it for filing. Once filed, the FDA reviews an NDA to determine, among other things, whether a product is safe and effective for its intended use and whether its manufacturing is cGMP-compliant to assure and preserve the product's identity, strength, quality and purity. Under the Prescription Drug User Fee Act, or PDUFA, guidelines that are currently in effect, the FDA has a goal of ten months from the date of "filing" of a standard NDA for a new molecular entity to review and act on the submission. This review typically takes twelve months from the date the NDA is submitted to FDA because the FDA has approximately two months to make a "filing" decision after it the application is submitted.

The FDA may refer an application for a novel drug to an advisory committee. An advisory committee is a panel of independent experts, including clinicians and other scientific experts, that reviews, evaluates and provides a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions. Before approving an NDA, the FDA will typically inspect the facility or facilities where the product is manufactured. Additionally, before approving an NDA, the FDA may inspect one or more clinical trial sites to assure compliance with GCPs.

After the FDA evaluates an NDA and conducts inspections of manufacturing facilities where the investigational product and/or its drug substance will be produced, the FDA may issue an approval letter or a Complete Response Letter (CRL). An approval letter authorizes commercial marketing of the drug with prescribing information for specific indications. A CRL indicates that the review cycle of the application is complete, and the application will not be approved in its present form. A CRL usually describes the specific deficiencies in the NDA identified by the FDA and may require additional clinical data, such as an additional clinical trial or other significant and time-consuming requirements related to clinical trials, nonclinical studies or manufacturing. If a CRL is issued, the sponsor must resubmit the NDA or, addressing all of the deficiencies identified in the letter, or withdraw the application. Even if such data and information are submitted, the FDA may decide that the NDA does not satisfy the criteria for approval.

If a product receives regulatory approval, the approval may be significantly limited to specific diseases and dosages or the indications for use may otherwise be limited, which could restrict the commercial value of the product. In addition, the FDA may require a sponsor to conduct Phase 4 testing, which involves clinical trials designed to further assess a drug's safety and effectiveness after NDA approval, and may require testing and surveillance programs to monitor the safety of approved products which have been commercialized. The FDA may also place other conditions on approval including the requirement for a risk evaluation and mitigation strategy (REMS), to assure the safe use of the drug. If the FDA concludes a REMS is needed, the sponsor of the NDA must submit a proposed REMS. The FDA will not approve the NDA without an approved REMS, if required. A REMS

could include medication guides, physician communication plans or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. Any of these limitations on approval or marketing could restrict the commercial promotion, distribution, prescription or dispensing of products.

In addition, the Pediatric Research Equity Act (PREA), requires a sponsor to conduct pediatric clinical trials for most drugs, for a new active ingredient, new indication, new dosage form, new dosing regimen or new route of administration. Under PREA, original NDAs and supplements must contain a pediatric assessment unless the sponsor has received a deferral or waiver. The required assessment must evaluate the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations and support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The sponsor or FDA may request a deferral of pediatric clinical trials for some or all of the pediatric subpopulations. A deferral may be granted for several reasons, including a finding that the drug is ready for approval for use in adults before pediatric clinical trials are complete or that additional safety or effectiveness data needs to be collected before the pediatric clinical trials begin. The FDA must send a non-compliance letter to any sponsor that fails to submit the required assessment, keep a deferral current or fails to submit a request for approval of a pediatric formulation.

Orphan drug designation

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug intended to treat a rare disease or condition, which is a disease or condition that affects fewer than 200,000 individuals in the United States or, if it affects more than 200,000 individuals in the United States, there is no reasonable expectation that the cost of developing and making a drug product available in the United States for this type of disease or condition will be recovered from sales of the product. Orphan designation must be requested before submitting an NDA. After the FDA grants orphan designation, the identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA. Orphan designation does not convey any advantage in or shorten the duration of the regulatory review and approval process.

If a product that has orphan designation subsequently receives the first FDA approval for the disease or condition for which it has such designation, the product is entitled to orphan product exclusivity, which means that the FDA may not approve any other applications to market the same drug for the same disease or condition for seven years, except in limited circumstances, such as a showing of clinical superiority to the product with orphan exclusivity or inability to manufacture the product in sufficient quantities. The designation of such drug also entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages and user-fee waivers. However, competitors, may receive approval of different products for the indication for which the orphan product has exclusivity or obtain approval for the same product but for a different indication for which the orphan product has exclusivity. Orphan exclusivity also could block the approval of a competing product for seven years if a competitor obtains approval of the "same drug," as defined by the FDA, or if a product candidate is determined to be contained within the competitor's product for the same disease or condition. In addition, if an orphan designated product receives marketing approval for an indication broader than what is designated, it may not be entitled to orphan exclusivity.

Expedited development and review programs

The FDA has a number of programs intended to expedite the development or review of a marketing application for a new drug. For example, the fast track designation program is intended to expedite or facilitate the process for developing and reviewing product candidates that meet certain criteria. Specifically, investigational drugs are eligible for fast track designation if they are intended to treat a serious or life-threatening disease or condition and demonstrate the potential to address unmet medical needs for the disease or condition. The sponsor of a fast track product candidate has opportunities for more frequent interactions with the applicable FDA review team during product development and, once an NDA is submitted, the product candidate may be eligible for priority review. With regard to a fast track product candidate, the FDA may consider for review sections of the NDA on a rolling basis before the complete application is submitted, if the sponsor provides a schedule for the submission of the sections of the NDA, the FDA agrees to accept sections of the NDA and determines that the schedule is acceptable, and the sponsor pays any required user fees upon submission of the first section of the NDA.

A product candidate intended to treat a serious or life-threatening disease or condition may also be eligible for breakthrough therapy designation to expedite its development and review. A product candidate can receive breakthrough therapy designation if preliminary clinical evidence indicates that the product candidate, alone or in combination with one or more other drugs or biologics, may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. The designation includes all of the fast track program features, as well as more intensive FDA interaction and guidance beginning as early as Phase 1 and an organizational commitment to expedite the development and review of the product candidate, including involvement of senior managers.

Any product candidate submitted to the FDA for approval, including a product candidate with a fast track designation or breakthrough designation, may also be eligible for other types of FDA programs intended to expedite development and review, such as priority review and accelerated approval. An NDA is eligible for priority review if the product candidate is designed to treat a serious condition, and if approved, would provide a significant improvement in safety or efficacy compared to marketed products. The FDA will attempt to direct additional resources to the evaluation of an application for a new drug designated for priority review in an effort to facilitate the review. The FDA endeavors to review applications with priority review designations within six months of the filing date as compared to ten months for review of new molecular entity NDAs under its current PDUFA review goals.

In addition, a product candidate may be eligible for accelerated approval. Drug products intended to treat serious or life-threatening diseases or conditions may be eligible for accelerated approval upon a determination that the product candidate has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. As a condition of approval, the FDA may require that a sponsor of a drug receiving accelerated approval perform adequate and well-controlled post-marketing clinical trials. Drugs receiving accelerated approval may be subject to expedited withdrawal procedures if the sponsor fails to conduct the required post-marketing trials or if such trials fail to verify the predicted clinical benefit. In addition, the FDA currently requires as a condition of accelerated approval pre-approval of promotional materials, which could adversely impact the timing of the commercial launch of the product.

Fast track designation, breakthrough therapy designation, priority review, and accelerated approval do not change the standards for approval but may expedite the development or approval process. Even if a product candidate qualifies for one or more of these programs, the FDA may later decide that the product no longer meets the conditions for qualification or decide that the time period for FDA review or approval will not be shortened.

Post-approval requirements

Any products manufactured or distributed pursuant to FDA approvals are subject to pervasive and continuing regulation by the FDA, including, among other things, requirements relating to record-keeping, reporting of adverse experiences, periodic reporting, product sampling and distribution, and advertising and promotion of the product. After approval, most changes to the approved product, such as adding new indications, certain manufacturing changes and additional labeling claims, are subject to further FDA review and approval. Drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are required to register their establishments with the FDA and certain state agencies and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMPs and other laws and regulations. Changes to the manufacturing process are strictly regulated, and, depending on the significance of the change, may require prior FDA approval before being implemented. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain compliance with cGMPs and other aspects of regulatory compliance.

The FDA may withdraw approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing

processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of requirements for post-market studies or clinical studies to assess new safety risks; or imposition of distribution restrictions or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of the product, complete withdrawal of the product from the market or product recalls;
- fines, warning letters, or untitled letters;
- clinical holds on clinical studies;
- refusal of the FDA to approve pending applications or supplements to approved applications, or suspension or revocation of product approvals;
- product seizure or detention, or refusal to permit the import or export of products;
- consent decrees, corporate integrity agreements, debarment or exclusion from federal healthcare programs;
- mandated modification of promotional materials and labeling and the issuance of corrective information;
- the issuance of safety alerts, Dear Healthcare Provider letters, press releases and other communications containing warnings or other safety information about the product; or
- injunctions or the imposition of civil or criminal penalties.

In addition, the FDA closely regulates the marketing, labeling, advertising and promotion of drug products. A company can make only those claims relating to safety and efficacy that are approved by the FDA and in accordance with the provisions of the approved label. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses. Failure to comply with these requirements can result in, among other things, adverse publicity, warning letters, corrective advertising and potential civil and criminal penalties. Physicians may prescribe legally available products for uses that are not described in the product's labeling and that differ from those tested by us and approved by the FDA. Such off-label uses are common across medical specialties. Physicians may believe that such off-label uses are the best treatment for many patients in varied circumstances. The FDA does not regulate the behavior of physicians in their choice of treatments. The FDA does, however, restrict manufacturer's communications on the subject of off-label use of their products.

Marketing exclusivity

Market exclusivity provisions under the FDCA can delay the submission or the approval of certain marketing applications. The FDCA provides a five-year period of non-patent data exclusivity within the United States to the first applicant to obtain approval of an NDA for a new chemical entity. A drug is a new chemical entity if the FDA has not previously approved any other new drug containing the same active moiety, which is the molecule or ion responsible for the action of the drug substance. During the exclusivity period, the FDA may not accept for review an abbreviated new drug application (ANDA), or an NDA submitted under Section 505(b)(2) (505(b)(2) NDA) submitted by another company for another drug based on the same active moiety, regardless of whether the drug is intended for the same indication as the original innovative drug or for another indication, where the applicant does not own or have a legal right of reference to all the data required for approval. However, an application may be submitted after four years if it contains a certification of patent invalidity or non-infringement to one of the patents listed with the FDA by the innovator NDA holder.

The FDCA alternatively provides three years of marketing exclusivity for an NDA, or supplement to an existing NDA if new clinical investigations, other than bioavailability studies, that were conducted or sponsored by the applicant are deemed by the FDA to be essential to the approval of the application, for example new indications, dosages or strengths of an existing drug. This three-year exclusivity covers only the modification for which the drug

received approval on the basis of the new clinical investigations and does not prohibit the FDA from approving ANDAs or 505(b)(2) NDAs for drugs containing the active agent for the original indication or condition of use. Five-year and three-year exclusivity will not delay the submission or approval of a full NDA. However, an applicant submitting a full NDA would be required to conduct, or obtain a right of reference to, all of the preclinical studies and adequate and well-controlled clinical trials necessary to demonstrate safety and effectiveness.

Pediatric exclusivity is another type of marketing exclusivity available in the United States. Pediatric exclusivity provides for an additional six months of marketing exclusivity attached to another period of exclusivity if a sponsor conducts clinical trials in children in response to a written request from the FDA. The issuance of a written request does not require the sponsor to undertake the described clinical trials.

Other Healthcare Laws

Pharmaceutical companies are subject to additional healthcare regulation and enforcement by the federal government and by authorities in the states and foreign jurisdictions in which they conduct their business and may constrain the financial arrangements and relationships through which we research, as well as, sell, market and distribute any products for which we obtain marketing approval. Such laws include, without limitation, federal and state anti-kickback, fraud and abuse, false claims, data privacy and security and physician and other health care provider transparency laws and regulations. If our significant operations are found to be in violation of any of such laws or any other governmental regulations that apply, they may be subject to penalties, including, without limitation, administrative, civil and criminal penalties, damages, fines, disgorgement, the curtailment or restructuring of operations, integrity oversight and reporting obligations, exclusion from participation in federal and state healthcare programs and imprisonment.

Coverage and Reimbursement

Sales of any product depend, in part, on the extent to which such product will be covered by third-party payors, such as federal, state, and foreign government healthcare programs, commercial insurance and managed healthcare organizations, and the level of reimbursement for such product by third-party payors. Decisions regarding the extent of coverage and amount of reimbursement to be provided are made on a plan-by-plan basis. The coverage determination process is often a time-consuming and costly process that will require us to provide scientific and clinical support for the use of our products to each payor separately, with no assurance that coverage and adequate reimbursement will be obtained. These third-party payors are increasingly reducing reimbursements for medical products, drugs and services. In addition, the U.S. government, state legislatures and foreign governments have continued implementing cost-containment programs, including price controls, restrictions on coverage and reimbursement and requirements for substitution of generic products. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit sales of any product. Decreases in third-party reimbursement for any product or a decision by a third-party payor not to cover a product could reduce physician usage and patient demand for the product and also have a material adverse effect on sales.

Healthcare Reform

In March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, each as amended, collectively known as the ACA, was enacted, which substantially changed the way healthcare is financed by both governmental and private insurers, and significantly affected the pharmaceutical industry. The ACA contains a number of provisions, including those governing enrollment in federal healthcare programs, reimbursement adjustments and changes to fraud and abuse laws. By way of example, the ACA:

- increased the minimum level of Medicaid rebates payable by manufacturers of brand name drugs from 15.1% to 23.1% of the average manufacturer price;
- required collection of rebates for drugs paid by Medicaid managed care organizations;

- required manufacturers to participate in a coverage gap discount program, under which they must agree to offer 70 percent point-of-sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period, as a condition for the manufacturer's outpatient drugs to be covered under Medicare Part D; and
- imposed a non-deductible annual fee on pharmaceutical manufacturers or importers who sell "branded prescription drugs" to specified federal government programs.

Other legislative changes have been proposed and adopted in the United States since the ACA was enacted. On March 11, 2021, the American Rescue Plan Act of 2021 was signed into law, which eliminates the statutory Medicaid drug rebate cap, currently set at 100% of a drug's average manufacturer price, or AMP, beginning January 1, 2024. Most recently, on August 16, 2022, the Inflation Reduction Act of 2022, or IRA, was signed into law. Among other things, the IRA requires manufacturers of certain drugs to engage in price negotiations with Medicare (beginning in 2026), with prices that can be negotiated subject to a cap; imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation (first due in 2023); and replaces the Part D coverage gap discount program with a new discounting program (beginning in 2025). The IRA permits the Secretary of the Department of Health and Human Services (HHS) to implement many of these provisions through guidance, as opposed to regulation, for the initial years. For that and other reasons, it is currently unclear how the IRA will be effectuated.

Moreover, there has recently been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which has resulted in several Congressional inquiries, proposed and enacted legislation and executive orders issued by the President designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drug products. It is also possible that additional governmental action is taken in response to the COVID-19 pandemic. Individual states in the United States have also become increasingly active in implementing regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

Employees

As of September 30, 2022, we had 12 full-time employees, of whom 8 were primarily engaged in research and development. None of our employees are represented by a labor union, and we consider our employee relations to be good.

Legal Proceedings

We are not currently a party to any material proceedings. From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. Regardless of outcome, litigation can have an adverse impact on us due to defense and settlement costs, diversion of management resources, negative publicity, reputational harm and other factors.

Corporate Information

We were incorporated under the laws of the State of Delaware in May 2019 as Catalys SC1, Inc. and we subsequently changed our name to Mineralys Therapeutics, Inc. Our mailing address is 150 N. Radnor Chester Rd, Suite F200, Radnor, PA 19087 and our telephone number is 888-378-6240. We also maintain a website at www.mineralystx.com. The information contained in, or accessible through, our website does not constitute part of this prospectus. We have included our website address as an inactive textual reference only.

MANAGEMENT

Executive Officers and Directors

The following table sets forth the name, age and position of each of our executive officers and directors as of September 30, 2022.

Name	Age	Position
Executive Officers		
Jon Congleton	59	Chief Executive Officer & Director
Adam Levy	44	Chief Financial Officer & Chief Business Officer
David Rodman, M.D.	67	Chief Medical Officer
Directors		
Brian Taylor Slingsby, M.D., Ph.D., M.P.H.	46	Chairman & Founder
Srinivas Akkaraju, M.D., Ph.D.(1)	54	Director
Alexander Asam, Ph.D.(2)	57	Director
Derek DiRocco, Ph.D.(2)	42	Director
Olivier Litzka, Ph.D.(2)	53	Director
Takeshi Takahashi, M.B.A.(1)	47	Director

(1) Member of the Compensation Committee.
(2) Member of the Audit Committee.
(3) Member of the Nominating and Governance Committee.

Executive Officers

Jon Congleton has served as our Chief Executive Officer and as a member of our Board since November 2020.Prior to joining us, Mr. Congleton was Chief Executive Officer of Impel NeuroPharma, Inc. from September 2017 to May 2020. Prior to that, he served as the Chief Executive Officer and as a director of Nivalis Therapeutics, Inc. from January 2015 to February 2017. Mr. Congleton was previously at Teva Pharmaceutical Industries, Ltd. (Teva) where over 18 years he held positions in general management and global strategic marketing, including Senior Vice President of Teva's Global Central Nervous System Disorders from April 2013 to December 2014, Senior Vice President of the Global Medicine Group from November 2011 to April 2013, and General Manager of Teva Neuroscience, Inc. in the United States. Prior to joining Teva, Mr. Congleton spent ten years in a variety of commercial roles with predecessor companies of Sanofi. Mr. Congleton earned a B.S. in marketing from Kansas State University. Mr. Congleton's knowledge of our business and his extensive executive experience at multiple biopharmaceutical companies contributed to our board of directors' conclusion that he should serve as a director of our company.

Adam Levy has served as our Chief Financial Officer and Chief Business Officer since March 2022.Prior to joining Mineralys, he was the Chief Financial Officer at Sanifit Therapeutics until the company was acquired by Vifor Pharma in 2022. Previously, Adam served as the Chief Business Officer at Brickell Biotech from 2019 to 2020 and led the organization's financial operations transition as it became a publicly listed company on Nasdaq. Prior to that, he served as the Chief Business Officer at miRagen Therapeutics from 2016 to 2019, where he was responsible for a variety of functions including financial strategy, investor relations, business development, legal affairs, intellectual property, project and program management, and human resources. Between 2000 and 2016, Mr. Levy held multiple investment banking positions at Merrill Lynch, Jefferies Group and Wedbush Securities. Mr. Levy received a B.S. in Business Management and Marketing from Cornell University.

David Rodman, M.D. has served as our Chief Medical Officer since January 2021. Previously, Dr. Rodman served in various roles at miRagen, Vertex Pharmaceuticals Inc., and Novartis Institutes for BioMedical Research. Dr. Rodman was elected to the American Society for Clinical Investigation and named an Established Investigator and Fellow of the American Heart Association. Dr. Rodman received his medical degree from the University of

Pennsylvania and was subsequently Board Certified in Internal Medicine, Pulmonary Medicine and Critical Care Medicine at the University of Colorado.

Non-Employee Directors

Brian Taylor "BT" Slingsby, M.D., Ph.D., M.P.H. founded Mineralys on May 31, 2019 and has served on our board of directors sincethat time and as Chairman. Dr. Slingsby is Founder & Managing Partner at Catalys Pacific, a venture capital firm focused on life sciences. In addition to serving as founding CEO of Mineralys during its inception and incubation, Dr. Slingsby has served as founding CEO of Pathalys Pharma, Inc., Kirilys Therapeutics, Inc. and Aculys Pharma, KK. Previous to Catalys Pacific, he founded the Global Health Innovative Technology Fund, the world's first public-private fund focused on the development of new medicines for low- and middle-income countries. Dr. Slingsby graduated from Brown University with honors, earned his M.P.H. and Ph.D. from Kyoto University and the University of Tokyo, and received his M.D. with honors from the George Washington University. Dr. Slingsby's investment experience in the biopharmaceutical industry, as well as his academic background and experience on numerous public and private company boards of directors, contributed to our board of directors' conclusion that he should serve as a director of our company.

Srinivas Akkaraju, M.D., Ph.D. has served on our board of directors since February 2021. Dr. Akkaraju has served as Managing General Partner of Samsara BioCapital, a venture capital firm, since he founded the firm in 2017. From April 2013 to March 2017, Dr. Akkaraju was a General Partner and then a Senior Advisor of Sofinnova Ventures, a venture capital firm focused on the life sciences industry. From January 2009 until April 2013, Dr. Akkaraju was a Managing Director of New Leaf Venture Partners, an investment firm focused on the healthcare technology sector. From 2006 to 2008, Dr. Akkaraju served as a Managing Director of Panorama Capital, a venture capital firm that he co-founded along with other members of the former venture capital investment team of J.P. Morgan Partners, a private equity division of JPMorgan Chase & Co. Prior to co-founding Panorama Capital, Dr. Akkaraju was with J.P. Morgan Partners, which he joined in 2001 and of which he became a partner in 2005. From 1998 to 2001, Dr. Akkaraju worked in business and corporate development at Genentech, Inc. (now a member of the Roche Group), a biotechnology company. Dr. Akkaraju has been a director of publicly-traded biopharmaceutical companies Intercept Pharmaceuticals since October 2012, Jiya Acquisition Corp. (where he also serves as Chairman) since November 2020, and Syros Pharmaceuticals, Inc. since June 2017. Dr. Akkaraju also serves on the board of directors of a number of private companies. During the past five years, Dr. Akkaraju previously served as a director of Aravive, Inc. (formerly Versartis, Inc.), aTyr Pharma, Inc., Principia Biopharma Inc., and Seattle Genetics, Inc. (now Seagen Inc.). Dr. Akkaraju received his M.D. and a Ph.D. in Immunology from Stanford University, and holds undergraduate degrees in Biochemistry and Computer Science from Rice University. Dr. Akkaraju's extensive investment experience in the biopharmaceutical industry, as well as his scientific background and experience on numerous public and private company boards of directors, contributed to our board of directors' conclusion that he should serve as a director of our company.

Alexander Asam, Ph.D. has served on our board of directors since February 2021. Since 2007, Dr. Asam has been an Investment Advisor of HBM Partners, and brings more than 20 years of experience in the life sciences and private equity businesses. He was a former managing director and partner of Deutsche Venture Capital (DVC) / Deutsche Bank from 2001 to 2007 and held various positions at Hoechst AG, Aventis S.A. (now: Sanofi) and LION Bioscience AG, among others, as well as a member of the IPO Core Team (dual listing Germany and USA). He is a board member of 1000Farmacia Research, as well as a board observer at Swixx Biopharma and Aculys. Dr. Asam served on the board of directors of publicly-traded Arcutis Biotherapeutics from October 2019 until October 2020. Dr. Asam holds an M.B.A. degree from Aston Business School, Birmingham and a M.Sc. and Ph.D. in chemistry from University of Heidelberg. Dr. Asam's extensive experience in the life sciences industry, including as an investor and board member, contributed to our board of directors' conclusion that he should serve as a director of our company.

Derek DiRocco, Ph.D. has served on our board of directors since June 2022. Dr. DiRocco has been a partner at RA Capital Management, L.P., a multi-stage investment manager dedicated to evidence-based investing in healthcare and life science companies that are developing drugs, medical devices and diagnostics, since December 2020 and was previously a principal from December 2017 until December 2020, an analyst from June 2015 to December 2017 and an associate from July 2013 to June 2015. Dr. DiRocco has served on the board of directors of

iTeos Therapeutics, Inc. since March 2020 and 89bio, Inc. since April 2018, each of which is a publicly-traded biotechnology company. Dr. DiRocco also serves on the board of directors of several privately held biotechnology companies. Dr. DiRocco holds a B.A. in biology from College of the Holy Cross and a Ph.D. in pharmacology from the University of Washington. He conducted his postdoctoral research at Brigham and Women's Hospital/Harvard Medical School. Dr. DiRocco's extensive investment experience in biopharmaceutical companies, as well as his academic background and public company board experience, contributed to our board of directors' conclusion that he should serve as a director of our company.

Olivier Litzka, Ph.D. has served on our board of directors since June 2022. Dr. Litzka has served as a partner at Andera Partners, a venture capital firm, since 2006 and started his business career in 1998 with Mercer Management Consulting. In 2000, he joined 3i Group plc with a focus on biopharma and medtech investments. Dr. Litzka currently serves on the boards of MMI Microsystems, T-Knife, Allecra Therapeutics, HighLife Medical, MedLumics, Tricares and JenaValve. He was also a board member of Corvidia, Sapiens, Endosense, Novexel, Supersonic Imagine and Arvelle Therapeutics, up until their respective acquisitions. Dr. Litzka has a Ph.D. in molecular microbiology from the Institut für Genetik und Mikrobiologie in Munich. Dr. Litzka's extensive investment experience in the biopharmaceutical industry contributed to our board of directors' conclusion that he should serve as a director of our company.

Takeshi Takahashi, M.B.A. has served on our board of directors since May 2020. Mr. Takahashi is the Managing Partner at Catalys Pacific, a position he has held since 2019. Prior to Catalys Pacific, he was an investment banker with Morgan Stanley for 12 years. Prior to working for Morgan Stanley, he worked at Merrill Lynch's asset management division. Mr. Takahashi graduated from Waseda University with a degree in Political Science and Economics and holds an M.B.A. from Kellogg School of Management at Northwestern University. Mr. Takahashi's extensive investment experience in the biopharmaceutical industry contributed to our board of directors' conclusion that he should serve as a director of our company.

Family Relationships

There are no family relationships among any of our executive officers or directors.

Board Composition and Election of Directors

Director Independence

Our board of directors currently consists of seven members. Our board of directors has determined that all of our directors, other than Mr. Congleton, are independent directors in accordance with the listing requirements of the Nasdaq Global Market (Nasdaq). The Nasdaq independence definition includes a series of objective tests, including that the director is not, and has not been for at least three years, one of our employees and that neither the director nor any of his or her family members has engaged in various types of business dealings with us. In addition, as required by Nasdaq rules, our board of directors has made a subjective determination as to each independent director that no relationships exist, which, in the opinion of our board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of the director. In making these determinations, our board of directors reviewed and discussed information provided by the directors and us with regard to each director's business and personal activities and relationships as they may relate to us and our management. There are no family relationships among any of our directors or executive officers.

Classified Board of Directors

In accordance with the terms of our amended and restated certificate of incorporation that will go into effect immediately prior to the closing of this offering, our board of directors will be divided into three classes with staggered, three-year terms. At each annual meeting of stockholders, the directors whose terms then expire will be eligible for reelection until the third annual meeting following reelection. Effective upon the closing of this offering, our directors will be divided among the three classes as follows:

- the Class I directors will be , and their terms will expire at our first annual meeting of stockholders following this offering;

- the Class II directors will be , and their terms will expire at our second annual meeting of stockholders following this offering; and
- the Class III directors will be , and their terms will expire at our third annual meeting of stockholders following this offering.

Our amended and restated certificate of incorporation that will go into effect immediately prior to the closing of this offering will provide that the authorized number of directors may be changed only by resolution of the board of directors. Any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors. The division of our board of directors into three classes with staggered three-year terms may delay or prevent a change of our board of directors or a change in control of our company. Our directors may be removed only for cause by the affirmative vote of the holders of at least two-thirds of our outstanding voting stock then entitled to vote in an election of directors.

Board Leadership Structure

Our board of directors is currently chaired by Dr. Slingsby. Our board of directors recognizes that it is important to determine an optimal board leadership structure to ensure the independent oversight of management as the company continues to grow. We separate the roles of chief executive officer and chairman of the board of directors in recognition of the differences between the two roles. The chief executive officer is responsible for setting the strategic direction for our company and the day-to-day leadership and performance of our company, while the chairman of the board of directors provides guidance to the chief executive officer and presides over meetings of the full board of directors. We believe that this separation of responsibilities provides a balanced approach to managing the board of directors and overseeing our company. Our board of directors has concluded that our current leadership structure is appropriate at this time. However, our board of directors will continue to periodically review our leadership structure and may make such changes in the future as it deems appropriate.

Role of Board in Risk Oversight Process

Our board of directors has responsibility for the oversight of our risk management processes and, either as a whole or through its committees, regularly discusses with management our major risk exposures, their potential impact on our business and the steps we take to manage them. The risk oversight process includes receiving regular reports from board committees and members of senior management to enable our board of directors to understand our risk identification, risk management and risk mitigation strategies with respect to areas of potential material risk, including operations, finance, legal, regulatory, strategic and reputational risk.

The audit committee reviews information regarding liquidity and operations, and oversees our management of financial risks. Periodically, the audit committee reviews our policies with respect to risk assessment, risk management, loss prevention and regulatory compliance. Oversight by the audit committee includes direct communication with our external auditors, and discussions with management regarding significant risk exposures and the actions management has taken to limit, monitor or control such exposures. The compensation committee is responsible for assessing whether any of our compensation policies or programs has the potential to encourage excessive risk-taking. The nominating and corporate governance committee manages risks associated with the independence of the board of directors, corporate disclosure practices and potential conflicts of interest. While each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire board of directors is regularly informed through committee reports about such risks. Matters of significant strategic risk are considered by our board of directors as a whole.

Board Committees and Independence

Our board of directors has established three standing committees – audit, compensation and nominating and corporate governance – each of which operates under a charter that has been approved by our board of directors.

Audit Committee

The audit committee's main function is to oversee our accounting and financial reporting processes and the audits of our financial statements. This committee's responsibilities include, among other things:

- appointing our independent registered public accounting firm;
- evaluating the qualifications, independence and performance of our independent registered public accounting firm;
- approving the audit and non-audit services to be performed by our independent registered public accounting firm;
- reviewing the design, implementation, adequacy and effectiveness of our internal accounting controls and our critical accounting policies;
- discussing with management and the independent registered public accounting firm the results of our annual audit and the review of our quarterly unaudited financial statements;
- reviewing, overseeing and monitoring the integrity of our financial statements and our compliance with legal and regulatory requirements as they relate to financial statements or accounting matters;
- reviewing on a periodic basis, or as appropriate, any investment policy and recommending to our board of directors any changes to such investment policy;
- reviewing with management and our auditors any earnings announcements and other public announcements regarding our results of operations;
- preparing the report that the SEC requires in our annual proxy statement;
- reviewing and approving any related party transactions and reviewing and monitoring compliance with our code of conduct and ethics; and
- reviewing and evaluating, at least annually, the performance of the audit committee and its members including compliance of the audit committee with its charter.

The members of our audit committee are Mr. DiRocco, Mr. Litzka and Dr. Asam. Mr. DiRocco serves as the chairperson of the committee. All members of our audit committee meet the requirements for financial literacy under the applicable rules and regulations of the SEC and Nasdaq. Our board of directors has determined that is an "audit committee financial expert" as defined by applicable SEC rules and has the requisite financial sophistication as defined under the applicable Nasdaq listing standards. Our board of directors has determined each of Mr. DiRocco, Mr. Litzka and Dr. Asam is independent under the applicable rules of the SEC and Nasdaq. Upon the listing of our common stock on Nasdaq, the audit committee will operate under a written charter that satisfies the applicable standards of the SEC and Nasdaq.

Compensation Committee

Our compensation committee approves policies relating to compensation and benefits of our officers and employees. The compensation committee approves corporate goals and objectives relevant to the compensation of our Chief Executive Officer and other executive officers, evaluates the performance of these officers in light of those goals and objectives and approves the compensation of these officers based on such evaluations. The compensation committee also approves the issuance of stock options and other awards under our equity plans. The compensation committee will review and evaluate, at least annually, the performance of the compensation committee and its members, including compliance by the compensation committee with its charter.

The members of our compensation committee are Dr. Akkaraju, Mr. Takahashi and . Dr. Akkaraju serves as the chairperson of the committee. Our board of directors has determined that each of Dr. Akkaraju and Mr. Takahashi is independent under the applicable Nasdaq listing standards, is a "non-employee director" as defined in

Rule 16b-3 promulgated under the Exchange Act. Upon the listing of our common stock on Nasdaq, the compensation committee will operate under a written charter, which the compensation committee will review and evaluate at least annually.

Nominating and Corporate Governance Committee

The nominating and corporate governance committee is responsible for assisting our board of directors in discharging the board of directors' responsibilities regarding the identification of qualified candidates to become board members, the selection of nominees for election as directors at our annual meetings of stockholders (or special meetings of stockholders at which directors are to be elected), and the selection of candidates to fill any vacancies on our board of directors and any committees thereof. In addition, the nominating and corporate governance committee is responsible for overseeing our corporate governance policies, reporting and making recommendations to our board of directors concerning governance matters and oversight of the evaluation of our board of directors. The members of our nominating and corporate governance committee are . serves as the chairperson of the committee. Our board of directors has determined that each of is independent under the applicable Nasdaq listing standards. Upon the listing of our common stock on Nasdaq, the nominating and corporate governance committee will operate under a written charter, which the nominating and corporate governance committee will review and evaluate at least annually.

Compensation Committee Interlocks and Insider Participation

None of the members of our compensation committee has ever been one of our officers or employees. None of our executive officers currently serves, or has served, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our board of directors or compensation committee.

Board Diversity

Upon the closing of this offering, our nominating and corporate governance committee will be responsible for reviewing with the board of directors, on an annual basis, the appropriate characteristics, skills and experience required for the board of directors as a whole and its individual members. In evaluating the suitability of individual candidates (both new candidates and current members) for election or appointment, the nominating and corporate governance committee and the board of directors will take into account many factors, including the following:

- personal and professional integrity, ethics and values;
- experience in corporate management, such as serving as an officer or former officer of a publicly-held company;
- experience as a board member or executive officer of another publicly-held company;
- strong finance experience;
- diversity of expertise and experience in substantive matters pertaining to our business relative to other board members;
- diversity of background and perspective, including, but not limited to, with respect to age, gender, race, place of residence and specialized experience;
- experience relevant to our business industry and with relevant social policy concerns; and
- relevant academic expertise or other proficiency in an area of our business operations.

Currently, our board of directors evaluates, and following the closing of this offering will evaluate, each individual in the context of the board of directors as a whole, with the objective of assembling a group that can best maximize the success of the business and represent stockholder interests through the exercise of sound judgment using its diversity of experience in these various areas.

Code of Business Conduct and Ethics

We plan to adopt a written code of business conduct and ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, which will be effective upon the closing of this offering. Upon the closing of this offering, our code of business conduct and ethics will be available under the Corporate Governance section of our website at *www.mineralystx.com*. In addition, we intend to post on our website all disclosures that are required by law or the listing standards of Nasdaq concerning any amendments to, or waivers from, any provision of the code. We have included our website address in this prospectus solely as an inactive textual reference. The reference to our website address does not constitute incorporation by reference of the information contained at or available through our website, and you should not consider it to be a part of this prospectus.

EXECUTIVE AND DIRECTOR COMPENSATION

Overview

Our named executive officers for 2021, which consist of each person who served as our principal executive officer during 2021 and our next most highly compensated executive officer during 2021, were:

- Jon Congleton, Chief Executive Officer; and
- David Rodman, MD, Chief Medical Officer.

This discussion may contain forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that we adopt following the closing of this offering may differ materially from the currently planned programs summarized in this discussion.

The following table sets forth information regarding compensation earned with respect to the fiscal year ended December 31, 2021 by our named executive officers.

2021 Summary Compensation Table

Name and Principal Position	Year	Salary ($)	Bonus ($) [1]	Option Awards ($) [2]	Non-Equity Incentive Plan Compensation ($) [3]	All Other Compensation ($) [4]	Total ($)
Jon Congleton							
Chief Executive Officer[5]	2021	346,484	175,342	9,536	133,000	10,267	674,629
David Rodman, MD							
Chief Medical Officer[6]	2021	342,153	240,041	95,359	131,338	10,533	819,424

(1) Amount reflects one-time bonuses awarded to our named executive officers per the terms of their offer letters with the Company.

(2) The amounts reported in the "Option Awards" column represent the aggregate grant date fair value of the stock options awarded to our named executive officers during fiscal year 2021, calculated in accordance with Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, Topic 718. The assumptions used in calculating the grant date fair value of the awards reported in this column are set forth in Notes 2 and 8 to our audited financial statements included elsewhere in this prospectus. The amounts reported in this column reflect the accounting cost for the stock options and do not reflect the actual economic value that will be realized by Mr. Congleton or Dr. Rodman upon the vesting of the stock options, the exercise of the stock options or the sale of the common stock underlying such awards. See "—Narrative to Summary Compensation Table—Equity-Based Incentive Awards."

(3) Amounts reflect performance bonuses earned by each executive in 2021, which were paid in early 2022.

(4) Amounts reflect company matching contributions to a 401(k) savings plan.

(5) Pursuant to the terms of his offer letter with the Company, Mr. Congleton was not entitled to a base salary until the closing of a qualifying Series A financing, and therefore the base salary amount set forth in the table above reflects the amount earned for the portion of 2021 in which he was entitled to a base salary. Mr. Congleton had an annual base salary rate of $400,000 in 2021.

(6) Dr. Rodman joined as Chief Medical Officer in January 2021, and pursuant to the terms of his offer letter with the Company, Dr. Rodman was not entitled to a base salary until the closing of a qualifying Series A financing, and therefore the base salary amount set forth in the table above reflects the amount earned for the portion of 2021 in which he was entitled to a base salary. Dr. Rodman had an annual base salary rate of $395,000 in 2021.

Narrative to Summary Compensation Table

Annual Base Salary

The compensation of our named executive officers is generally determined and approved by our board of directors. The 2021 base salaries of each of our named executive officers are described below under the subsection titled "Employment Arrangements with our Executive Officers."

Annual Bonus

In addition to base salaries, our named executive officers are eligible to receive annual performance-based cash bonuses, which are designed to provide appropriate incentives to our executives to achieve defined annual

corporate goals and to reward our executives for individual achievement towards these goals. The annual performance-based bonus each named executive officer is eligible to receive is generally based on the extent to which we achieve the corporate goals that our board of directors establishes each year. At the end of the year, our board of directors reviews our performance against each corporate goal and determines the extent to which we achieved each of our corporate goals.

Our board of directors will generally consider each named executive officer's individual contributions towards reaching our annual corporate goals. For 2021, Mr. Congleton and Dr. Rodman were each eligible to receive a target annual bonus for 2021 equal to 25% of their respective annual base salaries.

The corporate goals the board of directors established for 2021 related to clinical, nonclinical, regulatory, CMC, business development and financing milestones. In February 2022, our board of directors determined that the 2021 goals were achieved as to 133%. The board of directors awarded cash bonuses to Mr. Congleton and Dr. Rodman in the amounts of $133,000 and $131,338, respectively.

Series A Financing Bonus

For 2021, Mr. Congleton and Dr. Rodman were also eligible to earn one-time bonuses upon the completion of the Company's Series A financing pursuant to the terms of their offer letters with the Company. In February 2021, Mr. Congleton and Dr. Rodman were awarded cash bonuses in the amounts of $175,342 and $240,041, respectively.

Equity-Based Incentive Awards

Our equity-based incentive awards are designed to align our interests and those of our stockholders with those of our employees, including our executive officers. The board of directors or an authorized committee thereof is responsible for approving equity grants.

Prior to this offering, we have granted stock options and issued restricted stock pursuant to our 2020 Plan. Following this offering, we will grant equity awards under the terms of our 2023 Plan. The terms of our equity plans are described below under the subsection titled "Equity Incentive Plans."

In March 2021, our board of directors granted options under our 2020 Plan to purchase 260,045 shares and 2,600,453 shares to each of Mr. Congleton and Dr. Rodman, respectively. Each option has an exercise price of $0.05 per share, the fair market value on the date of grant as determined by our board of directors. The options granted to Mr. Congleton may be early exercised. The options vest with respect to 25% of the shares on the one-year anniversary of the March 1, 2021 and January 11, 2021 vesting commencement dates, respectively, and the remaining shares vest in substantially equal monthly installments thereafter for 36 months, subject to the respective named executive officer's continuous service with us as of each such vesting date. The options granted to Dr. Rodman will vest in full upon a change in control (as defined in the 2020 Plan) and the options granted to both Mr. Congleton and Dr. Rodman are also subject to potential acceleration of vesting in connection with a qualifying termination of employment or, for Mr. Congleton, a change in control, as described below under the subsection titled "Employment Arrangements with our Executive Officers."

Outstanding Equity Awards at 2021 Fiscal Year-End

The following table presents information regarding the outstanding stock options and shares of restricted stock held by each of our named executive officers as of December 31, 2021.

	Option Awards					Stock Awards	
Name	Grant Date	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options Unexercisable	Option Exercise Price[4]	Option Expiration Date	Number of Shares of Stock that Have Not Vested	Market Value of Shares that Have Not Vested [1]
Jon Congleton	10/09/20	—	—	—	—	3,645,834[2][3]	291,667
	03/12/21		260,045[3][4]	0.05	03/11/31	—	—
David Rodman, MD	03/12/21	—	2,600,453[3][4]	0.05	03/11/31	—	—

(1) The market value is calculated by multiplying the number of unvested restricted stock outstanding under the award by $0.08, which was the fair market value of our common stock as of December 31, 2021 based on an independent third-party valuation.

(2) On October 9, 2020, our board of directors granted Mr. Congleton 5,000,000 shares of restricted stock under our 2020 Plan, with 25% of such shares vesting on the first anniversary of the date on which Mr. Congleton commenced full-time employment with us (November 1, 2020), and the remaining shares vesting in equal monthly installments over the 36 months thereafter, subject to Mr. Congleton's continued status as a service provider through each such vesting date.

(3) These awards are subject to potential acceleration of vesting in connection with a qualifying termination of employment or a change in control, as described below under the subsection titled "Employment Arrangements with our Executive Officers." Dr. Rodman's stock option granted on March 12, 2021 is subject to accelerated vesting in connection with a change in control, as described above under the subsection titled "Equity-Based Incentive Awards."

(4) On March 12, 2021, our board of directors granted Mr. Congleton and Dr. Rodman options under our 2020 Plan to purchase 260,045 shares and 2,600,453 shares, respectively, with 25% of such shares vesting on the first anniversary of the March 1, 2021 and January 11, 2021 vesting commencement dates, respectively, and the remaining shares vesting in equal monthly installments over the 36 months thereafter, subject to the respective named executive officer's continued status as a service provider through each such vesting date. The stock option granted to Mr. Congleton has an early exercise feature that allows Mr. Congleton to exercise the option while unvested and receive restricted shares of our common stock that are subject to forfeiture until the vesting requirement is met. Our 2020 Plan specifically authorizes this early exercise concept and states that employees who exercise unvested options will receive shares of restricted stock with a vesting period that corresponds to the vesting period that remained in the exercised option. Due to this early exercise feature, these options are reflected in the "Exercisable" column as of December 31, 2021.

Employment Arrangements with our Executive Officers

Mr. Congleton. We have entered into an offer letter with Mr. Congleton which governs the terms of his employment with us. Pursuant to his agreement, Mr. Congleton was entitled to an annual base salary of $400,000 effective as of February 16, 2021 (which was increased to $420,000 effective as of March 1, 2022). He is eligible to receive an annual bonus at a target amount of 25% of his base salary actually paid for the year to which such annual bonus relates, based on the achievement of performance objectives as determined by our board of directors.

Mr. Congleton's offer letter provides for a one-time bonus, earned upon the closing of a qualifying Series A financing, equal to (i) $400,000 divided by 365, and multiplied by (ii) the number of days elapsed from Mr. Congleton's employment start date through and including the date of such qualifying Series A financing.

Regardless of the manner in which Mr. Congleton's employment terminates, he is entitled to receive amounts previously earned during his employment, including unpaid salary, reimbursement of expenses owed, and accrued but unpaid paid time off and any continuation of benefits required by applicable law. In addition, Mr. Congleton is entitled to certain severance benefits under his offer letter (as described below), subject to his execution of a release of claims and compliance with the post-termination obligations set forth in his proprietary information and inventions assignment agreement.

Mr. Congleton's offer letter provides for severance benefits for certain terminations that arise during and outside a change in control period. Upon a termination without cause or a resignation for good reason outside of a change in control period (as such terms are defined below), Mr. Congleton is entitled to (i) base salary continuation for six months, (ii) a cash lump sum payment amount equal to Mr. Congleton's then target annual bonus, pro-rated based on the total number of days elapsed in the calendar year as of Mr. Congleton's date of termination, (iii) accelerated vesting of such number of Mr. Congleton's unvested equity awards as would have vested had Mr.

Congleton remained employed by us during the six-month period following the date of termination, and (iv) payment or reimbursement of the COBRA premiums for Mr. Congleton and his eligible dependents, or if COBRA is not available under our group health plan, a cash amount equal to such payments or reimbursements, until the earliest of (a) six months from Mr. Congleton's date of termination, or (b) the date Mr. Congleton becomes eligible for comparable health insurance coverage under a subsequent employer's group health plan.

Upon a termination without cause or a resignation for good reason within 12 months after a change in control (such period, the change in control period), Mr. Congleton is entitled to (i) base salary continuation for 12 months, (ii) a cash lump sum payment amount equal to Mr. Congleton's then target annual bonus, pro-rated based on the total number of days elapsed in the calendar year as of Mr. Congleton's date of termination, (iii) accelerated vesting of such number of Mr. Congleton's unvested equity awards as would have vested had Mr. Congleton remained employed by us during the 12 month period following the date of termination, and (iv) payment or reimbursement of the COBRA premiums for Mr. Congleton and his eligible dependents, or if coverage under COBRA is not available under our group health plan, a cash amount equal to such payments or reimbursements, until the earliest of (a) 12 months from Mr. Congleton's date of termination, or (b) the date Mr. Congleton becomes eligible for comparable health insurance coverage under a subsequent employer's group health plan.

For purposes of Mr. Congleton's offer letter:

"cause" means (i) a commission of an act of fraud, embezzlement or dishonesty, or the commission of some other illegal act, that has a demonstrable adverse impact on us or any successor or affiliate; (ii) a conviction of, or plea of "guilty" or "no contest" to, a felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (iii) any intentional, unauthorized use or disclosure by Mr. Congleton of confidential information or trade secrets of us or any successor or affiliate; (iv) gross negligence, insubordination or material violation of any duty of loyalty to us or any successor or affiliate, or any other demonstrable material misconduct on Mr. Congleton's part; (v) ongoing and repeated failure or refusal to perform or neglect of Mr. Congleton's duties as required by his offer letter or ongoing and repeated failure or refusal to comply with the instructions given to him by our board of directors, which failure, refusal or neglect continues for 15 days following his receipt of written notice from our board of directors stating with specificity the nature of such failure, refusal or neglect; or (vi) willful, material breach of any of our material policies or any material provision of Mr. Congleton's offer letter or his proprietary information and inventions assignment agreement.

"change in control" will have the meaning given to such term in the 2020 Plan.

"good reason" means any of the following without Mr. Congleton's written consent: (i) a material diminution in authority, duties or responsibilities; (ii) a material diminution (that is, a diminution of 10% or more) in base compensation, regardless of whether such diminution occurs due to a single reduction or a series of reductions in base compensation, unless such a reduction is imposed across-the-board to our senior management; (iii) a material change in the geographic location at which Mr. Congleton must perform his duties; or (iv) any other action or inaction by us or a successor or affiliate that constitutes a material breach of the obligations to Mr. Congleton under his offer letter, provided, that, in each case, Mr. Congleton will not be deemed to have good reason unless: (a) Mr. Congleton provides written notice of the occurrence of any of the foregoing events or conditions without his written consent within 60 days of the occurrence of such event; (b) we or any successor or affiliate fails to cure such condition within 30 days after receipt of written notice of such event from Mr. Congleton; and (c) Mr. Congleton's resignation based on such good reason is effective within 30 days after expiration of our 30-day cure period.

Dr. Rodman. We have entered into an offer letter with Dr. Rodman which governs the terms of his employment with us. Pursuant to his agreement, Dr. Rodman was entitled to an annual base salary of $395,000 effective as of February 16, 2021 (which was increased to $414,750 effective as of March 1, 2022). He is eligible to receive an annual bonus at a target amount of 25% of his base salary actually paid for the year to which such annual bonus relates, based on the achievement of performance objectives as determined by our board of directors.

Dr. Rodman's offer letter provides for two one-time bonuses, each earned upon the closing of a qualifying Series A financing, equal to (i) $200,000 and (ii) $395,000 divided by (x) 365, and multiplied by (y) the number of

days elapsed from Dr. Rodman's employment start date through and including the date of such qualifying Series A financing.

Regardless of the manner in which Dr. Rodman's employment terminates, he is entitled to receive amounts previously earned during his employment, including unpaid salary, reimbursement of expenses owed, and accrued but unpaid paid time off and any continuation of benefits required by applicable law. In addition, Dr. Rodman is entitled to certain severance benefits under his offer letter (as described below), subject to his execution of a release of claims and compliance with the post-termination obligations set forth in his proprietary information and inventions assignment agreement.

Dr. Rodman's offer letter provides for severance benefits for certain terminations that arise during and outside a change in control period. Upon a termination without cause or a resignation for good reason outside of a change in control period (as such terms are defined below), Dr. Rodman is entitled to (i) base salary continuation for six months, (ii) accelerated vesting of such number of Dr. Rodman's unvested equity awards as would have vested had Dr. Rodman remained employed by us during the nine-month period following the date of termination, and (iii) payment or reimbursement of the COBRA premiums for Dr. Rodman and his eligible dependents, or if COBRA is not available under our group health plan, a cash amount equal to such payments or reimbursements, until the earliest of (a) six months from Dr. Rodman's date of termination, or (b) the date Dr. Rodman becomes eligible for comparable health insurance coverage under a subsequent employer's group health plan.

Upon a termination without cause or a resignation for good reason within 12 months after a change in control (such period, the change in control period), Dr. Rodman is entitled to (i) base salary continuation for 12 months, (ii) accelerated vesting of such number of Dr. Rodman's unvested equity awards as would have vested had Dr. Rodman remained employed by us during the 9 month period following the date of termination, and (iii) payment or reimbursement of the COBRA premiums for Dr. Rodman and his eligible dependents, or if coverage under COBRA is not available under our group health plan, a cash amount equal to such payments or reimbursements, until the earliest of (a) 12 months from Dr. Rodman's date of termination, or (b) the date Dr. Rodman becomes eligible for comparable health insurance coverage under a subsequent employer's group health plan.

For purposes of Dr. Rodman's offer letter, "cause," "change in control" and "good reason" have the same meaning as given to the terms in Mr. Congleton's offer letter, as described above.

Mr. Levy. We have entered into an offer letter with Adam Levy, our Chief Financial Officer and Chief Business Officer, which governs the terms of his employment with us. Pursuant to his agreement, Mr. Levy was entitled to an annual base salary of $415,000. He is eligible to receive an annual bonus at a target amount of 40% of his base salary actually paid for the year to which such annual bonus relates, based on the achievement of performance objectives as determined by our board of directors.

Regardless of the manner in which Mr. Levy's employment terminates, he is entitled to receive amounts previously earned during his employment, including unpaid salary, reimbursement of expenses owed, and accrued but unpaid paid time off and any continuation of benefits required by applicable law. In addition, Mr. Levy is entitled to certain severance benefits under his offer letter, subject to his execution of a release of claims and compliance with post-termination obligations.

Mr. Levy's offer letter provides for severance benefits for certain terminations that arise during and outside a change in control period. Upon a termination without cause or a resignation for good reason outside of a change in control period (as such terms are defined below), Mr. Levy is entitled to (i) a cash lump sum payment equal to nine months of Mr. Levy's current annual base salary, (ii) a cash lump sum payment equal to the amount of the annual cash performance bonus earned but unpaid for the calendar year preceding Mr. Levy's termination (if such termination is between January 1 and the payment date of such annual cash bonus), (iii) a cash lump sum payment amount equal to Mr. Levy's then target annual bonus, pro-rated based on the total number of days elapsed in the calendar year as of Mr. Levy's date of termination, (iv) accelerated vesting of such number of Mr. Levy's unvested equity awards as would have vested had Mr. Levy remained employed by us during the nine-month period following the date of termination, and (v) payment or reimbursement of the COBRA premiums for Mr. Levy and his eligible

dependents, or if COBRA is not available under our group health plan, a cash amount equal to such payments or reimbursements, until the earliest of (a) nine months from Mr. Levy's date of termination, or (b) the date Mr. Levy becomes eligible for comparable health insurance coverage under a subsequent employer's group health plan.

Upon a termination without cause or a resignation for good reason within three months prior to or 12 months after a change in control (such period, the change in control period), Mr. Levy is entitled to (i) a cash lump sum payment equal to 12 months of Mr. Levy's current annual base salary, (ii) a cash lump sum payment amount equal to Mr. Levy's then target annual bonus, pro-rated based on the total number of days elapsed in the calendar year as of Mr. Levy's date of termination, (iii) accelerated vesting of Mr. Levy's unvested equity awards, (iv) a lump sum cash payment in an amount equal to (a) 100% of Mr. Levy's then target annual bonus, less (b) the pro-rated target bonus to be paid as described in clause (ii), and (v) payment or reimbursement of the COBRA premiums for Mr. Levy and his eligible dependents, or if coverage under COBRA is not available under our group health plan, a cash amount equal to such payments or reimbursements, until the earliest of (a) 12 months from Mr. Levy's date of termination, or (b) the date Mr. Levy becomes eligible for comparable health insurance coverage under a subsequent employer's group health plan.

For purposes of Mr. Levy's offer letter, "cause," "change in control," and "good reason" have the same meaning as given to the terms in Mr. Congleton's offer letter, as described above, except that "good reason" for Mr. Levy's offer letter includes a material diminution (that is, a diminution of 10% or more) in Mr. Levy's annual cash target bonus opportunity (in addition to a material diminution in base compensation), regardless of whether such diminution occurs due to a single reduction or a series of reductions in Mr. Levy's base compensation, unless such a reduction is imposed across-the-board to our senior management.

Each executive officer has entered into our standard proprietary information and inventions assignment agreement which contains a one-year post-termination non-solicitation covenant. Each of our executive officers' stock options and restricted stock, as applicable, granted prior to the execution of the underwriting agreement for this offering are subject to the terms of the 2020 Plan; a description of the termination and change in control provisions in the 2020 Plan and the form of stock option agreement and form of restricted stock agreement granted thereunder is provided below under "—Equity Incentive Plans."

Health and Welfare and Retirement Benefits; Perquisites

All of our current named executive officers are eligible to participate in our employee benefit plans, including our medical, dental, vision, disability and life insurance plans, in each case on the same basis as all of our other employees. We generally do not provide perquisites or personal benefits to our named executive officers, except in limited circumstances. Our board of directors may elect to adopt qualified or non-qualified benefit plans in the future if it determines that doing so is in our best interests.

401(k) Plan

Our named executive officers are eligible to participate in a defined contribution retirement plan that provides eligible employees with an opportunity to save for retirement on a tax advantaged basis. Eligible employees may defer eligible compensation on a pre-tax or after-tax (Roth) basis, up to the statutorily prescribed annual limits on contributions under the Code. Contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participants' directions. The 401(k) plan is intended to be qualified under Section 401(a) of the Code with the 401(k) plan's related trust intended to be tax exempt under Section 501(a) of the Code. As a tax-qualified retirement plan, contributions to the 401(k) plan (except for Roth contributions) and earnings on those contributions are not taxable to the employees until distributed from the 401(k) plan. Our board of directors may elect to adopt qualified or nonqualified benefit plans in the future, if it determines that doing so is in our best interests.

Equity Incentive Plans

The principal features of our equity incentive plans are summarized below. These summaries are qualified in their entirety by reference to the actual text of the applicable plan, each of which is or will be filed as an exhibit to the registration statement of which this prospectus is a part.

2023 Incentive Award Plan

Prior to this offering, we intend to adopt and ask our stockholders to approve the 2023 Plan, which would become effective in connection with this offering. Under the 2023 Plan, we may grant cash and equity incentive awards to eligible service providers in order to attract, motivate and retain the talent for which we compete. The material terms of the 2023 Plan, as it is currently contemplated, are summarized below. Our board of directors is still in the process of developing, approving and implementing the 2023 Plan and, accordingly, this summary is subject to change.

Eligibility and administration. Our employees, consultants and directors, and employees and consultants of our subsidiaries, will be eligible to receive awards under the 2023 Plan. Following our initial public offering, the 2023 Plan will generally be administered by our board of directors with respect to awards to non-employee directors and by our compensation committee with respect to other participants, each of which may delegate its duties and responsibilities to committees of our directors and/or officers (referred to collectively as the plan administrator below), subject to certain limitations that may be imposed under the 2023 Plan, Section 16 of the Exchange Act and/or stock exchange rules, as applicable. The plan administrator will have the authority to make all determinations and interpretations under, prescribe all forms for use with, and adopt rules for the administration of, the 2023 Plan, subject to its express terms and conditions. The plan administrator will also set the terms and conditions of all awards under the 2023 Plan, including any vesting and vesting acceleration conditions.

Limitation on awards and shares available. The number of shares initially available for issuance under awards granted pursuant to the 2023 Plan will be the sum of (1) approximately % of the shares of our common stock outstanding upon the closing of this offering, plus (2) any shares of our common stock which, as of the effective date of the 2023 Plan, remain available for issuance under the 2020 Plan, plus (3) any shares subject to outstanding awards under the 2020 Plan as of the effective date of the 2023 Plan that become available for issuance under the 2023 Plan thereafter in accordance with its terms. The number of shares initially available for issuance will be increased on January 1 of each calendar year beginning in 2024 and ending in 2033, by an amount equal to the lesser of (a) % of the shares of common stock outstanding on the final day of the immediately preceding calendar year and (b) such smaller number of shares as determined by our board of directors. No more than shares of common stock may be issued upon the exercise of incentive stock options under the 2023 Plan. Shares issued under the 2023 Plan may be authorized but unissued shares, shares purchased on the open market or treasury shares.

If an award under the 2023 Plan or the 2020 Plan expires, lapses or is terminated, exchanged for or settled in cash, surrendered, repurchased, cancelled without having been fully exercised or forfeited, in any case, in a manner that results in the Company acquiring shares covered by the award at a price not greater than the price paid by the participant for such shares or not issuing any shares covered by the award, any shares subject to such award will, as applicable, become or again be available for new grants under the 2023 Plan. Awards granted under the 2023 Plan upon the assumption of, or in substitution for, awards authorized or outstanding under a qualifying equity plan maintained by an entity with which we enter into a merger or similar corporate transaction will not reduce the shares available for grant under the 2023 Plan.

Awards. The 2023 Plan provides for the grant of stock options, including incentive stock options, or ISOs within the meaning of Section 422 of the Code, and nonqualified stock options, or NSOs; restricted stock; dividend equivalents; restricted stock units, or RSUs; stock appreciation rights, or SARs; and other stock or cash-based awards. Certain awards under the 2023 Plan may constitute or provide for a deferral of compensation, subject to Section 409A of the Code, which may impose additional requirements on the terms and conditions of such awards. All awards under the 2023 Plan will be set forth in award agreements, which will detail the terms and conditions of the awards, including any applicable vesting and payment terms and post-termination exercise limitations. Awards other than cash awards generally will be settled in shares of our common stock, but the plan administrator may provide for cash settlement of any award. A brief description of each award type follows.

- *Stock options.* Stock options provide for the purchase of shares of our common stock in the future at an exercise price set on the grant date. ISOs, by contrast to NSOs, may provide tax deferral beyond exercise and favorable capital gains tax treatment to their holders if certain holding period and other requirements of the Code are satisfied. The exercise price of a stock option will not be less than 100%

of the fair market value of the underlying share on the date of grant (or 110% in the case of ISOs granted to certain significant stockholders), except with respect to certain substitute options granted in connection with a corporate transaction. The term of a stock option may not be longer than ten years (or five years in the case of ISOs granted to certain significant stockholders). Vesting conditions determined by the plan administrator may apply to stock options and may include continued service, performance and/or other conditions. ISOs generally may be granted only to our employees and employees of our parent or subsidiary corporations, if any.

- *SARs.* SARs entitle their holder, upon exercise, to receive from us an amount equal to the appreciation of the shares subject to the award between the grant date and the exercise date. The exercise price of a SAR will not be less than 100% of the fair market value of the underlying share on the date of grant (except with respect to certain substitute SARs granted in connection with a corporate transaction), and the term of a SAR may not be longer than ten years. Vesting conditions determined by the plan administrator may apply to SARs and may include continued service, performance and/or other conditions.

- *Restricted stock and RSUs*. Restricted stock is an award of nontransferable shares of our common stock that remain forfeitable unless and until specified conditions are met, and which may be subject to a purchase price. RSUs are contractual promises to deliver shares of our common stock in the future, which may also remain forfeitable unless and until specified conditions are met. Delivery of the shares underlying RSUs may be deferred under the terms of the award or at the election of the participant, if the plan administrator permits such a deferral. Conditions applicable to restricted stock and RSUs may be based on continuing service, the attainment of performance goals and/or such other conditions as the plan administrator may determine.

- *Other stock or cash-based awards.* Other stock or cash-based awards are awards of cash, fully vested shares of our common stock and other awards valued wholly or partially by referring to, or otherwise based on, shares of our common stock. Other stock or cash-based awards may be granted to participants and may also be available as a payment form in the settlement of other awards, as standalone payments and as payment in lieu of base salary, bonus, fees or other cash compensation otherwise payable to any individual who is eligible to receive awards. The plan administrator will determine the terms and conditions of other stock or cash-based awards, which may include vesting conditions based on continued service, performance and/or other conditions.

- *Dividend equivalents*. RSUs or other stock and cash-based awards may be accompanied by the right to receive the equivalent value of dividends paid on shares of our common stock prior to the delivery of the underlying shares. Such dividend equivalents will only be paid out to the extent that any vesting conditions are subsequently satisfied, unless otherwise determined by the plan administrator. No dividend equivalents will be payable on stock options or SARs.

Performance awards. Performance awards include any of the foregoing awards that are granted subject to vesting and/or payment based on the attainment of specified performance goals or other criteria the plan administrator may determine, which may or may not be objectively determinable. Performance criteria upon which performance goals are established by the plan administrator may include: net earnings or losses (either before or after one or more of interest, taxes, depreciation, amortization and non-cash equity-based compensation expense); gross or net sales or revenue or sales or revenue growth; net income (either before or after taxes) or adjusted net income; profits (including, but not limited to, gross profits, net profits, profit growth, net operation profit or economic profit), profit return ratios or operating margin; budget or operating earnings (either before or after taxes or before or after allocation of corporate overhead and bonus); cash flow (including operating cash flow and free cash flow or cash flow return on capital); return on assets; return on capital or invested capital; cost of capital; return on stockholders' equity; total stockholder return; return on sales; costs, reductions in costs and cost control measures; expenses; working capital; earnings or loss per share; adjusted earnings or loss per share; price per share or dividends per share (or appreciation in or maintenance of such price or dividends); regulatory achievements or compliance; implementation, completion or attainment of objectives relating to research, development, regulatory, commercial or strategic milestones or developments; market share; economic value or economic value added

models; division, group or corporate financial goals; customer satisfaction/growth; customer service; employee satisfaction; recruitment and maintenance of personnel; human capital management (including diversity and inclusion); supervision of litigation and other legal matters; strategic partnerships and transactions; financial ratios (including those measuring liquidity, activity, profitability or leverage); debt levels or reductions; sales-related goals; financing and other capital raising transactions; cash on hand; acquisition activity; investment sourcing activity; and marketing initiatives, any of which may be measured in absolute terms or as compared to any incremental increase or decrease. Such performance goals also may be based solely by reference to our performance or the performance of a subsidiary, division, business segment or business unit, or based upon performance relative to performance of other companies or upon comparisons of any of the indicators of performance relative to performance of other companies.

Director compensation. The 2023 Plan provides that the plan administrator may establish compensation for non-employee directors from time to time subject to the 2023 Plan's limitations. Prior to this offering, our stockholders will approve the initial terms of our non-employee director compensation program, which is described below under the heading "Director Compensation." Our board of directors or its authorized committee may modify the non-employee director compensation program from time to time in the exercise of its business judgment, taking into account such factors, circumstances and considerations as it deems relevant from time to time, provided that the sum of any cash compensation or other compensation and the grant date fair value (as determined in accordance with FASB ASC 718, or any successor thereto) of any equity awards granted as compensation for services as a non-employee director during any calendar year may not exceed $, increased to $ in the calendar year of a non-employee director's initial service as a non-employee director or during which a non-employee director serves as chair of our board of directors or lead independent director (which limits will not apply to the compensation for any non-employee director who serves in any capacity in addition to that of a non-employee director for which he or she receives additional compensation or any compensation paid to any non-employee director prior to the calendar year following the calendar year in which this offering occurs). The plan administrator may make exceptions to this limit for individual non-employee directors in extraordinary circumstances, as the plan administrator may determine in its discretion, provided that the non-employee director receiving such additional compensation may not participate in the decision to award such compensation or in other contemporaneous compensation decisions involving non-employee directors.

Certain transactions. In connection with certain transactions and events affecting our common stock, including a change in control (as defined below), or change in any applicable laws or accounting principles, the plan administrator has broad discretion to take action under the 2023 Plan to prevent the dilution or enlargement of intended benefits, facilitate such transaction or event, or give effect to such change in applicable laws or accounting principles. This includes canceling awards in exchange for either an amount in cash or other property with a value equal to the amount that would have been obtained upon exercise or settlement of the vested portion of such award or realization of the participant's rights under the vested portion of such award, accelerating the vesting of awards, providing for the assumption or substitution of awards by a successor entity, adjusting the number and type of shares available, replacing awards with other rights or property or terminating awards under the 2023 Plan. In the event of a change in control where the acquirer does not assume awards granted under the 2023 Plan, awards issued under the 2023 Plan will be subject to accelerated vesting such that 100% of the awards will become vested and exercisable or payable, as applicable. In addition, in the event of certain non-reciprocal transactions with our stockholders (an equity restructuring) the plan administrator will make equitable adjustments to the 2023 Plan and outstanding awards as it deems appropriate to reflect the equity restructuring.

For purposes of the 2023 Plan, a "change in control" means and includes each of the following:

- a transaction or series of transactions whereby any "person" or related "group" of "persons" (as such terms are used in Sections 13(d) and 14(d)(2) of the Exchange Act) (other than our company or our subsidiaries or any employee benefit plan maintained by us or any of our subsidiaries or a "person" that, prior to such transaction, directly or indirectly controls, is controlled by, or is under common control with, us) directly or indirectly acquires beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of our securities possessing more than 50% of the total combined voting power of our securities outstanding immediately after such acquisition; or

- during any period of two consecutive years, individuals who, at the beginning of such period, constitute our board of directors together with any new directors (other than a director designated by a person who has entered into an agreement with us to effect a change in control transaction) whose election by our board of directors or nomination for election by our stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the two-year period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof; or

- the consummation by us (whether directly or indirectly) of (x) a merger, consolidation, reorganization, or business combination or (y) a sale or other disposition of all or substantially all of our assets in any single transaction or series of related transactions or (z) the acquisition of assets or stock of another entity, in each case other than a transaction;

- which results in our voting securities outstanding immediately before the transaction continuing to represent either by remaining outstanding or by being converted into voting securities of the company or the person that, as a result of the transaction, controls, directly or indirectly, the company or owns, directly or indirectly, all or substantially all of our assets or otherwise succeeds to our business, directly or indirectly, at least a majority of the combined voting power of the successor entity's outstanding voting securities immediately after the transaction; and

- after which no person or group beneficially owns voting securities representing 50% or more of the combined voting power of the successor entity; provided, however, that no person or group will be treated as beneficially owning 50% or more of the combined voting power of the successor entity solely as a result of the voting power held in our company prior to the consummation of the transaction.

Foreign participants, clawback provisions, transferability and participant payments. With respect to foreign participants, the plan administrator may modify award terms, establish subplans and/or adjust other terms and conditions of awards, subject to the share limits described above. All awards will be subject to the provisions of any clawback policy implemented by our company and to the extent set forth in such clawback policy or in the applicable award agreement. With limited exceptions for estate planning, domestic relations orders, certain beneficiary designations and the laws of descent and distribution, awards under the 2023 Plan are generally nontransferable prior to vesting and are exercisable only by the participant. With regard to tax withholding obligations arising in connection with awards under the 2023 Plan and exercise price obligations arising in connection with the exercise of stock options under the 2023 Plan, the plan administrator may, at its discretion, accept cash, wire transfer, or check, shares of our common stock that meet specified conditions (a market sell order) or such other consideration as it deems suitable or any combination of the foregoing.

Plan amendment and termination. Our board of directors may amend, suspend or terminate the 2023 Plan at any time; however, except in connection with certain changes in our capital structure, stockholder approval will be required for any amendment that increases the number of shares available under the 2023 Plan. The plan administrator will have the authority, without the approval of our stockholders, to amend any outstanding stock option or SAR to reduce its exercise price per share. No award may be granted pursuant to the 2023 Plan after the tenth anniversary of the date on which our board of directors adopts the 2023 Plan.

2020 Equity Incentive Plan

On July 7, 2020, our board of directors and our stockholders approved the adoption of the 2020 Equity Incentive Plan, which was amended and restated effective June 1, 2022.

A total of 37,205,875 shares of our common stock are reserved for issuance under the 2020 Plan. As of September 30, 2022, 13,260,785 shares of our common stock were subject to outstanding restricted stock awards under the 2020 Plan, 14,263,474 options to purchase shares of our common stock have been granted under the 2020 Plan, and 3,627,395 shares of our common stock remained available for future issuance under the 2020 Plan.

After the effective date of the 2023 Plan, no additional awards will be granted under the 2020 Plan. However, the 2020 Plan will continue to govern the terms and conditions of the outstanding awards granted under it. Shares of our common stock subject to awards granted under the 2020 Plan that expire, lapse or are terminated, exchanged for cash, surrendered, repurchased or forfeited following the effective date of the 2020 Plan will be available for issuance under the 2023 Plan in accordance with its terms.

Administration. Our board of directors administers the 2020 Plan, unless it delegates authority for administration of the plan. Subject to the terms and conditions of the 2020 Plan, the administrator has the authority to select the persons to whom awards are to be made, to determine the type or types of awards to be granted to each person, determine the number of awards to grant, determine the number of shares to be subject to such awards, and the terms and conditions of such awards, and make all other determinations and decisions and to take all other actions necessary or advisable for the administration of the 2020 Plan. The plan administrator is also authorized to establish, adopt, amend or revise rules relating to administration of the 2020 Plan, subject to certain restrictions.

Eligibility. Awards under the 2020 Plan may be granted to individuals who are then our employees, consultants and members of our board of directors and our subsidiaries. Only employees may be granted ISOs.

Awards. The 2020 Plan provides that our administrator may grant or issue stock options (including NSOs and ISOs), restricted stock, RSUs, other stock-based awards, or any combination thereof. Each award is set forth in a separate agreement with the person receiving the award and indicates the type, terms and conditions of the award.

Certain Transactions. The plan administrator has broad discretion to equitably adjust the provisions of the 2020 Plan and the terms and conditions of existing and future awards, including with respect to aggregate number and type of shares subject to the 2020 Plan and awards granted pursuant to the 2020 Plan, to prevent the dilution or enlargement of intended benefits and/or facilitate necessary or desirable changes in the event of certain transactions and events affecting our common stock, such as stock dividends, stock splits, mergers, acquisitions, consolidations and other corporate transactions. The plan administrator may also provide for the acceleration, cash-out, termination, assumption, substitution or conversion of awards in the event of a change in control or certain other unusual or nonrecurring events or transactions. In addition, in the event of certain non-reciprocal transactions with our stockholders, or an "equity restructuring," the plan administrator will make equitable adjustments to the 2020 Plan and outstanding awards as it deems appropriate to reflect the equity restructuring.

In the event of a change of control where awards granted under the 2020 Plan are not continued, converted, assumed or replaced, the plan administrator may provide that awards issued under the 2020 Plan held by persons who have not experienced a termination of service will be subject to accelerated vesting such that 100% of the awards will become vested and exercisable or payable, as applicable, immediately prior to the change in control. Under the 2020 Plan, a change of control is generally defined as: (1) a merger or consolidation of our company with or into any other corporation or other entity or person; (2) a sale, lease, exchange or other transfer in one transaction or a series of related transactions of all or substantially all of our company's assets; or (3) any other transaction, including the sale by us of new shares of our capital stock or a transfer of existing shares of our capital stock, the result of which is that a third party that is not an affiliate of us or our stockholders (or a group of third parties not affiliated with us or our stockholders) immediately prior to such transaction acquires or holds capital stock representing a majority of our outstanding voting power immediately following such transaction; provided that the following events shall not constitute a "change in control" under the 2020 Plan: (a) a transaction (other than a sale of all or substantially all of our assets) in which the holders of our voting securities immediately prior to the merger or consolidation hold, directly or indirectly, at least a majority of the voting securities in the successor corporation or its parent immediately after the merger or consolidation; (b) a sale, lease, exchange or other transaction in one transaction or a series of related transactions of all or substantially all of our assets to an affiliate of ours; (c) an initial public offering of any of our securities or any other transaction principally for bona fide equity financing purposes; (d) a reincorporation solely to change our jurisdiction; or (e) a transaction undertaken for the primary purpose of creating a holding company that will be owned in substantially the same proportion by the persons who held our securities immediately before such transaction.

Plan Amendment and Termination. Our board of directors may terminate, suspend or amend the 2020 Plan; provided that no amendment of the 2020 Plan may materially adversely affect an outstanding award at the time of

the amendment without the consent of the award recipient. However, stockholder approval of any amendment to the 2020 Plan must be obtained to the extent necessary and desirable to comply with any applicable law, regulation or stock exchange rule.

2023 Employee Stock Purchase Plan

Effective the day prior to the first public trading date of our common stock, we intend to adopt and ask our stockholders to approve the ESPP, the material terms of which, as it is currently contemplated, are summarized below. Our board of directors is still in the process of developing, approving and implementing the ESPP and, accordingly, this summary is subject to change.

The ESPP is comprised of two distinct components in order to provide increased flexibility to grant options to purchase shares under the ESPP to U.S. and to non-U.S. employees. Specifically, the ESPP authorizes (1) the grant of options to U.S. employees that are intended to qualify for favorable U.S. federal tax treatment under Section 423 of the Code, (the "Section 423 Component"), and (2) the grant of options that are not intended to be tax-qualified under Section 423 of the Code to facilitate participation for employees located outside of the U.S. who do not benefit from favorable U.S. federal tax treatment and to provide flexibility to comply with non-U.S. law and other considerations (the "Non-Section 423 Component"). Where permitted under local law and custom, we expect that the Non-Section 423 Component will generally be operated and administered on terms and conditions similar to the Section 423 Component.

Shares available for awards; administration. A total of shares of our common stock will initially be reserved for issuance under the ESPP. In addition, the number of shares available for issuance under the ESPP will be annually increased on January 1 of each calendar year beginning in 2024 and ending in and including 2033, by an amount equal to the lesser of (A) % of the shares outstanding on the final day of the immediately preceding calendar year and (B) such smaller number of shares as is determined by our board of directors, provided that no more than shares of our common stock may be issued under the Section 423 Component. Our board of directors or a committee of our board of directors will administer and will have authority to interpret the terms of the ESPP and determine eligibility of participants. We expect that the compensation committee will be the initial administrator of the ESPP (referred to as the plan administrator below).

Eligibility. We expect that all of our employees will be eligible to participate in the ESPP. However, an employee may not be granted rights to purchase stock under the ESPP if the employee, immediately after the grant, would own (directly or through attribution) stock possessing 5% or more of the total combined voting power or value of all classes of our stock.

Grant of rights. Stock will be offered under the ESPP during offering periods. The length of the offering periods under the ESPP will be determined by the plan administrator and may be up to twenty-seven months long. Employee payroll deductions will be used to purchase shares on each purchase date during an offering period. The purchase dates for each offering period will be the final trading day in the offering period. Offering periods under the ESPP will commence when determined by the plan administrator. The plan administrator may, at its discretion, modify the terms of future offering periods. In non-U.S. jurisdictions where participation in the ESPP through payroll deductions is prohibited, the plan administrator may provide that an eligible employee may elect to participate through contributions to the participant's account under the ESPP in a form acceptable to the plan administrator in lieu of or in addition to payroll deductions.

The ESPP permits participants to purchase common stock through payroll deductions of up to a specified percentage of their eligible compensation. The plan administrator will establish a maximum number of shares that may be purchased by a participant during any offering period. In addition, no employee will be permitted to accrue the right to purchase stock under the Section 423 Component at a rate in excess of $25,000 worth of shares during any calendar year during which such a purchase right is outstanding (based on the fair market value per share of our common stock as of the first day of the offering period).

On the first trading day of each offering period, each participant will automatically be granted an option to purchase shares of our common stock. The option will expire at the end of the applicable offering period and will be exercised at that time to the extent of the payroll deductions accumulated during the offering period. The purchase

price of the shares, in the absence of a contrary designation, will be 85% of the lower of the fair market value of our common stock on the first trading day of the offering period or on the purchase date. Participants may voluntarily end their participation in the ESPP at any time during a specified period prior to the end of the applicable offering period and will be paid their accrued payroll deductions that have not yet been used to purchase shares of common stock. Participation ends automatically upon a participant's termination of employment.

A participant may not transfer rights granted under the ESPP other than by will or the laws of descent and distribution, and such rights are generally exercisable only by the participant.

Certain transactions. In the event of certain non-reciprocal transactions or events affecting our common stock, the plan administrator will make equitable adjustments to the ESPP and outstanding rights. In the event of certain unusual or non-recurring events or transactions, including a change in control, the plan administrator may provide for (1) either the replacement of outstanding rights with other rights or property or termination of outstanding rights in exchange for cash, (2) the assumption or substitution of outstanding rights by the successor or survivor corporation or parent or subsidiary thereof, if any, (3) the adjustment in the number and type of shares of stock subject to outstanding rights, (4) the use of participants' accumulated payroll deductions to purchase stock on a new purchase date prior to the next scheduled purchase date and termination of any rights under ongoing offering periods or (5) the termination of all outstanding rights.

Plan amendment. The plan administrator may amend, suspend or terminate the ESPP at any time. However, stockholder approval will be obtained for any amendment that increases the aggregate number or changes the type of shares that may be sold pursuant to rights under the ESPP or changes the corporations or classes of corporations whose employees are eligible to participate in the ESPP.

Non-Employee Director Compensation

We did not provide any cash, equity or other compensation to our non-employee directors in the year ended December 31, 2021. We have a policy of reimbursing all of our non-employee directors for their reasonable out-of-pocket expenses in connection with attending board of directors and committee meetings.

Post-IPO Director Compensation Program

In connection with this offering, we intend to adopt and ask our stockholders to approve the initial terms of our non-employee director compensation program. The material terms of the non-employee director compensation program, as it is currently contemplated, are summarized below.

The non-employee director compensation program will provide for annual retainer fees and/or long-term equity awards for our non-employee directors. We expect each non-employee director will receive an annual retainer of $. The non-employee directors serving as the chairs of the audit, compensation and nominating and corporate governance committees will receive additional annual retainers of $, $ and $, respectively. Non-employee directors serving as members of the audit, compensation and nominating and corporate governance committees will receive additional annual retainers of $, $ and $, respectively. The non-employee directors will also receive initial grants of options to purchase shares of our common stock, vesting over three years, upon election to the board of directors, and thereafter annual grants of options to purchase shares of our common stock, vesting in substantially equal monthly installments over the 12 months following the date of grant (or, in the event the next annual meeting of our stockholders occurs prior to the first anniversary of the date of grant, any remaining unvested portion of the annual award will vest on the date of such annual meeting of our stockholders). Awards to our non-employee directors will also vest in the event of a change in control.

Compensation under our non-employee director compensation program will be subject to the annual limits on non-employee director compensation set forth in the 2023 Plan, as described above. Our board of directors or its authorized committee may modify the non-employee director compensation program from time to time in the exercise of its business judgment, taking into account such factors, circumstances and considerations as it shall deem relevant from time to time, subject to the annual limit on non-employee director compensation set forth in the 2023 Plan (which limits will not apply to any non-employee director that serves in any additional capacity with the

company for which he or she receives compensation or any compensation paid to any non-employee director prior to the calendar year following the calendar year in which this offering occurs). As provided in the 2023 Plan, our board of directors or its authorized committee may make exceptions to this limit for individual non-employee directors in extraordinary circumstances, as the board of directors or its authorized committee may determine in its discretion, provided that the non-employee director receiving such additional compensation may not participate in the decision to award such compensation or in other compensation decisions involving non-employee directors.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

The following includes a summary of transactions since our inception in May 2019 to which we have been a party in which the amount involved exceeded or will exceed the lesser of $120,000 and one percent of the average of our total assets as of December 31, 2020 and 2021, and in which any of our directors, executive officers or, to our knowledge, beneficial owners of more than 5% of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest, other than equity and other compensation, termination, change in control and other arrangements, which are described under the section titled "Executive and Director Compensation." We also describe below certain other transactions with our directors, executive officers and stockholders.

Convertible Promissory Note

Between May 2019 and July 2020, we issued and sold in a private placement an aggregate of approximately $4.0 million in Convertible Notes, to Catalys Pacific Fund, LP (Catalys Pacific), a beneficial owner of more than 5% of our capital stock. The notes accrued interest at a rate of 6% per annum. The Convertible Notes were automatically converted into 10,868,432 shares of our Series A preferred stock in the February 2021 Series A preferred stock financing described below.

Preferred Stock Financings

Series A Convertible Preferred Stock Financings. In February 2021, we entered into a Series A preferred stock purchase agreement, as amended in April 2021, pursuant to which we sold to investors in an initial closing in February 2021 and subsequent closings in April 2021 and January 2022 in private placements an aggregate of 86,332,216 shares of Series A convertible preferred stock, which included conversion of the Convertible Notes described above. The per share purchase price was $0.477, and we received gross proceeds of approximately $40.0 million, which included the conversion of the Convertible Notes described above at a discounted price of $0.3816 per share.

Series B Convertible Preferred Stock Financings. In June 2022, we entered into a Series B preferred stock purchase agreement, pursuant to which in June 2022 we sold to investors, in private placements, an aggregate of 136,510,868 shares of Series B convertible preferred stock. The per share purchase price was $0.8644, and we received gross proceeds of approximately $118 million.

The following table sets forth the aggregate number of shares acquired by the listed directors, executive officers or holders of more than 5% of our capital stock, or their affiliates. Each outstanding share of convertible preferred stock, including the shares identified in the table below, will convert into shares of common stock at a ratio of one-for-one immediately prior to the closing of this offering.

Participants	Series A Convertible Preferred Stock	Series B Convertible Preferred Stock
5% or greater stockholders[1]		
Catalys Pacific Fund, LP	23,446,169	23,137,436
Samsara BioCapital, L.P.	23,059,184	15,617,769
HBM Healthcare Investments (Cayman) Ltd.	20,962,895	10,411,846
BioDiscovery 6 FPCI	—	20,823,692
Entities affiliated with RA Capital Management, L.P. [2]	—	20,823,692
Entities affiliated with Adams Street Partners[3]	18,654,370	5,784,359

(1) Additional details regarding these stockholders and their equity holdings are provided in "Principal Stockholders."
(2) Represents securities acquired by RA Capital Healthcare Fund, L.P. and RA Capital Nexus Fund III, L.P.
(3) Represents securities acquired by Adams Street 2016 Direct Venture/Growth Fund LP, Adams Street 2017 Direct Venture/Growth Fund LP, Adams Street 2018 Direct Venture/Growth Fund LP, Adams Street 2019 Direct Venture/Growth Fund LP, Adams Street 2020 Direct Venture/Growth Fund LP, Adams Street 2021 Direct Venture/Growth Fund LP, and Adams Street Growth Equity Fund VII LP.

Public Offering Participation Rights

We entered into letter agreements in June 2022 with Catalys Pacific, Samsara BioCapital, L.P., HBM Healthcare Investments (Cayman) Ltd., BioDiscovery 6 FPCI, entities affiliated with RA Capital Management, L.P., and entities affiliated with Adams Street Partners, LLC, each a beneficial owner of more than 5% of our capital stock. The letter agreements grant each of such investors a participation right to purchase a specified, pro rata percentage of shares of common stock in this offering at the public offering price, subject to compliance with applicable securities laws. The letter agreement further provides that, under certain circumstances in which any such investor is unable to participate in this offering, we are required to offer such investors shares of our common stock through a separate private placement to be concurrent with this offering.

Investors' Rights Agreement

We entered into an investors' rights agreement in February 2021, as amended and restated in June 2022 (the Investors' Rights Agreement), with the holders of our convertible preferred stock and certain holders of our common stock, including the holders of more than 5% of our capital stock listed above as well as entities with which certain of our directors are affiliated. This agreement provides for certain rights relating to the registration of their shares of common stock issuable upon conversion of their convertible preferred stock and certain additional covenants made by us. Except for the registration rights (including the related provisions pursuant to which we have agreed to indemnify the parties to the Investors' Rights Agreement), all rights under this agreement will terminate upon closing of this offering. The registration rights will continue following this offering and will terminate five years after the closing of this offering. See the section titled "Description of Capital Stock—Registration Rights" for more information regarding these registration rights.

Voting Agreement

We entered into a voting agreement in February 2021, as amended and restated in June 2022 (the Voting Agreement), with the holders of our convertible preferred stock and certain holders of our common stock, including the holders of more than 5% of our capital stock listed above as well as entities with which certain of our directors are affiliated, pursuant to which the following directors were each elected to serve as members on our board of directors and, as of the date of this prospectus, continue to so serve: Srinivas Akkaraju, M. D., Ph.D., Alexander Asam, Ph.D., Jon Congleton, Derek DiRocco, Ph.D., Olivier Litzka, Ph.D., Brian Taylor Slingsby, M.D., Ph.D., M.P.H., and Takeshi Takahashi, M.B.A. Pursuant to the Voting Agreement, Mr. Congleton, as our Chief Executive Officer, serves on our board of directors as the CEO director. Mr. Takahashi was initially selected to serve on our board of directors as representative of the holders of our common stock, Dr. Akkaraju, Dr. Asam and Dr. Slingsby were initially selected to serve on our board of directors as representatives of the holders of our Series A convertible preferred stock and Dr. DiRocco and Dr. Litzka and were initially selected to serve on our board of directors as a representative of the holders of our Series B convertible preferred stock.

The Voting Agreement will terminate upon the closing of this offering, and members previously elected to our board of directors pursuant to this agreement will continue to serve as directors until they resign, are removed or their successors are duly elected by holders of our common stock. The composition of our board of directors after this offering is described in more detail under the section titled "Management—Board Composition and Election of Directors."

Right of Refusal and Co-Sale Agreement

We entered into a right of first refusal and co-sale agreement in February 2021, as amended and restated in June 2022 (the ROFR Agreement), with holders of our common stock affiliated with our executive officers and Catalys Pacific, which entities are referred to in the ROFR Agreement as key holders, and certain other holders of convertible preferred stock, including the holders of more than 5% of our capital stock listed above. Pursuant to the ROFR Agreement, we have a right of first refusal on certain transfers of our shares by the key holders, holders of our convertible preferred stock have a secondary right of first refusal on such transfers, and such convertible preferred stockholders have a right of co-sale in respect of such transfers. The ROFR Agreement will terminate upon the completion of this offering.

Equity Grants to Executive Officers and Directors

We have granted restricted stock to certain of our executive officers and non-employee directors, as more fully described in the section titled "Executive and Director Compensation."

Employment Arrangements

We have entered into offer letter agreements with our executive officers. For more information regarding these letter agreements with our executive officers, see the section titled "Executive and Director Compensation—Employment Arrangements with our Executive Officers."

Director and Officer Indemnification

We have entered into indemnification agreements with each of our directors and executive officers. These agreements, among other things, require us or will require us to indemnify each director (and in certain cases their related venture capital funds) and executive officer to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, fines and settlement amounts incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's services as a director or executive officer.

Our amended and restated certificate of incorporation and our amended and restated bylaws provide that we will indemnify each of our directors and officers to the fullest extent permitted by the Delaware General Corporation Law. Further, we have purchased a policy of directors' and officers' liability insurance that insures our directors and officers against the cost of defense, settlement or payment of a judgment under certain circumstances. For further information, see "Executive and Director Compensation —Limitations of Liability and Indemnification Matters."

Policies and Procedures for Related Person Transactions

Our board of directors will adopt a written related person transaction policy, to be effective upon the closing of this offering, setting forth the policies and procedures for the review and approval or ratification of related person transactions. This policy will cover, with certain exceptions set forth in Item 404 of Regulation S-K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships in which we were or are to be a participant, where the amount involved exceeds the lesser of $120,000 or one percent of the average of our total assets at year-end for the last two completed fiscal years, and a related person had or will have a direct or indirect material interest, including, without limitation, purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. In reviewing and approving any such transactions, our audit committee will be tasked to consider all relevant facts and circumstances, including, but not limited to, whether the transaction is on terms comparable to those that could be obtained in an arm's length transaction and the extent of the related person's interest in the transaction. All of the transactions described in this section occurred prior to the adoption of this policy.

PRINCIPAL STOCKHOLDERS

The following table sets forth information with respect to the beneficial ownership of our common stock as of August 31, 2022, and as adjusted to reflect the sale of shares of common stock in this offering, by:

- our named executive officers;
- each of our directors;
- all of our executive officers and directors as a group; and
- each person or group of affiliated persons known by us to beneficially own more than 5% of our common stock.

The number of shares beneficially owned by each stockholder is determined under rules issued by the SEC. Under these rules, beneficial ownership includes any shares as to which a person has sole or shared voting power or investment power. Applicable percentage ownership is based on shares of common stock outstanding on August 31, 2022, which gives effect to the automatic conversion of all outstanding shares of our convertible preferred stock into 222,843,084 shares of our common stock immediately prior to the closing of this offering and includes shares subject to forfeiture or a right of repurchase. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, shares of common stock subject to options or other rights held by such person that are currently exercisable or that will become exercisable or otherwise vest within 60 days of August 31, 2022 are considered outstanding, although these shares are not considered outstanding for purposes of computing the percentage ownership of any other person.

Unless otherwise indicated, the address of each beneficial owner listed below is c/o Mineralys Therapeutics, Inc., 150 N. Radnor Chester Road, Suite F200, Radnor, Pennsylvania 19087. We believe, based on information provided to us, that each of the stockholders listed below has sole voting and investment power with

respect to the shares beneficially owned by the stockholder unless noted otherwise, subject to community property laws where applicable.

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned	
		Before Offering	After Offering
5% or Greater Stockholders			
Catalys Pacific Fund, LP[1]	96,583,605	32.9 %	
Samsara BioCapital, L.P.[2]	38,676,953	13.2 %	
HBM Healthcare Investments (Cayman) Ltd.[3]	31,374,741	10.7 %	
Entities affiliated with Adams Street Partners, LLC[4]	24,438,729	8.3 %	
BioDiscovery 6 FPCI[5]	20,823,692	7.1 %	
Entities affiliated with RA Capital Management, L.P. [6]	20,823,692	7.1 %	
Named Executive Officers and Directors			
Jon Congleton[7]	11,314,700	3.9 %	
David Rodman, M.D. [8]	1,137,698	*	
Brian Taylor Slingsby, M.D., Ph.D., M.P.H	96,583,605	32.9 %	
Srinivas Akkaraju, M.D., Ph.D.	38,676,953	13.2 %	
Alexander Asam, Ph.D.	*	*	
Derek DiRocco, Ph.D.	*	*	
Olivier Litzka, Ph.D.	*	*	
Takeshi Takahashi, M.B.A.	*	*	
All executive officers and directors as a group (9 persons)[9]	150,192,911	47.3 %	

* Less than 1%.

(1) The general partner of Catalys Pacific Fund, LP is Catalys Pacific Fund GP, LP. Brian Taylor Slingsby is the managing member of Catalys Pacific, LLC, the general partner of the General Partner. Catalys Pacific Fund GP, LP and Brian Taylor Slingsby may be deemed to have voting and investment power over the shares held of record by Catalys Pacific Fund, LP. Catalys Pacific Fund GP, LP and Brian Taylor Slingsby disclaim beneficial ownership of such shares, except to the extent of any pecuniary interest therein. The address of the entity listed above is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

(2) Samsara BioCapital GP, LLC (Samsara LLC) is the general partner of Samsara BioCapital, L.P. (Samsara LP) and may be deemed to beneficially own the shares held by Samsara LP. Dr. Akkaraju has voting and investment power over the shares held by Samsara LP and, accordingly, may be deemed to beneficially own the shares held by Samsara LP. Each of Samsara LLC and Dr. Akkaraju disclaims beneficial ownership in these shares except to the extent of his or its respective pecuniary interest therein.

(3) Voting and investment power over the shares held by HBM Healthcare Investments (Cayman) Ltd. (HBM Healthcare) is exercised by the board of directors of HBM Healthcare. The board of directors of HBM Healthcare Investments (Cayman) Ltd. consists of Jean Marc Lesieur, Sophia Harris, Richard Coles, Dr. Andreas Wicki and Paul Woodhouse, none of whom has individual voting or investment power with respect to the shares.

(4) Includes 1,971,065 shares of common stock held by Adams Street 2016 Direct Venture/Growth Fund LP, 2,549,835 shares of common stock held by Adams Street 2017 Direct Venture/Growth Fund LP, 3,807,896 shares of common stock held by Adams Street 2018 Direct Venture/Growth Fund LP, 2,139,118 shares of common stock held by Adams Street 2019 Direct Venture/Growth Fund LP, 2,281,039 shares of common stock held by Adams Street 2020 Direct Venture/Growth Fund LP, 2,212,895 shares of common stock held by Adams Street 2021 Direct Venture/Growth Fund LP, and 9,476,881 shares of common stock held by Adams Street Growth Equity Fund VII LP. Thomas S. Bremner, Jeffrey T. Diehl, Elisha P. Gould III, Robin P. Murray and Fred Wang, each of whom is a partner of Adams Street Partners, LLC (or a subsidiary thereof), may be deemed to have shared voting and investment power over the shares. Adams Street Partners, LLC and Thomas Bremner, Jeffrey Diehl, Elisha P. Gould III, Robin Murray and Fred Wang disclaim beneficial ownership of the shares except to the extent of their pecuniary interest therein. The address of Adams Street Partners, LLC is One North Wacker Drive, Suite 2700, Chicago, Illinois 60606.

(5) BioDiscovery 6 FPCI is exercised by its Management Company Andera Partners. The Managing Partners of Andera Partners consist of Raphaël Wisniewski and Laurent Tourtois, none of whom has individual voting or investment power with respect to the shares.

(6) Includes 2,082,369 shares of common stock held by RA Capital Healthcare Fund, L.P. (RA Healthcare) and 18,741,323 shares of common stock held by RA Capital Nexus Fund III, L.P. (Nexus II). RA Capital Management, L.P. is the investment manager for RA Healthcare and Nexus II. The general partner of RA Capital Management, L.P. is RA Capital Management GP, LLC, of which Peter Kolchinsky, Ph.D. and Rajeev Shah are the managing members. RA Capital Management, L.P., RA Capital Management GP, LLC, Peter Kolchinsky, Ph.D. and Rajeev Shah may be deemed to have voting and investment power over the shares held of record by RA Healthcare and Nexus II. RA Capital Management, L.P., RA Capital Management GP, LLC, Peter Kolchinsky, Ph.D. and Rajeev Shah disclaim

beneficial ownership of such shares, except to the extent of any pecuniary interest therein. The address of the entities listed above is 200 Berkeley Street, 18th Floor, Boston, Massachusetts 02116.

(7) Includes 8,815,933 shares subject to repurchase by us within 60 days after August 31, 2022 and 102,934 shares of common stock issuable upon the exercise of options within 60 days of August 31, 2022.

(8) Includes 1,137,698 shares of common stock issuable upon the exercise of options within 60 days after August 31, 2022.

(9) Includes the shares described in footnotes 7 and 8 above. Also includes 3,720,587 shares of common stock held by Adam Levy, our Chief Financial and Chief Business Officer, all of which are subject to repurchase within 60 days after August 31, 2022.

DESCRIPTION OF CAPITAL STOCK

General

The following description summarizes some of the terms of our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect upon the closing of this offering, our investors' rights agreement and of the Delaware General Corporation Law. Because it is only a summary, it does not contain all the information that may be important to you. For a complete description, you should refer to our amended and restated certificate of incorporation, amended and restated bylaws and our investors' rights agreement, copies of which have been filed as exhibits to the registration statement of which this prospectus is a part.

Following the closing of this offering, our authorized capital stock will consist of shares of common stock, $0.0001 par value per share, and shares of preferred stock, $0.0001 par value per share.

Common Stock

As of September 30, 2022, there were 69,315,006 shares of our common stock outstanding and held of record by 12 stockholders, including shares of restricted common stock which are subject to forfeiture or our right of repurchase, after giving effect to the automatic conversion of all outstanding shares of our convertible preferred stock into 222,843,084 shares of common stock, which will automatically occur immediately prior to the closing of this offering. Based on the number of shares of common stock outstanding as of September 30, 2022, and further assuming the issuance by us of shares of common stock in this offering, there will be shares of common stock outstanding upon the closing of this offering. Holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders, including the election of directors, and do not have cumulative voting rights. Accordingly, the holders of a majority of the outstanding shares of common stock entitled to vote in any election of directors can elect all of the directors standing for election, if they so choose, other than any directors that holders of any preferred stock we may issue may be entitled to elect. Subject to the supermajority votes for some matters, other matters shall be decided by the affirmative vote of our stockholders having a majority in voting power of the votes cast by the stockholders present or represented and voting on such matter. Our amended and restated certificate of incorporation and amended and restated bylaws also provide that our directors may be removed only for cause and only by the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock entitled to vote thereon. In addition, the affirmative vote of the holders of at least two-thirds in voting power of the outstanding shares of capital stock entitled to vote thereon is required to amend or repeal, or to adopt any provision inconsistent with, several of the provisions of our amended and restated certificate of incorporation. See below in "—Anti-Takeover Effects of Delaware Law and Our Certificate of Incorporation and Bylaws—Amendment of Charter Provisions."

Subject to preferences that may be applicable to any then outstanding preferred stock, holders of common stock are entitled to receive ratably those dividends, if any, as may be declared by the board of directors out of legally available funds. In the event of our liquidation, dissolution or winding up, the holders of common stock will be entitled to share ratably in the assets legally available for distribution to stockholders after the payment of or provision for all of our debts and other liabilities, subject to the prior rights of any preferred stock then outstanding. Holders of common stock have no preemptive or conversion rights or other subscription rights and there are no redemption or sinking funds provisions applicable to the common stock. All outstanding shares of common stock are, and the common stock to be outstanding upon the closing of this offering will be, duly authorized, validly issued, fully paid and nonassessable. The rights, preferences and privileges of holders of common stock are subject to and may be adversely affected by the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

Preferred Stock

Upon the closing of this offering, all of our previously outstanding shares of convertible preferred stock will have been converted into common stock, there will be no authorized shares of our previously outstanding convertible preferred stock, and we will have no shares of preferred stock outstanding. Under the terms of our amended and restated certificate of incorporation, which will become effective immediately prior to the closing of this offering, our board of directors has the authority, without further action by our stockholders, to issue up

to shares of preferred stock in one or more series, to establish from time to time the number of shares to be included in each such series, to fix the dividend, voting and other rights, preferences and privileges of the shares of each wholly unissued series and any qualifications, limitations or restrictions thereon, and to increase or decrease the number of shares of any such series, but not below the number of shares of such series then outstanding.

Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of the common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deterring or preventing a change in our control and may adversely affect the market price of the common stock and the voting and other rights of the holders of common stock. We have no current plans to issue any shares of preferred stock.

Options

As of September 30, 2022, options to purchase 14,263,474 shares of our common stock were outstanding, of which 2,269,046 were vested and exercisable as of that date. For additional information regarding the terms of our 2023 Plan, see "Executive and Director Compensation—Equity Incentive Plans—2020 Equity Incentive Plan."

Registration Rights

As of September 30, 2022, upon the closing of this offering holders of shares of our common stock, which includes all of the shares of common stock issuable upon the automatic conversion convertible preferred stock immediately prior to the closing of this offering, will be entitled to the following rights with respect to the registration of such shares for public resale under the Securities Act, pursuant to an investors' rights agreement by and among us and certain investors. The registration of shares of common stock as a result of the following rights being exercised would enable holders to trade these shares without restriction under the Securities Act when the applicable registration statement is declared effective.

Demand Registration Rights

Form S-1. If at any time beginning six months following the effective date of the registration statement of which this prospectus forms a part, the holders of at least sixty percent (60%) of the registrable securities request in writing that we effect a registration with respect to at least forty percent (40%) of the registrable securities then outstanding, we may be required to provide notice of such request to all holders of registrable securities and offer them the opportunity to participate in such registration, and to use commercially reasonable efforts to effect such registration; provided, however, that we will not be required to effect such a registration if, among other things, within the preceding 12 months, we have already effected two registrations for the holders of registrable securities in response to these demand registration rights.

Form S-3. If at any time we become entitled under the Securities Act to register our shares on Form S-3, and the holders at least twenty percent (20%) of the registrable securities request in writing that we effect a registration with respect to all or a part of the registrable securities then outstanding where the anticipated aggregate offering price, net of expenses, is at least $4.0 million, we may be required to provide notice of such request to all holders of registrable securities and offer them the opportunity to participate in such registration, and to use commercially reasonable efforts to effect such registration; provided, however, that we will not be required to effect such a registration if, among other things, within the preceding 12 months, we have already effected two registrations on Form S-3 for the holders of registrable securities.

If the holders requesting registration intend to distribute their shares by means of an underwritten offering, the underwriter of such offering will have the right to limit the number of shares to be underwritten for reasons related to the marketing of the shares in accordance with the cut-back provisions of the investors' rights agreements.

Piggyback Registration Rights

If at any time following the closing of this offering we propose to register any shares of our common stock under the Securities Act, subject to certain exceptions, the holders of registrable securities will be entitled to notice

of the registration and to include their shares of registrable securities in the registration. If our proposed registration involves an underwritten offering, the managing underwriter of such offering will have the right to limit the number of shares to be underwritten for reasons related to the marketing of the shares in accordance with the cut-back provisions of the investors' rights agreement.

Indemnification

Our investors' rights agreement contains customary cross indemnification provisions, under which we are obligated to indemnify holders of registrable securities in the event of material misstatements or omissions in a registration statement attributable to us, and they are obligated to indemnify us for material misstatements or omissions attributable to them.

Expenses

Other than underwriting discounts and commissions, we will be required to pay all expenses incurred by us related to any registration effected pursuant to the exercise of these registration rights. These expenses may include all registration and filing fees, printing expenses, fees and disbursements of our counsel, reasonable fees and disbursements of a counsel for the selling securityholders, blue sky fees and expenses and the expenses of any special audits incident to the registration.

Termination of Registration Rights

The registration rights terminate five years after the closing of this offering.

Anti-Takeover Effects of Delaware Law and Our Certificate of Incorporation and Bylaws

Some provisions of Delaware law, our amended and restated certificate of incorporation and our amended and restated bylaws contain provisions that could make the following transactions more difficult: an acquisition of us by means of a tender offer; an acquisition of us by means of a proxy contest or otherwise; or the removal of our incumbent officers and directors. It is possible that these provisions could make it more difficult to accomplish or could deter transactions that stockholders may otherwise consider to be in their best interest or in our best interests, including transactions which provide for payment of a premium over the market price for our shares.

These provisions, summarized below, are intended to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of the increased protection of our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging these proposals because negotiation of these proposals could result in an improvement of their terms.

Undesignated Preferred Stock

The ability of our board of directors, without action by the stockholders, to issue up to shares of undesignated preferred stock with voting or other rights or preferences as designated by our board of directors could impede the success of any attempt to change control of us. These and other provisions may have the effect of deferring hostile takeovers or delaying changes in control or management of our company.

Stockholder Meetings

Our amended and restated bylaws provide that a special meeting of stockholders may be called only by our chairman of the board of directors, chief executive officer or president, or by a resolution adopted by a majority of our board of directors.

Requirements for Advance Notification of Stockholder Nominations and Proposals

Our amended and restated bylaws establish advance notice procedures with respect to stockholder proposals to be brought before a stockholder meeting and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors.

Elimination of Stockholder Action by Written Consent

Our amended and restated certificate of incorporation and amended and restated bylaws eliminate the right of stockholders to act by written consent without a meeting.

Staggered Board of Directors

Our amended and restated bylaws provide that our board of directors will be divided into three classes. The directors in each class will serve for a three-year term, with one class being elected each year by our stockholders. For more information on the classified board of directors, see "Management — Board Composition and Election of Directors." This system of electing directors may tend to discourage a third party from attempting to obtain control of us, because it generally makes it more difficult for stockholders to replace a majority of the directors.

Removal of Directors

Our amended and restated certificate of incorporation provides that no member of our board of directors may be removed from office except for cause and, in addition to any other vote required by law, upon the approval of not less than two thirds of the total voting power of all of our outstanding voting stock then entitled to vote in the election of directors.

Stockholders Not Entitled to Cumulative Voting

Our amended and restated certificate of incorporation does not permit stockholders to cumulate their votes in the election of directors. Accordingly, the holders of a majority of the outstanding shares of our common stock entitled to vote in any election of directors can elect all of the directors standing for election, if they choose, other than any directors that holders of our preferred stock may be entitled to elect.

Delaware Anti-Takeover Statute

We are subject to Section 203 of the Delaware General Corporation Law, which prohibits persons deemed to be "interested stockholders" from engaging in a "business combination" with a publicly held Delaware corporation for three years following the date these persons become interested stockholders unless the business combination is, or the transaction in which the person became an interested stockholder was, approved in a prescribed manner or another prescribed exception applies. Generally, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years prior to the determination of interested stockholder status did own, 15% or more of a corporation's voting stock. Generally, a "business combination" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. The existence of this provision may have an anti-takeover effect with respect to transactions not approved in advance by the board of directors.

Choice of Forum

Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative form, the Court of Chancery of the State of Delaware (the Court of Chancery) will be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (i) any derivative action or proceeding brought on our behalf; (ii) any action asserting a claim of breach of a fiduciary duty or other wrongdoing by any of our directors, officers, employees or agents to us or our stockholders, creditors or other constituents; (iii) any action asserting a claim against us arising pursuant to any provision of the Delaware General Corporation Law or our amended and restated certificate of incorporation or amended and restated bylaws; (iv) any action to interpret, apply, enforce or determine the validity of our certificate of incorporation or bylaws; or (v) any action asserting a claim governed by the internal affairs doctrine, in all cases

to the fullest extent permitted by law. The provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act. Furthermore, our amended and restated certificate of incorporation will also provide that unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act, including all causes of action asserted against any defendant to such complaint. For the avoidance of doubt, this provision is intended to benefit and may be enforced by us, our officers and directors, the underwriters to any offering giving rise to such complaint, and any other professional entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering. In any case, stockholders will not be deemed to have waived our compliance with the federal securities laws and the rules and regulations thereunder. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. Our amended and restated certificate of incorporation also provides that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock will be deemed to have notice of and to have consented to this choice of forum provision.

Amendment of Charter Provisions

The amendment of any of the above provisions, except for the provision making it possible for our board of directors to issue preferred stock, would require approval by holders of at least two thirds of the total voting power of all of our outstanding voting stock.

The provisions of Delaware law, our amended and restated certificate of incorporation and our amended and restated bylaws could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions may also have the effect of preventing changes in the composition of our board of directors and management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock will be . The transfer agent and registrar's address is .

The Nasdaq Global Market Listing

We intend to apply to have our common stock listed on the Nasdaq Global Market under the symbol "MLYS."

Limitations of Liability and Indemnification Matters

For a discussion of liability and indemnification, see "Executive and Director Compensation—Limitations of Liability and Indemnification Matters."

SHARES ELIGIBLE FOR FUTURE SALE

Immediately prior to this offering, there was no public market for our common stock. Future sales of substantial amounts of common stock in the public market, or the perception that such sales may occur, could adversely affect the market price of our common stock. Although we intend to apply to have our common stock listed on Nasdaq, we cannot assure you that there will be an active public market for our common stock.

Based on the number of shares of our common stock outstanding as of September 30, 2022, and assuming (i) the issuance of shares in this offering, (ii) the automatic conversion of all of our outstanding shares of convertible preferred stock into 222,843,084 shares of common stock and the related reclassification of the carrying value of the convertible preferred stock to permanent equity upon the closing of this offering, (iii) no exercise of the underwriters' option to purchase additional shares of common stock and (iv) no exercise of outstanding options, we will have outstanding an aggregate of shares of common stock following the closing of this offering.

Of these shares, all shares sold in this offering will be freely tradable without restriction or further registration under the Securities Act, except for any shares purchased by our "affiliates," as that term is defined in Rule 144 under the Securities Act. Shares purchased by our affiliates would be subject to the Rule 144 resale restrictions described below, other than the holding period requirement.

The remaining shares of common stock will be "restricted securities," as that term is defined in Rule 144 under the Securities Act. These restricted securities are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rule 144 or Rule 701 under the Securities Act, each of which is summarized below. We expect that substantially all of these shares will be subject to the 180-day lock-up period under the lock-up agreements described below.

Lock-Up Agreements

We, our officers, directors and holders of substantially all of our securities, have agreed with the underwriters that for a period of 180 days, after the date of this prospectus, among other things and subject to specified exceptions, we or they will not offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to sell, or otherwise dispose of or transfer any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock, request or demand that we file a registration statement related to our common stock or enter into any swap or other agreement that transfers to another, in whole or in part, directly or indirectly, the economic consequence of ownership of the common stock, or publicly declare an intention to do any of the foregoing. Upon expiration of the lock-up period, certain of our stockholders will have the right to require us to register their shares under the Securities Act. See "—Registration Rights" below and "Description of Capital Stock—Registration Rights."

BofA Securities, Inc., Evercore Group L.L.C., and Stifel, Nicolaus & Company, Incorporated may, in their sole discretion and at any time or from time to time before the termination of the lock-up period, in certain cases without public notice, release all or any portion of the securities subject to lock-up agreements. There are no existing agreements between the underwriters and any of our stockholders who will execute a lock-up agreement providing consent to the sale of shares prior to the expiration of the lock-up period.

Upon the expiration of the lock-up period, substantially all of the shares subject to such lock-up restrictions will become eligible for sale, subject to the limitations discussed above.

Rule 10b5-1 Trading Plans

Following the closing of this offering, certain of our officers, directors and significant stockholders may adopt written plans, known as Rule 10b5-1 trading plans, in which they will contract with a broker to buy or sell shares of our common stock on a periodic basis to diversify their assets and investments. Under these 10b5-1 trading plans, a broker may execute trades pursuant to parameters established by the officer, director or stockholder when entering into the plan, without further direction from such officer, director or stockholder. Such sales would not

commence until the expiration of the applicable lock-up agreements entered into by such officer, director or stockholder in connection with this offering.

Rule 144

Affiliate Resales of Restricted Securities

In general, under Rule 144 as currently in effect, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is an affiliate of ours, or who was an affiliate at any time during the 90 days before a sale, and who has beneficially owned shares of our common stock for at least six months would be entitled to sell in "broker's transactions" or certain "riskless principal transactions" or to market makers, a number of shares within any three-month period that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately shares immediately after this offering, assuming no exercise of the underwriters' option to purchase additional shares; or
- the average weekly trading volume in our common stock on Nasdaq during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

An "affiliate" is a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with an issuer. Affiliate resales under Rule 144 are also subject to the availability of current public information about us. In addition, if the number of shares being sold under Rule 144 by an affiliate during any three-month period exceeds 5,000 shares or has an aggregate sale price in excess of $50,000, the seller must file a notice on Form 144 with the SEC and Nasdaq concurrently with either the placing of a sale order with the broker or the execution of a sale directly with a market maker.

Non-Affiliate Resales of Restricted Securities

In general, under Rule 144 as currently in effect, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is not an affiliate of ours at the time of sale, and has not been an affiliate at any time during the three months preceding a sale, and who has beneficially owned shares of our common stock for at least six months but less than a year, is entitled to sell such shares subject only to the availability of current public information about us. If such person has held our shares for at least one year, such person can resell under Rule 144(b)(1) without regard to any Rule 144 restrictions, including the 90-day public company requirement and the current public information requirement.

Non-affiliate resales are not subject to the manner of sale, volume limitation or notice filing provisions of Rule 144.

Rule 701

In general, under Rule 701 as currently in effect, any of an issuer's employees, directors, officers, consultants or advisors who purchase shares from the issuer in connection with a compensatory stock or option plan or other written agreement before the effective date of a registration statement under the Securities Act are entitled to sell such shares 90 days after such effective date in reliance on Rule 144. An affiliate of the issuer can resell shares in reliance on Rule 144 without having to comply with the holding period requirement, and non-affiliates of the issuer can resell shares in reliance on Rule 144 without having to comply with the current public information and holding period requirements. However, substantially all Rule 701 shares are subject to lock-up agreements as described above and will become eligible for sale in compliance with Rule 144 only upon the expiration of the restrictions set forth in those agreements.

The SEC has indicated that Rule 701 will apply to typical options granted by an issuer before it becomes subject to the reporting requirements of the Exchange Act, along with the shares acquired upon exercise of such options, including exercises after an issuer becomes subject to the reporting requirements of the Exchange Act.

Equity Plans

We intend to file one or more registration statements on Form S-8 under the Securities Act to register all shares of common stock subject to outstanding stock options and common stock issued or issuable under our equity incentive plans and employee stock purchase plan. We expect to file the registration statement covering shares offered pursuant to these stock plans shortly after the date of this prospectus, permitting the resale of such shares by non-affiliates in the public market without restriction under the Securities Act and the sale by affiliates in the public market subject to compliance with the resale provisions of Rule 144.

Registration Rights

Upon the closing of this offering, holders of shares of our common stock, which includes all of the shares of common stock issuable upon the automatic conversion of our convertible preferred stock into 222,843,084 shares of our common stock immediately prior to the closing of this offering, will be entitled to various rights with respect to the registration of these shares under the Securities Act upon the closing of this offering. Registration of these shares under the Securities Act would result in these shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of the registration, except for shares purchased by our affiliates. See "Description of Capital Stock—Registration Rights" for additional information. Shares covered by a registration statement will be eligible for sale in the public market upon the expiration or release from the terms of the lock-up agreements described above.

MATERIAL UNITED STATES FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following discussion is a summary of the material U.S. federal income tax consequences to Non-U.S. Holders (as defined below) of the purchase, ownership and disposition of our common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or non-U.S. tax laws are not discussed. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the Code), Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service (the IRS), in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a Non-U.S. Holder. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a contrary position to that discussed below regarding the tax consequences of the purchase, ownership and disposition of our common stock.

This discussion is limited to Non-U.S. Holders that hold our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a Non-U.S. Holder's particular circumstances, including the impact of the Medicare contribution tax on net investment income and the alternative minimum tax. In addition, it does not address consequences relevant to Non-U.S. Holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons holding our common stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies and other financial institutions;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies" and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell our common stock under the constructive sale provisions of the Code;
- persons who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- tax-qualified retirement plans; and
- "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds our common stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding our common stock and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR

COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Definition of a Non-U.S. Holder

For purposes of this discussion, a "Non-U.S. Holder" is any beneficial owner of our common stock that is neither a "U.S. person" nor an entity treated as a partnership for U.S. federal income tax purposes. A U.S. person is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (i) is subject to the primary supervision of a U.S. court and the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code), or (ii) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

Distributions

As described in the section titled "Dividend Policy," we do not anticipate declaring or paying cash dividends to holders of our common stock in the foreseeable future. However, if we do make distributions of cash or property on our common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and first be applied against and reduce a Non-U.S. Holder's adjusted tax basis in its common stock, but not below zero. Any excess will be treated as capital gain and will be treated as described below in "—Sale or Other Taxable Disposition."

Subject to the discussion below on effectively connected income, dividends paid to a Non-U.S. Holder will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends (or such lower rate specified by an applicable income tax treaty, provided the Non-U.S. Holder furnishes a valid IRS Form W-8BEN or W-8BEN-E (or other applicable documentation) certifying qualification for the lower treaty rate). If a Non-U.S. Holder holds the stock through a financial institution or other intermediary, the Non-U.S. Holder will be required to provide appropriate documentation to the intermediary, which then will be required to provide certification to the applicable withholding agent, either directly or through other intermediaries. A Non-U.S. Holder that does not timely furnish the required documentation, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

If dividends paid to a Non-U.S. Holder are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment or fixed base in the United States to which such dividends are attributable), the Non-U.S. Holder will be exempt from the U.S. federal withholding tax described above. To claim the exemption, the Non-U.S. Holder must furnish to the applicable withholding agent a valid IRS Form W-8ECI, certifying that the dividends are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States.

Any such effectively connected dividends will be subject to U.S. federal income tax on a net income basis at the regular rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected dividends, as adjusted for certain items. Non-U.S. Holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Sale or Other Taxable Disposition

Subject to the discussions of backup withholding and withholding under FATCA (defined below), a Non-U.S. Holder will not be subject to U.S. federal income tax on any gain realized upon the sale or other taxable disposition of our common stock unless:

- the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment or fixed base in the United States to which such gain is attributable);
- the Non-U.S. Holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or
- our common stock constitutes a U.S. real property interest (USRPI) by reason of our status as a U.S. real property holding corporation (USRPHC) for U.S. federal income tax purposes.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected gain, as adjusted for certain items.

A Non-U.S. Holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on gain realized upon the sale or other taxable disposition of our common stock, which may be offset by U.S. source capital losses of the Non-U.S. Holder (even though the individual is not considered a resident of the United States), provided the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we believe we currently are not, and do not anticipate becoming, a USRPHC. Because the determination of whether we are a USRPHC depends, however, on the fair market value of our USRPIs relative to the fair market value of our non-U.S. real property interests and our other business assets, there can be no assurance we currently are not a USRPHC or will not become one in the future. Even if we are or were to become a USRPHC, gain arising from the sale or other taxable disposition of our common stock by a Non-U.S. Holder will not be subject to U.S. federal income tax if our common stock is "regularly traded," as defined by applicable Treasury Regulations, on an established securities market, and such Non-U.S. Holder owned, actually and constructively, 5% or less of our common stock throughout the shorter of the five-year period ending on the date of the sale or other taxable disposition or the Non-U.S. Holder's holding period.

Non-U.S. Holders should consult their tax advisors regarding potentially applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Payments of dividends on our common stock will not be subject to backup withholding, provided the applicable withholding agent does not have actual knowledge or reason to know the holder is a United States person and the holder either certifies its non-U.S. status, such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI, or otherwise establishes an exemption. However, information returns are required to be filed with the IRS in connection with any distributions on our common stock paid to the Non-U.S. Holder, regardless of whether such distributions constitute dividends or whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition of our common stock within the United States or conducted through certain U.S.-related brokers generally will be subject to backup withholding or information reporting unless the applicable withholding agent receives the certification described above and does not have actual knowledge or reason to know that such holder is a United States person, or the holder otherwise establishes an exemption. Proceeds of a disposition of our common stock conducted through a non-U.S. office of a non-U.S. broker generally will not be subject to backup withholding or information reporting.

Copies of information returns that are filed with the IRS may also be made available under the provisions of an applicable treaty or agreement to the tax authorities of the country in which the Non-U.S. Holder resides or is established.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Additional Withholding Tax on Payments Made to Foreign Accounts

Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such Sections are commonly referred to as the Foreign Account Tax Compliance Act (FATCA)) on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or subject to the proposed Treasury Regulations discussed below, gross proceeds from the sale or other disposition of, our common stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (i) the foreign financial institution undertakes certain diligence and reporting obligations, (ii) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in clause (i) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under the applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on our common stock. While withholding under FATCA would also have applied to payments of gross proceeds from the sale or other disposition of stock on or after January 1, 2019, proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers (including applicable withholding agents) generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued. There can be no assurance that final Treasury Regulations would provide an exemption from FATCA withholding for gross proceeds.

Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in our common stock.

UNDERWRITING

BofA Securities, Inc., Evercore Group L.L.C., and Stifel, Nicolaus & Company, Incorporated are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of common stock set forth opposite its name below.

Underwriter	Number of Shares
BofA Securities, Inc.	
Evercore Group L.L.C.	
Stifel, Nicolaus & Company, Incorporated	
Guggenheim Securities, LLC	
Credit Suisse Securities (USA) LLC	
Wells Fargo Securities, LLC	
Total	

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the several underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officer's certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives have advised us that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus and to dealers at that price less a concession not in excess of $ per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares.

	Per Share	Without Option	With Option
Public offering price	$	$	$
Underwriting discount	$	$	$
Proceeds, before expenses, to us	$	$	$

The expenses of the offering, not including the underwriting discount, are estimated at $ and are payable by us. We have also agreed to reimburse the underwriters for their expenses relating to clearance of this offering with the Financial Industry Regulatory Authority, or FINRA. in an amount up to $.

Option to Purchase Additional Shares

We have granted an option to the underwriters, exercisable for 30 days after the date of this prospectus, to purchase up to additional shares at the public offering price, less the underwriting discount. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter's initial amount reflected in the above table.

No Sales of Similar Securities

We, our executive officers and directors and our other existing security holders have agreed not to sell or transfer any common stock or securities convertible into, exchangeable for, or exercisable for, common stock (collectively, the "Lock-Up Securities") for 180 days after the date of this prospectus without first obtaining the written consent of BofA Securities, Inc., Evercore Group L.L.C., and Stifel, Nicolaus & Company, Incorporated. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly:

- offer, pledge, sell or contract to sell any common stock;
- sell any option or contract to purchase any common stock;
- purchase any option or contract to sell any common stock;
- grant any option, right or warrant for the sale of any common stock;
- lend or otherwise dispose of or transfer any common stock;
- request or demand that we file or make a confidential submission of a registration statement related to the common stock;
- enter into any swap or other agreement that transfers, in whole or in part, the economic consequence of ownership of any common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise; or
- publicly disclose the intention to do any of the foregoing.

This lock-up provision applies to any Lock-Up Securities whether now owned or acquired later by the person executing the agreement or for which the person executing the agreement has or later acquires the power of disposition. BofA Securities, Inc., Evercore Group L.L.C., and Stifel, Nicolaus & Company, Incorporated, in their sole discretion, may release the common stock and other securities subject to the lock-up agreements described above in whole or in part at any time with or without notice.

Nasdaq Global Market Listing

We intend to apply to list our common stock on the Nasdaq Global Market under the symbol "MLYS."

Before this offering, there has been no public market for our common stock. The initial public offering price will be determined through negotiations between us and the representatives. In addition to prevailing market conditions, the factors to be considered in determining the initial public offering price are:

- the valuation multiples of publicly traded companies that the representatives believe to be comparable to us;
- our financial information;
- the history of, and the prospects for, our company and the industry in which we compete;
- an assessment of our management, its past and present operations, and the prospects for, and timing of, our future revenues;

- the present state of our development; and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the shares may not develop. It is also possible that after the offering the shares will not trade in the public market at or above the initial public offering price.

The underwriters do not expect to sell more than 5% of the shares in the aggregate to accounts over which they exercise discretionary authority.

Price Stabilization, Short Positions and Penalty Bids

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our common stock. However, the representatives may engage in transactions that stabilize the price of the common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriters may purchase and sell our common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. "Covered" short sales are sales made in an amount not greater than the underwriters' option to purchase additional shares described above. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option granted to them. "Naked" short sales are sales in excess of such option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters' purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on the Nasdaq Global Market, in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Electronic Distribution

In connection with the offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail.

Other Relationships

The underwriters and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and

non-financial activities and services. Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Notice to Prospective Investors in the European Economic Area

In relation to each member state of the European Economic Area (each a "Relevant State"), no shares have been offered or will be offered pursuant to this offering to the public in that Relevant State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation), except that offers of shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

a. to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

b. to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

c. in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require the Company or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

Each person in a Relevant State who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company and the underwriters that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of any shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in a Relevant State to qualified investors, in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

The Company, the underwriters and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

For the purposes of this provision, the expression an "offer to the public" in relation to any shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

The above selling restriction is in addition to any other selling restrictions set out below.

Notice to Prospective Investors in the United Kingdom

In relation to the United Kingdom ("UK"), no shares have been offered or will be offered pursuant to this offering to the public in the UK prior to the publication of a prospectus in relation to the shares which has been approved by the Financial Conduct Authority in the UK in accordance with the UK Prospectus Regulation and the FSMA, except that offers of shares may be made to the public in the UK at any time under the following exemptions under the UK Prospectus Regulation and the FSMA:

a. to any legal entity which is a qualified investor as defined under the UK Prospectus Regulation;

b. to fewer than 150 natural or legal persons (other than qualified investors as defined under the UK Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

c. at any time in other circumstances falling within section 86 of the FSMA,

provided that no such offer of shares shall require the Company or any underwriter to publish a prospectus pursuant to Section 85 of the FSMA or Article 3 of the UK Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

Each person in the UK who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company and the underwriters that it is a qualified investor within the meaning of the UK Prospectus Regulation.

In the case of any shares being offered to a financial intermediary as that term is used in Article 5(1) of the UK Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in the UK to qualified investors, in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

The Company, the underwriters and their respective affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

For the purposes of this provision, the expression an "offer to the public" in relation to any shares in the UK means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, and the expression "FSMA" means the Financial Services and Markets Act 2000.

This document is for distribution only to persons who (i) have professional experience in matters relating to investments and who qualify as investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Financial Promotion Order"), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the UK, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended ("FSMA")) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been

prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, or the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA), and the offer of shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority ("DFSA"). This prospectus is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission ("ASIC"), in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the "Corporations Act"), and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons (the "Exempt Investors") who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Notice to Prospective Investors in Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of

Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Notice to Prospective Investors in Japan

The shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the shares were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

a. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

b. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

a. to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

b. where no consideration is or will be given for the transfer;

c. where the transfer is by operation of law; or

d. as specified in Section 276(7) of the SFA.

Notice to Prospective Investors in Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the sharesmust be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* ("NI 33-105"), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

LEGAL MATTERS

The validity of the shares of common stock offered hereby will be passed upon for us by Latham & Watkins LLP, San Diego, California. The underwriters are being represented by Shearman & Sterling LLP, New York, New York.

EXPERTS

The consolidated financial statements of Mineralys Therapeutics, Inc. at December 31, 2021 and 2020, and for each of the two years in the period ended December 31, 2021, appearing in this Prospectus and Registration Statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of our common stock offered hereby. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules filed therewith. For further information about us and the common stock offered hereby, we refer you to the registration statement and the exhibits and schedules filed therewith. Statements contained in this prospectus regarding the contents of any contract or any other document that is filed as an exhibit to the registration statement are not necessarily complete, and each such statement is qualified in all respects by reference to the full text of such contract or other document filed as an exhibit to the registration statement.

We are not currently subject to the information and periodic and current reporting requirements of the Exchange Act. Upon the closing of this offering, we will become subject to the information and periodic and current reporting requirements of the Exchange Act and, in accordance therewith, will file periodic reports, proxy statements and other information with the SEC. The SEC maintains a website at www.sec.gov that contains reports, proxy statements and other information regarding companies that file electronically with it. The address of that site is www.sec.gov. Our periodic and current reports, proxy statements and other information will be available at www.sec.gov.

We also maintain a website at www.mineralystx.com. Upon the closing of this offering, you may access our proxy statements, annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act with the SEC free of charge at our website as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The reference to our website address does not constitute incorporation by reference of the information contained on our website, and you should not consider the contents of our website in making an investment decision with respect to our common stock. We have included our website address in this prospectus solely as an inactive textual reference.

Mineralys Therapeutics, Inc.
Financial Statements

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Report of Independent Registered Public Accounting Firm

To the Stockholders and Board
of Directors of
Mineralys Therapeutics, Inc.

Opinion on the Financial Statements

We have audited the balance sheets of Mineralys Therapeutics, Inc. (the "Company") as of December 31, 2021 and 2020, the related statements of operations, redeemable convertible preferred stock and stockholders' deficit, and cash flows for the years then ended, and the related notes (collectively, referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2021 and 2020, and the results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

October 12, 2022
We have served as the Company's auditor since 2022.
Denver, Colorado

Mineralys Therapeutics, Inc.
Balance Sheets
(in thousands, except share and per share amounts)

	December 31,	
	2020	2021
Assets		
Current assets:		
Cash	$ 1,409	$ 10,612
Prepaid and other current assets	57	510
Total current assets	1,466	11,122
Other assets	20	3
Total assets	$ 1,486	$ 11,125
Liabilities, convertible preferred stock, and stockholders' deficit		
Current liabilities:		
Accounts payable	$ 529	$ 763
Accrued liabilities	54	4,291
Convertible notes - related party	4,500	—
Total current liabilities	5,083	5,054
Commitments and contingencies (Note 4)		
Series A convertible preferred stock, $0.0001 par value, 0 and 86,340,911 shares authorized and 0 and 61,180,259 shares issued and outstanding at December 31, 2020 and 2021, respectively, $0 and $29,184 aggregate liquidation preference at December 31, 2020 and 2021, respectively	—	28,996
Stockholders' deficit:		
Common stock, $0.0001 par value, 70,000,000 and 166,000,000 shares authorized and 58,437,500 and 58,762,555 shares issued and outstanding at December 31, 2020 and 2021, respectively	6	6
Additional paid-in capital	—	80
Accumulated deficit	(3,603)	(23,011)
Total stockholders' deficit	(3,597)	(22,925)
Total liabilities, convertible preferred stock, and stockholders' deficit	$ 1,486	$ 11,125

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

Mineralys Therapeutics, Inc.
Statements of Operations
(in thousands, except share and per share data)

	Year Ended December 31,	
	2020	**2021**
Operating expenses:		
Research and development	$ 2,411	$ 16,308
General and administrative	532	2,417
Total operating expenses	2,943	18,725
Loss from operations	(2,943)	(18,725)
Other income (expense):		
Interest expense	(115)	(27)
Change in fair value of convertible notes	(367)	(657)
Other income (expense)	(1)	1
Total other expense, net	(483)	(683)
Net loss	$ (3,426)	$ (19,408)
Net loss per share attributable to common stockholders, basic and diluted	$ (0.07)	$ (0.36)
Weighted-average shares used to compute net loss per share attributable to common stockholders, basic and diluted	50,000,000	53,820,364

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

Mineralys Therapeutics, Inc.
Statements of Convertible Preferred Stock and Stockholders' Deficit
(in thousands, except share data)

	Series A Convertible Preferred Stock		Common Stock		Additional Paid-In-Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balance at January 1, 2020	—	$ —	50,000,000	$ 5	$ —	$ (177)	$ (172)
Issuance of restricted stock awards	—	—	8,437,500	1	(1)	—	—
Stock-based compensation	—	—	—	—	1	—	1
Net loss	—	—	—	—	—	(3,426)	(3,426)
Balance at December 31, 2020	—	—	58,437,500	6	—	(3,603)	(3,597)
Issuance of convertible preferred stock, net of issuance costs of $188	50,311,827	23,812	—	—	—	—	—
Issuance of convertible preferred stock upon conversion of convertible notes	10,868,432	5,184	—	—	—	—	—
Issuance of restricted stock awards	—	—	325,055	—	—	—	—
Stock-based compensation	—	—	—	—	80	—	80
Net loss	—	—	—	—	—	(19,408)	(19,408)
Balance at December 31, 2021	61,180,259	$ 28,996	58,762,555	$ 6	$ 80	$ (23,011)	$ (22,925)

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

Mineralys Therapeutics, Inc.
Statements of Cash Flows
(in thousands)

	Year Ended December 31,	
	2020	**2021**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (3,426)	$ (19,408)
Adjustments to reconcile net loss to net cash used in operating activities:		
Change in fair value of convertible notes	367	657
Stock-based compensation	1	80
Non-cash interest expense	115	27
Changes in operating assets and liabilities:		
Prepaid and other current assets	(57)	(386)
Accounts payable and accrued liabilities	537	4,471
Net cash used in operating activities	(2,463)	(14,559)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of convertible notes - related party	3,850	—
Proceeds from the issuance of Series A convertible preferred stock, net of offering costs	(20)	23,812
Net cash provided by financing activities	3,830	23,812
Net increase in cash and restricted cash	1,367	9,253
Cash and restricted cash - beginning	42	1,409
Cash and restricted cash - ending	$ 1,409	$ 10,662
Supplement Disclosure of Non-Cash Financing Activities:		
Conversion of convertible notes and accrued interest to Series A convertible preferred stock	$ —	$ 5,184

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

Note 1. Nature of Business

Mineralys Therapeutics, Inc. (the "Company") is a clinical-stage biopharmaceutical company focused on developing medicines to target diseases driven by abnormally elevated aldosterone. The Company's clinical-stage product candidate, MLS-101, is a proprietary, orally administered, highly selective aldosterone synthase inhibitor that the Company is initially developing for the treatment of patients with uncontrolled or resistant hypertension. The Company has completed a Phase 2 proof-of-concept study of MLS-101 for the treatment of uncontrolled or resistant hypertension and has plans for the continued research and development of MLS-101 in hypertension and other potential indications. The Company was incorporated as a Delaware corporation in May 2019, and it is headquartered in Radnor, Pennsylvania.

The Company's operations to date have been limited to business planning, raising capital, in-licensing MLS-101, conducting preclinical and clinical trials, and other research and development.

On July 7, 2020, the Company effected a stock split of its common stock, par value $0.0001 per share, at a ratio of 500-for-1 (the "Stock Split"). Unless otherwise noted herein, references to share and per-share amounts give retroactive effect to the Stock Split.

Liquidity and Capital Resources

Since inception, the Company has not generated any revenue from product sales or other sources and has incurred significant operating losses and negative cash flows from operations. The Company's primary uses of cash to date have been to fund research and development activities, business planning, establishing and maintaining the Company's intellectual property portfolio, hiring personnel, raising capital, and providing general and administrative support for these operations. As of December 31, 2021, the Company had an accumulated deficit of $23.0 million and cash and restricted cash of $10.7 million. For the year ended December 31, 2021, the Company had a net loss of $19.4 million and net cash used in operating activities of $14.6 million.

From inception to December 31, 2021 the Company has funded its operations by raising aggregate gross proceeds of approximately $28.0 million from the sale of the Company's convertible preferred stock and convertible notes. The Company has a limited operating history, and the sales and income potential of its business is unproven. The Company expects to continue to incur substantial losses in the foreseeable future as a result of the Company's research and development activities.

Additional funding will be required in the future to continue with the Company's planned research and development and other activities. The Company expects to finance its operations through equity offerings, including this initial public offering, debt financings, and other capital sources, including potential strategic collaborations, licensing, and other similar arrangements. However, there can be no assurance that any additional financing or strategic transactions will be available to the Company on acceptable terms, if at all. If events or circumstances occur such that the Company does not obtain additional funding, it may need to delay, reduce, or eliminate its product development or future commercialization efforts, which could have a material adverse effect on the Company's business and results of operations or financial condition. The Company believes that its existing cash as of December 31, 2021, combined with the cash proceeds received from sales of the Company's preferred stock subsequent to December 31, 2021 disclosed in Note 10. "*Subsequent Events,*" will be sufficient to allow the Company to fund operations for at least one year from the issuance date of these financial statements.

Note 2. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"), which include all adjustments necessary for the fair presentation of the Company's financial position, results of operations, and cash flows for the periods presented. Any reference in these notes to applicable guidance is meant to refer to the authoritative U.S. GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates of the Financial Accounting Standards Board ("FASB").

The Company's management performed an evaluation of its activities through the date of filing of these financial statements and concluded that there are no subsequent events requiring disclosure, other than as disclosed.

Emerging Growth Company Status

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

Segment Information

The Company operates in one operating segment for the purposes of assessing performance and making operating decisions and, accordingly, no segment disclosures have been presented herein. All assets are held in the U.S.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates. Estimates are used in the following areas, among others: research and development accruals, fair value of convertible notes, fair value of the Company's common stock, and income taxes.

Cash and Restricted Cash

As of December 31, 2020 and 2021, the Company had zero and $50 thousand, respectively, classified as restricted cash for the required collateral for a credit card facility with Silicon Valley Bank. The following table provides a reconciliation of cash and restricted cash as reported in the statement of cash flows to the balance sheets (in thousands):

	December 31,	
	2020	2021
Cash	$ 1,409	$ 10,612
Restricted cash, as a component of prepaid and other current assets	—	50
Total	$ 1,409	$ 10,662

Concentration of Credit Risk

The Company has no significant off-balance sheet concentrations of credit risk, such as foreign currency exchange contracts, option contracts, or other hedging arrangements. Financial instruments that potentially subject the Company to concentrations of credit risk primarily consist of cash balances in several accounts with one financial institution which, from time to time, are in excess of federally insured limits.

Fair Value Measurements

The Company is required to disclose information on all assets and liabilities reported at fair value that enables an assessment of the inputs used in determining the reported fair values. ASC Topic 820, *Fair Value*

Measurement, establishes a hierarchy of inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the observable inputs be used when available.

Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the inputs that market participants would use in pricing the asset or liability and are developed based on the best information available in the circumstances. The fair value hierarchy applies only to the valuation inputs used in determining the reported fair value and is not a measure of the investment credit quality. The three levels of the fair value hierarchy are described below:

- Level 1 – quoted prices in active markets for identical assets and liabilities
- Level 2 – other significant observable inputs (including quoted prices for similar assets and liabilities, interest rates, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Company's own assumptions in determining the fair value of assets and liabilities)

For certain financial instruments, including cash and restricted cash, prepaid expenses, accounts payable, and certain accrued liabilities, the recorded amount approximates estimated fair value due to their relatively short maturity period.

Deferred Offering Costs

The Company capitalizes certain legal, professional, accounting, and other third-party fees that are directly associated with in-process equity issuances as deferred offering costs until such equity issuances are consummated. After consummation of the equity issuance, these costs are recorded as a reduction in the capitalized amount associated with the equity issuance. Should the equity issuance be abandoned, the deferred offering costs are expensed immediately as a charge to operating expenses in the statement of operations. Deferred offering costs as of December 31, 2020 and 2021 were $20 thousand and $3 thousand, respectively. Such costs are classified in other assets on the balance sheets.

Convertible Preferred Stock

The Company records convertible preferred stock at fair value on the dates of issuance, net of issuance costs. Upon the occurrence of certain events that are outside the Company's control, including a deemed liquidation event, holders of the convertible preferred stock can cause redemption for cash. Therefore, the convertible preferred stock is classified outside of stockholders' deficit on the balance sheets as events triggering the redemption for cash are not solely within the Company's control. The carrying values of the convertible preferred stock are adjusted to their liquidation preferences if and when it becomes probable that such a liquidation event will occur.

Research and Development Expenses

Research and development costs, both internal and external, are expensed as incurred. Costs are considered incurred based on an evaluation of the progress to completion of specific tasks under each contract using information and data provided to the Company by its clinical sites and vendors. These costs consist of direct and indirect costs associated with specific projects, as well as fees paid to various entities that perform certain research on behalf of the Company. The Company's research and development expenses consist primarily of clinical trial expenses, consulting costs and employee-related costs, and costs associated with required regulatory filings, licenses, and fees.

Non-refundable advance payments for goods and services that will be used in future research and development activities are capitalized and recorded as expense in the period that the Company receives the goods or when services are performed. Assets acquired (or in-licensed) that are utilized in research and development that have no alternative future use are expensed as incurred.

Commitments and Contingencies

From time to time, the Company may have certain contingent liabilities that arise in the ordinary course of business. The Company accrues a liability for such matters when it is probable that future expenditures will be made and can be reasonably estimated. The Company expects that contingencies related to regulatory approval milestones will only become probable once such regulatory outcome is achieved.

Stock-Based Compensation

The Company accounts for its stock-based compensation awards in accordance with ASC Topic 718,*Compensation – Stock Compensation* (ASC 718). ASC 718 requires all stock-based payments to employees, including grants of employee stock options, to be recognized in the statements of operations based on their fair values. The Company's stock-based awards are subject only to service-based vesting conditions. The Company measures restricted common stock awards using the difference, if any, between the purchase price per share of the award and the fair value of the Company's common stock at the date of the grant. The Company estimates the fair value of its stock option awards using the Black-Scholes option pricing model, which requires the input of assumptions, including (a) the expected stock price volatility, (b) the calculation of expected term of the award, (c) the risk-free interest rate, and (d) expected dividends. The Company accounts for forfeitures as they occur.

Given that the Company's common stock is privately held, there is no active trading market for the Company's common stock. Therefore, the Company based its estimate of expected volatility on the historical volatility of a group of similar companies that are publicly traded. The Company believes that the companies in the group have characteristics similar to its own characteristics, including stage of product development and a focus on the life sciences industry. The Company believes the group selected has sufficient similar economic and industry characteristics and includes companies that are most representative of the Company.

The Company uses the simplified method, to calculate the expected term, as it does not have sufficient historical exercise data to provide a reasonable basis upon which to estimate the expected term for options granted and utilizes the contractual term for options granted. The risk-free interest rate is based on a treasury instrument whose term is consistent with the expected life of the stock options.

As there is no public market for the Company's common stock, the Company determined the fair value of the shares of its common stock underlying its share-based awards by considering a number of objective and subjective factors, including third-party valuations of the Company's common stock, the valuation of comparable companies, the Company's operating and financial performance, and general and industry-specific economic outlook, amongst other factors. The assumptions underlying these valuations represented management's best estimate, with the assistance of a third-party valuation specialist, which involved inherent uncertainties and the application of management's judgment. As a result, if the Company had used different assumptions or estimates, the fair value of the Company's common stock and its stock-based compensation expense could have been materially different.

Compensation expense related to awards is recognized on a straight-line basis by recognizing the grant date fair value over the associated service period of the award, which is generally the vesting term.

Net Loss Per Share

The Company's basic net loss per share attributable to common stockholders is calculated by dividing the net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding for the period. The diluted net loss per share attributable to common stockholders is computed by giving effect to all potential common stock equivalents outstanding for the period determined using the treasury stock method. For purposes of this calculation, convertible preferred stock and stock options to purchase common stock are considered to be common stock equivalents but have been excluded from the calculation of diluted net loss per share attributable to common stockholders as their effect is anti-dilutive. The following table sets forth the potential

common shares excluded from the calculation of net loss per common share because their inclusion would be anti-dilutive:

	Year Ended December 31,	
	2020	**2021**
Unvested restricted stock awards	8,437,500	3,645,834
Convertible preferred stock (as converted into common stock)	—	61,180,259
Options to purchase common stock	—	5,694,756
Total	8,437,500	70,520,849

Income Taxes

Income taxes are recorded in accordance with ASC Topic 740,*Income Taxes* (ASC 740), which provides for deferred taxes using an asset and liability approach. The Company recognizes deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities and for loss and credit carryforwards using enacted tax rates anticipated to be in effect for the year in which the differences are expected to reverse. Valuation allowances are provided if, based upon the weight of available evidence, it is more likely than not that some or all the deferred tax assets will not be realized.

The Company accounts for uncertain tax positions in accordance with the provisions of ASC 740. When uncertain tax positions exist, the Company recognizes the tax benefit of tax positions to the extent that some or all the benefit will more likely than not be realized. The determination as to whether the tax benefit will more likely than not be realized is based upon the technical merits of the tax position, as well as consideration of the available facts and circumstances. As of December 31, 2020 and 2021, the Company does not have any significant uncertain tax positions. If the Company were to incur interest and penalties on uncertain tax positions, it would classify them as income tax expense.

Recently Issued Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies and adopted by the Company as of the specified effective date. Unless otherwise discussed, the Company believes the impact of recently issued standards that are not yet effective will not have a material impact on its financial position or results of operations upon adoption.

Note 3. Fair Value of Financial Instruments

There were no financial instruments measured at fair value on a recurring basis based on the fair value hierarchy at December 31, 2021, and the following table presents this information as of December 31, 2020 (in thousands):

	December 31, 2020
	Level 3
Liabilities	
Convertible notes - related party	$ 4,500

There were no transfers within the fair value hierarchy during the periods presented.

Between May 2019 and July 2020, the Company issued unsecured convertible promissory notes in the aggregate principal amount of $4.0 million to its founding investor and related party Catalys Pacific Fund LP (“Catalys”), pursuant to a convertible notes agreement subsequently amended on December 20, 2020 (the “Convertible Notes”). The Company elected the fair value option to account for the Convertible Notes because the Company determined the fair value option provided users of the financial statements greater ability to estimate the

outcome of future events as facts and circumstances change, particularly with respect to changes in the fair value of the stock underlying the conversion option and redemption feature. The Company used a guideline transaction method valuation model to estimate the fair value of the Convertible Notes, which relied on unobservable Level 3 inputs. Changes in the fair value of the Convertible Notes were recognized as expense as reported in change in fair value of convertible notes on the statement of operations for the year ended December 31, 2020. Refer to Note 6. "*Convertible Notes – Related Party*" for details of the terms and conditions of the Convertible Notes.

The carrying value of outstanding Convertible Notes at December 31, 2020 approximated the estimated aggregate fair value as the embedded contingent put option is recognized at fair value and classified with the debt host. The put option allows certain notes payable to be converted into stock, contingent upon completion of an equity financing transaction with gross proceeds above certain thresholds. The fair value estimate of the embedded put option is based on the probability-weighted discounted value of the put feature and represents a Level 3 measurement. Significant assumptions used to determine the fair value of the put feature include the estimated probability of exercise of the put option and the discount rate used to calculate fair value. The estimated probability of exercise is based on management's expectation for future equity financing transactions. The discount rate is based on the weighted-average effective yield of notes previously issued by the Company, adjusted for changes in market yields of biotechnology sector CCC-rated debt.

The preceding methods described may have produced a fair value calculation that may not have been indicative of net realizable value or reflective of future fair values. Although the Company believes its valuation methods were appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value could result in a different fair value measurement at the reporting date.

All outstanding Convertible Notes were settled upon their conversion into convertible preferred stock upon the consummation of a qualifying equity financing in February 2021. Refer to Note 6. "*Convertible Notes – Related Party*" for details of the conversion.

The following table sets forth a summary of changes in the fair value of the Convertible Notes, representing a recurring measurement that is classified within Level 3 of the fair value hierarchy (in thousands):

Convertible Notes at January 1, 2020	$	168
Issuance of Convertible Notes		3,850
Change in fair value		367
Accrued interest		115
Convertible Notes at December 31, 2020		4,500
Change in fair value		657
Accrued interest		27
Reclassification of Convertible Notes into convertible preferred stock		(5,184)
Convertible Notes at December 31, 2021	$	—

Note 4. Commitments and Contingencies

License Agreement with Mitsubishi Tanabe

In July 2020, the Company entered into a license agreement (the "Mitsubishi License") with Mitsubishi Tanabe Pharma Corporation ("Mitsubishi Tanabe"), pursuant to which Mitsubishi Tanabe granted the Company an exclusive, worldwide, royalty-bearing, sublicensable license under Mitsubishi Tanabe's patent and other intellectual property rights to exploit products incorporating MLS-101 ("MLS-101 Products") for the prevention, treatment, diagnosis, detection, monitoring, or predisposition testing with respect to indications, diseases, and conditions in humans. Pursuant to the Mitsubishi License, the Company paid Mitsubishi Tanabe a $1.0 million upfront fee, and the Company is obligated to pay Mitsubishi Tanabe development milestone payments of up to $9.0 million in the aggregate and commercial milestone payments of up to $155.0 million in the aggregate upon first commercial sale and upon meeting certain annual sales targets, as well as additional commercial milestone payments of up to $10.0 million for a second indication. Additionally, the Company is obligated to pay Mitsubishi Tanabe tiered

royalties at percentages ranging from the mid-single-digits to ten percent (10%) of aggregate net sales of each MLS-101 Product on an MLS-101 Product-by-MLS-101 Product and country-by-country basis, until the later of (i) the expiration of the last-to-expire valid Mitsubishi Tanabe patent claim covering an MLS-101 Product, (ii) ten years from the first commercial sale of an MLS-101 Product, or (iii) the expiration of regulatory exclusivity in such country. Such royalties are subject to reduction under specified conditions, including lack of patent coverage and generic competition.

The Company is obligated to use commercially reasonable efforts to conduct and complete the development activities and to file for regulatory approval for at least one MLS-101 Product in a major market country and consider in good faith to develop at least one MLS-101 Product in a non-major market country. If the Company elects to sublicense its rights under the Mitsubishi License to a third party with respect to exploitation of MLS-101 or any MLS-101 Product in certain countries in Asia, Mitsubishi Tanabe has a right of first negotiation, for a specified period of time. The Company agreed not to commercialize any competing product prior to three years following the first commercial sale of the first MLS-101 Product in any country without Mitsubishi Tanabe's prior consent.

Unless terminated earlier, the Mitsubishi License will continue until the expiration of all of the Company's royalty obligations to Mitsubishi Tanabe. The Company may terminate the Mitsubishi License for any or no reason upon 90 or 180 days' prior written notice to Mitsubishi Tanabe depending on whether the Mitsubishi Tanabe Product has received regulatory approval. Mitsubishi Tanabe may terminate the Mitsubishi License if the Company has not initiated regulatory consultation for the first global clinical trials of MLS-101 in at least one major market country within a specified amount of time or if the Company or its affiliates or sublicensees initiate a challenge to the patent rights licensed to the Company by Mitsubishi Tanabe. In addition, either party may terminate the Mitsubishi License in the event of an uncured material breach by or bankruptcy of the other party, subject to certain notice and cure periods, or upon the other party's bankruptcy or insolvency.

For the year ended December 31, 2020 and 2021, the Company recorded research and development expense of approximately $1.0 million and zero, respectively, related to the Mitsubishi License.

Litigation

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, penalties, and other sources are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. From time to time, the Company may become involved in legal proceedings arising in the ordinary course of business. The Company was not subject to any material legal proceedings during the year ended December 31, 2020 and 2021 and no material legal proceedings are currently pending or threatened.

Indemnification Agreements

In the ordinary course of business, the Company may provide indemnification of varying scope and terms to vendors, lessors, business partners, and other parties with respect to certain matters including, but not limited to, losses arising from breach of such agreements or intellectual property infringement claims made by third parties. In addition, the Company has entered into indemnification agreements with officers of the Company and members of its board of directors that will require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors. The maximum potential amount of future payments the Company could be required to make under these indemnification agreements is, in many cases, unlimited. To date, the Company has not incurred any material costs as a result of such indemnifications. The Company is not aware of any claims under indemnification arrangements, and it has not accrued any liabilities related to such obligations in its financial statements as of December 31, 2020 and 2021.

Note 5. Accrued Liabilities

Accrued liabilities consisted of the following (in thousands):

	December 31,	
	2020	2021
Research and development expenses	$ —	$ 3,636
Compensation and benefits	—	313
Other	54	342
Total	$ 54	$ 4,291

Note 6. Convertible Notes – Related Party

From May 2019 to July 2020, the Company issued Convertible Notes with maturities on the one-year anniversary date of each issuance, bearing interest at a rate of 6% per annum. The Convertible Notes and accrued interest were subject to automatic conversion upon the closing of a qualifying equity financing into the equity securities sold in the qualifying financing at a conversion price equal to the price of the equity securities sold in the qualified financing multiplied by 0.80.

On February 16, 2021 (the "Conversion Date"), the Convertible Notes and accrued interest totaling $5.2 million were converted into 10,868,432 shares of Series A convertible preferred stock upon the closing of the Series A financing. As a result, on the Conversion Date, the Convertible Notes were reclassified to Series A convertible preferred stock, which is described in more detail in Note 7. "*Capital Stock*."

Note 7. Capital Stock

As of December 31, 2021, the Company has reserved authorized shares of common stock, on an as-converted basis, for future issuance as follows:

	December 31, 2021
Series A convertible preferred stock	61,180,259
Common stock options outstanding	5,694,756
Awards available for grant under the 2020 Plan	4,381,962
Total	71,256,977

Preferred Stock

In February 2021, the Company entered into a Series A redeemable convertible preferred stock agreement (the "Series A Purchase Agreement"). Under the Series A Purchase Agreement the Company was authorized to issuance up to 86,340,911 shares of Series A redeemable convertible preferred stock, par value $0.0001 per share ("Series A Preferred Stock"). From February 2021 to April 2021, the Company issued 50,311,827 shares of Series A Preferred Stock at $0.477 per share for net proceeds of $23.8 million, after issuance costs incurred of $0.2 million. Additionally, in February 2021, the Convertible Notes and related accrued interest converted into 10,868,432 shares of Series A Preferred Stock, which is described in more detail in Note 6. "*Convertible Notes – Related Party.*"

The Series A Purchase Agreement provided for an additional closing for the Series A purchasers for the issuance of up to 25,151,957 shares of Series A Preferred Stock, at a purchase price of $0.477 per share for aggregate cash proceeds of $12.0 million, upon the achievement of the Milestone (as defined in the Series A Purchase Agreement) or a waiver of the Milestone by the requisite holders. The Company determined that the right of the investors to purchase an additional number of shares of Series A Preferred Stock upon the achievement of the Milestone did not meet the definition of a freestanding financial instrument as the preferred shares issued at the initial closing and the future tranche right were not legally detachable and separately exercisable. In January 2022,

the Milestone was subsequently met and additional shares of Series A Preferred Stock were issued as described in Note 10. "*Subsequent Events.*"

The rights, preferences, and privileges of the Company's Series A Preferred Stock are as follows:

Voting

The holders of Series A Preferred Stock are entitled to a number of votes equal to the number of whole shares of common stock into which the shares of Series A Preferred Stock are convertible. Except as provided by law or otherwise, the holders of the Series A Preferred Stock vote together with the holders of common stock as a single class. Holders of Series A Preferred Stock, voting as a separate class, are entitled to elect three members of the board of directors.

Dividends

Dividends are payable, if permitted by law, in accordance with the Series A Preferred Stock terms if and when declared by the board of directors. Holders of the Series A Preferred Stock are entitled to receive dividends out of any assets at the time legally available, at the applicable dividend rate specified for such shares of the Series A Preferred Stock. Dividends are not mandatory and are not cumulative. No dividends have been declared or paid since inception of the Company.

Liquidation

In the event of any voluntary or involuntary liquidation, dissolution, or winding up of the Company, the holders of shares of the Series A Preferred Stock then outstanding are entitled to be paid out of the assets of the Company available for distribution to its stockholders or, in the case of a deemed liquidation event, such as a merger or consolidation or the sale, lease, transfer, exclusive license, or other disposition of substantially all of the Company's assets (collectively, a "Deemed Liquidation Event"), out of the consideration payable to stockholders in such an event, before any payment shall be made to the holders of common stock by reason of their ownership thereof, an amount per share equal to the Series A Preferred Stock original issue price, plus any dividends declared but unpaid. If upon any such liquidation, dissolution, or winding up of the Company or a Deemed Liquidation Event, the assets of the Company available for distribution to its stockholders are insufficient to pay the holders of shares of Series A Preferred Stock the full amount to which they are entitled, the holders of shares of the Series A Preferred Stock share ratably in any distribution of the assets available for distribution in proportion to the respective amounts that would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

The remaining available proceeds will be distributed pro rata among the holders of the shares of the Series A Preferred Stock and common stock, based on the number of shares held by each such holder, treating for this purpose all such securities as if they had been converted to common stock pursuant to the applicable terms immediately prior to such liquidation, dissolution, or winding up of the Company.

Conversion

Each share of the Series A Preferred Stock is convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and non-assessable shares of common stock as determined by dividing the Series A Preferred Stock original issue price by the Series A Preferred Stock conversion price in effect at the time of conversion, which as of December 31, 2021 was equal to the original issue price. The applicable conversion price is subject to future adjustments upon the occurrence of certain events. The Series A Preferred Stock automatically converts upon either (i) the closing of a qualified initial public offering of its common stock at a price per share of at least $1.19 per share (subject to adjustment for any share split, combination or dividend or distribution payable) resulting in at least $75,000,000 in gross proceeds to the Company, or (ii) the election to convert the preferred shares by requisite holders of the Series A Preferred Stock.

The Company evaluated the Series A Preferred Stock and determined that it was considered an equity host under ASC 815. In making this determination, the Company's analysis followed the whole instrument approach, which compares an individual feature against the entire Series A Preferred Stock instrument that includes that feature. The Company's analysis was based on a consideration of the economic characteristics and risks of the Series A Preferred Stock. More specifically, the Company evaluated all of the stated and implied substantive terms and features, including (i) whether the Series A Preferred Stock included redemption features, (ii) how and when any redemption features could be exercised, (iii) whether the holders of the Series A Preferred Stock were entitled to dividends, (iv) the voting rights of the Series A Preferred Stock, and (v) the existence and nature of any conversion rights. The Company concluded that, as the Series A Preferred stock represented an equity host, the conversion feature included in the Series A Preferred Stock was clearly and closely related to the associated host instrument. Accordingly, the conversion feature was not considered an embedded derivative that requires bifurcation.

Redemption

The Series A Preferred Stock is redeemable upon a request by two-thirds of the requisite holders of the Company's Series A Preferred Stock in the event of a Deemed Liquidation Event, if the Company does not effect a dissolution of the Company within 90 days after such Deemed Liquidation Event, payable at a price equal to the cash or the value of the property, rights, or securities to be paid or distributed to holders pursuant to such Deemed Liquidation Event. Any redemption is deemed to be remote at December 31, 2021, and the fair value of Series A Preferred Stock is deemed to be the price paid by the Series A preferred stockholders. Due to this redemption option, Series A Preferred Stock is recorded in mezzanine equity and is subject to subsequent measurement under the guidance provided under ASC 480. Pursuant to ASC 480, the Company has elected to recognize changes in redemption value immediately. However, based on the nature of Series A Preferred Stock, no subsequent measurement will be recognized until a Deemed Liquidation Event becomes probable. As of December 31, 2021, a Deemed Liquidation Event was not probable; as a result, the Series A Preferred Stock is valued at original issue price, less cost of issuance.

Note 8. Stock-Based Compensation

Equity Incentive Plan

On July 7, 2020, the board of directors adopted, and the Company's stockholders approved, the 2020 Equity Incentive Plan. The 2020 Equity Incentive Plan, as amended and restated (the "2020 Plan"), provides for the grant of incentive stock options to employees of the Company, and for the grant of non-statutory stock options, restricted stock awards ("RSAs"), restricted stock unit awards, and other forms of stock awards to employees, directors, and consultants of the Company (collectively, "stock-based awards").

The board of directors or a designated committee of the board of directors is responsible for the administration of the 2020 Plan and determines the term, exercise price, and vesting terms of each award. Under the terms of existing awards, all stock option grants expire ten years from grant date. Options may not have an exercise price less than 100% of the fair market value of the Company's common stock on the grant date, and generally vest over a period of four years.

Total stock-based compensation expense reported in the statements of operations was allocated as follows (in thousands):

	Year Ended December 31,	
	2020	2021
Research and development	$ 1	$ 75
General and administrative	—	5
Total	$ 1	$ 80

Stock Options

As of December 31, 2020 and 2021, the Company had 12,500,000 and 18,839,273, respectively, shares of its common stock reserved under the 2020 Plan. As of December 31, 2020 and 2021, a total of 4,062,500 and 4,381,962, respectively, options were available for issuance under the 2020 Plan. The following is a summary of the Company's stock option activity under its 2020 Plan:

	Shares	Weighted-Average Exercise Price	Total Intrinsic Value (in thousands)	Weighted-Average Remaining Contractual Life (Years)
Options outstanding at December 31, 2020	—	$ —	$ —	—
Options granted	5,694,756	0.06		
Options outstanding at December 31, 2021	5,694,756	$ 0.06	$ 105	9.4
Options vested and exercisable as of December 31, 2021	316,314	$ 0.08	$ —	9.7

As of December 31, 2021, the Company had $0.2 million of unrecognized share-based compensation expense related to stock option awards that is expected to be recognized over a weighted-average period of approximately 3.1 years. For the year ended December 31, 2021, the total fair value of options vested was $18 thousand.

There were no options granted during the year ended December 31, 2020. The weighted-average grant date fair value per share for the outstanding options at December 31, 2021 was $0.05. The following table presents the weighted-average assumptions used in the Black-Scholes option pricing model to determine the fair value of stock options granted during the year ended December 31, 2021:

Exercise price	$ 0.06
Stock price on date of grant	$ 0.06
Expected term (years)	6.08
Expected stock price volatility	87.00 %
Risk-free rate of interest	1.12 %
Expected dividend yield	— %

Restricted Stock Awards

RSAs granted by the Company have varying vesting terms depending on the terms of the grant. Holders of unvested RSAs have the same rights as those of common stockholders including voting rights and non-forfeitable dividend rights. However, ownership of unvested RSAs cannot be transferred until vested. Upon a participant's termination of continuous service for any reason, any shares subject to RSAs held by the participant that have not vested as of such termination date may be forfeited to or repurchased by the Company.

The following is a summary of the Company's RSA activity under its 2020 Plan:

	Shares	Weighted-Average Grant Date Fair Value
Unvested at January 1, 2020	—	$ —
Granted	8,437,500	$ 0.0007
Unvested at December 31, 2020	8,437,500	$ 0.0007
Granted	325,055	$ 0.0050
Vested	(5,116,721)	$ 0.0036
Unvested at December 31, 2021	3,645,834	$ 0.0010

As of December 31, 2021, the Company had $4 thousand of unrecognized share-based compensation expense related to RSAs that is expected to be recognized over a weighted-average period of approximately 2.8 years. For the year ended December 31, 2021, the total fair value of RSAs vested was $19 thousand.

Note 9. Income Taxes

There was no current or deferred income tax expense or benefit for the years ended December 31, 2020 and 2021, due to the Company's net loss and increases in its deferred tax asset valuation allowance. The components of the Company's deferred tax assets are as follows (in thousands):

	December 31,	
	2020	2021
Net operating loss carryforwards	$ 362	$ 4,460
Research and development credit carryforwards	84	520
Intangible assets	289	286
Other	—	83
Total deferred tax assets	735	5,349
Valuation allowance	(735)	(5,349)
Deferred tax assets, net of valuation allowance	$ —	$ —

When realization of the deferred tax asset is more likely than not to occur, the benefit related to the deductible temporary differences attributable to operations is recognized as a reduction of income tax expense. Valuation allowances are provided against deferred tax assets when, based on all available evidence, it is considered more likely than not that some portion or all of the recorded deferred tax assets will not be realized in future periods. The deferred tax assets have been fully offset by a valuation allowance, as realization is dependent on future earnings, if any, the timing and amount of which are uncertain. The Company's valuation allowance increased by approximately $0.7 million and $4.6 million for the years ended December 31, 2020 and 2021, respectively.

As of December 31 2020 and 2021, the Company had federal net operating loss ("NOL") carryforwards of $0.4 million and $4.2 million available to reduce future taxable income, respectively. The federal NOL carryforward has no expiration as a result of the Tax Cuts and Jobs Act of 2017. As of December 31 2020 and 2021, the Company had $0 and $0.2 million, respectively, of state NOL carryforwards that begin expiring in 2041.

As of December 31 2020 and 2021, the Company had federal and state research and development credit carryforwards of $0.1 million and $0.6 million, respectively, to reduce future taxable income. The federal research and development credit carryforwards begin to expire in 2040. Research and development credit carryforwards associated with California do not expire. Research and development credit carryforwards associated with other states begin expiring in 2036.

The Internal Revenue Code (IRC) Sections 382 and 383 limit annual use of NOL and research and development credit carryforwards in the event a cumulative change in ownership of more than 50% occurs within a three-year period. The Company has not yet completed an ownership change analysis. If a requisite ownership change occurs, the amount of remaining tax attribute carryforwards available to offset taxable income and income tax expense in future years may be restricted or eliminated. If eliminated, the related asset would be removed from deferred tax assets with a corresponding reduction in the valuation allowance. Due to the existence of the valuation allowance, limitations created by future ownership changes, if any, will not impact the Company's effective tax rate.

The Company's effective tax rate for the years ended December 31, 2020 and 2021 was 0%. A reconciliation of the U.S. federal statutory income tax rate to the Company's effective income tax rate is as follows for the years ended:

	December 31,	
	2020	2021
Statutory federal income tax rate	21.00 %	21.00 %
State income taxes, net of federal tax benefits	—	1.26
Research and development credits	2.46	2.24
Permanent items and other	(2.93)	(0.73)
Change in valuation allowance	(20.53)	(23.77)
Total provision for income taxes	— %	— %

The Company files income tax returns in the U.S. Federal jurisdiction and various state and local jurisdictions. As of December 31, 2021, all years remained subject to examination by tax authorities.

Uncertain tax positions are evaluated based on the facts and circumstances that exist at each reporting period. Subsequent changes in judgment based upon new information may lead to changes in recognition, derecognition, and measurement. Adjustment may result, for example, upon resolution of an issue with the taxing authorities or expiration of a statute of limitations barring an assessment for an issue. The Company recognizes a tax benefit from an uncertain tax position when it is more-likely-than-not that it will be sustained upon examination by tax authorities.

At December 31, 2020 and 2021, the Company had $13 thousand and $0.1 million, respectively, in unrecognized tax benefits, which would not affect the effective tax rate if recognized. During the year ended December 31, 2021, the Company's unrecognized tax benefits increased by $0.1 million related to current year tax positions. The Company does not anticipate any significant changes in its unrecognized tax benefits over the next 12 months. The Company's policy is to recognize interest expense and penalties related to income tax matters in income tax expense. As of December 31, 2020 and 2021, the Company had no accrued interest or penalties related to uncertain tax positions.

The following table summarizes the changes to the Company's unrecognized tax benefits for the years ended December 31, 2020 and 2021 (in thousands):

	Year Ended December 31,	
	2020	2021
Beginning balance	$ —	$ 13
Additions related to current year positions	13	105
Ending Balance	$ 13	$ 118

Note 10. Subsequent Events

Amendment to the Articles of Incorporation

Subsequent to December 31, 2021, the Company's Articles of Incorporation were amended and restated to increase the authorized shares of common stock, authorize the issuance of Series B redeemable convertible preferred

stock ("Series B Preferred Stock") and modify the participation rights of the Series A Preferred Stock. On May 31, 2022, the authorized shares of the Company's classes of capital stock were modified to the following share amounts:

Common stock	319,000,000
Series A Preferred Stock [(1)]	86,332,216
Series B Preferred Stock [(2)]	136,510,868
Total	541,843,084

(1) On May 31, 2022, the rights and privileges of the Series A Preferred Stock were amended to allow Series A Preferred Stockholders the right for shares of the Series A Preferred Stock to be converted under certain defined liquidating events at a maximum participation multiple of 2.5.
(2) The Series B Preferred Stock does not carry participation rights.

Offerings of Preferred Stock

In January 2022, the Company achieved the Milestone under the Series A Purchase Agreement and sold an aggregate of 25,151,957 shares of Series A Preferred Stock under the Series A Purchase Agreement to certain existing investors, members of the Company's board of directors and affiliates of members of its board of directors, at a purchase price of $0.477 per share for aggregate gross proceeds of approximately $12.0 million.

In June 2022, the Company entered into a Series B convertible preferred stock agreement with certain existing investors, including members of the Company's board of directors and affiliates of members of its board of directors, pursuant to which the Company issued and sold to such investors an aggregate of 136,510,868 shares of Series B Preferred Stock at a purchase price of $0.8644 per share for aggregate gross proceeds of approximately $118.0 million.

2020 Plan

In June 2022, the board of directors adopted, and the Company's stockholders approved, an amendment to the 2020 Plan to increase the authorized shares issuable to 37,205,875. Additionally, in March, June, and July 2022, the Company issued 10,552,451 RSAs and 8,568,718 stock options to employees with a weighted-average exercise price of $0.10.

Through and including , 2023, (the 25th day after the date of this prospectus), all dealers effecting transactions in the common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

Shares

Common Stock

PROSPECTUS

BofA Securities

Evercore ISI

Stifel

Guggenheim Securities

Credit Suisse

Wells Fargo Securities

, 2022

Part II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table indicates the expenses to be incurred in connection with the offering described in this registration statement, other than underwriting discounts and commissions, all of which will be paid by us. All amounts are estimated except the SEC registration fee, the Financial Industry Regulatory Authority, Inc., or FINRA, filing fee and the Nasdaq Global Market listing fee.

	Amount paid or to be paid	
SEC registration fee	$	*
FINRA filing fee		*
Nasdaq Global Market listing fee		*
Accountants' fees and expenses		*
Legal fees and expenses		*
Transfer Agent's fees and expenses		*
Printing and engraving expenses		*
Miscellaneous		*
Total expenses	$	*

* To be provided by amendment.

Item 14. Indemnification of Directors and Officers.

Section 102 of the General Corporation Law of the State of Delaware permits a corporation to eliminate the personal liability of directors of a corporation to the corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director, except where the director breached his duty of loyalty, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase in violation of Delaware corporate law or obtained an improper personal benefit. Our certificate of incorporation provides that no director of the Registrant shall be personally liable to it or its stockholders for monetary damages for any breach of fiduciary duty as a director, notwithstanding any provision of law imposing such liability, except to the extent that the General Corporation Law of the State of Delaware prohibits the elimination or limitation of liability of directors for breaches of fiduciary duty.

Section 145 of the General Corporation Law of the State of Delaware provides that a corporation has the power to indemnify a director, officer, employee or agent of the corporation, or a person serving at the request of the corporation for another corporation, partnership, joint venture, trust or other enterprise in related capacities against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with an action, suit or proceeding to which he was or is a party or is threatened to be made a party to any threatened, ending or completed action, suit or proceeding by reason of such position, if such person acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, and, in any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful, except that, in the case of actions brought by or in the right of the corporation, no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or other adjudicating court determines that, despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

Our amended and restated certificate of incorporation, which will become effective immediately prior to the closing of this offering, will provide that we will indemnify each person who was or is a party or threatened to be

made a party to any threatened, pending or completed action, suit or proceeding (other than an action by or in the right of us) by reason of the fact that he or she is or was, or has agreed to become, a director or officer, or is or was serving, or has agreed to serve, at our request as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise (all such persons being referred to as an "Indemnitee"), or by reason of any action alleged to have been taken or omitted in such capacity, against all expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding and any appeal therefrom, if such Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, our best interests, and, with respect to any criminal action or proceeding, he or she had no reasonable cause to believe his or her conduct was unlawful. Our amended and restated certificate of incorporation currently in effect provides that we will indemnify any Indemnitee who was or is a party to an action or suit by or in the right of us to procure a judgment in our favor by reason of the fact that the Indemnitee is or was, or has agreed to become, a director or officer, or is or was serving, or has agreed to serve, at our request as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted in such capacity, against all expenses (including attorneys' fees) and, to the extent permitted by law, amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding, and any appeal therefrom, if the Indemnitee acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, our best interests, except that no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to us, unless a court determines that, despite such adjudication but in view of all of the circumstances, he or she is entitled to indemnification of such expenses. Notwithstanding the foregoing, to the extent that any Indemnitee has been successful, on the merits or otherwise, he or she will be indemnified by us against all expenses (including attorneys' fees) actually and reasonably incurred in connection therewith. Expenses must be advanced to an Indemnitee under certain circumstances.

We have entered into indemnification agreements with each of our directors and officers. These indemnification agreements may require us, among other things, to indemnify our directors and officers for some expenses, including attorneys' fees, judgments, fines and settlement amounts incurred by a director or officer in any action or proceeding arising out of his or her service as one of our directors or officers, or any of our subsidiaries or any other company or enterprise to which the person provides services at our request.

We maintain a general liability insurance policy that covers certain liabilities of directors and officers of our corporation arising out of claims based on acts or omissions in their capacities as directors or officers.

In any underwriting agreement we enter into in connection with the sale of common stock being registered hereby, the underwriters will agree to indemnify, under certain conditions, us, our directors, our officers and persons who control us within the meaning of the Securities Act, against certain liabilities.

Item 15. Recent Sales of Unregistered Securities.

Set forth below is information regarding unregistered securities issued by us since May 31, 2019 to the date of this registration statement. Also included is the consideration received by us for such securities and information relating to the section of the Securities Act, or rule of the SEC, under which exemption from registration was claimed.

(a) Issuances of Securities

1. In May 2019, we issued an aggregate of 100,000 shares of common stock to our founder at purchase price of $0.0001 per share for aggregate consideration of $10. In July 2020, we effected a 500-for-one forward stock split which increased the number of these founding common shares to 50,000,000.

2. In May 2019, February 2020, June 2020, July 2020 and December 2020, we issued and sold to an investor convertible promissory notes in an aggregate principal amount of approximately $4.0 million. The notes, including interest thereon, converted into 10,868,432 shares of our Series A convertible preferred stock in February 2021.

3. In February and April 2021 and January 2022 we issued an aggregate of 86,332,216 shares of Series A convertible preferred stock to investors at a purchase price of $0.477 per share, for aggregate consideration of approximately $40.0 million, including conversion of the convertible promissory notes referred to above.

4. In June 2022 we issued an aggregate of 136,510,868 shares of Series B convertible preferred stock to investors at a purchase price of $0.8644 per share, for aggregate consideration of approximately $118 million.

No underwriters were involved in the foregoing issuances of securities. The securities described in this section (a) of Item 15 were issued to investors in reliance upon the exemption from the registration requirements of the Securities Act, as set forth in Section 4(a)(2) under the Securities Act and Regulation D promulgated thereunder, for transactions by an issuer not involving any public offering, to the extent an exemption from such registration was required. All holders of securities described above represented to us in connection with their purchase or issuance that they were accredited investors and were acquiring the securities for their own account for investment purposes only and not with a view to, or for sale in connection with, any distribution thereof and that they could bear the risks of the investment and could hold the securities for an indefinite period of time. The holders received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration statement or an available exemption from such registration.

(b) Grants of Restricted Stock and Stock Options

1. From July 2020 through July 2022, we granted an aggregate of 19,315,006 shares of our restricted common stock under our existing 2020 equity incentive plan to certain of our employees and consultants in connection with services provided to us by such persons.

2. From March 2021 through the date of this registration statement, we granted stock options to purchase an aggregate of 14,263,474 shares of our common stock at a weighted-average exercise price of $0.08 per share, to certain of our employees, consultants and directors in connection with services provided to us by such persons. None of these options have been exercised and none have been cancelled through the date of this registration statement.

The stock options and common stock issuable upon exercise of such options as described in this section (b) of Item 15 were issued pursuant to written compensatory plans or arrangements with our employees and directors, in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 701 promulgated under the Securities Act or the exemption set forth in Section 4(a)(2) under the Securities Act and Regulation D promulgated thereunder relative to transactions by an issuer not involving any public offering. All recipients either received adequate information about us or had access, through employment or other relationships, to such information.

All of the foregoing securities are deemed restricted securities for purposes of the Securities Act. All certificates representing the issued shares of capital stock described in this Item 15 included appropriate legends setting forth that the securities had not been registered and the applicable restrictions on transfer.

Item 16. Exhibits and Financial Statement Schedules.

(c) **Exhibits.** See Exhibit Index attached to this registration statement, which is incorporated by reference herein.

(d) **Financial Statement Schedules.** Schedules not listed above have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings.

The undersigned registrant hereby undertakes to provide to the underwriters, at the closing specified in the underwriting agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Exhibit Index

Exhibit Number	Description of Exhibit
1.1*	Form of Underwriting Agreement
3.1	Amended and Restated Certificate of Incorporation, as amended (currently in effect)
3.2	Bylaws (currently in effect)
3.3*	Form of Amended and Restated Certificate of Incorporation (to be effective immediately prior to the closing of this offering)
3.4*	Form of Amended and Restated Bylaws (to be effective immediately prior to the closing of this offering)
4.1*	Specimen stock certificate evidencing the shares of common stock
4.2	Amended and Restated Investor Rights' Agreement, dated June 1, 2022, by and among the Registrant and certain of its stockholders
5.1*	Opinion of Latham & Watkins LLP
10.1#	Mineralys Therapeutics, Inc. Amended and Restated 2020 Equity Incentive Plan and form of stock option agreement and form of restricted stock agreement thereunder
10.2#*	Mineralys Therapeutics, Inc. 2023 Incentive Award Plan and form of stock option agreement and form of restricted stock unit agreement thereunder
10.3#*	Mineralys Therapeutics, Inc. 2023 Employee Stock Purchase Plan
10.4#*	Non-Employee Director Compensation Policy
10.5#†	Offer Letter Agreement, dated October 9, 2020, by and between Jon Congleton and the Registrant
10.6#†	Offer Letter Agreement, dated January 8, 2021, by and between David Rodman, M.D. and the Registrant
10.7#†	Offer Letter Agreement, dated March 8, 2022, by and between Adam Levy and the Registrant
10.8#*	Form of Indemnification Agreement for Directors and Officers
10.9†	License Agreement, dated July 9, 2020, between the Registrant and Mitsubishi Tanabe Pharmaceutical Corporation
23.1*	Consent of Ernst & Young LLP, independent registered public accounting firm
23.2*	Consent of Latham & Watkins LLP (included in Exhibit 5.1)
24.1*	Power of Attorney (included on signature page)
107*	Filing Fee Table

* To be filed by amendment.
\# Indicates management contract or compensatory plan.
† Portions of this exhibit (indicated by asterisks) have been omitted pursuant to Item 601 of Regulation S-K because it is both not material and is the type that the registrant treats as private or confidential.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Radnor, State of Pennsylvania, on this day of , 2022.

MINERALYS THERAPEUTICS, INC.

By: _____
Jon Congleton
Chief Executive Officer

SIGNATURES AND POWER OF ATTORNEY

We, the undersigned officers and directors of Mineralys Therapeutics, Inc., hereby severally constitute and appoint Jon Congleton and Adam Levy, and each of them singly (with full power to each of them to act alone), our true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution in each of them for him and in his name, place and stead, and in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement (or any other registration statement for the same offering that is to be effective upon filing pursuant to Rule 462(b) under the Securities Act of 1933), and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as full to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities held on the dates indicated.

Signature	Title	Date
Jon Congleton	Chief Executive Officer (principal executive officer)	, 2022
Adam Levy	Chief Financial Officer (principal financial and accounting officer)	, 2022
Brian Taylor Slingsby, M.D., Ph.D., M.P.H.	Chairman	, 2022
Srinivas Akkaraju, M.D., Ph.D.	Director	, 2022
Alexander Asam, Ph.D.	Director	, 2022
Derek DiRocco, Ph.D.	Director	, 2022
Olivier Litzka, Ph.D.	Director	, 2022
Takeshi Takahashi, M.B.A.	Director	, 2022

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF MINERALYS THERAPEUTICS, INC.

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Mineralys Therapeutics, Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "**General Corporation Law**"),

DOES HEREBY CERTIFY:

1 . That the name of this corporation is Mineralys Therapeutics, Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on May 31, 2019, under the name Catalys SC1, Inc.

2 . That the Board of Directors of this corporation duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Certificate of Incorporation of this corporation be amended and restated in its entirety to read as follows (the "**Amended and Restated Certificate of Incorporation**"):

FIRST: The name of this corporation is Mineralys Therapeutics, Inc. (the "**Corporation**").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle, 19801. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) 319,000,000 shares of Common Stock, $0.0001 par value per share ("**Common Stock**") and (ii) 222,843,084 shares of Preferred Stock, $0.0001 par value per share ("**Preferred Stock**"), of which 86,332,216 shares are designated "**Series A Preferred Stock** " and of which 136,510,868 shares are designated "**Series B Preferred Stock**."

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of the Common Stock are entitled to one (1) vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings); provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Amended and Restated Certificate of Incorporation that relates solely to the terms of one (1) or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one (1) or more other such series, to vote thereon pursuant to this Amended and Restated Certificate of Incorporation or pursuant to the General Corporation Law. There shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one (1) or more series of Preferred Stock that may be required by the terms of this Amended and Restated Certificate of Incorporation) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law.

B. PREFERRED STOCK

Unless otherwise indicated, references to "Sections" in this Part B of this Article Fourth refer to sections of Part B of this Article Fourth.

1 . Dividends. The holders of then outstanding shares of Preferred Stock shall be entitled to receive, only when, as and if declared by the Corporation's Board of Directors (the "**Board of Directors**"), out of any funds and assets legally available therefor, dividends at the rate of eight percent (8%) of the applicable Original Issue Price (as defined below) for each share of Preferred Stock, prior and in preference to any declaration or payment of any other dividend (other than dividends on shares of Common Stock payable in shares of Common Stock). The right to receive dividends on shares of Preferred Stock pursuant to the preceding sentence of this Section 1 shall not be cumulative, and no right to dividends shall accrue to holders of Preferred Stock by reason of the fact that dividends on said shares are not declared. The Corporation shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock) unless (in addition to the obtaining of any consents required elsewhere in this Amended and Restated Certificate of Incorporation) the holders of the Preferred Stock then outstanding shall first receive, or simultaneously receive, in addition to the dividends payable pursuant to the first sentence of this Section 1, a dividend on each outstanding share of Preferred Stock in an amount at least equal to (i) in the case of a dividend on Common Stock or any class or series that is

convertible into Common Stock, that dividend per share of Preferred Stock as would equal the product of (A) the dividend payable on each share of such class or series determined, if applicable, as if all shares of such class or series had been converted into Common Stock and (B) the number of shares of Common Stock issuable upon conversion of a share of Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (ii) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Preferred Stock determined by (A) dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to such class or series) and (B) multiplying such fraction by an amount equal to the applicable Original Issue Price (as defined below); provided that, if the Corporation declares, pays or sets aside, on the same date, a dividend on shares of more than one (1) class or series of capital stock of the Corporation, the dividend payable to the holders of Preferred Stock pursuant to this Section 1 shall be calculated based upon the dividend on the class or series of capital stock that would result in the highest Preferred Stock dividend. The "**Original Issue Price**" shall mean, with respect to the Series A Preferred Stock, $0.477 per share, and with respect to the Series B Preferred Stock, $0.8644 per share, in each case subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization.

2. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

2.1 Liquidation Preference.

2.1.1 Preferential Payments to Holders of Series B Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of shares of Series B Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders or, in the case of a Deemed Liquidation Event (as defined below), out of the consideration payable to stockholders in such Deemed Liquidation Event or the Available Proceeds (as defined below), before any payment shall be made to the holders of Series A Preferred Stock or Common Stock by reason of their ownership thereof, an amount per share equal to the greater of (i) the applicable Original Issue Price, plus any dividends declared but unpaid thereon, or (ii) such amount per share as would have been payable had all shares of Series B Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event (the amount payable pursuant to this sentence is hereinafter referred to as the "**Series B Liquidation Amount**"). If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series B Preferred Stock the full amount to which they shall be entitled under this Section 2.1.1, the holders of shares of Series B Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.1.2 Preferential Payments to Holders of Series A Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, after the payment of the full Series B Liquidation Amount set forth in Section 2.1.1, the holders of shares of Series A Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders or, in the case of a Deemed Liquidation Event (as defined below), out of the consideration payable to stockholders in such Deemed Liquidation Event or the Available Proceeds (as defined below), before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to the applicable Original Issue Price, plus any dividends declared but unpaid thereon. If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series A Preferred Stock the full amount to which they shall be entitled under this Section 2.1.2, the holders of shares of Series A Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.2 Distribution of Remaining Assets. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, after the payment in full of all liquidation amounts required to be paid to the holders of shares of Preferred Stock pursuant to Sections 2.1.1 and Sections 2.1.2, the remaining assets of the Corporation available for distribution to its stockholders or, in the case of a Deemed Liquidation Event, the consideration not payable to the holders of shares of Preferred Stock pursuant to Section 2.1 or the remaining Available Proceeds, as the case may be, shall be distributed among the holders of the shares of Series A Preferred Stock and Common Stock, pro rata based on the number of shares held by each such holder, treating for this purpose all such securities as if they had been converted to Common Stock pursuant to the terms of this Amended and Restated Certificate of Incorporation immediately prior to such liquidation, dissolution or winding up of the Corporation; provided, however, that if the aggregate amount which the holders of Series A Preferred Stock are entitled to receive with respect to such series under Section 2.1.2 and the preceding sentence of this Section 2.2 shall exceed $1.1925 per share (subject to appropriate adjustment in the event of a stock split, stock dividend, combination, reclassification, or similar event affecting the Series A Preferred Stock) (the "**Maximum Participation Amount**"), each holder of Series A Preferred Stock shall be entitled to receive with respect to such series upon such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event the greater of (i) the Maximum Participation Amount and (ii) the amount such holder would have received if all shares of Series A Preferred Stock had been converted into Common Stock immediately prior to such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event. The aggregate amount which a holder of a share of Series A Preferred Stock is entitled to receive with respect to such series under Sections 2.1.2 and 2.2 is hereinafter referred to as the "**Series A Liquidation Amount** ," and together with the Series B Liquidation Amount, (the "**Preferred Liquidation Amount**").

2.3 Deemed Liquidation Events.

2.3.1 Definition. Each of the following events shall be considered a "**Deemed Liquidation Event**" unless the holders of at least sixty-six percent (66%) of the outstanding shares of Series A Preferred Stock and Series B Preferred Stock, voting together as a

single class on an as-converted basis, which must include holders of at least sixty-six percent (66%) of the outstanding shares of Series B Preferred Stock, voting as a separate class (collectively, the "**Requisite Holders**"), elect otherwise by written notice sent to the Corporation at least ten (10) days prior to the effective date of any such event:

(a) a merger or consolidation in which

(i) the Corporation is a constituent party or

(ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation,

except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, a majority of the capital stock of (1) the surviving or resulting corporation; or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or

(b) (1) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or (2) the sale or disposition (whether by merger, consolidation or otherwise, and whether in a single transaction or a series of related transactions) of one (1) or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation.

2.3.2 Effecting a Deemed Liquidation Event.

(a) The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Section 2.3.1(a)(i) unless the agreement or plan of merger or consolidation for such transaction (the "**Merger Agreement**") provides that the consideration payable to the stockholders of the Corporation in such Deemed Liquidation Event shall be allocated to the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2.

(b) In the event of a Deemed Liquidation Event referred to in Section 2.3.1(a)(ii) or 2.3.1(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within ninety (90) days after such Deemed Liquidation Event, then (i) the Corporation shall send a written notice to each holder of Preferred Stock no later than the ninetieth (90th) day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause (ii) to require the redemption of such shares of Preferred Stock, and (ii) if the

Requisite Holders so request in a written instrument delivered to the Corporation not later than one hundred twenty (120) days after such Deemed Liquidation Event, the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board of Directors), together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the "**Available Proceeds**"), on the one hundred fiftieth (150th) day after such Deemed Liquidation Event, to redeem all outstanding shares of Preferred Stock at a price per share equal to the applicable Preferred Liquidation Amount. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Preferred Stock, the Corporation shall redeem a pro rata portion of each holder's shares of Preferred Stock to the fullest extent of such Available Proceeds, based on the respective amounts which would otherwise be payable in respect of the shares to be redeemed if the Available Proceeds were sufficient to redeem all such shares, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to stockholders. Prior to the distribution or redemption provided for in this Section 2.3.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event or in the ordinary course of business.

(c) The Corporation shall send written notice (the "**Redemption Notice**") of a required redemption pursuant to Subsection 2.3.2(b) (such redemption, the "**Liquidation Redemption**") to each holder of record of Preferred Stock not less than twenty (20) days prior to the Redemption Date. The Redemption Notice shall state:

(i) the number of shares of each series of Preferred Stock held by the holder that the Corporation shall redeem on the Redemption Date;

(ii) the Redemption Date and the amount of Available Proceeds such holder is entitled to receive pursuant to the Liquidation Redemption (the "**Applicable Redemption Price**");

(iii) the date upon which the holder's right to convert such shares terminates; and

(iv) for holders of shares in certificated form, that the holder is to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of Series Preferred Stock to be redeemed.

(d) On or before the Redemption Date, each holder of shares of Preferred Stock, unless such holder has exercised his, her or its right to convert such shares as provided in Section 4.1, shall, if a holder of shares in certificated form, surrender the certificate or certificates representing such shares (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation, in the manner and at the place designated in the Redemption Notice, and

thereupon the Applicable Redemption Price for such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof.

(e) If the Redemption Notice shall have been duly given, and if on the applicable Redemption Date the Applicable Redemption Price payable upon redemption of the shares of the same series of Preferred Stock to be redeemed on the Redemption Date is paid or tendered for payment or deposited with an independent payment agent so as to be available therefor in a timely manner, then notwithstanding that any certificates evidencing any of the shares of a series of Preferred Stock so called for redemption shall not have been surrendered, dividends with respect to such shares of Preferred Stock shall cease to accrue after the Redemption Date and all rights with respect to such shares shall forthwith after the Redemption Date terminate, except only the right of the holders to receive the Applicable Redemption Price without interest upon surrender of any such certificate or certificates therefor.

2.3.3 Amount Deemed Paid or Distributed. The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities to be paid or distributed to such holders pursuant to such Deemed Liquidation Event. The value of such property, rights or securities shall be determined in good faith by the Board of Directors, including the approval of a majority of Preferred Directors (as defined herein) then in office, which must include the approval of at least one of the Series B Preferred Directors (the "**Requisite Preferred Directors**").

2.3.4 Allocation of Escrow and Contingent Consideration. In the event of a Deemed Liquidation Event pursuant to Section 2.3.1(a)(i), if any portion of the consideration payable to the stockholders of the Corporation is payable only upon satisfaction of contingencies (the "**Additional Consideration**"), the Merger Agreement shall provide that (a) the portion of such consideration that is not Additional Consideration (such portion, the "**Initial Consideration**") shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event; and (b) any Additional Consideration which becomes payable to the stockholders of the Corporation upon satisfaction of such contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 2.2 and 2.2 after taking into account the previous payment of the Initial Consideration as part of the same transaction. For the purposes of this Section 2.3.4, consideration placed into escrow or retained as a holdback to be available for satisfaction of indemnification or similar obligations in connection with such Deemed Liquidation Event shall be deemed to be Additional Consideration.

3. Voting.

3.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided

by law or by the other provisions of this Amended and Restated Certificate of Incorporation, holders of Preferred Stock shall vote together with the holders of Common Stock as a single class and on an as-converted to Common Stock basis.

3.2 Election of Directors. The holders of record of the shares of Series B Preferred Stock, exclusively and as a separate class, shall be entitled to elect two (2) directors of the Corporation (each, a "**Series B Preferred Director**"), the holders of record of the shares of Series A Preferred Stock, exclusively and as a separate class, shall be entitled to elect three (3) directors of the Corporation (each, a "**Series A Preferred Director**," and together with the Series B Preferred Directors, the "**Preferred Directors**"), and the holders of record of the shares of Common Stock, exclusively and as a separate class, shall be entitled to elect two (2) directors of the Corporation; provided, however, for administrative convenience, the initial Series B Preferred Directors may also be appointed by the Board of Directors in connection with the approval of the initial issuance of Series B Preferred Stock without a separate action by the holders of Series B Preferred Stock. Any director elected as provided in the preceding sentence may be removed without cause by, and only by, the affirmative vote of the holders of the shares of the class or series of capital stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders. If the holders of shares of Preferred Stock or Common Stock, as the case may be, fail to elect a sufficient number of directors to fill all directorships for which they are entitled to elect directors, voting exclusively and as a separate class, pursuant to the first sentence of this Section 3.2, then any directorship not so filled shall remain vacant until such time as the holders of the Preferred Stock or Common Stock, as the case may be, elect a person to fill such directorship by vote or written consent in lieu of a meeting; and no such directorship may be filled by stockholders of the Corporation other than by the stockholders of the Corporation that are entitled to elect a person to fill such directorship, voting exclusively and as a separate class. The holders of record of the shares of Common Stock and of any other class or series of voting stock (including the Preferred Stock), exclusively and voting together as a single class on an as converted basis, shall be entitled to elect the balance of the total number of directors of the Corporation. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the class or series entitled to elect such director shall constitute a quorum for the purpose of electing such director. Except as otherwise provided in this Section 3.2, a vacancy in any directorship filled by the holders of any class or classes or series shall be filled only by vote or written consent in lieu of a meeting of the holders of such class or classes or series or by any remaining director or directors elected by the holders of such class or classes or series pursuant to this Section 3.2. The rights of the holders of the Series B Preferred Stock under the first sentence of this Section 3.2 shall terminate on the first date following the Original Issue Date (as defined below) on which there are issued and outstanding less than 15,500,000 shares of Series B Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination, or other similar recapitalization with respect to the Series B Preferred Stock). The rights of the holders of the Series A Preferred Stock under the first sentence of this Section 3.2 shall terminate on the first date following the Original Issue Date (as defined below) on which there are issued and outstanding less than 10,500,000 shares of Series A Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination, or other similar recapitalization with respect to the Series A Preferred Stock).

3.3 Preferred Stock Protective Provisions. At any time when at least 26,000,000 shares of Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to any series of Preferred Stock) are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation, recapitalization, reclassification, or otherwise, do any of the following without (in addition to any other vote required by law or this Amended and Restated Certificate of Incorporation) the written consent or affirmative vote of the Requisite Holders given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect.

3.3.1 liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any merger or consolidation or any other Deemed Liquidation Event, or consent to any of the foregoing;

3.3.2 amend, alter or repeal any provision of this Amended and Restated Certificate of Incorporation or the Corporation's Bylaws (the "**Bylaws**"), in a manner that adversely affects the powers, preferences or rights of the Preferred Stock (or any series thereof);

3.3.3 (i) create, or authorize the creation of, or issue or obligate itself to issue shares of, or reclassify, any capital stock unless the same ranks junior to each series of the Preferred Stock with respect to its rights, preferences and privileges, or (ii) increase the authorized number of shares of Preferred Stock (or any series thereof) or any additional class or series of capital stock of the Corporation, unless the same ranks junior to each series of the Preferred Stock with respect to its rights, preferences and privileges;

3.3.4 cause or permit any of its subsidiaries to sell, issue, sponsor, create or distribute any digital tokens, cryptocurrency or other blockchain-based assets (collectively, "**Tokens**"), including through a pre-sale, initial coin offering, token distribution event or crowdfunding, or through the issuance of any instrument convertible into or exchangeable for Tokens;

3.3.5 purchase or redeem (or permit any subsidiary to purchase or redeem) or pay or declare any dividend or make any distribution on, any shares of capital stock of the Corporation other than (i) redemptions of or dividends or distributions on the Preferred Stock as expressly authorized herein, (ii) dividends or other distributions payable on the Common Stock solely in the form of additional shares of Common Stock and (iii) repurchases of stock from former employees, officers, directors, consultants or other persons who performed services for the Corporation or any subsidiary in connection with the cessation of such employment or service at no greater than the original purchase price thereof, or (iv) as approved by the Board of Directors, including the approval of the Requisite Preferred Directors;

3.3.6 create, or authorize the creation of, or issue, or authorize the issuance of any debt security or create any lien or security interest (except for purchase money liens or statutory liens of landlords, mechanics, materialmen, workmen, warehousemen and other similar persons arising or incurred in the ordinary course of business) or incur other indebtedness for borrowed money, including but not limited to obligations and contingent obligations under

guarantees, or permit any subsidiary to take any such action with respect to any debt security lien, security interest or other indebtedness for borrowed money, other than equipment leases, bank lines of credit or trade payables incurred in the ordinary course unless such debt security has received the prior approval of the Board of Directors, including the approval of the Requisite Preferred Directors;

3.3.7 create, or hold capital stock in, any subsidiary that is not wholly owned (either directly or through one (1) or more other subsidiaries) by the Corporation, or permit any subsidiary to create, or authorize the creation of, or issue or obligate itself to issue, any shares of any class or series of capital stock, or sell, transfer or otherwise dispose of any capital stock of any direct or indirect subsidiary of the Corporation, or permit any direct or indirect subsidiary to sell, lease, transfer, exclusively license or otherwise dispose (in a single transaction or series of related transactions) of all or substantially all of the assets of such subsidiary;

3.3.8 enter into or consummate any material asset or equity interest acquisition;

3.3.9 effect or consent to any registered public offering, including a Qualified IPO (as defined below), or a merger, acquisition or other business combination involving the Corporation and a publicly traded special purpose acquisition company, or other similar entity that is a "blank check" company under applicable securities laws (a "**SPAC Transaction**");

3.3.10 enter into any interested party transaction, which shall include, without limitation, any transaction with any director, officer or employee of the Corporation or any "associate" (as defined in Rule 12b-2 promulgated under the Securities Exchange Act of 1934, as amended) of any such person outside of the ordinary course of business, unless such interested party transaction is approved by a majority of the disinterested directors of the Corporation; or

3.3.11 increase or decrease the authorized number of directors constituting the Board of Directors or change the number of votes entitled to be cast by any director or directors on any matter.

4 . Optional Conversion. The holders of the Preferred Stock shall have conversion rights as follows (the "**Conversion Rights**"):

4.1 Right to Convert.

4.1.1 Conversion Ratio. Each share of Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and non-assessable shares of Common Stock as is determined by dividing the applicable Original Issue Price by the applicable Conversion Price (as defined below) in effect at the time of conversion. The "**Conversion Price**" with respect to the Series A Preferred Stock shall initially be equal to the Original Issue Price for the Series A Preferred Stock and with respect to the Series B Preferred Stock shall initially be equal to the Original Issue Price for the Series B Preferred Stock. Such

initial applicable Conversion Price, and the rate at which shares of Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

4.1.2 Termination of Conversion Rights. In the event of a liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights shall terminate at the close of business on the last full day preceding the date fixed for the payment of any such amounts distributable on such event to the holders of Preferred Stock; provided that the foregoing termination of Conversion Rights shall not affect the amount(s) otherwise paid or payable in accordance with Sections 2.1 and 2.2 to holders of Preferred Stock pursuant to such liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event.

4.2 Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the number of shares of Common Stock to be issued upon conversion of the Preferred Stock shall be rounded to the nearest whole share.

4.3 Mechanics of Conversion.

4.3.1 Notice of Conversion. In order for a holder of Preferred Stock to voluntarily convert shares of Preferred Stock into shares of Common Stock, such holder shall (a) provide written notice to the Corporation's transfer agent at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent) that such holder elects to convert all or any number of such holder's shares of Preferred Stock and, if applicable, any event on which such conversion is contingent and (b), if such holder's shares are certificated, surrender the certificate or certificates, if applicable, for such shares of Preferred Stock (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent). Such notice shall state such holder's name or the names of the nominees in which such holder wishes the shares of Common Stock to be issued. If required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such notice and, if applicable, certificates (or lost certificate affidavit and agreement) shall be the time of conversion (the "**Conversion Time**"), and the shares of Common Stock issuable upon conversion of the specified shares shall be deemed to be outstanding of record as of such date. The Corporation shall, as soon as practicable after the Conversion Time (i) issue and deliver to such holder of Preferred Stock, or to his, her or its nominees, a certificate or certificates (or other evidence of ownership) for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, and (ii) pay all declared but unpaid dividends on the shares of Preferred Stock converted.

4.3.2 Reservation of Shares. The Corporation shall at all times when the Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Amended and Restated Certificate of Incorporation. Before taking any action which would cause an adjustment reducing the applicable Conversion Price for any series of Preferred Stock below the then par value of the shares of Common Stock issuable upon conversion of such series of Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and non-assessable shares of Common Stock at such adjusted applicable Conversion Price.

4.3.3 Effect of Conversion. All shares of Preferred Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor and to receive payment of any dividends declared but unpaid thereon. Any shares of Preferred Stock so converted shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock accordingly.

4.3.4 No Further Adjustment. Upon any such conversion, no adjustment to the applicable Conversion Price of any series of Preferred Stock shall be made for any declared but unpaid dividends on the Preferred Stock surrendered for conversion or on the Common Stock delivered upon conversion.

4.3.5 Taxes. The Corporation shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of shares of Common Stock upon conversion of shares of Preferred Stock pursuant to this Section 4. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that in which the shares of Preferred Stock so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

4.4 Adjustments to Conversion Price for Diluting Issues.

4.4.1 Special Definitions. For purposes of this Article Fourth, the following definitions shall apply:

(a) "**Additional Shares of Common Stock**" shall mean all shares of Common Stock issued (or, pursuant to Section 4.4.3 below, deemed to be issued) by the Corporation after the first date following the date the first share of Series B Preferred Stock was issued (the "**Original Issue Date**"), other than (1) the following shares of Common Stock and (2) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (1) and (2), collectively, "**Exempted Securities**"):

(i) as to any series of Preferred Stock shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on such series of Preferred Stock;

(ii) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Section 4.5, 4.6, 4.7 or 4.8;

(iii) shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors, including the approval of the Requisite Preferred Directors;

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

(v) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction approved by the Board of Directors, including the approval of the Requisite Preferred Directors;

(vi) shares of Common Stock, Options or Convertible Securities issued to suppliers or third party service providers in connection with the provision of goods or services pursuant to transactions approved by the Board of Directors, including the approval of the Requisite Preferred Directors;

(vii) shares of Common Stock, Options or Convertible Securities issued as acquisition consideration pursuant to the acquisition of another corporation by the Corporation by merger, purchase of substantially all of the assets or other reorganization or to a joint venture agreement, provided that such issuances are approved by the Board of Directors, including the approval of the Requisite Preferred Directors;

(viii) shares of Common Stock, Options or Convertible Securities issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships approved by the Board of Directors, including the approval of the Requisite Preferred Directors;

(ix) shares of Series B Preferred Stock issued (or Common Stock issued upon conversion thereof) pursuant to that certain Series B Preferred Stock Purchase Agreement, dated on or after the filing date of this Amended and Restated Certificate of Incorporation, by and among the Corporation and the other parties thereto, as the same may be amended from time to time; or

(x) shares of Common Stock, Options or Convertible Securities that are deemed to be Exempted Securities by the Requisite Holders.

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

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

4.4.2 No Adjustment of Conversion Price. No adjustment in the applicable Conversion Price of any series of Preferred Stock shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the Requisite Holders agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock.

4.4.3 Deemed Issue of Additional Shares of Common Stock.

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

(b) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the applicable Conversion Price of any series of Preferred Stock pursuant to the terms of Section 4.4.4, are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (2) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the applicable Conversion Price

computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such applicable Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (b) shall have the effect of increasing the applicable Conversion Price of any series of Preferred Stock to an amount which exceeds the lower of (i) the applicable Conversion Price of such series of Preferred Stock in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (ii) the applicable Conversion Price of such series of Preferred Stock that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(c) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to the applicable Conversion Price of any series of Preferred Stock pursuant to the terms of Section 4.4.4 (either because the consideration per share (determined pursuant to Section 4.4.5) of the Additional Shares of Common Stock subject thereto was equal to or greater than the applicable Conversion Price then in effect, or because such Option or Convertible Security was issued before the Original Issue Date), are revised after the Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Section 4.4.3(a)) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(d) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the applicable Conversion Price for any series of Preferred Stock pursuant to the terms of Section 4.4.4, such applicable Conversion Price shall be readjusted to such applicable Conversion Price as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(e) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the applicable Conversion Price for any series of Preferred Stock provided for in this Section 4.4.3 shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in clauses (b) and (c) of this Section 4.4.3). If the number of shares of Common Stock

issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to the applicable Conversion Price for any series of Preferred Stock that would result under the terms of this Section 4.4.3 at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to the applicable Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

4.4.4 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 4.4.3), without consideration or for a consideration per share less than the applicable Conversion Price for any series of Preferred Stock in effect immediately prior to such issuance or deemed issuance, then such applicable 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:

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

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

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

(d) "**B**" shall mean the number of shares of Common Stock that would have been issued if such Additional Shares of Common Stock had been issued or deemed issued at a price per share equal to CP1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP1); and

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

4.4.5 Determination of Consideration. For purposes of this Section 4.4, the consideration received by the Corporation for the issuance or deemed issuance of any Additional Shares of Common Stock shall be computed as follows:

(a) Cash and Property. Such consideration shall:

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

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

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

(b) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 4.4.3, relating to Options and Convertible Securities, shall be determined by dividing:

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

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

4.4.6 Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the applicable Conversion Price pursuant to the terms of Section 4.4.4, and such issuance dates occur within a period of no more than ninety (90) days from the first such issuance to the final such issuance, then, upon the final such issuance, the applicable Conversion Price shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without

giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

4.5 Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the Original Issue Date effect a subdivision of the outstanding Common Stock, the applicable Conversion Price for each series of Preferred Stock in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Original Issue Date combine the outstanding shares of Common Stock, the applicable Conversion Price in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this Section shall become effective at the close of business on the date the subdivision or combination becomes effective.

4.6 Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the applicable Conversion Price in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the applicable Conversion Price then in effect by a fraction:

(1) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(2) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing, (a) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the applicable Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the applicable Conversion Price shall be adjusted pursuant to this Section as of the time of actual payment of such dividends or distributions; and (b) that no such adjustment shall be made if the holders of Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of Preferred Stock had been converted into Common Stock on the date of such event.

4.7 Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date shall make or issue, or

fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) or in other property and the provisions of Section 1 do not apply to such dividend or distribution, then and in each such event the holders of Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities or other property in an amount equal to the amount of such securities or other property as they would have received if all outstanding shares of Preferred Stock had been converted into Common Stock on the date of such event.

4.8 Adjustment for Merger or Reorganization, etc. Subject to the provisions of Section 2.3, if there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not the Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Sections 4.4, 4.6, or 4.7), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of Preferred Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one (1) share of Preferred Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board of Directors) shall be made in the application of the provisions in this Section 4 with respect to the rights and interests thereafter of the holders of the Preferred Stock, to the end that the provisions set forth in this Section 4 (including provisions with respect to changes in and other adjustments of the Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Preferred Stock.

4.9 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the applicable Conversion Price for any series of Preferred Stock pursuant to this Section 4, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than ten (10) days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Preferred Stock (but in any event not later than ten (10) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the applicable Conversion Price then in effect, and (ii) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of Preferred Stock.

4.10 Notice of Record Date. In the event:

(a) the Corporation shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other

distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Preferred Stock and the Common Stock. Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice.

5. Mandatory Conversion.

5.1 Trigger Events. Upon either (a) the closing of the sale of shares of Common Stock in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $75,000,000 of proceeds, net of the underwriting discounts and commissions, to the Corporation and in connection with such offering the Common Stock is listed for trading on the Nasdaq Stock Market's National Market, the New York Stock Exchange or another exchange or marketplace approved the Board of Directors (a "**Qualified IPO**"), or (b) the date and time, or the occurrence of an event, specified by vote or written consent of the Requisite Holders (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "**Mandatory Conversion Time**"), then (i) all outstanding shares of Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective applicable conversion rate as calculated pursuant to Section 4.1.1 and (ii) such shares may not be reissued by the Corporation. Notwithstanding the foregoing, a SPAC Transaction shall not qualify as, or be deemed to be, a Qualified IPO.

5.2 Procedural Requirements. All holders of record of shares of Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Preferred Stock pursuant to this Section 5. Such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Preferred Stock in certificated form shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may

be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Preferred Stock converted pursuant to Section 5.1, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender any certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of any certificate or certificates of such holders (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 5.2. As soon as practicable after the Mandatory Conversion Time and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Preferred Stock, the Corporation shall (a) issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates (or other evidence of ownership) for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof and (b) pay any declared but unpaid dividends on the shares of Preferred Stock converted. Such converted Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock accordingly.

6 . Redeemed or Otherwise Acquired Shares. Any shares of Preferred Stock that are redeemed, converted or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Preferred Stock following redemption, conversion or acquisition.

7 . Waiver. Except as otherwise set forth herein, any of the rights, powers, preferences and other terms of the Preferred Stock set forth herein may be waived on behalf of all holders of Preferred Stock by the affirmative written consent or vote of the Requisite Holders.

8 . Notices. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

FIFTH: Subject to any additional vote required by this Amended and Restated Certificate of Incorporation or the Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws.

SIXTH: Subject to any additional vote required by this Amended and Restated Certificate of Incorporation, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws. Each director shall be entitled to one (1) vote on each matter presented to the Board of Directors; provided, however, that, so long as the holders of Preferred Stock are entitled to elect the Preferred Directors, the affirmative vote of the Requisite Preferred

Directors shall be required for the authorization by the Board of Directors of any of the matters set forth in Section 5.4 of the Amended and Restated Investors' Rights Agreement, dated as of the Original Issue Date, by and among the Corporation and the other parties thereto, as such agreement may be amended from time to time.

SEVENTH: Elections of directors need not be by written ballot unless the Bylaws shall so provide.

EIGHTH: Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws.

NINTH: To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article Ninth to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended. Any repeal or modification of the foregoing provisions of this Article Ninth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

TENTH: To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law. Any amendment, repeal or modification of the foregoing provisions of this Article Tenth shall not (a) adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification or (b) increase the liability of any director of the Corporation with respect to any acts or omissions of such director, officer or agent occurring prior to, such amendment, repeal or modification.

ELEVENTH: The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An "**Excluded Opportunity**" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Preferred Stock or any partner, member, director, stockholder, employee, affiliate or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, the persons referred to in clauses (i) and (ii) are "**Covered Persons**"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered

Person expressly and solely in such Covered Person's capacity as a director of the Corporation while such Covered Person is performing services in such capacity. Any repeal or modification of this Article Eleventh will only be prospective and will not affect the rights under this Article Eleventh in effect at the time of the occurrence of any actions or omissions to act giving rise to liability. Notwithstanding anything to the contrary contained elsewhere in this Amended and Restated Certificate of Incorporation, the affirmative vote of the Requisite Holders will be required to amend or repeal, or to adopt any provisions inconsistent with this Article Eleventh.

TWELFTH: Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the General Corporation Law or this Amended and Restated Certificate of Incorporation or the Bylaws or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten (10) days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article Twelfth shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article Twelfth (including, without limitation, each portion of any sentence of this Article Twelfth containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

THIRTEENTH: Unless the Corporation consents in writing to the selection of an alternate forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended. Any person or entity purchasing or otherwise acquiring any interest in any security of the Corporation shall be deemed to have notice of and consented to this Article Thirteenth.

FOURTEENTH: For purposes of Section 500 of the California Corporations Code (to the extent applicable), in connection with any repurchase of shares of Common Stock permitted under this Amended and Restated Certificate of Incorporation from employees, officers, directors or consultants of the Corporation in connection with a termination of employment or services pursuant to agreements or arrangements approved by the Board of Directors (in addition to any other consent required under this Amended and Restated Certificate of Incorporation), such repurchase may be made without regard to any "preferential dividends arrears amount" or "preferential rights amount" (as those terms are defined in Section 500 of the California

Corporations Code). Accordingly, for purposes of making any calculation under California Corporations Code Section 500 in connection with such repurchase, the amount of any "preferential dividends arrears amount" or "preferential rights amount" (as those terms are defined therein) shall be deemed to be zero (0).

* * *

3 . That the foregoing amendment and restatement was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

4 . That this Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this Corporation's Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

(Signature Page Follows)

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this Corporation on May 31, 2022.

By: /s/ Jon Congleton
Jon Congleton, Chief Executive Officer

SIGNATURE PAGE TO AMEND AND RESTATED CERTIFICATE OF INCORPORATION

BY-LAWS

of

CATALYS SC1, INC.

(the "Corporation")

1. Stockholders

(a) Annual Meeting. The annual meeting of stockholders shall be held for the election of directors each year at such place, date and time as shall be designated by the Board of Directors. Any other proper business may be transacted at the annual meeting. If no date for the annual meeting is established or said meeting is not held on the date established as provided above, a special meeting in lieu thereof may be held or there may be action by written consent of the stockholders on matters to be voted on at the annual meeting, and such special meeting or written consent shall have for the purposes of these By-laws or otherwise all the force and effect of an annual meeting.

(b) Special Meetings. Special meetings of stockholders may be called by the Chief Executive Officer, if one is elected, or, if there is no Chief Executive Officer, a President, or by the Board of Directors, but such special meetings may not be called by any other person or persons. The call for the meeting shall state the place, date, hour and purposes of the meeting. Only the purposes specified in the notice of special meeting shall be considered or dealt with at such special meeting.

(c) Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a notice stating the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present and vote at such meeting, and, in the case of a special meeting, the purpose or purposes of the meeting, shall be given by the Secretary (or other person authorized by these By-laws or by law) not less than ten (10) nor more than sixty (60) days before the meeting to each stockholder entitled to vote thereat and to each stockholder who, under the Certificate of Incorporation or under these By-laws is entitled to such notice. If mailed, notice is given when deposited in the mail, postage prepaid, directed to such stockholder at such stockholder's address as it appears in the records of the Corporation. Without limiting the manner by which notice otherwise may be effectively given to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law (the "DGCL").

If a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place, if any, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken, except that if the adjournment is for more than thirty (30) days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

(d) Quorum. The holders of a majority in interest of all stock issued, outstanding and entitled to vote at a meeting, present in person or represented by proxy, shall constitute a quorum. Any meeting may be adjourned from time to time by a majority of the votes properly cast upon the question, whether or not a quorum is present. The stockholders present at a duly constituted meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough stockholders to reduce the voting shares below a quorum.

(e) Voting and Proxies. Except as otherwise provided by the Certificate of Incorporation or by law, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by such stockholder which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by either written proxy or by a transmission permitted by Section 212(c) of the DGCL, but no proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period or is irrevocable and coupled with an interest. Proxies shall be filed with the Secretary of the meeting, or of any adjournment thereof. Except as otherwise limited therein, proxies shall entitle the persons authorized thereby to vote at any adjournment of such meeting.

(f) Action at Meeting. When a quorum is present, any matter before the meeting shall be decided by vote of the holders of a majority of the shares of stock voting on such matter except where a larger vote is required by law, by the Certificate of Incorporation or by these By-laws. Any election of directors by stockholders shall be determined by a plurality of the votes cast, except where a larger vote is required by law, by the Certificate of Incorporation or by these By-laws. The Corporation shall not directly or indirectly vote any share of its own stock; provided, however, that the Corporation may vote shares which it holds in a fiduciary capacity to the extent permitted by law.

(g) Presiding Officer. Meetings of stockholders shall be presided over by the Chairman of the Board, if one is elected, or in his or her absence, the Vice Chairman of the Board, if one is elected, or if neither is elected or in their absence, a President. The Board of Directors shall have the authority to appoint a temporary presiding officer to serve at any meeting of the stockholders if the Chairman of the Board, the Vice Chairman of the Board or a President is unable to do so for any reason.

(h) Conduct of Meetings. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the presiding officer of any meeting of stockholders shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding officer of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendanceat or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine;

(iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board of Directors or the presiding officer of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

(i) Action without a Meeting. Unless otherwise provided in the Certificate of Incorporation, any action required or permitted by law to be taken at any annual or special meeting of stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Corporation by delivery to its registered office, by hand or by certified mail, return receipt requested, or to the Corporation's principal place of business or to the officer of the Corporation having custody of the minute book. Every written consent shall bear the date of signature and no written consent shall be effective unless, within sixty (60) days of the earliest dated consent delivered pursuant to these By-laws, written consents signed by a sufficient number of stockholders entitled to take action are delivered to the Corporation in the manner set forth in these By-laws. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

(j) Stockholder Lists. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Nothing contained in this Section 1(j) shall require the Corporation to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, for a period of at least ten (10) days prior to the meeting in the manner provided by law. The list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law.

2. Directors

(a) Powers. The business of the Corporation shall be managed by or under the direction of a Board of Directors who may exercise all the powers of the Corporation except as otherwise provided by law, by the Certificate of Incorporation or by these By-laws. In the event of a vacancy in the Board of Directors, the remaining directors, except as otherwise provided by law, may exercise the powers of the full Board until the vacancy is filled.

(b) Number and Qualification. Unless otherwise provided in the Certificate of Incorporation or in these By-laws, the number of directors which shall constitute the whole board shall be determined from time to time by resolution of the Board of Directors. Directors need not be stockholders.

(c) Vacancies; Reduction of Board. A majority of the directors then in office, although less than a quorum, or a sole remaining Director, may fill vacancies in the Board of Directors occurring for any reason and newly created directorships resulting from any increase in the authorized number of directors. In lieu of filling any vacancy, the Board of Directors may reduce the number of directors.

(d) Tenure. Except as otherwise provided by law, by the Certificate of Incorporation or by these By-laws, directors shall hold office until their successors are elected and qualified or until their earlier resignation or removal. Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

(e) Removal. To the extent permitted by law, a director may be removed from office with or without cause by vote of the holders of a majority of the shares of stock entitled to vote in the election of directors.

(f) Meetings. Regular meetings of the Board of Directors may be held without notice at such time, date and place as the Board of Directors may from time to time determine. Special meetings of the Board of Directors may be called, orally or in writing, by the Chief Executive Officer, if one is elected, or, if there is no Chief Executive Officer, the President, or by two or more Directors, designating the time, date and place thereof. Directors may participate in meetings of the Board of Directors by means of conference telephone or other communications equipment by means of which all directors participating in the meeting can hear each other, and participation in a meeting in accordance herewith shall constitute presence in person at such meeting.

(g) Notice of Meetings. Notice of the time, date and place of all special meetings of the Board of Directors shall be given to each director by the Secretary, or Assistant Secretary, or in case of the death, absence, incapacity or refusal of such persons, by the officer or one of the directors calling the meeting. Notice shall be given to each director in person, by telephone, or by facsimile, electronic mail or other form of electronic communications, sent to such director's business or home address at least twenty-four (24) hours in advance of the meeting, or by written notice mailed to such director's business or home address at least forty-eight (48) hours in advance of the meeting.

(h) Quorum. At any meeting of the Board of Directors, the greater of (a) a majority of the directors then in office at the time quorum is to be determined and (b) one-third of the total number of directors fixed pursuant to Section 2(b) of these By-laws shall constitute a quorum for the transaction of business. Less than a quorum may adjourn any meeting from time to time and the meeting may be held as adjourned without further notice.

(i) Action at Meeting. At any meeting of the Board of Directors at which a quorum is present, unless otherwise provided in the following sentence, a majority of the directors present may take any action on behalf of the Board of Directors, unless a larger number is required by law, by the Certificate of Incorporation or by these By-laws. So long as there are

two (2) or fewer Directors, any action to be taken by the Board of Directors shall require the approval of all Directors.

(j) Action by Consent. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the records of the meetings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

(k) Committees. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, establish one or more committees, each committee to consist of one or more directors. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval or (ii) adopting, amending or repealing any provision of these By-laws.

Except as the Board of Directors may otherwise determine, any such committee may make rules for the conduct of its business, but in the absence of such rules its business shall be conducted so far as possible in the same manner as is provided in these By-laws for the Board of Directors. All members of such committees shall hold their committee offices at the pleasure of the Board of Directors, and the Board may abolish any committee at any time.

3. Officers

(a) Enumeration. The officers of the Corporation shall consist of one or more Presidents (who, if there is more than one, shall be referred to as Co-Presidents), a Treasurer, a Secretary, and such other officers, including, without limitation, a Chief Executive Officer and one or more Vice Presidents (including Executive Vice Presidents or Senior Vice Presidents), Assistant Vice Presidents, Assistant Treasurers and Assistant Secretaries, as the Board of Directors may determine. The Board of Directors may elect from among its members a Chairman of the Board and a Vice Chairman of the Board.

(b) Election. The Presidents, Treasurer and Secretary shall be elected annually by the Board of Directors at their first meeting following the annual meeting of stockholders. Other officers may be chosen by the Board of Directors at such meeting or at any other meeting.

(c) Qualification. No officer need be a stockholder or Director. Any two or more offices may be held by the same person. Any officer may be required by the Board of Directors to give bond for the faithful performance of such officer's duties in such amount and with such sureties as the Board of Directors may determine.

(d) Tenure. Except as otherwise provided by the Certificate of Incorporation or by these By-laws, each of the officers of the Corporation shall hold office until the first meeting of the Board of Directors following the next annual meeting of stockholders and until such officer's successor is elected and qualified or until such officer's earlier resignation or removal. Any officer may resign by delivering his or her written resignation to the Corporation, and such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

(e) Removal. The Board of Directors may remove any officer with or without cause by a vote of a majority of the directors then in office.

(f) Vacancies. Any vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors.

(g) Chairman of the Board and Vice Chairman. Unless otherwise provided by the Board of Directors, the Chairman of the Board of Directors, if one is elected, shall preside, when present, at all meetings of the stockholders and the Board of Directors. The Chairman of the Board shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

Unless otherwise provided by the Board of Directors, in the absence of the Chairman of the Board, the Vice Chairman of the Board, if one is elected, shall preside, when present, at all meetings of the stockholders and the Board of Directors. The Vice Chairman of the Board shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

(h) Chief Executive Officer. The Chief Executive Officer, if one is elected, shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

(i) Presidents. The Presidents shall, subject to the direction of the Board of Directors, each have general supervision and control of the Corporation's business and any action that would typically be taken by a President may be taken by any Co-President. If there is no Chairman of the Board or Vice Chairman of the Board, a President shall preside, when present, at all meetings of stockholders and the Board of Directors. The Presidents shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

(j) Vice Presidents and Assistant Vice Presidents. Any Vice President (including any Executive Vice President or Senior Vice President) and any Assistant Vice President shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

(k) Treasurer and Assistant Treasurers. The Treasurer shall, subject to the direction of the Board of Directors, have general charge of the financial affairs of the Corporation and shall cause to be kept accurate books of account. The Treasurer shall have custody of all funds, securities, and valuable documents of the Corporation, except as the Board of Directors may otherwise provide. The Treasurer shall have such other powers and shall perform such duties as the Board of Directors may from time to time designate.

Any Assistant Treasurer shall have such powers and perform such duties as the Board of Directors may from time to time designate.

(l) Secretary and Assistant Secretaries. The Secretary shall record the proceedings of all meetings of the stockholders and the Board of Directors (including committees of the Board) in books kept for that purpose. In the absence of the Secretary from any such meeting an Assistant Secretary, or if such person is absent, a temporary secretary chosen at the meeting, shall record the proceedings thereof. The Secretary shall have charge of the stock ledger (which may, however, be kept by any transfer or other agent of the Corporation) and shall have such other duties and powers as may be designated from time to time by the Board of Directors.

Any Assistant Secretary shall have such powers and perform such duties as the Board of Directors may from time to time designate.

(m) Other Powers and Duties. Subject to these By-laws, each officer of the Corporation shall have in addition to the duties and powers specifically set forth in these By-laws, such duties and powers as are customarily incident to such officer's office, and such duties and powers as may be designated from time to time by the Board of Directors.

4. Capital Stock

(a) Certificates of Stock. Each stockholder shall be entitled to a certificate of the capital stock of the Corporation in such form as may from time to time be prescribed by the Board of Directors. Such certificate shall be signed by, or in the name of, the Corporation by any two (2) authorized officers of the Corporation. Such signatures may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on such certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar at the time of its issue. Every certificate for shares of stock which are subject to any restriction on transfer and every certificate issued when the Corporation is authorized to issue more than one class or series of stock shall contain such legend with respect thereto as is required by law. The Corporation shall be permitted to issue fractional shares.

(b) Transfers. Subject to any restrictions on transfer, shares of stock may be transferred on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate therefor properly endorsed or accompanied by a written assignment or power of attorney properly executed, with transfer stamps (if necessary) affixed, and with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require.

(c) Record Holders. Except as may otherwise be required by law, by the Certificate of Incorporation or by these By-laws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock, until the shares have been transferred on the books of the Corporation in accordance with the requirements of these By-laws.

It shall be the duty of each stockholder to notify the Corporation of such stockholder's post office address.

(d) Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which shall not precede the date on which it is established, and which shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting, more than ten (10) days after the date on which the record date for stockholder consent without a meeting is established, nor more than sixty (60) days prior to any other action. In such case only stockholders of record on such record date shall be so entitled notwithstanding any transfer of stock on the books of the Corporation after the record date.

If no record date is fixed, (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held, (ii) the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is necessary, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation by delivery to its registered office in this state, to its principal place of business, or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded, and (iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

(e) Lost Certificates. The Corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the Corporation a bond sufficient to indemnify it against any claim that

may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

5. Indemnification

(a) Definitions. For purposes of this Section 5:

(i) "Corporate Status" describes the status of a person who is serving or has served (A) as a Director of the Corporation, (B) as an Officer of the Corporation, (C) as a Non-Officer Employee of the Corporation, or (D) as a director, partner, trustee, officer, employee or agent of any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, foundation, association, organization or other legal entity for which such person is or was serving at the request of the Corporation. For purposes of this Section 5(a)(i), a Director, Officer or Non-Officer Employee of the Corporation who is serving or has served as a director, partner, trustee, officer, employee or agent of a Subsidiary shall be deemed to be serving at the request of the Corporation. Notwithstanding the foregoing, "Corporate Status" shall not include the status of a person who is serving or has served as a director, officer, employee or agent of a constituent corporation absorbed in a merger or consolidation transaction with the Corporation with respect to such person's activities prior to said transaction, unless specifically authorized by the Board of Directors or the stockholders of the Corporation;

(ii) "Director" means any person who serves or has served the Corporation as a director on the Board of Directors of the Corporation;

(iii) "Disinterested Director" means, with respect to each Proceeding in respect of which indemnification is sought hereunder, a Director of the Corporation who is not and was not a party to such Proceeding;

(iv) "Expenses" means all reasonable attorneys fees, retainers, court costs, transcript costs, fees of expert witnesses, private investigators and professional advisors (including, without limitation, accountants and investment bankers), travel expenses, duplicating costs, printing and binding costs, costs of preparation of demonstrative evidence and other courtroom presentation aids and devices, costs incurred in connection with document review, organization, imaging and computerization, telephone charges, postage, delivery service fees, and all other disbursements, costs or expenses of the type customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, settling or otherwise participating in, a Proceeding;

(v) "Liabilities" means judgments, damages, liabilities, losses, penalties, excise taxes, fines and amounts paid in settlement;

(vi) "Non-Officer Employee" means any person who serves or has served as an employee or agent of the Corporation, but who is not or was not a Director or Officer;

(vii) "Officer" means any person who serves or has served the Corporation as an officer of the Corporation appointed by the Board of Directors of the Corporation;

(viii) "Proceeding" means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, inquiry, investigation, administrative hearing or other proceeding, whether civil, criminal, administrative, arbitrative or investigative; and

(ix) "Subsidiary" shall mean any corporation, partnership, limited liability company, joint venture, trust or other entity of which the Corporation owns (either directly or through or together with another Subsidiary of the Corporation) either (i) a general partner, managing member or other similar interest or (ii) (A) 50% or more of the voting power of the voting capital equity interests of such corporation, partnership, limited liability company, joint venture or other entity, or (B) 50% or more of the outstanding voting capital stock or other voting equity interests of such corporation, partnership, limited liability company, joint venture or other entity.

(b) Indemnification of Directors and Officers. Subject to the operation of Section 5(d) of these By-laws, each Director and Officer shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), and to the extent authorized in subsections (i) through (iv) of this Section 5(b).

(i) Actions, Suits and Proceedings Other than By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses and Liabilities that are incurred or paid by such Director or Officer or on such Director's or Officer's behalf in connection with any Proceeding or any claim, issue or matter therein (other than an action by or in the right of the Corporation), which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director's or Officer's Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(ii) Actions, Suits and Proceedings By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses that are incurred by such Director or Officer or on such Director's or Officer's behalf in connection with any Proceeding or any claim, issue or matter therein by or in the right of the Corporation, which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director's or Officer's Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation; provided, however, that no indemnification shall be

made under this Section 5(b)(ii) in respect of any claim, issue or matter as to which such Director or Officer shall have been finally adjudged by a court of competent jurisdiction to be liable to the Corporation, unless, and only to the extent that, the Court of Chancery or another court in which such Proceeding was brought shall determine upon application that, despite adjudication of liability, but in view of all the circumstances of the case, such Director or Officer is fairly and reasonably entitled to indemnification for such Expenses that such court deems proper.

(iii) Survival of Rights. The rights of indemnification provided by this Section 5(b) shall continue as to a Director or Officer after he or she has ceased to be a Director or Officer and shall inure to the benefit of his or her heirs, executors, administrators and personal representatives.

(iv) Actions by Directors or Officers. Notwithstanding the foregoing, the Corporation shall indemnify any Director or Officer seeking indemnification in connection with a Proceeding initiated by such Director or Officer only if such Proceeding (including any parts of such Proceeding not initiated by such Director or Officer) was authorized in advance by the Board of Directors of the Corporation, unless such Proceeding was brought to enforce such Officer's or Director's rights to indemnification or, in the case of Directors, advancement of Expenses under these By-laws in accordance with the provisions set forth herein.

(c) Indemnification of Non-Officer Employees. Subject to the operation of Section 5(d) of these By-laws, each Non-Officer Employee may, in the discretion of the Board of Directors of the Corporation, be indemnified by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, against any or all Expenses and Liabilities that are incurred by such Non-Officer Employee or on such Non-Officer Employee's behalf in connection with any threatened, pending or completed Proceeding, or any claim, issue or matter therein, which such Non-Officer Employee is, or is threatened to be made, a party to or participant in by reason of such Non-Officer Employee's Corporate Status, if such Non-Officer Employee acted in good faith and in a manner such Non-Officer Employee reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The rights of indemnification provided by this Section 5(c) shall exist as to a Non-Officer Employee after he or she has ceased to be a Non-Officer Employee and shall inure to the benefit of his or her heirs, personal representatives, executors and administrators. Notwithstanding the foregoing, the Corporation may indemnify any Non-Officer Employee seeking indemnification in connection with a Proceeding initiated by such Non-Officer Employee only if such Proceeding was authorized in advance by the Board of Directors of the Corporation.

(d) Determination. Unless ordered by a court, no indemnification shall be provided pursuant to this Section 5 to a Director, to an Officer or to a Non-Officer Employee unless a determination shall have been made that such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal Proceeding, such person had no reasonable cause to believe his or her conduct was unlawful. Such determination shall be made by (i) a majority vote of the Disinterested Directors, even though less than a quorum of the Board of Directors, (ii) a

committee comprised of Disinterested Directors, such committee having been designated by a majority vote of the Disinterested Directors (even though less than a quorum), (iii) if there are no such Disinterested Directors, or if a majority of Disinterested Directors so directs, by independent legal counsel in a written opinion, or (iv) by the stockholders of the Corporation.

(e) Advancement of Expenses to Directors Prior to Final Disposition.

(i) The Corporation shall advance all Expenses incurred by or on behalf of any Director in connection with any Proceeding in which such Director is involved by reason of such Director's Corporate Status within thirty (30) days after the receipt by the Corporation of a written statement from such Director requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Director and shall be preceded or accompanied by an undertaking by or on behalf of such Director to repay any Expenses so advanced if it shall ultimately be determined that such Director is not entitled to be indemnified against such Expenses. Notwithstanding the foregoing, the Corporation shall advance all Expenses incurred by or on behalf of any Director seeking advancement of expenses hereunder in connection with a Proceeding initiated by such Director only if such Proceeding (including any parts of such Proceeding not initiated by such Director) was (A) authorized by the Board of Directors of the Corporation, or (B) brought to enforce such Director's rights to indemnification or advancement of Expenses under these By-laws.

(ii) If a claim for advancement of Expenses hereunder by a Director is not paid in full by the Corporation within thirty (30) days after receipt by the Corporation of documentation of Expenses and the required undertaking, such Director may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and if successful in whole or in part, such Director shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such advancement of Expenses under this Section 5 shall not be a defense to an action brought by a Director for recovery of the unpaid amount of an advancement claim and shall not create a presumption that such advancement is not permissible. The burden of proving that a Director is not entitled to an advancement of expenses shall be on the Corporation.

(iii) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Director has not met any applicable standard for indemnification set forth in the DGCL.

(f) Advancement of Expenses to Officers and Non-Officer Employees Prior to Final Disposition.

(i) The Corporation may, at the discretion of the Board of Directors of the Corporation, advance any or all Expenses incurred by or on behalf of any Officer or any Non-Officer Employee in connection with any Proceeding in which such person is

involved by reason of his or her Corporate Status as an Officer or Non-Officer Employee upon the receipt by the Corporation of a statement or statements from such Officer or Non-Officer Employee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Officer or Non-Officer Employee and shall be preceded or accompanied by an undertaking by or on behalf of such person to repay any Expenses so advanced if it shall ultimately be determined that such Officer or Non-Officer Employee is not entitled to be indemnified against such Expenses.

(ii) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Officer or Non-Officer Employee has not met any applicable standard for indemnification set forth in the DGCL.

(g) Contractual Nature of Rights.

(i) The provisions of this Section 5 shall be deemed to be a contract between the Corporation and each Director and Officer entitled to the benefits hereof at any time while this Section 5 is in effect, in consideration of such person's past or current and any future performance of services for the Corporation. Neither amendment, repeal or modification of any provision of this Section 5 nor the adoption of any provision of the Certificate of Incorporation inconsistent with this Section 5 shall eliminate or reduce any right conferred by this Section 5 in respect of any act or omission occurring, or any cause of action or claim that accrues or arises or any state of facts existing, at the time of or before such amendment, repeal, modification or adoption of an inconsistent provision (even in the case of a proceeding based on such a state of facts that is commenced after such time), and all rights to indemnification and advancement of Expenses granted herein or arising out of any act or omission shall vest at the time of the act or omission in question, regardless of when or if any proceeding with respect to such act or omission is commenced. The rights to indemnification and to advancement of expenses provided by, or granted pursuant to, this Section 5 shall continue notwithstanding that the person has ceased to be a director or officer of the Corporation and shall inure to the benefit of the estate, heirs, executors, administrators, legatees and distributees of such person.

(ii) If a claim for indemnification hereunder by a Director or Officer is not paid in full by the Corporation within sixty (60) days after receipt by the Corporation of a written claim for indemnification, such Director or Officer may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, such Director or Officer shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such indemnification under this Section 5 shall not be a defense to an action brought by a Director or Officer for recovery of the unpaid amount of an indemnification claim and shall not create a presumption that such indemnification is not permissible. The burden of proving that a Director or Officer is not entitled to indemnification shall be on the Corporation.

(iii) In any suit brought by a Director or Officer to enforce a right to indemnification hereunder, it shall be a defense that such Director or Officer has not met any applicable standard for indemnification set forth in the DGCL.

(h) Non-Exclusivity of Rights. The rights to indemnification and advancement of Expenses set forth in this Section 5 shall not be exclusive of any other right which any Director, Officer, or Non-Officer Employee may have or hereafter acquire under any statute, provision of the Certificate or these By-laws, agreement, vote of stockholders or Disinterested Directors or otherwise.

(i) Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any Director, Officer or Non-Officer Employee against any liability of any character asserted against or incurred by the Corporation or any such Director, Officer or Non-Officer Employee, or arising out of any such person's Corporate Status, whether or not the Corporation would have the power to indemnify such person against such liability under the DGCL or the provisions of this Section 5.

(j) Other Indemnification. The Corporation's obligation, if any, to indemnify or provide advancement of Expenses to any person under this Section 5 as a result of such person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount such person may collect as indemnification or advancement of Expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or enterprise (the "Primary Indemnitor"). Any indemnification or advancement of Expenses under this Section 5 owed by the Corporation as a result of a person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall only be in excess of, and shall be secondary to, the indemnification or advancement of Expenses available from the applicable Primary Indemnitor(s) and any applicable insurance policies.

6. Miscellaneous Provisions

(a) Fiscal Year. Except as otherwise determined by the Board of Directors, the fiscal year of the Corporation shall end on December of each year.

(b) Seal. The Board of Directors shall have power to adopt and alter the seal of the Corporation.

(c) Execution of Instruments. Subject to any limitations which may be set forth in a resolution of the Board of Directors, all deeds, leases, transfers, contracts, bonds, notes and other obligations to be entered into by the Corporation in the ordinary course of its business without director action may be executed on behalf of the Corporation by, a President, or by any other officer, employee or agent of the Corporation as the Board of Directors may authorize.

(d) Voting of Securities. Unless the Board of Directors otherwise provides, a President, any Vice President or the Treasurer may waive notice of and act on behalf of this

Corporation, or appoint another person or persons to act as proxy or attorney in fact for this Corporation with or without discretionary power and/or power of substitution, at any meeting of stockholders or shareholders of any other corporation or organization, any of whose securities are held by this Corporation.

(e) Resident Agent. The Board of Directors may appoint a resident agent upon whom legal process may be served in any action or proceeding against the Corporation.

(f) Corporate Records. The original or attested copies of the Certificate of Incorporation, By-laws and records of all meetings of the incorporators, stockholders and the Board of Directors and the stock and transfer records, which shall contain the names of all stockholders, their record addresses and the amount of stock held by each, shall be kept at the principal office of the Corporation, at the office of its counsel, or at an office of its transfer agent.

(g) Certificate of Incorporation. All references in these By-laws to the Certificate of Incorporation shall be deemed to refer to the Certificate of Incorporation of the Corporation, as amended and in effect from time to time.

(h) Amendments. These By-laws may be altered, amended or repealed, and new By-laws may be adopted, by the stockholders or by the Board of Directors; provided, that (a) the Board of Directors may not alter, amend or repeal any provision of these By-laws which by law, by the Certificate of Incorporation or by these By-laws requires action by the stockholders and (b) any alteration, amendment or repeal of these By-laws by the Board of Directors and any new By-law adopted by the Board of Directors may be altered, amended or repealed by the stockholders.

(i) Waiver of Notice. Whenever notice is required to be given under any provision of these By-laws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting needs to be specified in any written waiver or any waiver by electronic transmission.

Adopted May 31, 2019

CATALYS SC1, INC.
(a Delaware corporation)

CONSENT IN LIEU OF MEETING OF SOLE INCORPORATOR

May 31, 2019

The undersigned, being the Sole Incorporator of Catalys SC1, Inc., a Delaware corporation (the "Corporation"), hereby consents to the adoption of the following resolutions and agrees that said resolutions shall have the same effect as if duly adopted at a meeting of the Sole Incorporator held for the purpose:

RESOLVED:	To approve the Certificate of Incorporation of the Corporation in substantially the form filed with the Delaware Secretary of State on the date hereof.
RESOLVED:	To fix the number of Directors of the Corporation at one (1).
RESOLVED:	To elect Brian Taylor Slingsby to serve as the Director of the Corporation until his successor is duly elected and qualified, or until his earlier death, resignation or removal.
RESOLVED:	To adopt the form of by-laws attached hereto as Exhibit A as the by-laws of the Corporation.
RESOLVED:	To direct that this Consent in Lieu of Meeting of Sole Incorporator ("Consent") be filed with the records of the Corporation.
RESOLVED:	To approve the resignation of Ed Amer as the Sole Incorporator of the Corporation effective upon execution of this Consent.

EXECUTED as of the date first set forth above.

/s/ Ed Amer
Ed Amer
Sole Incorporator

AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

THIS AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT (this " **Agreement**"), is made as of June 1, 2022, by and among Mineralys Therapeutics, Inc., a Delaware corporation (the "**Company**"), and each of the investors set forth on Schedule A hereto (each, an "**Investor**").

WHEREAS, certain of the Investors (the "**Existing Investors**") hold shares of Series A Preferred Stock and/or shares of Common Stock issued upon conversion thereof and possess registration rights, information rights, rights of first offer, and other rights pursuant to that certain Investors' Rights Agreement dated as of February 16, 2021, by and among the Company and such Existing Investors (the "**Prior Agreement**");

WHEREAS, the Existing Investors are holders of at least sixty percent (60%) of the outstanding shares of Preferred Stock or Common Stock issued upon conversion thereof (excluding any shares of Common Stock issued in connection with a Special Mandatory Conversion (as defined in the Prior Agreement)), voting together as a single class on an as-converted basis, and desire to amend and restate the Prior Agreement in its entirety and to accept the rights created pursuant to this Agreement in lieu of the rights granted to them under the Prior Agreement; and

WHEREAS, certain of the Investors are parties to that certain Series B Preferred Stock Purchase Agreement of even date herewith by and among the Company and such Investors (the "**Purchase Agreement**"), under which certain of the Company's and such Investors' obligations are conditioned upon the execution and delivery of this Agreement by such Investors, Existing Investors holding at least sixty percent (60%) of the outstanding shares of Preferred Stock or Common Stock issued upon conversion thereof (excluding any shares of Common Stock issued in connection with a Special Mandatory Conversion), voting together as a single class on an as-converted basis, and the Company.

NOW, THEREFORE, the Existing Investors hereby agree that the Prior Agreement is hereby amended and restated in its entirety by this Agreement, and the parties to this Agreement further agree as follows:

1. Definitions. For purposes of this Agreement:

1.1 "**Affiliate**" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including, without limitation, any general partner, managing member, investment advisor, officer, director or trustee of such Person, or any venture capital fund, other investment fund or registered investment company now or hereafter existing that is controlled by one (1) or more general partners, managing members or investment adviser of, or shares the same management company or investment adviser with, such Person.

1.2 "**Board of Directors**" means the board of directors of the Company.

1.3 "**Certificate of Incorporation**" means the Company's Amended and Restated Certificate of Incorporation, as amended and/or restated from time to time.

1.4 "**Common Stock**" means shares of the Company's common stock, $0.0001 par value per share.

1.5 "**Competitor**" means a Person engaged, directly or indirectly (including through any partnership, limited liability company, corporation, joint venture or similar arrangement (whether now existing or formed hereafter)), in a business that is competitive to the Company, as determined by the Board

of Directors, in good faith; provided, that "Competitor" shall not include any financial investment firm or collective investment vehicle that, together with its Affiliates, holds less than twenty percent (20)% of the outstanding equity of any Competitor and does not, nor do any of its Affiliates, have a right to designate any members of the board of directors of any such Competitor.

1.6 "**Co-Sale Agreement**" means the Company's Amended and Restated Right of First Refusal and Co-Sale Agreement, dated as of the date hereof, by and among the Company, the Investors (as defined therein), and the Key Holders (as defined therein), as amended from time to time.

1.7 "**Damages**" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.8 "**Direct Listing**" means the Company's initial listing of the Common Stock on a national securities exchange by means of an effective registration statement on Form S-1 filed by the Company with the SEC. For the avoidance of doubt, a Direct Listing shall not be deemed to be an underwritten public offering of Common Stock registered under the Securities Act. Any and all mentions of an underwritten offering or underwriters contained herein shall not apply to a Direct Listing.

1.9 "**Derivative Securities**" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

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

1.11 "**Excluded Registration**" means (i) a registration relating to the sale or grant of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, equity incentive or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (iv) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.12 "**Form S-1**" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.13 "**Form S-3**" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits forward incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.14 "**Fully Diluted Capitalization**" means the Company's fully diluted capitalization (which includes (i) all issued and outstanding shares of Common Stock, (ii) all shares of Common Stock issued or issuable upon conversion of Preferred Stock, (iii) all issued and outstanding Derivative Securities, and (iv)

all shares of Common Stock reserved, but not issued, under the Company's then existing equity incentive plan(s), stock option plan(s), or similar plan(s)).

1.15 "**GAAP**" means generally accepted accounting principles in the United States as in effect from time to time.

1.16 "**Holder**" means any holder of Registrable Securities who is a party to this Agreement.

1.17 "**Immediate Family Member**" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, life partner or similar statutorily-recognized domestic partner, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, o r sister-in-law, including adoptive relationships of a natural person referred to herein.

1.18 "**Initiating Holders**" means, collectively, Holders who properly initiate a registration request under this Agreement.

1.19 "**IPO**" means the Company's first underwritten public offering of the Common Stock under the Securities Act.

1.20 "**Major Investor**" means any Investor that holds at least 10,500,000 shares of Registrable Securities (as adjusted for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof), individually or together with such Investor's Affiliates.

1.21 "**New Securities**" means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

1.22 "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.23 "**Preferred Director**" has the meaning set forth in the Certificate of Incorporation.

1.24 "**Preferred Stock**" means, collectively, shares of Series A Preferred Stock and Series B Preferred Stock.

1.25 "**Registrable Securities**" means (i) the Common Stock issuable or issued upon conversion of the Preferred Stock; (ii) any Common Stock, or any Common Stock issued or issuable (directly or indirectly) upon conversion and/or exercise of any other securities of the Company, acquired by the Investors after the date hereof; and (iii) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clauses (i) and (ii) above; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Section 2.13 of this Agreement.

1.26 "**Registrable Securities then outstanding**" means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

1.27 "**Restricted Securities**" means the securities of the Company required to be notated with the legend set forth in Section 2.12(b) hereof.

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

1.29 "**SEC Rule 144**" means Rule 144 promulgated by the SEC under the Securities Act.

1.30 "**SEC Rule 145**" means Rule 145 promulgated by the SEC under the Securities Act.

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

1.32 "**Selling Expenses**" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Section 2.6.

1.33 "**Series A Preferred Stock**" means shares of the Company's Series A Preferred Stock, $0.0001 par value per share.

1.34 "**Series B Preferred Stock**" means shares of the Company's Series B Preferred Stock, $0.0001 par value per share.

1.35 "**Series B Preferred Director**" has the meaning set forth in the Certificate of Incorporation.

1.36 "**SPAC**" means a publicly traded special purpose acquisition company, or other similar entity that is a "blank check" company under applicable securities laws.

1.37 "**SPAC Transaction**" a merger, acquisition or other business combination involving (i) the Company and (ii) a SPAC or its subsidiary.

1.38 "**Voting Agreement**" means the Company's Amended and Restated Voting Agreement, dated as of the date hereof, by and among the Company and the Stockholders (as defined therein), as amended from time to time.

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration.

(a) Form S-1 Demand. If at any time after the earlier of (i) five (5) years after the date of this Agreement or (ii) one hundred eighty (180) days after the effective date of the registration statement for the IPO or a SPAC Transaction, the Company receives a request from Holders of sixty percent (60%) of the Registrable Securities then outstanding that the Company file a Form S-1 registration statement with respect to at least forty percent (40%) of the Registrable Securities then outstanding, then the Company shall: (x) within ten (10) days after the date such request is given, give notice thereof (the "**Demand Notice**") to all Holders other than the Initiating Holders; and (y) as soon as practicable, and in any event within sixty (60) days after the date such request is given by the Initiating Holders, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within

twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Sections 2.1(c) and 2.3; provided, however, that this right to request the filing of a Form S-1 registration statement shall in no event be made available to any Holder that is a Foreign Person.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of at least twenty percent (20%) of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $4,000,000, then the Company shall (i) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within forty-five (45) days after the date such request is given by the Initiating Holders, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Sections 2.1(c) and 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Section 2.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than sixty (60) days after the request of the Initiating Holders is given; provided, however, that the Company may not invoke this right more than once in any twelve (12) month period; and provided further that the Company shall not register any securities for its own account or that of any other stockholder during such sixty (60) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(a), (i) during the period that is sixty (60) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected two (2) registrations pursuant to Section 2.1(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1(b), (i) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two (2) registrations pursuant to Section 2.1(b) within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Section 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one demand registration statement pursuant to Section 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Section 2.1(d); provided, that if such withdrawal is during a

period the Company has deferred taking action pursuant to Section 2.1(c), then the Initiating Holders may withdraw their request for registration and such registration will not be counted as "effected" for purposes of this Section 2.1(d).

2.2 Company Registration. If the Company proposes to register (including for this purpose a registration effected by the Company for stockholders other than the Holders) any Common Stock under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration, a registration relating to a demand pursuant to Section 2.1, the IPO, or SPAC Transaction), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within twenty (20) days after such notice is given by the Company, the Company shall, subject to the provisions of Section 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Section 2.6.

2.3 Underwriting Requirements.

(a) If, pursuant to Section 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Board of Directors and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Section 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting; provided, however, that no Holder (or any of their assignees) shall be required to make any representations, warranties or indemnities except as they relate to such Holder's ownership of shares and authority to enter into the underwriting agreement and to such Holder's intended method of distribution, and the liability of such Holder shall be several and not joint, and limited to an amount equal to the net proceeds from the offering received by such Holder. Notwithstanding any other provision of this Section 2.3, if the managing underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; provided, however, that the number of Registrable Securities held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Section 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the

Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (ii) the number of Registrable Securities included in the offering be reduced below twenty percent (20%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of the provision in this Section 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

(c) For purposes of Section 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Section 2.3(a), fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such one hundred twenty (120) day period shall be extended, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements, not to exceed $25,000 per registration, of one counsel for the selling Holders selected by Holders of a majority of the Registrable Securities to be registered ("**Selling Holder Counsel**"), shall be borne and paid by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Sections 2.1(a) or 2.1(b), as the case may be. All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 (other than fees and disbursements of counsel to any Holder, other than the Selling Holder Counsel, which shall be borne solely by the Holder engaging such counsel) shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration, except to the extent such information has been corrected in a subsequent writing prior to or concurrently with the sale of Registrable Securities to the Person asserting the claim.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration and has not been corrected in a subsequent writing prior to or concurrently with the sale of Registrable Securities to the Person asserting the claim; and each such selling Holder will pay to the

Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Section 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided further that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Section 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Section 2.8, only to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall a Holder's liability pursuant to this Section 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Section 2.8(b), exceed the proceeds from the offering received by such

Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control; provided, however, that any matter expressly provided for or addressed by the foregoing provisions that is not expressly provided for or addressed by the underwriting agreement shall be controlled by the foregoing provisions.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Section 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement or any provision(s) of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company; and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of at least sixty percent (60%) of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would (i) provide to such holder or prospective holder the right to include securities in any registration on other than either a pro rata basis with respect to the Registrable Securities or on a subordinate basis after all Holders have had the opportunity to include in the registration and offering all shares of Registrable Securities that they wish to so include; or (ii) allow such holder or prospective holder to initiate a demand for registration of any securities held by such holder or prospective holder; provided that this limitation shall not apply to Registrable Securities acquired by any additional Investor that becomes a party to this Agreement in accordance with Section 6.9.

2.11 "Market Stand-off" Agreement. Each Holder agrees that it will not, without the prior written consent of the managing underwriter (in connection with an IPO), the Company (in connection with a Direct Listing) or the SPAC (in connection with a SPAC Transaction), during the period commencing on the date of the (a) public filing of the registration statement for the IPO or Direct Listing, or (b) the closing of the SPAC Transaction, of shares of Common Stock or any other equity securities under the Securities Act on a registration statement on Form S-1, and ending on the date specified by the Company and the managing underwriter (for an IPO), the Company (for a Direct Listing) or the Company and the SPAC (for a SPAC Transaction) (such period not to exceed one hundred eighty (180) days), or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in applicable FINRA rules, or any successor provisions or amendments thereto), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock (or, in the case of a SPAC Transaction, any shares of the common stock or other share capital of the SPAC or any securities convertible into or exchangeable, directly or indirectly, for such common stock or other share capital) held immediately before the effective date of the registration statement for such offering, or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock, the common stock or share capital of the SPAC or other securities, in cash, or otherwise. The foregoing provisions of this Section 2.11 shall only apply to the IPO, Direct Listing or SPAC Transaction, as applicable, and shall not apply to (A) transactions (including, without limitation, any swap, hedge or similar agreement or arrangement) or announcements, in each case, relating to securities acquired in the IPO or securities acquired in open market or other transactions from and after the IPO or that otherwise do not involve or relate to shares of capital stock of the Company owned by a Holder prior to the IPO notwithstanding any voluntary or required filings that may be made in connection therewith under Section 16(a) of the Exchange Act, (B) the transfer of any shares to Affiliates of the Holder, or (C) the sale of any shares to an underwriter pursuant to an underwriting agreement or to the establishment of a trading plan pursuant to Rule 10b5-1, provided that such plan does not permit transfers during the restricted period, or the transfer of any shares to any trust for the direct or indirect benefit of the Holder or the immediate family of the Holder, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer shall not involve a disposition for value, and (C) shall be applicable to the Holders only if all officers and directors are subject to the same restrictions and the Company uses commercially reasonable efforts to obtain a similar agreement from all stockholders individually owning more than one percent (1%) of the outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Preferred Stock). The underwriters in connection with an IPO, and the SPAC in a SPAC Transaction, are intended third-party beneficiaries of this Section 2.11 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the Company or the underwriters (in connection with an IPO), the Company (in connection with a Direct Listing), and the Company or the SPAC (in connection with a SPAC Transaction) that are consistent with this Section 2.11 or that are necessary to give further effect thereto. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters (if applicable) shall apply pro rata to all Company stockholders that are subject to such agreements, based on the number of shares subject to such agreements, subject to customary exceptions.

2.12 Restrictions on Transfer.

(a) The Preferred Stock and the Registrable Securities shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its

transfer agent with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement. Notwithstanding the foregoing, the Company shall not require any transferee of shares pursuant to an effective registration statement or, following the IPO or SPAC Transaction, SEC Rule 144, in each case, to be bound by the terms of this Agreement.

(b) Each certificate, instrument, or book entry representing (i) the Preferred Stock, (ii) the Registrable Securities, and (iii) any other securities issued in respect of the securities referenced in clauses (i) and (ii), upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Section 2.12(c)) be notated with a legend substantially in the following form:

THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT. THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Section 2.12.

(c) The holder of such Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction or following the IPO or SPAC Transaction, the transfer is made pursuant to SEC Rule 144, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer, provided that no such notice shall be required in connection if the intended sale, pledge or transfer complies with SEC Rule 144. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (i) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a notice, legal opinion or "no action" letter (x) in any transaction in compliance with SEC Rule 144; or (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; provided that with respect to transfers under the foregoing clause (y), each transferee agrees in writing to be subject to the terms of this Section 2.12. Each certificate, instrument, or book entry representing the Restricted Securities transferred as above provided shall be notated with, except if such transfer is made pursuant to

SEC Rule 144, the appropriate restrictive legend set forth in Section 2.12(b), except that such certificate instrument, or book entry shall not be notated with such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

2.13 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Sections 2.1 or 2.2 shall terminate upon the earliest to occur of:

(a) the closing of a Deemed Liquidation Event (as such term is defined in the Certificate of Incorporation);

(b) such time after consummation of the IPO or SPAC Transaction as SEC Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation, during a three (3)-month period without registration (and without the requirement for the Company to be in compliance with the current public information required under subsection (c)(1) of SEC Rule 144) and such Holder (together with its "affiliates" determined under SEC Rule 144) holds less than one percent (1%) of the outstanding capital stock of the Company;

(c) the fifth (5^{th}) anniversary of the IPO or SPAC Transaction.

3. Information and Observer Rights.

3.1 Delivery of Financial Statements. The Company shall deliver to each Major Investor:

(a) as soon as practicable, but in any event within one hundred twenty (120) days after the end of each fiscal year of the Company (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year and as included in the Budget (as defined below) for such year, with an explanation of any material differences between such amounts and a schedule as to the sources and applications of funds for such year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements audited and certified by independent public accountants of regionally recognized standing selected by the Board of Directors;

(b) as soon as practicable, but in any event within forty-five (45) days after the end of each quarter of each fiscal year of the Company, unaudited statements of income and cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments; and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as practicable, but in any event within forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Major Investors to calculate their respective percentage equity ownership in the Company;

(d) as soon as practicable, but in any event thirty (30) days before the end of each fiscal year, a budget and business plan for the next fiscal year, prepared on a monthly basis, including balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company (such budget and business plan that is approved by the Board of Directors (including the vote of a majority of the Preferred Directors then in office, which must include the approval of at least one of the Series B Preferred Directors (the "**Requisite Preferred Director Vote**")) is collectively referred to herein as the "**Budget**"); and

(e) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as any Major Investor may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Section 3.1 to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company); or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

Notwithstanding anything else in this Section 3.1 to the contrary, the Company may cease providing the information set forth in this Section 3.1 during the period starting with the date sixty (60) days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; provided that the Company's covenants under this Section 3.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2 Inspection. The Company shall permit each Major Investor, at such Major Investor's expense, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Investor; provided, however, that the Company shall not be obligated pursuant to this Section 3.2 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

3.3 Board Observer Rights.

(a) As long as HBM Healthcare Investments (Cayman) Ltd. ("**HBM**") qualifies as a Major Investor, then the Company shall invite a representative of HBM to attend all meetings of the Board of Directors in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; provided, however, that such representative shall agree to hold in confidence all information so provided; and provided further, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, or if such Investor or its representative is a Competitor.

(b) As long as Samsara BioCapital, L.P. (" **Samsara**") qualifies as a Major Investor, then the Company shall invite a representative of Samsara to attend all meetings of the Board of Directors in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; provided, however, that such representative shall agree to hold in confidence all information so provided; and provided further, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, or if such Investor or its representative is a Competitor.

3.4 Termination of Information and Observer Rights . The covenants set forth in Section 3.1, Section 3.2, and Section 3.3 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO or SPAC Transaction, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon the closing of a Deemed Liquidation Event, whichever event occurs first.

3.5 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor or make decisions with respect to its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 3.5 by such Investor), (b) is or has been independently developed or conceived by such Investor without use of the Company's confidential information, or (c) is or has been made known or disclosed to such Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; provided, however, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent reasonably necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser agrees to be bound by the provisions of this Section 3.5; (iii) to any existing Affiliate, partner, member, stockholder, or wholly owned subsidiary of such Investor in the ordinary course of business, provided that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; (iv) to the extent required and upon the advice of outside counsel in connection with any routine or periodic examination or similar process by any U.S. regulatory body or governmental agency, including confidential information obtained from the Company pursuant to the terms of this Agreement or (v) as may otherwise be required by law, regulation, rule, court order or subpoena, provided that such Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

4. Rights to Future Stock Issuances.

4.1 Right of First Offer. Subject to the terms and conditions of this Section 4.1 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Major Investor. A Major Investor shall be entitled to apportion the right of first offer granted to it in such proportions as it deems appropriate, among (i) itself and (ii) its Affiliates; provided that each such Affiliate (x) is not a Competitor, (y) agrees to become a party this Agreement, the Voting Agreement, and the Co-Sale Agreement, as an " **Investor**" under each such agreement, and (z) agrees to purchase such number of New Securities that are allocated to such Major Investor.

(a) The Company shall give notice (the "**Offer Notice**") to each Major Investor, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within twenty (20) days after the Offer Notice is given, each Major Investor may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, such number of New Securities which equals up to one and a half times (1.5x) such Major Investor's current fully diluted ownership percentage, which equals (x) the number of shares of Common Stock and the number of shares of Common Stock issued or issuable upon conversion of Preferred Stock then held by such Major Investor, divided by (y) the Fully Diluted Capitalization, as of immediately prior to the initial closing of such issuance of New Securities (the "**ROFR Shares**").

(c) At the expiration of such twenty (20) day period, the Company shall promptly notify each Major Investor that elects to purchase or acquire all of its allocated ROFR Shares (each, a "**Fully Exercising Investor**") of any other Major Investor's failure to purchase or acquire such Major Investor's ROFR Shares (the "**Over-Allotment Shares**"). During the ten (10) day period commencing after the Company has given such notice, each Fully Exercising Investor may, by giving notice to the Company, elect to purchase or acquire, in addition to the ROFR Shares, such Over-Allotment Shares. The number of Over-Allotment Shares that may be purchased by each Fully Exercising Investor shall equal (x) the number of shares of Common Stock and the number of shares of Common Stock issued or issuable upon conversion of Preferred Stock then held by such Fully Exercising Investor, divided by (y) the number of shares of Common Stock and the number of shares of Common Stock issued or issuable upon conversion of Preferred Stock then held by all Fully Exercising Investors. The closing of any sale of New Securities and Over-Allotment Shares shall occur within the later of (i) ninety (90) days of the date that the Offer Notice is given and (ii) the date of initial sale of New Securities pursuant to Section 4.1(d).

(d) If all New Securities and Over-Allotment Shares are not elected to be purchased or acquired as provided in Section 4.1(b) and Section 4.1(c), the Company may, during the ninety (90) day period following the expiration of the periods provided in Section 4.1(b) and Section 4.1(c), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Investors in accordance with this Section 4.1.

(e) The right of first offer in this Section 4.1 shall not be applicable to (i) Exempted Securities (as defined in the Certificate of Incorporation); (ii) shares of Common Stock issued in the IPO or SPAC Transaction; and (iii) the issuance of shares of Series B Preferred Stock pursuant to the Purchase Agreement.

4 . 2 Termination. The covenants set forth in Section 4.1 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, or (ii) upon the closing of a Deemed Liquidation Event, whichever event occurs first.

5. Additional Covenants.

5.1 Insurance. The Company shall use commercially reasonable efforts to maintain from financially sound and reputable insurers Directors and Officers liability insurance, in an amount and on terms and conditions satisfactory to the Board of Directors, including at least one of the Series B Preferred Directors, until such time as the Board of Directors determines that such insurance should be discontinued.

Notwithstanding any other provision of this Section 5.1 to the contrary, for so long as a Preferred Director is serving on the Board of Directors, the Company shall not cease to maintain a Directors and Officers liability insurance policy in an amount of at least $5,000,000, unless otherwise approved by the Board of Directors, including the Requisite Preferred Director Vote.

5.2 Employee Agreements. Unless otherwise approved by the Board of Directors, including the Requisite Preferred Director Vote, the Company will cause each Person now or hereafter employed by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets to enter into a nondisclosure and proprietary rights assignment agreement in a form reasonably acceptable to the Board of Directors. In addition, the Company shall not amend, modify, terminate, waive, or otherwise alter, in whole or in part, any of the above-referenced agreements or any restricted stock agreement between the Company and any employee, without the consent of the Board of Directors, including the Requisite Preferred Director Vote.

5.3 Employee Stock. Unless otherwise approved by the Board of Directors, including the Requisite Preferred Director Vote, all future employees of the Company who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall be required to execute restricted stock or option agreements, as applicable, providing for (i) vesting of shares over a four (4) year period, with the first twenty-five percent (25%) of such shares vesting following twelve (12) months of continued employment or service, and the remaining shares vesting in equal monthly installments over the following thirty-six (36) months, and (ii) a market stand-off provision substantially similar to that in Section 2.11. Without the prior approval by the Board of Directors, including the Requisite Preferred Director Vote, the Company shall not amend, modify, terminate, waive or otherwise alter, in whole or in part, any stock purchase, stock restriction or option agreement with any existing employee or service provider if such amendment would cause it to be inconsistent with this Section 5.3. In addition, unless otherwise approved by the Board of Directors, including the Requisite Preferred Director Vote, the Company shall retain (and not waive) a "right of first refusal" on employee transfers until the Company's IPO or SPAC Transaction and shall have the right to repurchase unvested shares at cost upon termination of employment of a holder of restricted stock.

5.4 Matters Requiring Preferred Director Approval. During such time or times as the holders of Preferred Stock are entitled to elect the Preferred Directors and such seats are filled, the Company covenants and agrees with each of the Investors that it shall not, without approval of the Board of Directors, which approval must include the Requisite Preferred Director Vote:

(a) make, or permit any subsidiary to make, any loan or advance to, or own any stock or other securities of, any subsidiary or other corporation, partnership, or other entity unless it is wholly owned by the Company;

(b) make, or permit any subsidiary to make, any loan or advance to any Person, including, without limitation, any employee or director of the Company or any subsidiary, except advances and similar expenditures in the ordinary course of business (including such expenses set forth in Section 5.1);

(c) guarantee, directly or indirectly, or permit any subsidiary to guarantee, directly or indirectly, any indebtedness, except for trade accounts of the Company or any subsidiary arising in the ordinary course of business;

(d) make any investment inconsistent with any investment policy approved by the Board of Directors, or adopt any new investment policy or annual budget or the like for the Company;

(e) incur any aggregate indebtedness in excess of $250,000 that is not already included in the Budget, other than trade credit incurred in the ordinary course of business;

(f) hire, terminate, or change the compensation of the executive officers, including approving any option grants or stock awards to executive officers;

(g) change the principal business of the Company, enter new lines of business, or exit the current line of business;

(h) adopt, amend, terminate or repeal any equity (or equity-linked) compensation plan (including the Company's 2020 Equity Incentive Plan) or amend or waive any of the terms of any option or other grant pursuant to any such plan;

(i) enter into any interested party transaction, which shall include, without limitation, any transaction with any director, officer or employee of the Company or any "associate" (as defined in Rule 12b-2 promulgated under the Exchange Act) of any such Person outside of the ordinary course of business;

(j) sell, assign, license, pledge, or encumber material technology or intellectual property, other than licenses granted in the ordinary course of business; or

(k) enter into any corporate strategic relationship involving the payment, contribution, or assignment by the Company or to the Company of money or assets greater than $500,000.

5.5 Board Matters. The Board of Directors shall meet at least quarterly, unless otherwise agreed by the Board of Directors, including the Requisite Preferred Director Vote. The Company shall reimburse the non-employee directors for all reasonable out-of-pocket travel expenses incurred (consistent with the Company's travel policy) in connection with attending meetings of the Board of Directors. Each Preferred Director shall be entitled in such person's discretion to be a member of all committees of the Board of Directors, other than committees created to address conflicts of interest related to such Preferred Director. Each committee of the Board of Directors established from time to time shall include the Preferred Directors designated by Samsara and HBM, which service on such committees may be waived or deferred at the sole discretion of Samsara or HBM, respectively.

5.6 Environmental, Social and Governance Matters.

(a) The Board of Directors shall appoint one member of the Board of Directors to (1) report on an annual basis to the Board of Directors and the Investors on the Company's management of any environmental, social and governance ("**ESG**") issues and (2) provide the Board and the Investors on an annual basis with a short report (the "**ESG Report**") outlining (i) how the Company has managed important ESG issues during the prior year, (ii) what further action needs to be taken, (iii) the ESG improvements achieved by the Company during the prior year and (iv) the Company's plans for future actions to improve its ESG performance. The Company shall respond to any reasonable additional written requests for information by the Investors on its ESG policies, practices and procedures, and keep the Investors informed of any material developments with respect to the Company's management of material ESG issues.

(b) The Company hereby undertakes to always conduct the business of the Company under observance of and in material compliance with all applicable legal provisions (in particular, also as regards environmental protection, competition, product security, data protection and job safety), public permits, authorizations and concessions as well as third party rights. The Company shall, within the scope

of the business activities of the Company and within the Company's knowledge, not grant, promise, demand or accept any illegal advantages or enter into respective arrangements.

(c) The Company acknowledges that certain of the Investors are signatories of the United Nations Principles of Responsible Investment (UN PRI) and of Initiative Climat International (iCI), and make their investments and monitor their shareholdings in consideration of the environmental, social, corporate and the good corporate governance standards (ESG criteria), such as:

- use of natural resources;
- environmental impact;
- employment;
- social dialogue;
- human resources;
- attention paid to people;
- relationship with suppliers and clients;
- relationship with the region and "stakeholders" in general;
- governance; and
- management.

The Board of Directors and the Company shall undertake to remain within a progress-oriented approach (as such shall be defined by the Board of Directors) in order for the Company and its subsidiaries, if any, to carry out their activities in conditions which reconcile economic interest and corporate social responsibility, to the extent appropriate and consistent with the duties of the Board of Directors.

More specifically, the Board of Directors and the Company shall undertake to pay due attention and to make specific efforts, at first, with respect to the topics which will be mutually defined in writing between the Board of Directors and the Company and the applicable Investors within six (6) months as from the date hereof.

Should no topics be defined as provided for above, the applicable Investors shall be authorized to request that the Company's ESG Report include a discussion on the concrete actions taken in respect of environmental, social and governance issues. The ESG Report shall be communicated at the latest concomitantly with the approval of the annual financial statements, or shortly thereafter, and shall be communicated to the applicable Investors.

Within the frame of the general information and inspection rights set forth in this Section 5.6, the applicable Investors, at their cost, shall have the right, on an annual basis, to mandate a reputable independent auditing firm for the purpose of conducting due diligence on the Company's and/or its subsidiaries' material environmental, social and corporate governance matters. The Company may require any such auditing firm to execute a nondisclosure agreement as a condition of their appointment.

(d) The Board of Directors and the Company shall take all appropriate steps and measures in order to have the Company and its subsidiaries, if any, running their activities in accordance with the principles of professional ethics, as applicable from time to time, deriving from the European Convention for the Protection of the Human Rights and Fundamental Freedom dated 4 November 1950, and from the prescriptions and recommendations of the International Labour Organization, in particular with respect to the protection of childhood.

The Company will adopt a code of business conduct and ethics (the "**Code**") that prohibits any form of discrimination with regard to race, caste, national origin, religion, disability, sex, sexual orientation, union

membership, political affiliation or age. The Company's Code will address the employees of the Company (i) treating other people with respect, irrespective of their origin, ideology, and way of life and duly respect the sanctity and protection of dignity of any individual, and (ii) avoiding harming the environment.

The Company's Code will address the Company's business partners, suppliers, subcontractors and service providers, whether domestic or foreign, if applicable, and express the expectation that they make similar commitments.

To the extent applicable, the Board of Directors shall undertake that in the management of the Company and its subsidiaries, if any, they will comply with the applicable principles of professional ethics, and notably (i) they will not use any means which is not strictly consistent with the interest of the Company, and (ii) they will not engage any extravagant expenditure except for expenses made in the interest of the Company or a subsidiary, if any, as the case may be, it being specified that the assessment of whether an expense is extravagant or not will be done in reference with the activity of the Company and its subsidiaries and their past practices.

(e) Each party hereto purchasing shares of Series B Preferred Stock pursuant to the Purchase Agreement confirms that it complies, as of the date hereof, with any applicable legal and regulatory provisions relating to the fight against money laundering and the fight against financing of terrorism of France, Germany or any other jurisdiction, in each case solely to the extent these provisions are applicable to such party. In particular, each such party confirms that to its knowledge (having made reasonable enquiries):

(i) the funds paid to the Company for the purchase of shares of Series B Preferred Stock pursuant to the Purchase Agreement do not come from an activity that contravenes applicable laws regarding the fight against money laundering and financing of terrorism regulations and/or any applicable restrictive measures enacted, adopted, administered, imposed or enforced by the United Nations Security Council and/or the competent local authorities of its respective applicable jurisdiction (the "**Sanctions Regulations**");

(ii) beneficial owners in respect of such party, and it or an affiliate, have carried their required customer due diligence on all underlying investors to the extent applicable;

(iii) it is not aware of any activities on the part of its underlying investors that constitutes money laundering or other criminal conduct; and

(iv) there is no natural person who is the ultimate beneficial owner of more than 25% of the shares, interests, or voting rights in the respective party.

For purposes of this Section 5.6(e), reliance upon representations received by an applicable party or an affiliate from underlying investors shall be deemed having made reasonable enquiries.

Each applicable party or its respective delegates shall retain, in compliance with its respective applicable legal requirements and its internal compliance program, all documentation required to identify its underlying beneficial owners and which it has obtained for the purposes of its own due diligence.

(f) The Company certifies that it does not contribute or has not contributed to any operations that contravene any applicable national and international legal and regulatory provisions relating to the fight against money laundering and the fight against financing of terrorism.

The Company and the Board of Directors undertake to inform beforehand the Investors of the planned entry of any new stockholder in the Company (with an indication of his identity and, if it is a legal entity, the identity of its stockholders if known), and to enforce this clause by any new stockholder of the Company. In particular, in any project for the issuance of securities which gives access, immediately or in the future, to a portion of share capital or voting rights of the Company, the Company and the Board of Directors undertake to require that any third party that intervenes in such project comply with all applicable national and international legal and regulatory provisions relating to the fight against money laundering and the fight against financing of terrorism as well as the ethical clause referred to in Section 5.6(d). For the avoidance of doubt, nothing in this Section 5.6(f) shall create any obligations on the part of any Investors.

The parties hereto are informed that certain of the Investors, as well as their management company (société de gestion) and/or their management proxy (délégation de gestion), are subject to the obligations set out in their respective applicable national and international legal and regulatory provisions relating to the fight against money laundering and the fight against financing of terrorism.

(g) Each party hereto confirms that it complies, as of the date hereof, with any applicable legal and regulatory provisions relating to the fight against corruption and trafficking in influence of France, Germany or any other jurisdiction, in each case solely to the extent these provisions are applicable to such party. In addition, the Company certifies that all the necessary measures will be taken and, in particular, appropriate procedures and codes of conduct will be adopted and implemented to prevent any violation of applicable anti-corruption regulations.

(h) Neither the Company nor its subsidiaries, if any, and, to its knowledge, any of their respective agents, representatives, managers and employees is (i) targeted by, or subject to, Sanctions Regulations, (ii) located, organized or resident in a country or a territory which is targeted by, or subject to, or whose government is targeted by or subject to, any Sanctions Regulations and/or (iii) involved in activities that would be prohibited by Sanctions Regulations. Any funds paid to the Company shall not be used in a sanctioned country, i.e., North Korea, Cuba, Iran, Sudan, Syria and the territory of Crimea. The foregoing sentence of this Section 5.6(h) shall not be represented and warranted to the extent the representation and warranty of, or compliance with, such statements inevitably result in a violation of, conflict with, or liability under, EU Regulation (EC) 2271/96, Section 7 AWV (each as amended from time to time) or any other similar applicable anti-boycott laws or regulations.

5.7 Successor Indemnification. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board of Directors as in effect immediately before such transaction, whether such obligations are contained in the Company's Bylaws, the Certificate of Incorporation, or elsewhere, as the case may be.

5.8 Expenses of Counsel. In the event of a transaction that is a Sale of the Company (as defined in the Voting Agreement, the reasonable fees and disbursements, not to exceed $35,000, of one counsel for the Major Investors ("**Investor Counsel**"), in their capacities as stockholders, shall be borne and paid by the Company. At the outset of considering a transaction which, if consummated would constitute a Sale of the Company, the Company shall obtain the ability to share with Investor Counsel (and such counsel's clients) and shall share the confidential information (including, without limitation, the initial and all subsequent drafts of memoranda of understanding, letters of intent and other transaction documents and related noncompete, employment, consulting and other compensation agreements and plans) pertaining to and memorializing any of the transactions which, individually or when aggregated with others would constitute the Sale of the Company. The Company shall be obligated to share (and cause the Company's

counsel and investment bankers to share) such materials when distributed to the Company's executives and/or any one (1) or more of the other parties to such transaction(s). In the event that Investor Counsel deems it appropriate, in its reasonable discretion, to enter into a joint defense (or common interest) agreement or other arrangement to enhance the ability of the parties to protect their communications and other reviewed materials under the attorney client privilege, the Company shall, and shall direct its counsel to, execute and deliver to Investor Counsel and its clients such an agreement in form and substance reasonably acceptable to Investor Counsel and the Company's counsel. In the event that one (1) or more of the other party or parties to such transactions require the clients of Investor Counsel to enter into a confidentiality agreement and/or joint defense (or common interest) agreement in order to receive such information, then the Company shall share whatever information can be shared without entry into such agreement and shall, at the same time, in good faith work expeditiously to enable Investor Counsel and its clients to negotiate and enter into the appropriate agreement(s) without undue burden to the clients of Investor Counsel.

5.9 Indemnification Matters. The Company hereby acknowledges that one or more of the Preferred Directors nominated to serve on the Board of Directors by one or more Investors may have certain rights to indemnification, advancement of expenses and/or insurance provided by one (1) or more of the Investors and certain of their Affiliates (collectively, the "**Investor Indemnitors**"). The Company hereby agrees (a) that it is the indemnitor of first resort (i.e., its obligations to any such Preferred Director are primary and any obligation of the Investor Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Preferred Director are secondary), (b) that it shall be required to advance the full amount of expenses incurred by such Preferred Director and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement by or on behalf of any such Preferred Director to the extent legally permitted and as required by the Certificate of Incorporation or Bylaws of the Company (or any agreement between the Company and such Preferred Director), without regard to any rights such Preferred Director may have against the Investor Indemnitors, and, (c) that it irrevocably waives, relinquishes and releases the Investor Indemnitors from any and all claims against the Investor Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Investor Indemnitors on behalf of any such Preferred Director with respect to any claim for which such Preferred Director has sought indemnification from the Company shall affect the foregoing and the Investor Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Preferred Director against the Company. The Preferred Directors and the Investor Indemnitors are intended third-party beneficiaries of this Section 5.9 and shall have the right, power and authority to enforce the provisions of this Section 5.9 as though they were a party to this Agreement.

5.10 Right to Conduct Activities. The Company agrees and acknowledges that HBM (together with its Affiliates), Samsara (together with its Affiliates), RA Capital Management, L.P. (together with its Affiliates) and BioDiscovery 6 FPCI (together with its Affiliates) (together, the " **VC Investors**") are professional investment organizations, and as such reviews the business plans and related proprietary information of many enterprises, some of which may compete directly or indirectly with the Company's business (as currently conducted or as currently propose to be conducted). Nothing in this Agreement shall preclude or in any way restrict the VC Investors from evaluating or purchasing securities, including publicly traded securities, of a particular enterprise, or investing or participating in any particular enterprise whether or not such enterprise has products or services which compete with those of the Company, and the Company agrees that, to the extent permitted under applicable law, the VC Investors shall not be liable to the Company for any claim arising out of, or based upon, (i) the investment by such VC Investor in any entity competitive with the Company, or (ii) actions taken by any partner, officer, employee or other representative of such VC Investor to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a

detrimental effect on the Company; provided, however, that the foregoing shall not relieve (x) any of the VC Investors from liability associated with the unauthorized disclosure of the Company's confidential information obtained pursuant to this Agreement or otherwise, or (y) any director (including any Preferred Director) or officer of the Company from any liability associated with his or her fiduciary duties to the Company.

5.11 FCPA. The Company covenants that it shall not (and shall not permit any of its subsidiaries or Affiliates or any of its or their respective directors, officers, managers, employees, independent contractors, representatives or agents to) promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, to any third party, including any Non-U.S. Official (as such term is defined in the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**")), in each case, in violation of the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. The Company further covenants that it shall (and shall cause each of its subsidiaries and Affiliates to) cease all of its or their respective activities, as well as remediate any actions taken by the Company, its subsidiaries or Affiliates, or any of their respective directors, officers, managers, employees, independent contractors, representatives or agents in violation of the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. The Company further covenants that it shall (and shall cause each of its subsidiaries and Affiliates to) maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. Upon request, the Company agrees to provide responsive information and/or certifications concerning its compliance with applicable anti-corruption laws. The Company shall promptly notify each Investor if the Company becomes aware of any Enforcement Action (as defined in the Purchase Agreement). The Company shall, and shall cause any direct or indirect subsidiary or entity controlled by it, whether now in existence or formed in the future, to comply with the FCPA. The Company shall use its best efforts to cause any direct or indirect subsidiary, whether now in existence or formed in the future, to comply in all material respects with all applicable laws.

5.12 Cybersecurity. The Company shall use commercially reasonable efforts to (a) identify and restrict access (including through physical and/or technical controls) to the Company's confidential business information and trade secrets and any information about identified or identifiable natural persons maintained by or on behalf of the Company (collectively, "**Protected Data**") to those individuals who have a need to access it and (b) maintain reasonable physical, technical and administrative safeguards ("**Cybersecurity Solutions**") designed to protect the confidentiality, integrity and availability of its technology and systems (including servers, laptops, desktops, cloud, containers, virtual environments and data centers) and all Protected Data. The Company shall use commercially reasonable efforts to ensure that the Cybersecurity Solutions are up-to-date and include industry-standard protections (*e.g.*, antivirus, endpoint detection and response and threat hunting). The Company shall evaluate on a periodic basis at least annually whether such safeguards should be updated to maintain a level of security appropriate to the risk posed to Company systems and Protected Data. The Company shall educate its employees about the proper use and storage of Protected Data, including periodic training as determined reasonably necessary by the Company or the Board of Directors.

5.13 Real Property Holding Corporation. Promptly following (and in any event within ten (10) days after receipt of) written request by an Investor, the Company shall provide such Investor with a written statement informing such Investor whether such Investor's interest in the Company constitutes a United States real property interest. The Company's determination shall comply with the requirements of Treasury Regulation Section 1.897-2(h)(1) or any successor regulation, and the Company shall provide timely notice to the Internal Revenue Service, in accordance with and to the extent required by Treasury Regulation Section 1.897-2(h)(2) or any successor regulation, that such statement has been made. The Company's obligation to furnish such written statement shall continue notwithstanding the fact that a class of the

Company's stock may be regularly traded on an established securities market or the fact that there is no Preferred Stock then outstanding.

5.14 Side Letters. The Company shall promptly provide or make available to each Major Investor copies of all side letters or other agreements between the Company and any investor in the Company entered into after the date of this Agreement.

5.15 The Company acknowledges that parts of the money to be invested by certain of the Investors is partially funded by (i) European Investment Fund ("**EIF**") through the EIFERP facility and the LfA-EIF facility and (ii) Kreditanstalt fuir Wiederaufbau Capital (" **KfW**") through the ERP Venture Capital Fondsfinanziering facility. In connection therewith, the Company acknowledges and agrees that each of EIF, KfW, the German Ministry of Economic Affairs (Bundesministerium fur Wirtschaft and Technologie), the German Federal Court of Auditors (Bundesrechnungshof) and any third party authorized by these parties shall have the right to reasonable access to the premises of the Company and to examine all relevant books and documents of the Company. Any out-of-pocket costs incurred by the Company and its subsidiaries (if relevant) in relation to the above shall be borne and paid by the relevant Investor provided that the Company shall bear such costs itself to the extent that EIF, KfW, the German Ministry of Economic Affairs and/or the German Federal Court of Auditors concludes during such visit that the Company is acting in breach of any material laws or binding regulations applicable to it.

5.16 Termination of Covenants. The covenants set forth in this Section 5, except for Section 5.610, shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, or (ii) upon a Deemed Liquidation Event, whichever event occurs first.

6. Miscellaneous.

6.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (i) is an Affiliate of a Holder; (ii) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one (1) or more of such Holder's Immediate Family Members; or (iii) after such transfer, holds at least 1,000,000 shares of Registrable Securities (subject to appropriate adjustment for stock splits, stock dividends, combinations, and other recapitalizations); provided, however, that (x) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (y) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Section 2.11. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (1) that is an Affiliate or stockholder of a Holder; (2) who is a Holder's Immediate Family Member; or (3) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder; provided further that all transferees who would not qualify individually for assignment of rights shall, as a condition to the applicable transfer, establish a single attorney-in-fact for the purpose of exercising any rights, receiving notices, or taking any action under this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

6 . 2 Governing Law. This Agreement shall be governed by the internal law of the State of Delaware, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Delaware.

6.3 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

6.5 Notices.

(a) All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on Schedule A or the signature pages hereto, or (as to the Company) to the principal office of the Company and to the attention of the Chief Executive Officer, or in any case to such email address or address as subsequently modified by written notice given in accordance with this Section 6.5. Notwithstanding any of the foregoing, with respect to HBM, only a nationally recognized courier service (such as FedEx or DHL) shall be used to effectuate the delivery of any notices pursuant to this Section 6.5, and such notice or other communication for purpose of this Agreement shall not be treated as effective or having been given if some other delivery method is utilized; provided, however, that if such notice is being sent internationally, it shall not be deemed defective if such courier does not deliver such notice on the next business day following deposit (provided that such notice shall be deemed delivered on the date of delivery by such courier service), and provided further, that HBM may agree to receive notice in some other manner set forth in this Section 6.5 by written election; and a copy (which shall not constitute notice) shall also be sent to Sidley Austin LLP, 1999 Avenue of the Stars, 17th Floor, Los Angeles, California 90067, Attention: Mehdi Khodadad.

(b) Consent to Electronic Notice. Each Investor consents to the delivery of any stockholder notice pursuant to the General Corporation Law of the State of Delaware (the "**DGCL**"), as amended or superseded from time to time, by electronic transmission pursuant to Section 232 of the DGCL (or any successor thereto) at the electronic mail address set forth below such Investor's name on the Schedules hereto, as updated from time to time by notice to the Company, or as on the books of the Company. To the extent that any notice given by means of electronic transmission is returned or undeliverable for any reason, the foregoing consent shall be deemed to have been revoked until a new or corrected electronic mail address has been provided, and such attempted electronic notice shall be ineffective and deemed to not have been given. Each Investor agrees to promptly notify the Company of any change in such stockholder's electronic mail address, and that failure to do so shall not affect the foregoing.

6.6 Amendments and Waivers. Except as set forth herein, any term of this Agreement may be amended, modified or terminated and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the Investors holding at least sixty-six percent (66%) of the outstanding shares of Preferred Stock or Common Stock issued upon conversion thereof, voting together as a single class on an as-converted basis, which must include at least sixty-six percent (66%) of the outstanding shares of Series

B Preferred Stock or Common Stock issued upon conversion thereof, voting together as a single class on an as-converted basis; provided that the Company may in its sole discretion waive compliance with Section 2.12(c) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Section 2.12(c) shall be deemed to be a waiver); and provided further that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing,

(a) this Agreement may not be amended, modified or terminated and the observance of any term hereof may not be waived with respect to any Investor without the written consent of such Investor, unless such amendment, modification, termination, or waiver applies to all Investors in the same fashion (it being agreed that a waiver of the provisions of Section 4 with respect to a particular transaction shall be deemed to apply to all Major Investors in the same fashion if such waiver does so by its terms, notwithstanding the fact that certain Major Investors may nonetheless, by agreement with the Company, purchase securities in such transaction);

(b) Sections 3.1 and 3.2, Section 4 and any other section of this Agreement applicable to the Major Investors (including this clause (b) of this Section 6.6) may be amended, modified, terminated or waived with only the written consent of the Company and the Major Investors holding at least sixty percent (60%) of the outstanding shares of Preferred Stock or Common Stock issued upon conversion thereof then held by all Major Investors;

(c) Section 3.3(a) and this clause (c) may not be amended, modified or terminated (other than as set forth in Section 3.4) and the observance of any term thereof may not be waived without the prior written consent of HBM, so long as HBM qualifies as a Major Investor; and

(d) Section 3.3(b) and this clause (d) may not be amended, modified or terminated (other than as set forth in Section 3.4) and the observance of any term thereof may not be waived without the prior written consent of Samsara, so long as Samsara qualifies as a Major Investor.

Notwithstanding the foregoing, Schedule A hereto may be amended by the Company from time to time to add transferees of any Registrable Securities in compliance with the terms of this Agreement, without the consent of the other parties; and Schedule A hereto may also be amended by the Company after the date of this Agreement without the consent of the other parties to add information regarding any additional Investor who becomes a party to this Agreement in accordance with Section 6.9. The Company shall give prompt notice of any amendment, modification or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, modification, termination, or waiver. Any amendment, modification, termination, or waiver effected in accordance with this Section 6.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one (1) or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

6.7 Severability. In case any one (1) or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

6.8 Aggregation of Stock; Apportionment. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated Persons may apportion such rights as among themselves in any manner they deem appropriate.

6.9 Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of Preferred Stock after the date hereof, any purchaser of such shares of Preferred Stock may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor, so long as such additional Investor has agreed in writing to be bound by all of the obligations as an "Investor" hereunder.

6.10 Entire Agreement. This Agreement (including any Schedules hereto) together with the other Transaction Agreements (as defined in the Purchase Agreement), constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled. Upon the effectiveness of this Agreement, the Prior Agreement shall be deemed amended and restated and superseded and replaced in its entirety by this Agreement, and shall be of no further force or effect.

6.11 Dispute Resolution. The parties (a) irrevocably and unconditionally submit to the jurisdiction of the state courts of Delaware and to the jurisdiction of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Delaware or the United States District Court for the District of Delaware, and (c) waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

6.12 WAIVER OF JURY TRIAL . EACH PARTY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.13 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or non-defaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

COMPANY:

MINERALYS THERAPEUTICS, INC.

By: /s/ Jon Congleton
Name: Jon Congleton
Title: Chief Executive Officer

Address: 150 N. Radnor Chester Rd, Suite F200 Radnor, PA 19087

Email: jcongleton@mineralystx.com

With a copy, which shall not constitute notice, to:

Latham & Watkins LLP
12670 High Bluff Dr.
San Diego, CA 92130
Attn: Cheston Larson
Cheston.larson@lw.com

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

CATALYS PACIFIC FUND, LP

BY: CATALYS PACIFIC FUND GP, LP, ITS GENERAL PARTNER

BY: CATALYS PACIFIC LLC, ITS GENERAL PARTNER

By: /s/ Brian Taylor Slingsby
Name: Brian Taylor Slingsby, MD, PhD, MPH
Title: Managing Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

HBM HEALTHCARE INVESTMENTS (CAYMAN) LTD.

By:	/s/ Jean-Marc Lesieur
Name:	Jean-Marc Lesieur
Title:	Director

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

SAMSARA BIOCAPITAL, L.P.

By: Samsara Bio Capital GP, LLC, General Partner

By: /s/ Srinivas Akkaraju

Name: Srinivas Akkaraju

Title: Managing General Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

ADAMS STREET 2016 DIRECT VENTURE/GROWTH FUND LP

By: ASP 2016 Direct Management LP its General Partner
By: ASP 2016 Direct Management LLC its General Partner
By: Adams Street Partners, LLC its Managing Member

By: /s/ Elisha P. Gould III
Name: Elisha P. Gould III
Title: Partner

ADAMS STREET 2017 DIRECT VENTURE/GROWTH FUND LP

By: ASP 2017 Direct Management LP its General Partner
By: ASP 2017 Direct Management LLC its General Partner
By: Adams Street Partners, LLC its Managing Member

By: /s/ Elisha P. Gould III
Name: Elisha P. Gould III
Title: Partner

ADAMS STREET 2018 DIRECT VENTURE/GROWTH FUND LP

By: ASP 2018 Direct Management LP its General Partner
By: ASP 2018 Direct Management LLC its General Partner
By: Adams Street Partners, LLC its Managing Member

By: /s/ Elisha P. Gould III
Name: Elisha P. Gould III
Title: Partner

ADAMS STREET 2019 DIRECT GROWTH EQUITY FUND LP

By: ASP 2019 Direct Management LP its General Partner
By: ASP 2019 Direct Management LLC its General Partner
By: Adams Street Partners, LLC its Managing Member

By: /s/ Elisha P. Gould III
Name: Elisha P. Gould III
Title: Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

ADAMS STREET 2020 DIRECT GROWTH EQUITY FUND LP

By: ASP 2020 Direct Management LP its General Partner
By: ASP 2020 Direct Management LLC its General Partner
By: Adams Street Partners, LLC its Managing Member

By: /s/ Elisha P. Gould III
Name: Elisha P. Gould III
Title: Partner

ADAMS STREET 2021 DIRECT GROWTH EQUITY FUND LP

By: ASP 2021 Direct Management LP its General Partner
By: ASP 2021 Direct Management LLC its General Partner
By: Adams Street Partners, LLC its Managing Member

By: /s/ Elisha P. Gould III
Name: Elisha P. Gould III
Title: Partner

ADAMS STREET GROWTH EQUITY FUND VII LP

By: ASP VG Management VII LP its General Partner
By: ASP VG Management VII LLC its General Partner
By: Adams Street Partners, LLC its Managing Member

By: /s/ Elisha P. Gould III
Name: Elisha P. Gould III
Title: Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

BIODISCOVERY 6 FPCI

By: Andera Partners
Its: management company

By: /s/ Olivier Litzka
Name: Olivier Litzka
Title: Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

RA CAPITAL HEALTHCARE FUND, L.P.

By: RA Capital Healthcare Fund GP, LLC
Its: General Partner

By: /s/ Peter Kolchinsky
Name: Peter Kolchinsky
Title: Manager

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

RA CAPITAL NEXUS FUND III, L.P.

By: RA Capital Nexus Fund III GP, LLC
Its: General Partner

By: /s/ Peter Kolchinsky
Name: Peter Kolchinsky
Title: Manager

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

RTW MASTER FUND, LTD.

By: /s/ Roderick Wong

Name: Roderick Wong, M.D

Title: Director

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

RTW INNOVATION MASTER FUND, LTD.

By: /s/ Roderick Wong
Name: Roderick Wong, M.D.
Title: Director

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

ROCK SPRINGS CAPITAL MASTER FUND LP

By: Rock Springs General Partner LLC, its General Partner

By: /s/ Kris Jenner

Name: Kris Jenner

Title: Member

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

FOUR PINES MASTER FUND LP

By: Four Pines General Partner LLC, its General Partner

By: /s/ Kris Jenner

Name: Kris Jenner

Title: Member

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

RTW VENTURE FUND LIMITED

By: RTW Investments, LP, its Investment Manager

By: /s/ Roderick Wong

Name: Roderick Wong, M.D.

Title: Director

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

NEW EMERGING MEDICAL OPPORTUNITIES FUND V SCSP

By: Sectoral Asset Management Inc., its manager

By: /s/ Michael Sjöström

Name: Michael Sjöström

Title: Co-Founder and Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

YSIOS BIOFUND III FCRE

By: Ysios Capital Partners SGEIC SAU

By: /s/ Joël Jean-Mairet

Name: Joël Jean-Mairet

Title: Duly authorized signatory

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

HEALTHCOR THERAPEUTICS MASTER FUND, LP

By: /s/ Laurie Hadick
Name: Laurie Hadick
Title: Chief Compliance Officer

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

BOULDER VENTURES VII, L.P.

By: /s/ Kyle Lefkoff
Name: Kyle Lefkoff
Title: General Partner

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Investors' Rights Agreement as of the date first written above.

INVESTOR:

SR ONE CAPITAL FUND II AGGREGATOR, LP

By: SR One Capital Partners II, LP
Its: General Partner

By: SR One Capital Management, LLC
Its: General Partner

By: /s/ Simeon J. George
Name:
Title: Member

SCHEDULE A

INVESTORS

Updated as of: June 1, 2022

Name of Investor	Address and Email for Notices
BioDiscovery 6 FPCI	Andera Partners, 2, place Rio de Janeiro, 75008, Paris, France Attn: Olivier Litzka
RA Capital Healthcare Fund, L.P.	RA Capital Management, L.P. 200 Berkeley Street 18th Floor Boston, MA 02116 Attn: General Counsel
RA Capital Nexus Fund III, L.P.	RA Capital Management, L.P. 200 Berkeley Street 18th Floor Boston, MA 02116 Attn: General Counsel
HBM Healthcare Investments (Cayman) Ltd.	Governor Square, Suite #4-212-2 23 Lime Tree Bay Avenue West Bay, Grand Cayman, Cayman Islands lesieur@hbmcayman.com
Samsara BioCapital, L.P.	628 Middlefield Road Palo Alto, CA 94301 srini@samsaracap.com
Catalys Pacific Fund, LP	Shonan iPark, 26-1 Muraoka-Higashi 2-chome Fujisawa, Kanagawa 251-8555 btslingsby@catalyspacific.com
Adams Street 2016 Direct Venture/Growth Fund LP	One North Wacker Drive, Suite 2700 Chicago, Illinois 60606-2823 jdalton@adamsstreetpartners.com
Adams Street 2017 Direct Venture/Growth Fund LP	One North Wacker Drive, Suite 2700 Chicago, Illinois 60606-2823 jdalton@adamsstreetpartners.com
Adams Street 2018 Direct Venture/Growth Fund LP	One North Wacker Drive, Suite 2700 Chicago, Illinois 60606-2823 jdalton@adamsstreetpartners.com
Adams Street 2019 Direct Growth Equity Fund LP	One North Wacker Drive, Suite 2700 Chicago, Illinois 60606-2823 jdalton@adamsstreetpartners.com
Adams Street 2020 Direct Growth Equity Fund LP	One North Wacker Drive, Suite 2700 Chicago, Illinois 60606-2823 jdalton@adamsstreetpartners.com
Adams Street 2021 Direct Growth Equity Fund LP	One North Wacker Drive, Suite 2700 Chicago, Illinois 60606-2823 jdalton@adamsstreetpartners.com

Adams Street Growth Equity Fund VII LP	One North Wacker Drive, Suite 2700 Chicago, Illinois 60606-2823 jdalton@adamsstreetpartners.com
RHM TLM LLC	940 Roble Ridge Rd, Palo Alto, CA 94306 hardwin.mead@gmail.com
RTW Master Fund, Ltd.	c/o RTW Investments, LP 40 10th Avenue, Floor 7 New York, NY 10014 Attn: LegalOps; Tony Nguyen legalops@rtwfunds.com; TN@rtwfunds.com
RTW Innovation Master Fund, Ltd.	c/o RTW Investments, LP 40 10thAvenue, Floor 7 New York, NY 10014 Attn: LegalOps; Tony Nguyen legalops@rtwfunds.com; TN@rtwfunds.com
RTW Venture Fund Limited	c/o RTW Investments, LP 40 10thAvenue, Floor 7 New York, NY 10014 Attn: LegalOps; Tony Nguyen legalops@rtwfunds.com; TN@rtwfunds.com
Rock Springs Capital Master Fund LP	650 South Exeter Street Suite 1070 Baltimore, MD 21202 Attention: General Counsel Email: jill@rockspringscapital.com; finance@rockspringscapital.com
Four Pines Master Fund LP	650 South Exeter Street Suite 1070 Baltimore, MD 21202 Attention: General Counsel Email: jill@rockspringscapital.com; finance@rockspringscapital.com
SR One Capital Fund II Aggregator, LP	985 Old Eagle School Road, Suite 511, Wayne, PA 19087 info@srone.com
New Emerging Medical Opportunities Fund V SCSp - Sectoral	c/o Sectoral Asset Management Inc. 1010 Sherbrooke St W suite 1610 Montreal, Quebec H3A 2R7, Canada Attention: Stefan Larson and Francois Beaubien Email: stefan@sectoral.com; francois@sectoral.com
Ysios Biofund III FCRE	Ysios Capital Partners, S.G.E.I.C., S.A.U. Avenida de la libertad, 25 4floor 20004 San Sebastián (Spain) Attn: Joël Jean-Mairet Email: jjean-mairet@ysioscapital.com cc: Wen Wen Cheng Email: wcheng@ysioscapital.com

Boulder Ventures VII, L.P.	1941 Pearl St. Boulder, Colorado 80302 Email: Kyle@boulderventures.com
HealthCor Therapeutics Master Fund, LP	55 Hudson Yards 28th Floor New York NY 10001 Email: Lhadick@healthcogroup.com

MINERALYS THERAPEUTICS, INC.
2020 EQUITY INCENTIVE PLAN

(As Amended and Restated Effective June 1, 2022)

1. ***Purpose***. The purpose of the Plan is to advance the interests of the Company's stockholders by enhancing the Company's ability to attract, retain and motivate persons who make (or are expected to make) important contributions to the Company by providing such persons with equity ownership opportunities and thereby better aligning the interests of such persons with those of the Company's stockholders. Capitalized terms used in the Plan are defined in Section 11 below.

2. ***Eligibility***. Service Providers are eligible to be granted Awards under the Plan, subject to the limitations described herein.

3. ***Administration and Delegation***.

(a) *Administration.* The Plan will be administered by the Administrator. The Administrator shall have authority to determine which Service Providers will receive Awards, to grant Awards and to set all terms and conditions of Awards (including, but not limited to, vesting, exercise and forfeiture provisions). In addition, the Administrator shall have the authority to take all actions and make all determinations contemplated by the Plan and to adopt, amend and repeal such administrative rules, guidelines and practices relating to the Plan as it shall deem advisable. The Administrator may correct any defect or ambiguity, supply any omission or reconcile any inconsistency in the Plan or any Award in the manner and to the extent it shall deem necessary or appropriate to carry the Plan and any Awards into effect, as determined by the Administrator. The Administrator shall make all determinations under the Plan in the Administrator's sole discretion and all such determinations shall be final and binding on all persons having or claiming any interest in the Plan or in any Award.

(b) *Appointment of Committees.* To the extent permitted by Applicable Laws, the Board may delegate any or all of its powers under the Plan to one or more Committees. The Board may abolish any Committee at any time and re-vest in itself any previously delegated authority.

4. ***Stock Available for Awards***.

(a) *Number of Shares.* Subject to adjustment under Section 8 hereof, Awards may be made under the Plan covering up to 37,205,875 shares of Common Stock. If any Award expires or lapses or is terminated, surrendered or canceled without having been fully exercised or is forfeited in whole or in part (including as the result of shares of Common Stock subject to such Award being repurchased by the Company at or below the original issuance price), in any case in a manner that results in any shares of Common Stock covered by such Award not being issued or being so reacquired by the Company, the unused Common Stock covered by such Award shall again be available for the grant of Awards under the Plan. Further, shares of Common Stock delivered (either by actual delivery or attestation) to the Company by a Participant to satisfy the applicable exercise or purchase price of an Award and/or to satisfy any applicable tax withholding obligation (including shares retained by the Company from the Award being exercised or purchased and/or creating the tax obligation) shall be added to the number of shares of Common Stock available for the grant of Awards under the Plan. However, in the case of Incentive Stock Options (as hereinafter defined), the foregoing provisions shall be subject to any limitations under the Code. Shares of Common Stock issued under the Plan may consist in whole or in part of authorized but unissued shares, shares purchased on the open market or treasury shares.

(b) *Substitute Awards*. In connection with a merger or consolidation of an entity with the Company or the acquisition by the Company of property or stock of an entity, the Administrator may grant Awards in substitution for any options or other stock or stock-based awards granted prior to such

merger or consolidation by such entity or an affiliate thereof. Substitute Awards may be granted on such terms as the Administrator deems appropriate in the circumstances, notwithstanding any limitations on Awards contained in the Plan. Substitute Awards shall not count against the overall share limit set forth in Section 4(a) hereof, except as may be required by reason of Section 422 of the Code.

5. ***Stock Options***.

(a) *General.* The Administrator may grant Options to any Service Provider, subject to the limitations on Incentive Stock Options described below. The Administrator shall determine the number of shares of Common Stock to be covered by each Option, the exercise price of each Option and the conditions and limitations applicable to the exercise of each Option, including conditions relating to Applicable Laws, as it considers necessary or advisable.

(b) *Incentive Stock Options.* The Administrator may grant Options intended to qualify as Incentive Stock Options only to employees of the Company, any of the Company's present or future "parent corporations" or "subsidiary corporations" as defined in Sections 424(e) or (f) of the Code, respectively, and any other entities the employees of which are eligible to receive Incentive Stock Options under the Code. All Options intended to qualify as Incentive Stock Options shall be subject to and shall be construed consistently with the requirements of Section 422 of the Code. Neither the Company nor the Administrator shall have any liability to a Participant, or any other party, (i) if an Option (or any part thereof) which is intended to qualify as an Incentive Stock Option fails to qualify as an Incentive Stock Option or (ii) for any action or omission by the Administrator that causes an Option not to qualify as an Incentive Stock Option, including without limitation, the conversion of an Incentive Stock Option to a Non-Qualified Stock Option or the grant of an Option intended as an Incentive Stock Option that fails to satisfy the requirements under the Code applicable to an Incentive Stock Option. Any Option that is intended to qualify as an Incentive Stock Option, but fails to so qualify for any reason, including without limitation, the portion of any Option becoming exercisable in excess of the $100,000 limitation described in Treasury Regulation Section 1.422-4, shall be treated as a Non-Qualified Stock Option for all purposes.

(c) *Exercise Price.* The Administrator shall establish the exercise price of each Option and specify the exercise price in the applicable Award Agreement. The exercise price shall be not less than 100% of the Fair Market Value on the date the Option is granted. In the case of an Incentive Stock Option granted to an employee who, at the time of grant of the Option, owns (or is treated as owning under Section 424 of the Code) stock representing more than 10% of the voting power of all classes of stock of the Company (or a "parent corporation" or "subsidiary corporation" thereof within the meaning of Sections 424(e) or 424(f) of the Code, respectively), the per share exercise price shall be no less than 110% of the Fair Market Value on the date the Option is granted.

(d) *Duration of Options.* Each Option shall be exercisable at such times and subject to such terms and conditions as the Administrator may specify in the applicable Award Agreement, provided that the term of any Option shall not exceed ten years. In the case of an Incentive Stock Option granted to an employee who, at the time of grant of the Option, owns (or is treated as owning under Section 424 of the Code) stock representing more than 10% of the voting power of all classes of stock of the Company (or a "parent corporation" or "subsidiary corporation" thereof within the meaning of Sections 424(e) or 424(f) of the Code, respectively), the term of the Option shall not exceed five years.

(e) *Exercise of Option; Notification of Disposition.* Options may be exercised by delivery to the Company of a written notice of exercise, in a form approved by the Administrator (which may be an electronic form), signed by the person authorized to exercise the Option, together with payment in full (i) as specified in Section 5(f) hereof for the number of shares for which the Option is exercised and (ii) as specified in Section 9(e) hereof for any applicable withholding taxes. Unless otherwise determined by the Administrator, an Option may not be exercised for a fraction of a share of

Common Stock. If an Option is designated as an Incentive Stock Option, the Participant shall give prompt notice to the Company of any disposition or other transfer of any shares of Common Stock acquired from the Option if such disposition or transfer is made (i) within two years from the grant date with respect to such Option or (ii) within one year after the transfer of such shares to the Participant (other than any such disposition made in connection with a Change in Control). Such notice shall specify the date of such disposition or other transfer and the amount realized, in cash, other property, assumption of indebtedness or other consideration, by the Participant in such disposition or other transfer.

(f) *Payment Upon Exercise.* Common Stock purchased upon the exercise of an Option granted under the Plan shall be paid for in cash, by wire transfer of immediately available funds or by check, payable to the order of the Company, or, subject to Section 10(h), any Company insider trading policy (including, without limitation, any blackout periods) and Applicable Laws, by:

(i) if the Company is a Publicly Listed Company, unless the Administrator otherwise determines, (A) delivery of an irrevocable and unconditional undertaking by a broker acceptable to the Company to deliver promptly to the Company sufficient funds to pay the exercise price, or (B) delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company cash or a check sufficient to pay the exercise price, provided in either case, that such amount is paid to the Company at such time as may be required by the Administrator;

(ii) to the extent permitted by the Administrator, delivery (either by actual delivery or attestation) of shares of Common Stock owned by the Participant valued at their Fair Market Value, provided (A) such method of payment is then permitted under Applicable Laws, (B) such Common Stock, if acquired directly from the Company, was owned by the Participant for such minimum period of time, if any, as may be established by the Company at any time, and (C) such Common Stock is not subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements;

(iii) to the extent permitted by the Administrator, surrendering shares of Common Stock then issuable upon exercise of the Option valued at their Fair Market Value on the date of exercise;

(iv) to the extent permitted by the Administrator, delivery of a promissory note of the Participant to the Company on terms determined by the Administrator;

(v) to the extent permitted by the Administrator, delivery of property of any other kind which constitutes good and valuable consideration as determined by the Administrator; or

(vi) to the extent permitted by the Administrator, any combination of the above permitted forms of payment (including cash or check).

(g) *Early Exercise of Options*. The Administrator may provide in the terms of an Award Agreement that the Service Provider may exercise an Option in whole or in part prior to the full vesting of the Option in exchange for unvested shares of Restricted Stock with respect to any unvested portion of the Option so exercised. Shares of Restricted Stock acquired upon the exercise of any unvested portion of an Option shall be subject to such terms and conditions as the Administrator shall determine.

6. ***Restricted Stock; Restricted Stock Units***.

(a) *General*. The Administrator may grant Restricted Stock, or the right to purchase Restricted Stock, to any Service Provider, subject to the right of the Company to repurchase all or part of such shares at their issue price or other stated or formula price from the Participant (or to require forfeiture of such shares if issued at no cost) in the event that conditions specified by the Administrator in

the applicable Award Agreement are not satisfied prior to the end of the applicable restriction period or periods established by the Administrator for such Award. In addition, the Administrator may grant to Service Providers Restricted Stock Units, which may be subject to vesting and forfeiture conditions during applicable restriction period or periods, as set forth in an applicable Award Agreement.

(b) *Terms and Conditions for All Restricted Stock and Restricted Stock Unit Awards* . The Administrator shall determine and set forth in the applicable Award Agreement the terms and conditions applicable to each Restricted Stock and Restricted Stock Unit Award, including the conditions for vesting and repurchase (or forfeiture) and the issue price, in each case, if any.

(c) *Additional Provisions Relating to Restricted Stock*.

(i) *Dividends*. Participants holding shares of Restricted Stock will be entitled to all ordinary cash dividends paid with respect to such shares to the extent such dividends have a record date that is on or after the date on which the Participant to whom such Restricted Shares are granted becomes the record holder of such Restricted Shares, unless otherwise provided by the Administrator in the applicable Award Agreement. In addition, unless otherwise provided by the Administrator, if any dividends or distributions are paid in shares, or consist of a dividend or distribution to holders of Common Stock of property other than an ordinary cash dividend, the shares or other property will be subject to the same restrictions on transferability and forfeitability as the shares of Restricted Stock with respect to which they were paid. Each dividend payment will be made as provided in the applicable Award Agreement, but in no event later than the end of the calendar year in which the dividends are paid to stockholders of that class of stock or, if later, the 15th day of the third month following the later of (A) the date the dividends are paid to stockholders of that class of stock, and (B) the date the dividends are no longer subject to forfeiture.

(ii) *Stock Certificates*. The Company may require that any stock certificates issued in respect of shares of Restricted Stock be deposited in escrow by the Participant, together with a stock power endorsed in blank, with the Company (or its designee).

(d) *Additional Provisions Relating to Restricted Stock Units*.

(i) *Settlement.* Upon the vesting of a Restricted Stock Unit, the Participant shall be entitled to receive from the Company one share of Common Stock or an amount of cash or other property equal to the Fair Market Value of one share of Common Stock on the settlement date, as the Administrator shall determine and as provided in the applicable Award Agreement. The Administrator may provide that settlement of Restricted Stock Units shall occur upon or as soon as reasonably practicable after the vesting of the Restricted Stock Units or shall instead be deferred, on a mandatory basis or at the election of the Participant, in a manner that complies with Section 409A.

(ii) *Voting Rights*. A Participant shall have no voting rights with respect to any Restricted Stock Units unless and until shares are delivered in settlement thereof.

(iii) *Dividend Equivalents*. To the extent provided by the Administrator, a grant of Restricted Stock Units may provide a Participant with the right to receive Dividend Equivalents. Dividend Equivalents may be paid currently or credited to an account for the Participant, may be settled in cash and/or shares of Common Stock and may be subject to the same restrictions on transfer and forfeitability as the Restricted Stock Units with respect to which the Dividend Equivalents are paid, as determined by the Administrator, subject, in each case, to such terms and conditions as the Administrator shall establish and set forth in the applicable Award Agreement.

7. ***Other Stock-Based Awards***.

Other Stock-Based Awards may be granted hereunder to Participants, including, without limitation, Awards entitling Participants to receive shares of Common Stock to be delivered in the future. Such Other Stock-Based Awards shall also be available as a form of payment in the settlement of other Awards granted under the Plan, as stand-alone payments and/or as payment in lieu of compensation to which a Participant is otherwise entitled. Other Stock-Based Awards may be paid in shares of Common Stock, cash or other property, as the Administrator shall determine. Subject to the provisions of the Plan, the Administrator shall determine the terms and conditions of each Other Stock-Based Award, including any purchase price, transfer restrictions, vesting conditions and other terms and conditions applicable thereto, which shall be set forth in the applicable Award Agreement.

8. ***Adjustments for Changes in Common Stock and Certain Other Events***.

(a) In the event that the Administrator determines that any dividend or other distribution (whether in the form of cash, Common Stock, other securities, or other property), reorganization, merger, consolidation, combination, repurchase, recapitalization, liquidation, dissolution, or sale, transfer, exchange or other disposition of assets of the Company, or exchange of Common Stock or other securities of the Company, issuance of warrants or other rights to purchase Common Stock or other securities of the Company, or other similar corporate transaction or event, as determined by the Administrator, affects the Common Stock such that an adjustment is determined by the Administrator to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made available under the Plan or with respect to any Award, then the Administrator may, in such manner as it may deem equitable, adjust any or all of:

(i) the number and kind of shares of Common Stock (or other securities or property) with respect to which Awards may be granted or awarded (including, but not limited to, adjustments of the limitations in Section 4 hereof on the maximum number and kind of shares which may be issued);

(ii) the number and kind of shares of Common Stock (or other securities or property) subject to outstanding Awards;

(iii) the grant or exercise price with respect to any Award; and

(iv) the terms and conditions of any Awards (including, without limitation, any applicable financial or other performance "targets" specified in an Award Agreement).

(b) In the event of any transaction or event described in Section 8(a) hereof (including without limitation any Change in Control) or any unusual or nonrecurring transaction or event affecting the Company or the financial statements or financial condition of the Company, or any change in any Applicable Laws or accounting principles, the Administrator, on such terms and conditions as it deems appropriate, either by the terms of the Award or by action taken prior to or after the occurrence of such transaction or event and either automatically or upon the Participant's request, is hereby authorized to take any one or more of the following actions whenever the Administrator determines that such action is appropriate in order to (i) prevent dilution or enlargement of the benefits or potential benefits intended by the Company to be made available under the Plan or with respect to any Award granted or issued under the Plan, (ii) to facilitate such transaction or event or (iii) give effect to such changes in Applicable Laws or accounting principles**:**

(i) To provide for the cancellation of any such Award in exchange for either an amount of cash or other property with a value equal to the amount that could have been obtained upon the exercise or settlement of such Award or realization of the Participant's rights had such Award been

currently exercisable, payable and fully vested, as applicable; provided that, if the amount that could have been obtained upon the exercise or settlement of such Award or realization of the Participant's rights, in any case, is equal to or less than zero, then such Award may be terminated without payment;

(ii) To provide that such Award shall vest and, to the extent applicable, be exercisable as to all shares covered thereby, notwithstanding anything to the contrary in the Plan or the provisions of such Award;

(iii) To provide that such Award be assumed by the successor or survivor corporation, or a parent or subsidiary thereof, or shall be substituted for by awards covering the stock of the successor or survivor corporation, or a parent or subsidiary thereof, with appropriate adjustments as to the number and kind of shares and applicable exercise or purchase price, in all cases, as determined by the Administrator;

(iv) To make adjustments in the number and type of shares of Common Stock (or other securities or property) subject to outstanding Awards, and/or in the terms and conditions of (including the grant or exercise price), and the criteria included in, outstanding Awards which may be granted in the future;

(v) To replace such Award with other rights or property selected by the Administrator; and/or

(vi) To provide that the Award will terminate and cannot vest, be exercised or become payable after the applicable event.

(c) Notwithstanding the provisions of Section 8(b) above, if a Change in Control occurs and a Participant's Awards are not continued, converted, assumed, or replaced with a substantially similar award by (i) the Company, or (ii) a successor entity or its parent or subsidiary (an "***Assumption***"), and provided that the Participant has not had a Termination of Service, then, immediately prior to the Change in Control, the Administrator may provide that such Awards shall become fully vested, exercisable and/or payable, as applicable, and that all forfeiture, repurchase and other restrictions on such Awards shall lapse, in which case, such Awards shall be canceled upon the consummation of the Change in Control in exchange for the right to receive the Change in Control consideration payable to other holders of Common Stock (A) which may be on such terms and conditions as apply generally to holders of Common Stock under the Change in Control documents (including, without limitation, any escrow, earn-out or other deferred consideration provisions) or such other terms and conditions as the Administrator may provide, and (B) determined by reference to the number of shares subject to such Awards and net of any applicable exercise price; provided that to the extent that any Awards constitute "nonqualified deferred compensation" that may not be paid upon the Change in Control under Section 409A without the imposition of taxes thereon under Section 409A, the timing of such payments shall be governed by the applicable Award Agreement (subject to any deferred consideration provisions applicable under the Change in Control documents); and provided, further, that if the amount to which a Participant would be entitled upon the settlement or exercise of such Award at the time of the Change in Control is equal to or less than zero, then such Award may be terminated without payment. The Administrator shall determine whether an Assumption of an Award has occurred in connection with a Change in Control.

(d) In connection with the occurrence of any Equity Restructuring, and notwithstanding anything to the contrary in this Section 8, the Administrator will equitably adjust each outstanding Award, which adjustments may include adjustments to the number and type of securities subject to each outstanding Award and/or the exercise price or grant price thereof, if applicable, the grant of new Awards to Participants, and/or the making of a cash payment to Participants, as the Administrator

deems appropriate to reflect such Equity Restructuring. The adjustments provided under this Section 8(d) shall be nondiscretionary and shall be final and binding on the affected Participant and the Company; provided that whether an adjustment is equitable shall be determined by the Administrator.

(e) In the event of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other change affecting the shares of Common Stock or the share price of the Common Stock, including any Equity Restructuring, or if necessary to comply with Applicable Laws or the Code, or for reasons of administrative convenience, the Administrator may, in its sole discretion, refuse to permit the exercise of any Award during a period of up to thirty days prior to the consummation of any such transaction.

(f) Except as expressly provided in the Plan or pursuant to action of the Administrator under the Plan, no Participant shall have any rights by reason of any subdivision or consolidation of shares of stock of any class, the payment of any dividend, any increase or decrease in the number of shares of stock of any class or any dissolution, liquidation, merger, or consolidation of the Company or any other corporation. Except as expressly provided in the Plan or pursuant to action of the Administrator under the Plan, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number of shares of Common Stock subject to an Award or the grant or exercise price of any Award. The existence of the Plan, any Award Agreements and the Awards granted hereunder shall not affect or restrict in any way the right or power of the Company to make or authorize (i) any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, (ii) any merger, consolidation dissolution or liquidation of the Company or sale of Company assets or (iii) any sale or issuance of securities, including without limitation, securities with rights superior to those of the Common Stock or which are convertible into or exchangeable for Common Stock. The Administrator may treat Participants and Awards (or portions thereof) differently under this Section 8.

9. ***General Provisions Applicable to Awards***.

(a) *Transferability of Awards.* Except as the Administrator may otherwise determine or provide in an Award Agreement or otherwise, in any case in accordance with Applicable Laws, Awards, including any interest therein, may not be sold, assigned, transferred, pledged or otherwise encumbered by the person to whom they are granted, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the life of the Participant, shall be exercisable only by the Participant. References to a Participant, to the extent relevant in the context, shall include references to authorized transferees.

(b) *Documentation.* Each Award shall be evidenced in an Award Agreement, which may be in such form (written, electronic or otherwise) as the Administrator shall determine. Each Award may contain terms and conditions in addition to those set forth in the Plan.

(c) *Discretion.* Except as otherwise provided by the Plan, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award to a Participant need not be identical, and the Administrator need not treat Participants or Awards (or portions thereof) uniformly.

(d) *Termination of Status.* The Administrator shall determine the effect on an Award of the disability, death, retirement, authorized leave of absence or any other change or purported change in a Participant's Service Provider status and the extent to which, and the period during which, the Participant, the Participant's legal representative, conservator, guardian or Designated Beneficiary may exercise rights under the Award, if applicable.

(e) *Withholding.* Each Participant shall pay to the Company, or make provision satisfactory to the Administrator for payment of, any taxes required by law to be withheld in connection with Awards to such Participant no later than the date of the event creating the tax liability. Except as the Administrator may otherwise determine, all such payments shall be made in cash, by wire transfer of immediately available funds or by check, payable to the order of the Company. Notwithstanding the foregoing, Participants may satisfy such tax obligations, subject to Section 10(h), any Company insider trading policy (including blackout periods) and Applicable Laws, to the extent permitted by the Administrator, (i) in whole or in part by delivery of shares of Common Stock, including shares of Common Stock retained from the Award creating the tax obligation, valued at their Fair Market Value, and (ii) if there is a public market for shares of Common Stock at the time the tax obligations are satisfied, unless the Administrator otherwise determines, (A) delivery (including, without limitation, telephonically to the extent permitted by the Company) of an irrevocable and unconditional undertaking by a broker acceptable to the Company to deliver promptly to the Company sufficient funds to satisfy the tax obligations, or (B) delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a broker acceptable to the Company to deliver promptly to the Company cash or a check sufficient to satisfy the tax withholding; provided that such amount is paid to the Company at such time as may be required by the Administrator. The number of shares of Common Stock which may be so withheld or surrendered shall be limited to the number of shares of Common Stock which have a Fair Market Value on the date of withholding or repurchase no greater than the aggregate amount of such liabilities based on the minimum statutory withholding rates for federal, state, local and foreign income tax and payroll tax purposes that are applicable to such supplemental taxable income. The Company may, to the extent permitted by Applicable Laws, deduct any such tax obligations from any payment of any kind otherwise due to a Participant.

(f) *Amendment of Award.* The Administrator may amend, modify or terminate any outstanding Award, including but not limited to, substituting therefor another Award of the same or a different type, changing the date of exercise or settlement, and converting an Incentive Stock Option to a Non-Qualified Stock Option. The Participant's consent to such action shall be required unless (i) the Administrator determines that the action, taking into account any related action, would not materially and adversely affect the Participant, or (ii) the change is permitted under Section 8 and 10(f) hereof.

(g) *Conditions on Delivery of Stock.* The Company will not be obligated to deliver any shares of Common Stock pursuant to the Plan or to remove restrictions from shares previously delivered under the Plan until (i) all conditions of the Award have been met or removed to the satisfaction of the Company, (ii) in the opinion of the Company's counsel, all other legal matters in connection with the issuance and delivery of such shares have been satisfied, including any applicable securities laws and any applicable stock exchange or stock market rules and regulations, and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Administrator deems necessary or appropriate to satisfy the requirements of any Applicable Laws. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is determined by the Administrator to be necessary to the lawful issuance and sale of any securities hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such shares as to which such requisite authority shall not have been obtained.

(h) *Acceleration.* The Administrator may at any time provide that any Award shall become vested and/or exercisable in full or in part, free of some or all restrictions or conditions, or otherwise realizable in full or in part, as the case may be.

10. ***Miscellaneous.***

(a) *No Right To Employment or Other Status.* No person shall have any claim or right to be granted an Award, and the grant of an Award shall not be construed as giving a Participant the

right to continued employment or any other relationship with the Company. The Company expressly reserves the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan or any Award, except as expressly provided in an applicable Award Agreement.

(b) *No Rights As Stockholder; Certificates.* Subject to the provisions of the applicable Award Agreement, no Participant or Designated Beneficiary shall have any rights as a stockholder with respect to any shares of Common Stock to be distributed with respect to an Award until becoming the record holder of such shares. Notwithstanding any other provision of the Plan, unless otherwise determined by the Administrator or required by any Applicable Laws, the Company shall not be required to deliver to any Participant certificates evidencing shares of Common Stock issued in connection with any Award and instead such shares of Common Stock may be recorded in the books of the Company (or, as applicable, its transfer agent or stock plan administrator). The Company may place legends on stock certificates issued under the Plan deemed necessary or appropriate by the Administrator in order to comply with Applicable Laws.

(c) *Effective Date and Term of Plan.* This amended and restated Plan shall become effective on the date on which it is adopted by the Board (the "***Restatement Effective Date***"). This amended and restated Plan shall be submitted for stockholder approval within twelve (12) months following the Restatement Effective Date. Awards may be granted or awarded prior to such stockholder approval of this amended and restated Plan; provided that no Shares shall be issued upon the exercise, vesting, distribution or payment of any such Awards prior to the time when the amended and restated Plan is approved by the Company's stockholders; and, provided, further, that if such approval has not been obtained at the end of said twelve (12)-month period, this amended and restated Plan, and all Awards previously granted or awarded out of the increase to the share reserve pursuant to this amended and restated Plan after the Restatement Effective Date shall thereupon be cancelled and become null and void, and the Plan, as in effect prior to the Restatement Effective Date, and all Awards thereunder, shall continue in full force and effect in accordance with their terms. No Awards shall be granted under the Plan after the completion of ten years from the earlier of (i) the date on which this amended and restated Plan was adopted by the Board or (ii) the date this amended and restated Plan was approved by the Company's stockholders, but Awards previously granted may extend beyond that date in accordance with the terms of the Plan.

(d) *Amendment of Plan.* The Administrator may amend, suspend or terminate the Plan or any portion thereof at any time; provided that no amendment of the Plan shall materially and adversely affect (as determined by the Administrator) any Award outstanding at the time of such amendment without the consent of the affected Participant. Awards outstanding under the Plan at the time of any suspension or termination of the Plan shall continue to be governed in accordance with the terms of the Plan and the applicable Award Agreement, as in effect prior to such suspension or termination. The Board shall obtain stockholder approval of any Plan amendment to the extent necessary to comply with Applicable Laws.

(e) *Provisions for Foreign Participants*. The Administrator may modify Awards granted to Participants who are foreign nationals or employed outside the United States or establish subplans or procedures under the Plan to address differences in laws, rules, regulations or customs of such foreign jurisdictions with respect to tax, securities, currency, employee benefit or other matters.

(f) *Section 409A*.

(i) *General*. The Company intends that all Awards be structured in compliance with, or to satisfy an exemption from, Section 409A, such that no adverse tax consequences, interest, or penalties under Section 409A apply in connection with any Awards. Notwithstanding anything

herein or in any Award Agreement to the contrary, the Administrator may, without a Participant's prior consent, amend this Plan and/or Awards, adopt policies and procedures, or take any other actions (including amendments, policies, procedures and actions with retroactive effect) as are necessary or appropriate to preserve the intended tax treatment of Awards under the Plan, including without limitation, any such actions intended to (A) exempt this Plan and/or any Award from the application of Section 409A, and/or (B) comply with the requirements of Section 409A, including without limitation any such regulations, guidance, compliance programs and other interpretative authority that may be issued after the date of grant of any Award. The Company makes no representations or warranties as to the tax treatment of any Award under Section 409A or otherwise. The Company shall have no obligation under this Section 10(f) or otherwise to take any action (whether or not described herein) to avoid the imposition of taxes, penalties or interest under Section 409A with respect to any Award and shall have no liability to any Participant or any other person if any Award, compensation or other benefits under the Plan are determined to constitute non-compliant, "nonqualified deferred compensation" subject to the imposition of taxes, penalties and/or interest under Section 409A.

(ii) *Separation from Service*. With respect to any Award that constitutes "nonqualified deferred compensation" under Section 409A, any payment or settlement of such Award that is to be made upon a termination of a Participant's Service Provider relationship shall, to the extent necessary to avoid the imposition of taxes under Section 409A, be made only upon the Participant's "separation from service" (within the meaning of Section 409A), whether such "separation from service" occurs upon or subsequent to the termination of the Participant's Service Provider relationship. For purposes of any such provision of this Plan or any Award Agreement relating to any such payments or benefits, references to a "termination," "termination of employment" or like terms shall mean "separation from service."

(iii) *Payments to Specified Employees*. Notwithstanding any contrary provision in the Plan or any Award Agreement, any payment(s) of "nonqualified deferred compensation" that are otherwise required to be made under an Award to a "specified employee" (as defined under Section 409A and determined by the Administrator) as a result of his or her "separation from service" shall, to the extent necessary to avoid the imposition of taxes under Code Section 409A(a)(2)(B)(i), be delayed until the expiration of the six-month period immediately following such "separation from service" (or, if earlier, until the date of death of the specified employee) and shall instead be paid (in a manner set forth in the Award agreement) on the day that immediately follows the end of such six-month period or as soon as administratively practicable thereafter (without interest). Any payments of "nonqualified deferred compensation" under such Award that are, by their terms, payable more than six months following the Participant's "separation from service" shall be paid at the time or times such payments are otherwise scheduled to be made.

(g) *Limitations on Liability*. Notwithstanding any other provisions of the Plan, no individual acting as a director, officer, other employee or agent of the Company will be liable to any Participant, former Participant, spouse, beneficiary, or any other person for any claim, loss, liability, or expense incurred in connection with the Plan or any Award, nor will such individual be personally liable with respect to the Plan because of any contract or other instrument he or she executes in his or her capacity as an Administrator, director, officer, other employee or agent of the Company. The Company will indemnify and hold harmless each director, officer, other employee and agent of the Company to whom any duty or power relating to the administration or interpretation of the Plan has been or will be granted or delegated, against any cost or expense (including attorneys' fees) or liability (including any sum paid in settlement of a claim with the Administrator's approval) arising out of any act or omission to act concerning this Plan unless arising out of such person's own fraud or bad faith.

(h) *Lock-Up Period*. The Company may, at the request of any representative of the underwriters or otherwise, in connection with any registration of the offering of any securities of the

Company under the Securities Act, prohibit Participants from, directly or indirectly, selling or otherwise transferring any shares of Common Stock or other securities of the Company during a period of up to one hundred eighty days following the effective date of a registration statement of the Company filed under the Securities Act.

(i) *Right of First Refusal*.

(i) Before any shares of Common Stock held by a Participant or any permitted transferee (each, a " ***Holder***") may be sold, pledged, assigned, hypothecated, transferred, or otherwise disposed of (each, a "***Transfer***"), the Company or its assignee(s) shall have a right of first refusal to purchase the shares of Common Stock proposed to be Transferred on the terms and conditions set forth in this Section 10(i) (the "***Right of First Refusal***"). In the event that the Company's charter, bylaws and/or a stockholders' agreement applicable to the shares of Common Stock contain a right of first refusal with respect to the shares of Common Stock, such right of first refusal shall apply to the shares of Common Stock to the extent such provisions are more restrictive than the Right of First Refusal set forth in this Section 10(i) and the Right of First Refusal set forth in this Section 10(i) shall not in any way restrict the operation of the Company's charter, bylaws or the operation of any applicable stockholders' agreement.

(ii) In the event any Holder desires to Transfer any shares of Common Stock, the Holder shall deliver to the Company a written notice (the "***Notice***") stating: (A) the Holder's bona fide intention to sell or otherwise Transfer such shares of Common Stock; (B) the name of each proposed purchaser or other transferee ("***Proposed Transferee***"); (C) the number of shares of Common Stock to be Transferred to each Proposed Transferee; and (D) the price for which the Holder proposes to Transfer the shares of Common Stock (the "***Offered Price***"), and the Holder shall offer such shares of Common Stock at the Offered Price to the Company or its assignee(s).

(iii) Within twenty-five days after receipt of the Notice, the Company and/or its assignee(s) may elect in writing to purchase all, but not less than all, of the shares of Common Stock proposed to be Transferred to any one or more of the Proposed Transferees by delivery of a written exercise notice to the Holder (a "***Company Notice***"). The purchase price ("***Purchase Price***") for the shares of Common Stock repurchased under this Section 10(i) shall be the Offered Price.

(iv) Payment of the Purchase Price shall be made, at the option of the Company or its assignee(s), in cash (by check or wire transfer), by cancellation of all or a portion of any outstanding indebtedness of the Holder to the Company (or, in the case of repurchase by an assignee, to the assignee), or by any combination thereof, within five days after delivery of the Company Notice or in the manner and at the times mutually agreed to by the Company and the Holder. Should the Offered Price specified in the Notice be payable in property other than cash, the Company or its assignee shall have the right to pay the purchase price in the form of cash equal in amount to the value of such property, as determined by the Administrator.

(v) If all or a portion of the shares of Common Stock proposed in the Notice to be Transferred are not purchased by the Company and/or its assignee(s) as provided in this Section 10(i), then the Holder may sell or otherwise Transfer such shares of Common Stock to that Proposed Transferee at the Offered Price or at a higher price; provided that such sale or other Transfer is consummated within sixty days after the date of the Notice; and provided, further, that any such sale or other Transfer is effected in accordance with any Applicable Laws and the Proposed Transferee agrees in writing that the provisions of this Plan and the applicable Award Agreement and any other applicable agreements governing the shares of Common Stock to be Transferred shall continue to apply to the shares of Common Stock in the hands of such Proposed Transferee. If the shares of Common Stock described in the Notice are not Transferred to the Proposed Transferee within such sixty-day period, a new Notice

shall be given to the Company, and the Company and/or its assignees shall again be offered the Right of First Refusal, as provided herein, before any shares of Common Stock held by the Holder may be sold or otherwise Transferred.

(vi) Anything to the contrary contained in this Section 10(i) notwithstanding and to the extent permitted by the Administrator, the Transfer of any or all of the shares of Common Stock during a Participant's lifetime or upon a Participant's death by will or intestacy to the Participant's Immediate Family or a trust for the benefit of the Participant's Immediate Family shall be exempt from the Right of First Refusal. As used herein, "***Immediate Family***" shall mean spouse, lineal descendant or antecedent, father, mother, brother or sister or stepchild (whether or not adopted). In such case, the transferee or other recipient shall receive and hold the shares of Common Stock so Transferred subject to the provisions of this Plan (including the Right of First Refusal), the applicable Award Agreement and any other applicable agreements governing the shares of Common Stock to be Transferred, and there shall be no further Transfer of such shares of Common Stock except in accordance with the terms of this Section 10(i) (or otherwise as expressly provided under the Plan).

(vii) The Right of First Refusal shall terminate as to all shares of Common Stock if the Company becomes a Publicly Listed Company upon such occurrence.

(j) *Data Privacy*. As a condition of receipt of any Award, each Participant explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of personal data as described in this paragraph by and among, as applicable, the Company and its subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan. The Company and its subsidiaries and affiliates may hold certain personal information about a Participant, including but not limited to, the Participant's name, home address and telephone number, date of birth, social security or insurance number or other identification number, salary, nationality, job title(s), any shares of stock held in the Company or any of its subsidiaries and affiliates, details of all Awards, in each case, for the purpose of implementing, managing and administering the Plan and Awards (the "***Data***"). The Company and its subsidiaries and affiliates may transfer the Data amongst themselves as necessary for the purpose of implementation, administration and management of a Participant's participation in the Plan, and the Company and its subsidiaries and affiliates may each further transfer the Data to any third parties assisting the Company in the implementation, administration and management of the Plan. These recipients may be located in the Participant's country, or elsewhere, and the Participant's country may have different data privacy laws and protections than the recipients' country. Through acceptance of an Award, each Participant authorizes such recipients to receive, possess, use, retain and transfer the Data, in electronic or other form, for the purposes of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Company or the Participant may elect to deposit any shares of Common Stock. The Data related to a Participant will be held only as long as is necessary to implement, administer, and manage the Participant's participation in the Plan. A Participant may, at any time, view the Data held by the Company with respect to such Participant, request additional information about the storage and processing of the Data with respect to such Participant, recommend any necessary corrections to the Data with respect to the Participant or refuse or withdraw the consents herein in writing, in any case without cost, by contacting his or her local human resources representative. The Company may cancel Participant's ability to participate in the Plan and, in the Administrator's discretion, the Participant may forfeit any outstanding Awards if the Participant refuses or withdraws his or her consents as described herein. For more information on the consequences of refusal to consent or withdrawal of consent, Participants may contact their local human resources representative.

(k) *Severability*. In the event any portion of the Plan or any action taken pursuant thereto shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the

remaining parts of the Plan, and the Plan shall be construed and enforced as if the illegal or invalid provisions had not been included, and the illegal or invalid action shall be null and void.

(l) *Governing Documents*. In the event of any contradiction between the Plan and any Award Agreement or any other written agreement between a Participant and the Company or any Subsidiary of the Company that has been approved by the Administrator, the terms of the Plan shall govern, unless it is expressly specified in such Award Agreement or other written document that a specific provision of the Plan shall not apply.

(m) *Governing Law*. The provisions of the Plan and all Awards made hereunder shall be governed by and interpreted in accordance with the laws of the State of Delaware, disregarding choice-of-law principles of the law of any state that would require the application of the laws of a jurisdiction other than such state.

(n) *Submission to Jurisdiction; Waiver of Jury Trial*. By accepting an Award, each Participant irrevocably and unconditionally consents to submit to the exclusive jurisdiction of the courts of the State of Delaware and of the United States of America, in each case located in the State of Delaware, for any action arising out of or relating to the Plan (and agrees not to commence any litigation relating thereto except in such courts), and further agrees that service of any process, summons, notice or document by U.S. registered mail to the address contained in the records of the Company shall be effective service of process for any litigation brought against it in any such court. By accepting an Award, each Participant irrevocably and unconditionally waives any objection to the laying of venue of any litigation arising out of Plan or Award hereunder in the courts of the State of Delaware or the United States of America, in each case located in the State of Delaware, and further irrevocably and unconditionally waives and agrees not to plead or claim in any such court that any such litigation brought in any such court has been brought in an inconvenient forum. By accepting an Award, each Participant irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any and all rights to trial by jury in connection with any litigation arising out of or relating to the Plan or any Award hereunder.

(o) *Restrictions on Shares; Claw-Back Provisions*. Awards and shares of Common Stock acquired in respect of Awards shall be subject to such terms and conditions as the Administrator shall determine, including, without limitation, restrictions on the transferability of shares of Common Stock, the right of the Company to repurchase shares of Common Stock, the right of the Company to require that shares of Common Stock be transferred in the event of certain transactions, tag-along rights, bring-along rights, redemption and co-sale rights and voting requirements. Such terms and conditions may be additional to those contained in the Plan and may, as determined by the Administrator, be contained in the applicable Award Agreement or in an exercise notice, stockholders' agreement or in such other agreement as the Administrator shall determine, in each case in a form determined by the Administrator. The issuance of such shares of Common Stock shall be conditioned on the Participant's consent to such terms and conditions and the Participant's entering into such agreement or agreements. All Awards (including any proceeds, gains or other economic benefit actually or constructively received by Participant upon any receipt or exercise of any Award or upon the receipt or resale of any shares of Common Stock underlying the Award) shall be subject to the provisions of any claw-back policy implemented by the Company, including, without limitation, any claw-back policy adopted to comply with the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder, to the extent set forth in such claw-back policy and/or in the applicable Award Agreement. A Participant shall, as a condition to receiving an Award, agree to execute such further instruments and to take such further action as the Company requests to carry out the purposes and intent of the Plan and any Award, including, without limitation, restrictions on the transferability of shares of Common Stock, the right of the Company to repurchase shares of Common Stock, the right of the Company to require that shares of Common Stock be transferred in the event of certain transactions,

tag-along rights, bring-along rights, redemption and co-sale rights and voting requirements in accordance with Section 10(o) of the Plan.

(p) *Titles and Headings*. The titles and headings of the Sections in the Plan are for convenience of reference only and, in the event of any conflict, the text of the Plan, rather than such titles or headings, shall control.

(q) *Conformity to Securities Laws*. Participant acknowledges that the Plan is intended to conform to the extent necessary with all provisions of the Securities Act and the Exchange Act and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, and state securities laws and regulations. Notwithstanding anything herein to the contrary, the Plan and all Awards granted hereunder shall be administered only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by Applicable Laws, the Plan and all Award Agreements shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

11. ***Definitions***. As used in the Plan, the following words and phrases shall have the following meanings:

(a) "***Administrator***" means the Board or a Committee to the extent that the Board's powers or authority under the Plan have been delegated to such Committee.

(b) "***Applicable Laws***" means the requirements relating to the administration of equity incentive plans under U.S. federal and state securities, tax and other applicable laws, rules and regulations, the applicable rules of any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws and rules of any foreign country or other jurisdiction where Awards are granted or issued under the Plan.

(c) *"**Award***" means, individually or collectively, a grant under the Plan of Options, Restricted Stock, Restricted Stock Units or Other Stock-Based Awards.

(d) *"**Award Agreement***" means a written agreement evidencing an Award, which agreements may be in electronic medium and shall contain such terms and conditions with respect to an Award as the Administrator shall determine, consistent with and subject to the terms and conditions of the Plan.

(e) *"**Board***" means the Board of Directors of the Company.

(f) "***Cause***," with respect to a Participant, means "Cause" (or any term of similar effect) as defined in such Participant's employment agreement with the Company if such an agreement exists and contains a definition of Cause (or term of similar effect), or, if no such agreement exists or such agreement does not contain a definition of Cause (or term of similar effect), then Cause shall include, but not be limited to: (i) the Participant's unauthorized use or disclosure of confidential information or trade secrets of the Company or any material breach of a written agreement between the Participant and the Company, including without limitation a material breach of any employment, confidentiality, non-compete, non-solicit or similar agreement; (ii) the Participant's commission of, indictment for or the entry of a plea of guilty or *nolo contendere* by the Participant to, a felony under the laws of the United States or any state thereof or any crime involving dishonesty or moral turpitude (or any similar crime in any jurisdiction outside the United States); (iii) the Participant's gross negligence or willful misconduct or the Participant's willful or repeated failure or refusal to substantially perform assigned duties; (iv) any act of fraud, embezzlement, material misappropriation or dishonesty committed by the Participant against the Company; or (v) any acts, omissions or statements by a Participant which the Company reasonably determines to be materially detrimental or damaging to the reputation, operations, prospects or business relations of the Company.

(g) "***Change in Control***" means (i) a merger or consolidation of the Company with or into any other corporation or other entity or person, (ii) a sale, lease, exchange or other transfer in one transaction or a series of related transactions of all or substantially all of the Company's assets, or (iii) any other transaction, including the sale by the Company of new shares of its capital stock or a transfer of existing shares of capital stock of the Company, the result of which is that a third party that is not an affiliate of the Company or its stockholders (or a group of third parties not affiliated with the Company or its stockholders) immediately prior to such transaction acquires or holds capital stock of the Company representing a majority of the Company's outstanding voting power immediately following such transaction; provided that the following events shall not constitute a "Change in Control": (A) a transaction (other than a sale of all or substantially all of the Company's assets) in which the holders of the voting securities of the Company immediately prior to the merger or consolidation hold, directly or indirectly, at least a majority of the voting securities in the successor corporation or its parent immediately after the merger or consolidation; (B) a sale, lease, exchange or other transaction in one transaction or a series of related transactions of all or substantially all of the Company's assets to an affiliate of the Company; (C) an initial public offering of any of the Company's securities or any other transaction or series of related transactions principally for bona fide equity financing purposes; (D) a reincorporation of the Company solely to change its jurisdiction; or (E) a transaction undertaken for the primary purpose of creating a holding company that will be owned in substantially the same proportion by the persons who held the Company's securities immediately before such transaction. Notwithstanding the foregoing, if a Change in Control would give rise to a payment or settlement event with respect to any Award that constitutes "nonqualified deferred compensation," the transaction or event constituting the Change in Control must also constitute a "change in control event" (as defined in Treasury Regulation §1.409A-3(i)(5)) in order to give rise to the payment or settlement event for such Award, to the extent required by Section 409A.

(h) "***Code***" means the Internal Revenue Code of 1986, as amended, and the regulations issued thereunder.

(i) "***Committee***" means one or more committees or subcommittees of the Board, which may be comprised of one or more directors and/or executive officers of the Company, in either case, to the extent permitted in accordance with Applicable Laws.

(j) "***Common Stock***" means the common stock of the Company.

(k) "***Company***" means Mineralys Therapeutics, Inc., a Delaware corporation, or any successor thereto. Except where the context otherwise requires, the term "Company" includes any of the Company's present or future parent or subsidiary corporations as defined in Sections 424(e) or (f) of the Code and any other business venture (including, without limitation, joint venture or limited liability company) in which the Company has a significant interest, as determined by the Administrator.

(l) "***Consultant****"* means any person, including any advisor, engaged by the Company or a parent or subsidiary of the Company to render services to such entity.

(m) "***Designated Beneficiary****"* means the beneficiary or beneficiaries designated, in a manner determined by the Administrator, by a Participant to receive amounts due or exercise rights of the Participant in the event of the Participant's death or incapacity In the absence of an effective designation by a Participant, "Designated Beneficiary" shall mean the Participant's estate.

(n) "***Director****"* means a member of the Board.

(o) "***Disability***" means a permanent and total disability within the meaning of Section 22(e)(3) of the Code, as it may be amended from time to time.

(p) "***Dividend Equivalents***" means a right granted to a Participant pursuant to Section 6(d)(3) hereof to receive the equivalent value (in cash or shares of Common Stock) of dividends paid on shares of Common Stock.

(q) "***Employee***" means any person, including officers and Directors, employed by the Company (within the meaning of Section 3401(c) of the Code) or any parent or subsidiary of the Company.

(r) "***Equity Restructuring***" means, as determined by the Administrator, a non-reciprocal transaction between the Company and its stockholders, such as a stock dividend, stock split, spin-off or recapitalization through a large, nonrecurring cash dividend, that affects the shares of Common Stock (or other securities of the Company) or the share price of Common Stock (or other securities of the Company) and causes a change in the per share value of the Common Stock underlying outstanding Awards.

(s) "***Exchange Act****"* means the Securities Exchange Act of 1934, as amended.

(t) "***Fair Market Value****"* means, as of any date, the value of Stock determined as follows: (i) if the Common Stock is listed on any established stock exchange, its Fair Market Value shall be the closing sales price for such Common Stock as quoted on such exchange for such date, or if no sale occurred on such date, the first market trading day immediately prior to such date during which a sale occurred, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; (ii) if the Common Stock is not traded on a stock exchange but is quoted on a national market or other quotation system, the last sales price on such date, or if no sales occurred on such date, then on the date immediately prior to such date on which sales prices are reported, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable; or (iii) in the absence of an established market for the Common Stock, the Fair Market Value thereof shall be determined by the Administrator.

(u) "***Incentive Stock Option***" means an "incentive stock option" as defined in Section 422 of the Code.

(v) "***Non-Qualified Stock Option****"* means an Option that is not intended to be or otherwise does not qualify as an Incentive Stock Option.

(w) "***Option***" means an option to purchase Common Stock.

(x) "***Other Stock-Based Awards****"* means other Awards of shares of Common Stock, and other Awards that are valued in whole or in part by reference to, or are otherwise based on, shares of Common Stock or other property.

(y) "***Participant****"* means a Service Provider who has been granted an Award under the Plan.

(z) "***Plan***" means this amended and restated Mineralys Therapeutics, Inc. 2020 Equity Incentive Plan.

(aa) "***Publicly Listed Company***" means that the Company or its successor (i) is required to file periodic reports pursuant to Section 12 of the Exchange Act and (ii) the Common Stock is listed on one or more National Securities Exchanges (within the meaning of the Exchange Act) or is quoted on NASDAQ or a successor quotation system.

(bb) "***Restatement Effective Date***" has the meaning given to such term in Section 10(c).

(cc) "***Restricted Stock***" means Common Stock awarded to a Participant pursuant to Section 6 hereof that is subject to certain vesting conditions and other restrictions.

(dd) "***Restricted Stock Unit***" means an unfunded, unsecured right to receive, on the applicable settlement date, one share of Common Stock or an amount in cash or other consideration determined by the Administrator equal to the value thereof as of such payment date, which right may be subject to certain vesting conditions and other restrictions.

(ee) "***Section 409A***" means Section 409A of the Code and all regulations, guidance, compliance programs and other interpretative authority thereunder.

(ff) "***Securities Act***" means the Securities Act of 1933, as amended from time to time.

(gg) "***Service Provider***" means an Employee, Consultant or Director.

(hh) "***Termination of Service***" means the date the Participant ceases to be a Service Provider.

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MINERALYS THERAPEUTICS, INC.

2020 EQUITY INCENTIVE PLAN

CALIFORNIA SUPPLEMENT

The Administrator has adopted this supplement for purposes of satisfying the requirements of Section 25102(o) of the California Corporations Code and the regulations issued thereunder ("***Section 25102(o)***"). Notwithstanding anything to the contrary contained in the Plan and except as otherwise determined by the Administrator, the provisions set forth in this supplement shall apply to all Awards granted under the Plan to a Participant who is a resident of the State of California on the date of grant (a "***California Participant***") and which are intended to be exempt from registration in California pursuant to Section 25102(o). This supplement shall not apply to Awards granted to California Participants or after the date on which the Company becomes a Publicly Listed Company. Definitions in the Plan are applicable to this supplement.

1. ***Limitation on Securities Issuable under the Plan***. The amount of securities issued pursuant to the Plan shall not exceed the amounts permitted under section 260.140.45 of the California Code of Regulations to the extent applicable.

2. ***Additional Limitations On Options***.

(a) *Maximum Duration of Options.* No Options granted to California Participants will be granted for a term in excess of ten (10) years.

(b) *Minimum Exercise Period Following Termination.* Unless a California Participant's Service Provider relationship is terminated for Cause, in the event of termination of such Participant's Service Provider relationship, to the extent required by Applicable Laws, he or she shall have the right to exercise an Option, to the extent that he or she was otherwise entitled to exercise such Option on the date employment terminated, as follows: (i) at least six months from the date of termination, if termination was caused by such Participant's death or Disability and (ii) at least 30 days from the date of termination, if termination was caused other than by such Participant's death or Disability.

3. ***Additional Limitations For Restricted Stock Awards, Restricted Stock Units and Other Stock-Based Awards***. The terms of all Awards granted to California Participants shall comply, to the extent applicable, with Section 260.140.41 and Section 260.140.42 of the California Code of Regulations.

4. ***Adjustments***. The Administrator will make such adjustments to an Award held by a California Participant as may be required by Section 260.140.41 or Section 260.140.42 of the California Code of Regulations.

5. ***Additional Requirement To Provide Information To California Participants***. To the extent required by Section 260.140.46 of the California Code of Regulations, the Company shall provide to each California Participant and to each California Participant who acquires Common Stock pursuant to the Plan, not less frequently than annually, copies of annual financial statements (which need not be audited). The Company shall not be required to provide such statements to key persons whose duties in connection with the Company assure their access to equivalent information. In addition, this information requirement shall not apply to the Plan to the extent that it complies with all conditions of Rule 701 of the Securities Act ("***Rule 701***") as determined by the Administrator; provided that for purposes of determining such compliance, any registered domestic partner shall be considered a "family member" as that term is defined in Rule 701.

6 . ***Stockholder Approval; Additional Limitations On Timing Of Awards*** . The Plan will be submitted for the approval of the Company's stockholders within twelve (12) months after the date of the Board's adoption of the Plan. Awards may be granted or awarded prior to such stockholder approval; provided that no Award granted to a California Participant shall become exercisable, vested or realizable, as applicable to such Award, unless the Plan has been approved by the Company's stockholders within twelve months before or after the date the Plan was adopted by the Administrator; and provided, further, that if such approval has not been obtained at the end of said twelve-month period, all Awards previously granted or awarded under the Plan to California Participants shall thereupon be canceled and become null and void.

* * *

MINERALYS

[***] *Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and is treated by the Registrant as private or confidential.*

October 9, 2020
Via Email

Jon Congleton
[***]

Re: Employment Offer Letter

Dear Jon:

Mineralys Therapeutics, Inc. (the "***Company***") is pleased to offer you a position on the terms set forth in this letter (this " ***Agreement***").

- **DUTIES.** You shall serve and shall perform such duties as are customarily associated with the position of Chief Executive Officer and such other duties as are assigned to you by the Company's board of directors (the "***Board***"). Your job duties and responsibilities may change from time to time, without advance notice, in the sole discretion of the Company. You shall be permitted to work remotely from your home until the Company establishes its U.S.-based office, which we expect will be located in the Philadelphia, Pennsylvania metropolitan area. This is an exempt position.

During the term of your employment, you shall devote your full working time and attention to the business affairs of the Company; provided, however, that, subject to the terms of the Company's form of Proprietary Information and Inventions Assignment Agreement, as described below, (a) you shall be permitted to devote up to 10% of your working time and attention (in the aggregate) in your capacity as an entrepreneur-in-residence with Catalys Pacific in a manner consistent with such services as of the date hereof, and (b) this shall not preclude you from (i) devoting time to personal and family investments, (ii) participating in industry associations, (iii) serving on community and civic boards, or (iv) serving on up to one for-profit board; provided, in the case of clauses (a) and (b), such activities do not interfere with your duties to the Company, as determined in good faith by the Board.

- **BOARD SERVICE .** Effective as soon as practicable, you will be appointed as a member of the Board, to serve until your successor is duly appointed or elected in accordance with the Company's organizational documents. You agree to resign your position as a member of the Board in the event you do not commence employment as the Company's Chief Executive Officer on the terms provided in this Agreement on or before November 1, 2020 (or such later date as mutually agreed by you and the current Chief Executive Officer of the Company).

- **COMPENSATION.** Following your Employment Start Date (as defined below), your initial compensation will be as follows:

    - **BASE SALARY.** Commencing on the closing of the initial tranche of an equity financing in which investors purchase Series A preferred stock that results in gross proceeds to the Company of at least $20,000,000 (a "***Qualifying Series A Financing***"), you will receive an annual base salary of $400,000 for all hours worked after such date, less taxes, authorized withholdings and other legally required deductions. You will be paid in accordance with the Company's customary payroll procedures as established and modified from time-to-time.

- **SERIES A BONUS.** Upon the closing of a Qualifying Series A Financing, provided that you continue to provide services to the Company on such date, you will receive a one-time bonus equal to (a) (i) $400,000, divided by (ii) 365, multiplied by (b) the number of calendar days elapsed from Employment Start Date through and including the date of such Qualifying Series A Financing (the "***Series A Bonus***"), which bonus shall be paid within ten days following the consummation of the Qualifying Series A Financing.

- **ANNUAL BONUS.** In addition to your base salary, you may be eligible to earn, for each fiscal year of the Company commencing with the fiscal year in which a Qualifying Series A Financing occurs and ending during the term of your employment with the Company, an annual cash performance bonus under the Company's bonus plan, as approved from time to time by the Board. Your target annual bonus will be 25% of your base salary actually paid for the year to which such annual bonus relates (your "***Target Bonus***"). Your actual annual bonus will be determined on the basis of your and/or the Company's attainment of financial or other performance criteria established by the Board or its designee in accordance with the terms and conditions of such bonus plan. You must be employed by the Company on the date of payment of such annual bonus in order to be eligible to receive such annual bonus. You hereby acknowledge and agree that nothing contained herein confers upon you any right to an annual bonus in any year, and that whether the Company pays you an annual bonus and the amount of any such annual bonus will be determined by the Company in its sole discretion. Your bonus for the fiscal year in which a Qualifying Series A Financing occurs will be prorated to reflect the portion of the year that elapses following such financing.

- **BENEFITS.** You shall be eligible to participate in all of the employee benefit plans or programs the Company generally makes available to similarly situated employees, pursuant to the terms and conditions of such plans. You will also be entitled to vacation and/or paid time off each year in accordance with Company policy and all holidays observed by the Company each year. The Company reserves the right to change compensation and benefits provided to its employees from time to time in its discretion.

- **WITHHOLDING.** All amounts payable to you will be subject to appropriate payroll deductions and withholdings.

- **STOCK AWARD.** Subject to approval of the Company's board of directors, as soon as practicable following your appointment as a member of the Board, you will be granted 5,000,000 shares of the Company's common stock, which shares will be unvested and subject to repurchase or forfeiture by the Company in the event of your termination of service for any reason prior to vesting of such shares (the "***Initial Award***"). The Initial Award will be granted pursuant to the Company's equity incentive plan (the "***Plan***"). The Initial Award will be subject to the terms and conditions of the Plan and your restricted stock agreement. The Initial Award will vest over a four year vesting schedule, with 25% of such Initial Award vesting on the first anniversary of the Employment Start Date and the remaining portion of the Initial Award vesting in 36 monthly installments thereafter. For the avoidance of doubt, none of the shares subject to the Initial Award will vest unless you have commenced employment as the Company's Chief Executive Officer on the terms provided in this Agreement on or prior to November 1, 2020 (or such later date as mutually agreed by you and the current Chief Executive Officer of the Company).

- **EXPENSES.** You will be entitled to reimbursement for all ordinary and reasonable out-of-pocket business expenses which are reasonably incurred by you in furtherance of the Company's business, with appropriate documentation and in accordance with the Company's standard policies.

- **INDEMNIFICATION**. You will receive defense and be indemnified by the Company to the full extent of the provisions of the Company's charter and bylaws and applicable California and Delaware law and on terms no less favorable than those provided to other officers and directors. You will also receive directors' and officers' insurance coverage on terms no less favorable than those provided to other officers and directors.

- **SEVERANCE.**

    - **ACCRUED OBLIGATIONS.** If your employment terminates for any reason, you are entitled to your fully earned but unpaid base salary, through the date such termination is effective at the rate then in effect, and all other amounts or benefits to which you are entitled under any compensation, retirement or benefit plan of the Company at the time of your termination of employment in accordance with the terms of such plans, including, without limitation, any accrued but unpaid paid time off and any continuation of benefits required by applicable law (the "***Accrued Obligation***s").

    - **SEVERANCE BENEFITS.** In addition to your Accrued Obligations, subject to your continued compliance with the Proprietary Information and Inventions Assignment Agreement, as described below, and the effectiveness of your Release, as defined below, if, following the closing of a Qualifying Series A Financing, your employment is involuntarily terminated by the Company without Cause (as defined below) (and other than by reason of your death or disability) or you resign for Good Reason (as defined below) (either such termination, a "***Qualifying Termination***"), you shall be entitled to receive, as the sole severance benefits to which you are entitled, the benefits provided below (the "***Severance Benefits***"):

        - An amount equal to 6 months' base salary (at the rate in effect immediately prior to the date of your termination of employment, or in the case of a material diminution in your base salary which would give rise to Good Reason for your resignation, the base salary in effect prior to such material diminution), which amount will be paid over a period of 6 months following your termination of employment in accordance with the Company's standard payroll practices, with the first such installment occurring on the first regularly-scheduled payroll date following the date your Release becomes effective (which first installment will include any installments that would have occurred prior to such date but for the fact your Release was not yet effective);

        - An amount equal to your Target Bonus for the year in which your Qualifying Termination occurs, pro-rated on a daily basis for the number of days of such year which have elapsed prior to your date of termination, which amount will be paid in a lump sum on the date on which bonuses are paid to the Company's employees generally for such year, but in no event later than March 15 of the calendar year following the year in which your termination of employment occurs;

- For the 6 month period beginning on the date of your termination of employment (or, if earlier, (a) the date on which the applicable continuation period under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") expires, or (b) the date on which you become eligible to receive the equivalent or increased healthcare coverage by means of subsequent employment or self-employment) (such period, the "***COBRA Coverage Period***"), if you and/or your eligible dependents who were covered under the Company's health insurance plans as of the date of your termination of employment elect to have COBRA coverage and are eligible for such coverage, the Company shall pay for or reimburse you on a monthly basis for an amount equal to (i) the monthly premium you and/or your covered dependents, as applicable, are required to pay for continuation coverage pursuant to COBRA for you and/or your eligible dependents, as applicable, who were covered under the Company's health plans as of the date of your termination of employment (calculated by reference to the premium as of the date of your termination of employment) less (ii) the amount you would have had to pay to receive group health coverage for you and/or your covered dependents, as applicable, based on the cost sharing levels in effect on the date of your termination of employment. If any of the Company's health benefits are self-funded as of the date of your termination of employment, or if the Company cannot provide the foregoing benefits in a manner that is exempt from Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***") or that is otherwise compliant with applicable law (including, without limitation, Section 2716 of the Public Health Service Act), instead of providing the payments or reimbursements as set forth above, the Company shall instead pay to you the foregoing monthly amount as a taxable monthly payment for the COBRA Coverage Period (or any remaining portion thereof). You shall be solely responsible for all matters relating to continuation of coverage pursuant to COBRA, including, without limitation, the election of such coverage and the timely payment of premiums. You shall notify the Company immediately if you become eligible to receive the equivalent or increased healthcare coverage by means of subsequent employment or self-employment;

- Notwithstanding anything else set forth herein, in the Plan or in any award agreement, such number of the unvested Stock Awards (as defined below) then held by you (including the Initial Award) will vest on the effective date of your Release as would have vested during the 6-month period following your Qualifying Termination had you remained employed by the Company during such period. The foregoing provisions are hereby deemed to be a part of each Stock Award and to supersede any less favorable provision in any agreement or plan regarding such Stock Award; and

- In the event your Qualifying Termination occurs following the closing of a Qualifying Series A Financing and within 12 months following a Change in Control, the references to "6 months" in the foregoing severance provisions shall be increased to "12 months."

- As a condition to your receipt of any post-termination payments and benefits pursuant to the preceding paragraphs, you shall execute and not revoke a general release of all claims in favor of the Company (the "***Release***") in a form reasonably acceptable to the Company in order to effectuate a valid general release of claims. In the event the Release does not become effective within the 60-day period following the date of your termination of employment, you will not be entitled to the aforesaid payments and benefits.

- For purposes of this Agreement, "***Cause***" means any of the following: (a) your commission of an act of fraud, embezzlement or dishonesty, or the commission of some other illegal act by you, that has a demonstrable adverse impact on the Company or any successor or affiliate thereof; (b) your conviction of, or plea of "guilty" or "no contest" to, a felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (c) any intentional, unauthorized use or disclosure by you of confidential information or trade secrets of the Company or any successor or affiliate thereof; (d) your gross negligence, insubordination or material violation of any duty of loyalty to the Company or any successor or affiliate thereof, or any other demonstrable material misconduct on your part; (e) your ongoing and repeated failure or refusal to perform or neglect of your duties as required by this Agreement or your ongoing and repeated failure or refusal to comply with the instructions given to you by the Board, which failure, refusal or neglect continues for 15 days following your receipt of written notice from the Board stating with specificity the nature of such failure, refusal or neglect; or (f) your willful, material breach of any material Company policy or any material provision of this Agreement or the Proprietary Information and Inventions Assignment Agreement. Prior to the determination that "Cause" under clauses (d), (e) or (f) has occurred, the Company shall (i) provide to you in writing, in reasonable detail, the reasons for the determination that such "Cause" exists, (ii) other than with respect to clause (e) above which specifies the applicable period of time for you to remedy your breach, afford you a reasonable opportunity to remedy any such breach, (iii) provide you an opportunity to be heard prior to the final decision to terminate your employment hereunder for such "Cause" and (iv) make any decision that such "Cause" exists in good faith. The foregoing definition shall not in any way preclude or restrict the right of the Company or any successor or affiliate thereof to discharge or dismiss you for any other acts or omissions, but such other acts or omissions shall not be deemed, for purposes of this Agreement, to constitute grounds for termination for Cause.

- For purposes of this Agreement, "***Change in Control***" shall have the meaning set forth in the Plan. If a Change in Control would give rise to a payment or settlement event with respect to any payment or benefit that constitutes "nonqualified deferred compensation," the transaction or event constituting the Change in Control must also constitute a "change in control event" (as defined in Treasury Regulation §1.409A-3(i)(5)) in order to give rise to the payment or settlement event for such payment or benefit, to the extent required by Section 409A.

- For purposes of this Agreement, "***Good Reason***" means any of the following without your written consent: (a) a material diminution in your authority, duties or responsibilities; (b) a material diminution in your base compensation (and you

and the Company agree that any diminution of 10% or more shall be considered material for this purpose, regardless of whether such diminution occurs due to a single reduction or a series of reductions in your base compensation), unless such a reduction is imposed across-the-board to senior management of the Company; (c) a material change in the geographic location at which you must perform your duties; or (d) any other action or inaction that constitutes a material breach by the Company or any successor or affiliate of its obligations to you under this Agreement. You must provide written notice to the Company of the occurrence of any of the foregoing events or conditions without your written consent within 60 days of the occurrence of such event. The Company or any successor or affiliate shall have a period of 30 days to cure such event or condition after receipt of written notice of such event from you. Your termination of employment by reason of resignation from employment with the Company for Good Reason must occur within 30 days following the expiration of the foregoing 30-day cure period.

- For purposes of this Agreement, "***Stock Awards***" means all stock options, restricted stock and such other awards granted pursuant to the Company's stock option and equity incentive award plans or agreements, as in effect from time to time, and any shares of stock issued upon exercise or settlement thereof, including the Initial Award.

- To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder. The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from Section 409A of the Code and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance with such intention. To the extent that any provision in this Agreement is ambiguous as to its compliance with or exemption from Section 409A of the Code, the provision shall be read in such a manner that no payments payable under this Agreement shall be subject to an "additional tax" as defined in Section 409A(a)(1)(B) of the Code. For purposes of Section 409A of the Code, any right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments. For purposes of this Agreement, all references to your "termination of employment" shall mean your "separation from service" (as defined in Treasury Regulation Section 1.409A-1(h)) ("***Separation from Service***"). If you are a "specified employee" (as defined in Section 409A of the Code), as determined by the Company in accordance with Section 409A of the Code, on the date of your Separation from Service, to the extent that the payments or benefits under this Agreement are "non-qualified deferred compensation" subject to Section 409A of the Code and the delayed payment or distribution of all or any portion of such amounts to which you are entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, then such portion deferred pursuant to this paragraph shall be paid or distributed to you in a lump sum on the earlier of (a) the date that is 6 months and one day following your Separation from Service, (b) the date of your death or (c) the earliest date as is permitted under Section 409A of the Code. Any remaining payments due under this Agreement shall be paid as otherwise provided herein.

- To the extent that the payments or benefits under this Agreement are "non-qualified deferred compensation" subject to Section 409A of the Code, if the period during which you may deliver the Release required hereunder spans two calendar years, the payment of your post-termination benefits shall occur (or commence) on the later of (a) January 1 of the second calendar year, or (b) the first regularly-scheduled payroll date following the date your Release becomes effective.

- Any reimbursement of expenses or in-kind benefits payable under this Agreement shall be made in accordance with Treasury Regulation Section 1.409A-3(i)(1)(iv) and shall be paid on or before the last day of your taxable year following the taxable year in which you incurred the expenses. The amount of expenses reimbursed or in-kind benefits payable in one year shall not affect the amount eligible for reimbursement or in-kind benefits payable in any other taxable year of yours, and your right to reimbursement for such amounts shall not be subject to liquidation or exchange for any other benefit.

- **COMPANY POLICIES AND PROPRIETARY INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT.** As an employee of the Company, you shall be expected to abide by all of the Company's policies and procedures and the Company's employee handbook, if any. As a condition of your employment, you agree to execute and abide by the terms of the Company's form of the Proprietary Information and Inventions Assignment Agreement, which shall survive termination of your employment with the Company and the termination of this Proprietary Information and Inventions Assignment Agreement. You acknowledge that a remedy at law for any breach or threatened breach by you of the provisions of the Proprietary Information and Inventions Assignment Agreement would be inadequate, and you therefore agree that the Company shall be entitled to injunctive relief in case of any such breach or threatened breach. The Company may modify, revoke, suspend or terminate any of the terms, plans, policies and/or procedures described in the employee handbook, if any, or as otherwise communicated to you, in whole or part, at any time, with or without notice.

- **EMPLOYMENT TERMS.** As a condition to your employment with the Company, you are required to (a) sign and return a satisfactory I-9 Immigration form providing sufficient documentation establishing your employment eligibility in the United States, and (b) provide satisfactory proof of your identity as required by United States law.

- **OTHER AGREEMENTS.** You represent and agree that your performance of your duties for the Company shall not violate any agreements, obligations or understandings that you may have with any third party or prior employer. Without limiting the foregoing, you represent and agree that you are not bound by any non-compete or non-solicitation agreement or any other type of agreement that would prohibit your employment with the Company. You agree not to make any unauthorized disclosure or use, on behalf of the Company, of any confidential information belonging to any of your former employers. You also represent that you are not in unauthorized possession of any materials containing a third party's confidential and proprietary information. While employed by the Company, you will not engage in any business activity in competition with the Company nor make preparations to do so. In the event that you wish to undertake a business activity outside the scope of your employment by the Company, which activity you believe entails no conflict with the Company's activities, you agree to inform the Company of your intentions before the initiation of such outside business activity, and you furthermore agree to abide by the Company's decision as to whether or not there is no conflict. If, in the Company's sole determination, a conflict exists or is likely to develop, you agree not to undertake such outside business activity.

- **AT-WILL EMPLOYMENT.** Your employment with the Company will be "at-will" at all times, including after your introductory, probationary period, meaning that either you or the Company will be entitled to terminate your employment at any time and for any reason, with or without cause. Any contrary representations that may have been made to you are superseded by this offer. This Agreement in no way represents a fixed-term employment contract. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express written agreement signed by you and a duly authorized officer of the Company.

- **NON-INTERFERENCE.** While employed by the Company, and for one (1) year immediately following the date on which you terminate employment or otherwise cease providing services to the Company, you agree not to interfere with the business of the Company by soliciting or attempting to solicit any employee or consultant of the Company to terminate such employee's or consultant's employment or service in order to become an employee, consultant or independent contractor to or for any other person or entity. The foregoing restrictions shall not apply with respect to the bona fide hiring and firing of Company personnel to the extent such acts are part of your duties for Company. Your duties under this paragraph shall survive termination of your employment with the Company and the termination of this Agreement.

- **REASONABLENESS OF TERMS.** You agree that the terms contained in the "Other Agreements" and "Non-Interference" paragraphs above are reasonable in all respects and that the restrictions contained therein are designed to protect the Company against unfair competition. In the event a court determines that any of the terms or provisions of this Agreement are unreasonable, the court may limit the application of any provision or term, or modify any provision or term, and proceed to enforce this Agreement as so limited or modified.

- **GOVERNING LAW; JURISDICTION AND VENUE.** This Agreement, for all purposes, shall be construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to conflicts-of-law principles. Any action or proceeding by either party to enforce this Agreement shall be brought only in any state or federal court located in Philadelphia County, Pennsylvania. The parties hereby irrevocably submit to the exclusive jurisdiction of such courts and waive the defense of inconvenient forum to the maintenance of any such action or proceeding in such venue.

- **SEVERABILITY.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

- **SUCCESSORS AND ASSIGNS.** This Agreement is intended to bind and inure to the benefit of and be enforceable by you and the Company, and their respective successors, assigns, heirs, executors and administrators, except that you may not assign any of your duties hereunder and you may not assign any of your rights hereunder, without the written consent of the Company, which shall not be withheld unreasonably.

- **ENTIRE AGREEMENT.** This Agreement and the Proprietary Information and Inventions Assignment Agreement constitute the complete, final and exclusive embodiment of the entire agreement between you and the Company with respect to the terms and conditions of your employment specified herein and therein. This Agreement and the Proprietary Information and Inventions Assignment

Agreement supersede any other such promises, obligations, warranties, representations or agreements between you and the Company, and you agree that any and all such prior promises, obligations, warranties, representations and agreements are hereby terminated. This Agreement may not be amended or modified except by a written instrument signed by you and a duly authorized officer of the Company.

- **EMPLOYMENT START DATE.** We expect that your start date will be on or about November 1, 2020 (the "***Employment Start Date***"). This offer, if not accepted, will expire at the close of business on October 15, 2020.

If you choose to accept this Agreement under the terms described above, please acknowledge your acceptance of our offer by returning a signed copy of this letter and the Proprietary Information and Inventions Assignment Agreement to our attention.

Sincerely,

Mineralys Therapeutics, Inc.

/s/ BT Slingsby
Name: Brian Taylor Slingsby, MD, PhD, MPH
Title: Chief Executive Officer

Agreed and Accepted:

I have read and understood this Agreement and hereby acknowledge, accept and agree to the terms as set forth above and further acknowledge and agree that no other commitments were made to me as part of my employment offer except as specifically set forth herein.

/s/ Jon Congleton Date: October 9, 2020
Jon Congleton

Attachments: Proprietary Information and Inventions Assignment Agreement

MINERALYS

[***] *Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and is treated by the Registrant as private or confidential.*

January 8th, 2021
Via Email

David Rodman, MD
[***]

Re: Employment Offer Letter

Dear Dr. Rodman:

Mineralys Therapeutics, Inc. (the "***Company***") is pleased to offer you a position on the terms set forth in this letter (this " ***Agreement***").

- **DUTIES.** You shall serve and shall perform such duties as are customarily associated with the position of Chief Medical Officer and such other duties as are assigned to you by the Company's board of directors (the "***Board***"). Your job duties and responsibilities may change from time to time, without advance notice, in the sole discretion of the Company. You shall be permitted to work remotely from your home until the Company establishes its U.S.-based office, which we expect will be located in the Greater Philadelphia area. Thereafter, presence at the Company's headquarters averaging not more than ten days per month may be required. This is an exempt position. Upon your commencement of employment as Chief Medical Officer, you will be appointed as a member of the Board.

During the term of your employment, you shall devote your full working time and attention to the business affairs of the Company; provided, however, that, subject to the terms of the Company's form of Proprietary Information and Inventions Assignment Agreement , as described below, this shall not preclude you from (i) devoting time to personal and family investments, (ii) participating in industry associations, (iii) serving on community and civic boards, (iv) serving on up to one for-profit board, or (v) providing limited professional consulting services to non-competing commercial entities with full knowledge and revocable approval of the CEO; provided, such activities do not interfere with your duties to the Company, as determined in good faith by the Board.

- **COMPENSATION.** Your initial compensation will be as follows:
  - **BASE SALARY.** Commencing on the closing of the initial tranche of an equity financing in which investors purchase Series A preferred stock that results in gross proceeds to the Company of at least $20,000,000 (a "***Qualifying Series A Financing***"), you will receive an annual base salary of $395,000 for all hours worked after such date, less taxes, authorized withholdings and other legally required deductions. You will be paid in accordance with the Company's customary payroll procedures as established and modified from time-to-time.
  - **SIGN-ON BONUS.** Upon the closing of a Qualifying Series A Financing , provided that you continue to provide services to the Company on such date, you will receive (a) a one-time bonus of $200 ,000 (the "**Sign-on *Bonus***") and (b) a one-time bonus equal to $395,000 divided by 365, multiplied by the number of calendar days elapsed from the date of your commencement of employment through and including the date of such Qualifying Series A Financing ; which bonuses shall be paid within ten days following the consummation of the Qualifying Series A Financing.

- **ANNUAL BONUS.** In addition to your base salary, you may be eligible to earn, for each fiscal year of the Company commencing with the fiscal year in which a Qualifying Series A Financing occurs and ending during the term of your employment with the Company, an annual cash performance bonus under the Company's bonus plan, as approved from time to time by the Board. Your target annual bonus will be 25% of your base salary actually paid for the year to which such annual bonus relates (your "***Target Bonus***"). Your actual annual bonus will be determined on the basis of your and/or the Company's attainment of financial or other performance criteria established by the Board or its designee in accordance with the terms and conditions of such bonus plan. You must be employed by the Company on the date of payment of such annual bonus in order to be eligible to receive such annual bonus. You hereby acknowledge and agree that nothing contained herein confers upon you any right to an annual bonus in any year, and that whether the Company pays you an annual bonus and the amount of any such annual bonus will be determined by the Company in its sole discretion. Your bonus for the fiscal year in which a Qualifying Series A Financing occurs will be prorated to reflect the portion of the year that elapses following such financing.

- **STOCK OPTIONS.** Subject to approval of the Company's board of directors, upon your Employment Start Date , you will be granted stock options to purchase a number of shares of the Company's common stock as is equal to 2% of the capital stock of the Company, determined on a non-dilutive basis, at an exercise price per share equal to the fair market value per share of the Company's common stock on the date of grant (the "***Initial Award***"). Upon the consummation of the Qualifying Series A Financing , you will be provided an additional grant of options bringing you back to 2% of fully diluted shares (the "***Additional Award***"). The Initial Award and Additional Award will be granted pursuant to the Company's equity incentive plan (the "***Plan***"), and will be subject to the terms and conditions of the Plan and your stock option agreement. The Initial Award and Additional Award will vest over a four year vesting schedule, with 25% of such Awards vesting on the first anniversary of each Start Date and the remaining portion of such Awards vesting in 36 monthly installments thereafter. The Initial Award and Additional Award will vest upon a Change in Control (as defined below). At your request, the Initial Award and Additional Award can be issued in the form of restricted stock, as opposed to stock options, on similar terms.

- **BENEFITS.** You shall be eligible to participate in all of the employee benefit plans or programs the Company generally makes available to similarly situated employees, pursuant to the terms and conditions of such plans. You will also be entitled to 4-week vacation and/or paid time off each year in accordance with Company policy and all holidays observed by the Company each year. The Company reserves the right to change compensation and benefits provided to its employees from time to time in its discretion.

- **WITHHOLDING.** All amounts payable to you will be subject to appropriate payroll deductions and withholdings.

- **EXPENSES.** You will be entitled to reimbursement for all ordinary and reasonable out-of-pocket business expenses which are reasonably incurred by you in furtherance of the Company's business, with appropriate documentation and in accordance with the Company's standard policies.

- **INDEMNIFICATION.** You will receive defense and be indemnified by the Company to the full extent of the provisions of the Company's charter and bylaws and applicable California and Delaware law and on terms no less favorable than those provided to other officers and directors. You will also receive directors' and officers' insurance coverage on terms no less favorable than those provided to other officers and directors.

- **SEVERANCE.**

  - **ACCRUED OBLIGATIONS.** If your employment terminates for any reason, you are entitled to your fully earned but unpaid base salary , through the date such termination is effective at the rate then in effect , and all other amounts or benefits to which you are entitled under any compensation, retirement or benefit plan of the Company at the time of your termination of employment in accordance with the terms of such plans, including, without limitation, any accrued but unpaid paid time off and any continuation of benefits required by applicable law (the "***Accrued Obligations***").

  - **SEVERANCE BENEFITS.** In addition to your Accrued Obligations , subject to your continued compliance with the Proprietary Information and Inventions Assignment Agreement , as described below, and the effectiveness of your Release , as defined below, if, following the closing of a Qualifying Series A Financing, your employment is involuntarily terminated by the Company without Cause (as defined below) (and other than by reason of your death or disability) or you resign for Good Reason (as defined below) (either such termination, a "***Qualifying Termination***"), you shall be entitled to receive, as the sole severance benefits to which you are entitled, the benefits provided below (the "***Severance Benefits***"):

    - An amount equal to 6 months ' base salary (at the rate in effect immediately prior to the date of your termination of employment , or in the case of a material diminution in your base salary which would give rise to Good Reason for your resignation, the base salary in effect prior to such material diminution), which amount will be paid over a period of 6 months following your termination of employment in accordance with the Company's standard payroll practices, with the first such installment occurring on the first regularly-scheduled payroll date following the date your Release becomes effective (which first installment will include any installments that would have occurred prior to such date but for the fact your Release was not yet effective);

    - For the 6 month period beginning on the date of your termination of employment (or , if earlier, (a) the date on which the applicable continuation period under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") expires, or (b) the date on which you become eligible to receive the equivalent or increased healthcare coverage by means of subsequent employment or self-employment) (such period, the "***COBRA Coverage Period***"), if you and/or your eligible dependents who were covered under the Company's health insurance plans as of the date of your term ination of employment elect to have COBRA coverage and are eligible for such coverage, the Company shall pay for or reimburse you on a monthly basis for an amount equal to (i) the monthly premium you and/or your covered dependents, as

applicable, are required to pay for continuation coverage pursuant to COBRA for you and/or your eligible dependents, as applicable, who were covered under the Company's health plans as of the date of your termination of employment (calculated by reference to the premium as of the date of your termination of employment) less (ii) the amount you would have had to pay to receive group health coverage for you and/or your covered dependents, as applicable, based on the cost sharing levels in effect on the date of your termination of employment. If any of the Company's health benefits are self-funded as of the date of your termination of employment, or if the Company cannot provide the foregoing benefits in a manner that is exempt from Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"), or that is otherwise compliant with applicable law (including, without limitation, Section 2716 of the Public Health Service Act), instead of providing the payments or reimbursements as set forth above, the Company shall instead pay to you the foregoing monthly amount as a taxable monthly payment for the COBRA Coverage Period (or any remaining portion thereof). You shall be solely responsible for all matters relating to continuation of coverage pursuant to COBRA, including, without limitation, the election of such coverage and the timely payment of premiums. You shall notify the Company immediately if you become eligible to receive the equivalent or increased healthcare coverage by means of subsequent employment or self-employment;

- Notwithstanding anything else set forth herein, in the Plan or in any award agreement, such number of the unvested Stock Awards (as defined below) then held by you (including the Initial Award) will vest on the effective date of your Release as would have vested during the 9-month period following your Qualifying Termination had you remained employed by the Company during such period. The foregoing provisions are hereby deemed to be a part of each Stock Award and to supersede any less favorable provision in any agreement or plan regarding such Stock Award; and

- In the event your Qualifying Termination occurs following the closing of a Qualifying Series A Financing and within 12 months following a Change in Control, the references to "6 months" in the foregoing severance provisions shall be increased to "12 months."

◦ As a condition to your receipt of any post-termination payments and benefits pursuant to the preceding paragraphs, you shall execute and not revoke a general release of all claims in favor of the Company (the "***Release***") in a form reasonably acceptable to the Company in order to effectuate a valid general release of claims. In the event the Release does not become effective within the 60-day period following the date of your termination of employment, you will not be entitled to the aforesaid payments and benefits.

◦ For purposes of this Agreement, "***Cause***" means any of the following: (a) your commission of an act of fraud, embezzlement or dishonesty, or the commission of some other illegal act by you, that has a demonstrable adverse impact on the Company or any successor or affiliate thereof; (b) your conviction of, or plea of

"guilty" or "no contest" to, a felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (c) any intentional, unauthorized use or disclosure by you of confidential information or trade secrets of the Company or any successor or affiliate thereof; (d) your gross negligence, insubordination or material violation of any duty of loyalty to the Company or any successor or affiliate thereof, or any other demonstrable material misconduct on your part; (e) your ongoing and repeated failure or refusal to perform or neglect of your duties as required by this Agreement or your ongoing and repeated failure or refusal to comply with the instructions given to you by the Board, which failure, refusal or neglect continues for 15 days following your receipt of written notice from the Board stating with specificity the nature of such failure, refusal or neglect; or (f) your willful, material breach of any material Company policy or any material provision of this Agreement or the Proprietary Information and Inventions Assignment Agreement. Prior to the determination that "Cause" under clauses (d), (e) or (f) has occurred, the Company shall (i) provide to you in writing, in reasonable detail, the reasons for the determination that such "Cause" exists, (ii) other than with respect to clause (e) above which specifies the applicable period of time for you to remedy your breach, afford you a reasonable opportunity to remedy any such breach, (iii) provide you an opportunity to be heard prior to the final decision to terminate your employment hereunder for such "Cause" and (iv) make any decision that such "Cause" exists in good faith. The foregoing definition shall not in any way preclude or restrict the right of the Company or any successor or affiliate thereof to discharge or dismiss you for any other acts or omissions, but such other acts or omissions shall not be deemed, for purposes of this Agreement, to constitute grounds for termination for Cause.

- For purposes of this Agreement, "***Change in Control***" shall have the meaning set forth in the Plan. If a Change in Control would give rise to a payment or settlement event with respect to any payment or benefit that constitutes "nonqualified deferred compensation," the transaction or event constituting the Change in Control must also constitute a "change in control event" (as defined in Treasury Regulation §1.409A-3(i)(5)) in order to give rise to the payment or settlement event for such payment or benefit, to the extent required by Section 409A.

- For purposes of this Agreement, "***Good Reason***" means any of the following without your written consent: (a) a material diminution in your authority, duties or responsibilities; (b) a material diminution in your base compensation (and you and the Company agree that any diminution of 10% or more shall be considered material for this purpose, regardless of whether such diminution occurs due to a single reduction or a series of reductions in your base compensation), unless such a reduction is imposed across-the-board to senior management of the Company; (c) a material change in the geographic location at which you must perform your duties; or (d) any other action or inaction that constitutes a material breach by the Company or any successor or affiliate of its obligations to you under this Agreement. You must provide written notice to the Company of the occurrence of any of the foregoing events or conditions without your written consent within 60 days of the occurrence of such event. The Company or any successor or affiliate shall have a period of 30 days to cure such event or condition after receipt of written notice of such event from you. Your termination of employment by reason

of resignation from employment with the Company for Good Reason must occur within 30 days following the expiration of the foregoing 30-day cure period.

- For purposes of this Agreement, "***Stock Awards***" means all stock options, restricted stock and such other awards granted pursuant to the Company's stock option and equity incentive award plans or agreements, as in effect from time to time, and any shares of stock issued upon exercise or settlement thereof, including the Initial Award.

- To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder. The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from Section 409A of the Code and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance with such intention. To the extent that any provision in this Agreement is ambiguous as to its compliance with or exemption from Section 409A of the Code, the provision shall be read in such a manner that no payments payable under this Agreement shall be subject to an "additional tax" as defined in Section 409A(a)(l)(B) of the Code. For purposes of Section 409A of the Code, any right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments. For purposes of this Agreement, all references to your "termination of employment" shall mean your "separation from service" (as defined in Treasury Regulation Section 1.409A-1(h)) ("***Separation from Service***"). If you are a "specified employee" (as defined in Section 409A of the Code), as determined by the Company in accordance with Section 409A of the Code, on the date of your Separation from Service, to the extent that the payments or benefits under this Agreement are "non-qualified deferred compensation" subject to Section 409A of the Code and the delayed payment or distribution of all or any portion of such amounts to which you are entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, then such portion deferred pursuant to this paragraph shall be paid or distributed to you in a lump sum on the earlier of (a) the date that is 6 months and one day following your Separation from Service, (b) the date of your death or (c) the earliest date as is permitted under Section 409A of the Code. Any remaining payments due under this Agreement shall be paid as otherwise provided herein.

- To the extent that the payments or benefits under this Agreement are " non-qualified deferred compensation" subject to Section 409A of the Code, if the period during which you may deliver the Release required hereunder spans two calendar years, the payment of your post-termination benefits shall occur (or commence) on the later of (a) January 1 of the second calendar year, or (b) the first regularly-scheduled payroll date following the date your Release becomes effective.

- Any reimbursement of expenses or in-kind benefits payable under this Agreement shall be made in accordance with Treasury Regulation Section 1.409A-3(i)(1)(iv) and shall be paid on or before the last day of your taxable year following the taxable year in which you incurred the expenses. The amount of expenses reimbursed or in-kind benefits payable in one year shall not affect the amount eligible for reimbursement or in-kind benefits payable in any other taxable year of yours, and

your right to reimbursement for such amounts shall not be subject to liquidation or exchange for any other benefit.

- **COMPANY POLICIES AND PROPRIETARY INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT.** As an employee of the Company, you shall be expected to abide by all of the Company's policies and procedures and the Company's employee handbook, if any. As a condition of your employment, you agree to execute and abide by the terms of the Company's form of the Proprietary Information and Inventions Assignment Agreement, which shall survive termination of your employment with the Company and the termination of this Proprietary Information and Inventions Assignment Agreement. You acknowledge that a remedy at law for any breach or threatened breach by you of the provisions of the Proprietary Information and Inventions Assignment Agreement would be inadequate, and you therefore agree that the Company shall be entitled to injunctive relief in case of any such breach or threatened breach. The Company may modify, revoke, suspend or terminate any of the terms, plans, policies and/or procedures described in the employee handbook, if any, or as otherwise communicated to you, in whole or part, at any time, with or without notice.

- **EMPLOYMENT TERMS.** As a condition to your employment with the Company, you are required to (a) sign and return a satisfactory I-9 Immigration form providing sufficient documentation establishing your employment eligibility in the United States, and (b) provide satisfactory proof of your identity as required by United States law.

- **OTHER AGREEMENTS.** You represent and agree that your performance of your duties for the Company shall not violate any agreements, obligations or understandings that you may have with any third party or prior employer. Without limiting the foregoing, you represent and agree that you are not bound by any non-compete or non-solicitation agreement or any other type of agreement that would prohibit your employment with the Company. You agree not to make any unauthorized disclosure or use, on behalf of the Company, of any confidential information belonging to any of your former employers. You also represent that you are not in unauthorized possession of any materials containing a third party's confidential and proprietary information. While employed by the Company, you will not engage in any business activity in competition with the Company nor make preparations to do so. In the event that you wish to undertake a business activity outside the scope of your employment by the Company, which activity you believe entails no conflict with the Company's activities, you agree to inform the Company of your intentions before the initiation of such outside business activity, and you furthermore agree to abide by the Company's decision as to whether or not there is no conflict. If, in the Company's sole determination, a conflict exists or is likely to develop, you agree not to undertake such outside business activity.

- **AT-WILL EMPLOYMENT.** Your employment with the Company will be "at-will" at all times, including after your introductory, probationary period, meaning that either you or the Company will be entitled to terminate your employment at any time and for any reason, with or without cause. Any contrary representations that may have been made to you are superseded by this offer. This Agreement in no way represents a fixed-term employment contract. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express written agreement signed by you and a duly authorized officer of the Company.

- **NON-INTERFERENCE.** While employed by the Company, and for one (1) year immediately following the date on which you terminate employment or otherwise cease providing services to the Company, you agree not to interfere with the business of the Company by soliciting or attempting to solicit any employee or consultant of the Company to terminate such employee's or consultant's employment or service in order to become an employee, consultant or independent contractor to or for any other person or

entity. The foregoing restrictions shall not apply with respect to the bona fide hiring and firing of Company personnel to the extent such acts are part of your duties for Company. Your duties under this paragraph shall survive termination of your employment with the Company and the termination of this Agreement.

- **REASONABLENESS OF TERMS.** You agree that the terms contained in the "Other Agreements" and "Non-Interference" paragraphs above are reasonable in all respects and that the restrictions contained therein are designed to protect the Company against unfair competition. In the event a court determines that any of the terms or provisions of this Agreement are unreasonable, the court may limit the application of any provision or term, or modify any provision or term, and proceed to enforce this Agreement as so limited or modified.

- **GOVERNING LAW; JURISDICTION AND VENUE.** This Agreement, for all purposes, shall be construed in accordance with the laws of State of California without regard to conflicts-of-law principles. Any action or proceeding by either party to enforce this Agreement shall be brought only in any state or federal court located in San Diego, California. The parties hereby irrevocably submit to the exclusive jurisdiction of such courts and waive the defense of inconvenient forum to the maintenance of any such action or proceeding in such venue.

- **SEVERABILITY.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

- **SUCCESSORS AND ASSIGNS.** This Agreement is intended to bind and inure to the benefit of and be enforceable by you and the Company, and their respective successors, assigns, heirs, executors and administrators, except that you may not assign any of your duties hereunder and you may not assign any of your rights hereunder, without the written consent of the Company, which shall not be withheld unreasonably.

- **ENTIRE AGREEMENT.** This Agreement and the Proprietary Information and Inventions Assignment Agreement constitute the complete, final and exclusive embodiment of the entire agreement between you and the Company with respect to the terms and conditions of your employment specified herein and therein. This Agreement and the Proprietary Information and Inventions Assignment Agreement supersede any other such promises, obligations, warranties, representations or agreements between you and the Company, and you agree that any and all such prior promises, obligations, warranties, representations and agreements are hereby terminated. This Agreement may not be amended or modified except by a written instrument signed by you and a duly authorized officer of the Company.

- **EMPLOYMENT START DATE.** We expect that your start date will be on or about January 11th, 2021 (the "***Employment Start Date***"). This offer, if not accepted, will expire at the close of business on January 8th, 2021.

If you choose to accept this Agreement under the terms described above, please acknowledge your acceptance of our offer by returning a signed copy of this letter and the Proprietary Information and Inventions Assignment Agreement to our attention.

Sincerely,

Mineralys Therapeutics, Inc.

	/s/ Jon Congleton
Name:	Jon Congleton
Title:	Chief Executive Officer

Agreed and Accepted:

I have read and understood this Agreement and hereby acknowledge, accept and agree to the terms as set forth above and further acknowledge and agree that no other commitments were made to me as part of my employment offer except as specifically set forth herein.

/s/ David Rodman Date: January 8, 2021

David Rodman, MD

Attachments: Proprietary Information and Inventions Assignment Agreement

MINERALYS

[***] *Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and is treated by the Registrant as private or confidential.*

March 8, 2022
Via Email

Adam Levy
[***]

Re: Employment Offer Letter

Dear Adam:

Mineralys Therapeutics, Inc. (the "***Company***") is pleased to offer you a position on the terms set forth in this letter (this " ***Agreement***").

- **DUTIES.** You shall serve and shall perform such duties as are customarily associated with the positions of Chief Financial Officer and Chief Business Officer and such other duties as are assigned to you by your supervisor, the Company's Chief Executive Officer. Your job duties and responsibilities may change from time to time, without advance notice, in the sole discretion of the Company. You shall work remotely from your home office in Colorado, subject to such travel as is reasonably required in connection with your duties. This is an exempt position.

During the term of your employment, you shall devote your full working time and attention to the business affairs of the Company; provided, however, that, subject to the terms of the Company's form of Proprietary Information and Inventions Assignment Agreement , as described below, this shall not preclude you from (a) devoting time to personal and family investments, (b) participating in industry associations, (c) serving on community and civic boards, (d) serving on up to one for-profit board (or such greater number as approved by the Board), or (e) serving as an advisor, or as a member of an advisory board, to up to two organizations (or such greater number as approved by the Board); provided such activities do not interfere with your duties to the Company, as determined in good faith by the board of directors of the Company (the "***Board***").

- **COMPENSATION.** Your initial compensation will be as follows:
  - **BASE SALARY.** You will receive an annual base salary of $415,000 for all hours worked after such date, less taxes, authorized withholdings and other legally required deductions. You will be paid in accordance with the Company's customary payroll procedures as established and modified from time-to-time. Following the consummation of the Company's Series B preferred stock financing (or a similar, commensurate financing), your annual base salary will be reviewed and evaluated for adjustments based on comparable company benchmarking data.
  - **ANNUAL BONUS.** In addition to your base salary, you may be eligible to earn, for each fiscal year of the Company ending during the term of your employment with the Company, an annual cash performance bonus under the Company's bonus plan, as approved from time to time by the Board. Your target annual bonus will be 40% of your base salary for the year to which such annual bonus relates (your "***Target Bonus***"). Your actual annual bonus will be determined on the basis of your and/or the Company's attainment of financial or

other performance criteria established by the Board or its designee in accordance with the terms and conditions of such bonus plan. You must be employed by the Company on the date of payment of such annual bonus in order to be eligible to receive such annual bonus. You hereby acknowledge and agree that nothing contained herein confers upon you any right to an annual bonus in any year, and that whether the Company pays you an annual bonus and the amount of any such annual bonus will be determined by the Company in its sole discretion. Your bonus for 2022 will be calculated based on your annual Base Salary and will not be prorated from your commencement of employment.

- **STOCK OPTIONS.** Subject to approval of the Board, you will be granted an option to purchase 1,862,058 shares of common stock of the Company at an exercise price per share equal to the fair market value per share of the Company's common stock on the date of grant (the "***Initial Award***"**).** Upon consummation of the Company's Series B preferred stock financing, you will be provided an additional grant of options bringing you back to 1.2% of the fully diluted shares of the Company after giving effect to such financing and the Initial Award (the "***Additional Award***"). The Initial Award and Additional Award will be granted pursuant to the Company's equity incentive plan (the "***Plan***"), and will be subject to the terms and conditions of the Plan and your stock option agreement. The Initial Award and Additional Award will vest over a four year vesting schedule, with 25% of such Awards vesting on the first anniversary of your Start Date and the remaining portion of such Awards vesting in 36 monthly installments thereafter. The Initial Award and Additional Award will vest upon a Change in Control (as defined below). At your request, the Initial Award and Additional Award can be issued as an equal number of shares in the form of restricted stock, as opposed to stock options, on similar vesting terms.

- **BENEFITS.** You shall be eligible to participate in all of the employee benefit plans or programs the Company generally makes available to similarly situated employees, pursuant to the terms and conditions of such plans. You will also be entitled to vacation and/or paid time off each year in accordance with Company policy and all holidays observed by the Company each year. The Company reserves the right to change compensation and benefits provided to its employees from time to time in its discretion.

- **WITHHOLDING.** All amounts payable to you will be subject to appropriate payroll deductions and withholdings.

- **EXPENSES.** You will be entitled to reimbursement for all ordinary and reasonable out-of-pocket business expenses which are reasonably incurred by you in furtherance of the Company's business, with appropriate documentation and in accordance with the Company's standard policies.

- **INDEMNIFICATION.** You will receive defense and be indemnified by the Company to the full extent of the provisions of the Company's charter and bylaws and applicable California and Delaware law and on terms no less favorable than those provided to other officers and directors. You will also receive directors' and officers' insurance coverage on terms no less favorable than those provided to other officers and directors.

- **SEVERANCE.**
  - **ACCRUED OBLIGATIONS.** If your employment terminates for any reason, you are entitled to your fully earned but unpaid base salary, through the date such termination is effective at the rate then in effect, and all other amounts or benefits to which you are entitled under any compensation, retirement or benefit plan of the Company at the time of your termination of employment in accordance with the terms of such plans, including, without limitation, any accrued but unpaid paid time off and any continuation of benefits required by applicable law (the "***Accrued Obligations***").
  - **SEVERANCE BENEFITS.** In addition to your Accrued Obligations, subject to your continued compliance with the Proprietary Information and Inventions Assignment Agreement, as described below, and the effectiveness of your Release, as defined below, if your employment is involuntarily terminated by the Company without Cause (as defined below) (and other than by reason of your death or disability) or you resign for Good Reason (as defined below) (either such termination, a "***Qualifying Termination***"), you shall be entitled to receive, as the sole severance benefits to which you are entitled, the benefits provided below (the "***Severance Benefits***"):
    - An amount equal to 9 months' base salary (at the rate in effect immediately prior to the date of your termination of employment, or in the case of a material diminution in your base salary which would give rise to Good Reason for your resignation, the base salary in effect prior to such material diminution), which amount will be paid in a lump sum within 10 days following the date your Release becomes effective;
    - If you are terminated between January 1 and the payment date of the your annual cash performance bonus for the calendar year preceding the date of your Qualifying Termination, you will be paid a lump sum cash payment in an amount equal to the amount of the annual cash performance bonus that you would have otherwise earned for performance in the calendar year preceding your termination, which amount will be paid in a lump sum within 10 days following the date your Release becomes effective;
    - The Company will pay you an amount equal to your Target Bonus for the calendar year in which your Qualifying Termination occurs, prorated for the portion of such year that has elapsed prior to the date of such Qualifying Termination, which amount will be paid in a lump sum within 10 days following the date your Release becomes effective;
    - For the 9 month period beginning on the date of your termination of employment (or, if earlier, (a) the date on which the applicable continuation period under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("***COBRA***") expires, or (b) the

date on which you become eligible to receive the equivalent or increased healthcare coverage by means of subsequent employment or self-employment) (such period, the "***COBRA Coverage Period***"), if you and/or your eligible dependents who were covered under the Company's health insurance plans as of the date of your termination of employment elect to have COBRA coverage and are eligible for such coverage, the Company shall pay for or reimburse you on a monthly basis for an amount equal to (i) the actual monthly premium you and/or your covered dependents, as applicable, are required to pay for continuation coverage pursuant to COBRA for you and/or your eligible dependents, as applicable, who were covered under the Company's health plans as of the date of your termination of employment. If any of the Company's health benefits are self-funded as of the date of your termination of employment, or if the Company cannot provide the foregoing benefits in a manner that is exempt from Section 409A of the Internal Revenue Code of 1986, as amended (the "***Code***"), or that is otherwise compliant with applicable law (including, without limitation, Section 2716 of the Public Health Service Act), instead of providing the payments or reimbursements as set forth above, the Company shall instead pay to you lump sum amount in advance for the COBRA Coverage Period (or any remaining portion thereof). You shall be solely responsible for all matters relating to continuation of coverage pursuant to COBRA, including, without limitation, the election of such coverage and the timely payment of premiums. You shall notify the Company immediately if you become eligible to receive the equivalent or increased healthcare coverage by means of subsequent employment or self-employment;

- Notwithstanding anything else set forth herein, in the Plan or in any award agreement, such number of the unvested Stock Awards (as defined below) then held by you (including the Initial Award and Additional Award) will vest on the effective date of your Release as would have vested during the 9-month period following your Qualifying Termination had you remained employed by the Company during such period. The foregoing provisions are hereby deemed to be a part of each Stock Award and to supersede any less favorable provision in any agreement or plan regarding such Stock Award; and

- In the event your Qualifying Termination occurs within 3 months prior to, or on or within 12 months following a Change in Control, the foregoing severance benefits shall be revised as follows: (a) the references to "9 months" in the foregoing severance provisions shall be increased to "12 months," with 9 months' base salary to be paid as provided above and the additional 3 months' base salary to be paid in a lump sum within 10 days following the later of (i) the date your Release becomes effective or (ii) the date of the Change in Control, (b) in addition to the prorated Target Bonus described above, you will receive an additional amount equal to (i) 100% of your Target Bonus for the calendar year in which your Qualifying Termination occurs, less (ii) the prorated Target Bonus to be paid as

provided above, which additional amount will be paid in a lump sum within 10 days following the later of (A) the date your Release becomes effective, or (B) the date of the Change in Control, and (c) 100% of all of your Stock Awards will vest upon the later to occur of (i) your Qualifying Termination or (ii) the Change in Control.

- As a condition to your receipt of any post-termination payments and benefits pursuant to the preceding paragraphs, you shall execute and not revoke a general release of all claims in favor of the Company (the "***Release***") in a form reasonably acceptable to the Company in order to effectuate a valid general release of claims. In the event the Release does not become effective within the 60-day period following the date of your termination of employment, you will not be entitled to the aforesaid payments and benefits.

- For purposes of this Agreement, "***Cause***" means any of the following: (a) your commission of an act of fraud, embezzlement or dishonesty, or the commission of some other illegal act by you, that has a demonstrable adverse impact on the Company or any successor or affiliate thereof; (b) your conviction of, or plea of "guilty" or "no contest" to, a felony or any crime involving fraud, dishonesty or moral turpitude under the laws of the United States or any state thereof; (c) any intentional, unauthorized use or disclosure by you of confidential information or trade secrets of the Company or any successor or affiliate thereof; (d) your gross negligence, insubordination or material violation of any duty of loyalty to the Company or any successor or affiliate thereof, or any other demonstrable material misconduct on your part; (e) your ongoing and repeated failure or refusal to perform or neglect of your duties as required by this Agreement or your ongoing and repeated failure or refusal to comply with the instructions given to you by the Board, which failure, refusal or neglect continues for 15 days following your receipt of written notice from the Board stating with specificity the nature of such failure, refusal or neglect; or (f) your willful, material breach of any material Company policy or any material provision of this Agreement or the Proprietary Information and Inventions Assignment Agreement. Prior to the determination that "Cause" under clauses (d), (e) or (f) has occurred, the Company shall (i) provide to you in writing, in reasonable detail, the reasons for the determination that such "Cause" exists, (ii) other than with respect to clause (e) above which specifies the applicable period of time for you to remedy your breach, afford you a reasonable opportunity to remedy any such breach, (iii) provide you an opportunity to be heard prior to the final decision to terminate your employment hereunder for such "Cause" and (iv) make any decision that such "Cause" exists in good faith. The foregoing definition shall not in any way preclude or restrict the right of the Company or any successor or affiliate thereof to discharge or dismiss you for any other acts or omissions, but such other acts or omissions shall not be deemed, for purposes of this Agreement, to constitute grounds for termination for Cause.

- For purposes of this Agreement, "***Change in Control***" shall have the meaning set forth in the Plan. If a Change in Control would give rise to a payment or settlement event with respect to any payment or benefit that constitutes "nonqualified deferred compensation," the transaction or event constituting the

Change in Control must also constitute a "change in control event" (as defined in Treasury Regulation § 1.409A-3(i)(5)) in order to give rise to the payment or settlement event for such payment or benefit, to the extent required by Section 409A.

- For purposes of this Agreement, "***Good Reason***" means any of the following without your written consent: (a) a material diminution in your authority, duties or responsibilities; (b) a material diminution in your base compensation or annual cash target bonus opportunity (and you and the Company agree that any diminution of 10% or more shall be considered material for this purpose, regardless of whether such diminution occurs due to a single reduction or a series of reductions in your base compensation), unless such a reduction is imposed across-the-board to senior management of the Company; (c) a material change in the geographic location at which you must perform your duties; or (d) any other action or inaction that constitutes a material breach by the Company or any successor or affiliate of its obligations to you under this Agreement. You must provide written notice to the Company of the occurrence of any of the foregoing events or conditions without your written consent within 60 days of the occurrence of such event. The Company or any successor or affiliate shall have a period of 30 days to cure such event or condition after receipt of written notice of such event from you. Your termination of employment by reason of resignation from employment with the Company for Good Reason must occur within 30 days following the expiration of the foregoing 30-day cure period.

- For purposes of this Agreement, "***Stock Awards***" means all stock options, restricted stock and such other awards granted pursuant to the Company's stock option and equity incentive award plans or agreements, as in effect from time to time, and any shares of stock issued upon exercise or settlement thereof, including the Initial Award and Additional Award.

- To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder. The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from Section 409A of the Code and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance with such intention. To the extent that any provision in this Agreement is ambiguous as to its compliance with or exemption from Section 409A of the Code, the provision shall be read in such a manner that no payments payable under this Agreement shall be subject to an "additional tax" as defined in Section 409A(a)(1)(B) of the Code. For purposes of Section 409A of the Code, any right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments. For purposes of this Agreement, all references to your "termination of employment" shall mean your "separation from service" (as defined in Treasury Regulation Section 1.409A-1(h)) ("***Separation from Service***"). If you are a "specified employee" (as defined in Section 409A of the Code), as determined by the Company in accordance with Section 409A of the Code, on the date of your Separation from Service, to the extent that the payments or benefits under this Agreement are "non-qualified deferred compensation" subject to Section 409A of the Code and the delayed payment or distribution of all or any portion of such amounts to which you are entitled under this

Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, then such portion deferred pursuant to this paragraph shall be paid or distributed to you in a lump sum on the earlier of (a) the date that is 6 months and one day following your Separation from Service, (b) the date of your death or (c) the earliest date as is permitted under Section 409A of the Code. Any remaining payments due under this Agreement shall be paid as otherwise provided herein.

- To the extent that the payments or benefits under this Agreement are "non-qualified deferred compensation" subject to Section 409A of the Code, if the period during which you may deliver the Release required hereunder spans two calendar years, the payment of your post-termination benefits shall occur (or commence) on the later of (a) January 1 of the second calendar year, or (b) the first regularly-scheduled payroll date following the date your Release becomes effective.

- Any reimbursement of expenses or in-kind benefits payable under this Agreement shall be made in accordance with Treasury Regulation Section 1.409A-3(i)(1)(iv) and shall be paid on or before the last day of your taxable year following the taxable year in which you incurred the expenses. The amount of expenses reimbursed or in-kind benefits payable in one year shall not affect the amount eligible for reimbursement or in-kind benefits payable in any other taxable year of yours, and your right to reimbursement for such amounts shall not be subject to liquidation or exchange for any other benefit.

- **COMPANY POLICIES AND PROPRIETARY INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT.** As an employee of the Company, you shall be expected to abide by all of the Company's policies and procedures and the Company's employee handbook, if any. As a condition of your employment, you agree to execute and abide by the terms of the Company's form of the Proprietary Information and Inventions Assignment Agreement, which shall survive termination of your employment with the Company and the termination of this Proprietary Information and Inventions Assignment Agreement. You acknowledge that a remedy at law for any breach or threatened breach by you of the provisions of the Proprietary Information and Inventions Assignment Agreement would be inadequate, and you therefore agree that the Company shall be entitled to injunctive relief in case of any such breach or threatened breach. The Company may modify, revoke, suspend or terminate any of the terms, plans, policies and/or procedures described in the employee handbook, if any, or as otherwise communicated to you, in whole or part, at any time, with or without notice.

- **EMPLOYMENT TERMS.** As a condition to your employment with the Company, you are required to (a) sign and return a satisfactory I-9 Immigration form providing sufficient documentation establishing your employment eligibility in the United States, and (b) provide satisfactory proof of your identity as required by United States law.

- **OTHER AGREEMENTS.** You represent and agree that your performance of your duties for the Company shall not violate any agreements, obligations or understandings that you may have with any third party or prior employer. Without limiting the foregoing, you represent and agree that you are not

bound by any non-compete or non-solicitation agreement or any other type of agreement that would prohibit your employment with the Company. You agree not to make any unauthorized disclosure or use, on behalf of the Company, of any confidential information belonging to any of your former employers. You also represent that you are not in unauthorized possession of any materials containing a third party's confidential and proprietary information. While employed by the Company, you will not engage in any business activity in competition with the Company nor make preparations to do so. In the event that you wish to undertake a business activity outside the scope of your employment by the Company, which activity you believe entails no conflict with the Company's activities, you agree to inform the Company of your intentions before the initiation of such outside business activity, and you furthermore agree to abide by the Company's decision as to whether or not there is no conflict. If, in the Company's sole determination, a conflict exists or is likely to develop, you agree not to undertake such outside business activity.

- **AT-WILL EMPLOYMENT.** Your employment with the Company will be "at-will" at all times, including after your introductory, probationary period, meaning that either you or the Company will be entitled to terminate your employment at any time and for any reason, with or without cause. Any contrary representations that may have been made to you are superseded by this offer. This Agreement in no way represents a fixed-term employment contract. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express written agreement signed by you and a duly authorized officer of the Company.

- **NON-INTERFERENCE.** While employed by the Company, and for one (1) year immediately following the date on which you terminate employment or otherwise cease providing services to the Company, you agree not to interfere with the business of the Company by soliciting or attempting to solicit any employee or consultant of the Company to terminate such employee's or consultant's employment or service in order to become an employee, consultant or independent contractor to or for any other person or entity. The foregoing restrictions shall not apply with respect to (a) the bona fide hiring and firing of Company personnel to the extent such acts are part of your duties for Company or (b) a general advertisement or solicitation (or any hiring pursuant to such advertisement or solicitation) that is not specifically targeted to such employees or consultants. Your duties under this paragraph shall survive termination of your employment with the Company and the termination of this Agreement.

- **REASONABLENESS OF TERMS.** You agree that the terms contained in the "Other Agreements" and "Non-Interference" paragraphs above are reasonable in all respects and that the restrictions contained therein are designed to protect the Company against unfair competition. In the event a court determines that any of the terms or provisions of this Agreement are unreasonable, the court may limit the application of any pro vision or term, or modify any provision or term, and proceed to enforce this Agreement as so limited or modified.

- **GOVERNING LAW; JURISDICTION AND VENUE.** This Agreement, for all purposes, shall be construed in accordance with the laws of the State of Colorado without regard to conflicts-of-law principles. Any action or proceeding by either party to enforce this Agreement shall be brought only in any state or federal court located in Jefferson County, Colorado. The parties hereby irrevocably submit to the exclusive jurisdiction of such courts and waive the defense of inconvenient forum to the maintenance of any such action or proceeding in such venue.

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- **SEVERABILITY.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

- **SUCCESSORS AND ASSIGNS.** This Agreement is intended to bind and inure to the benefit of and be enforceable by you and the Company, and their respective successors, assigns, heirs, executors and administrators, except that you may not assign any of your duties hereunder and you may not assign any of your rights hereunder, without the written consent of the Company, which shall not be withheld unreasonably.

- **ENTIRE AGREEMENT.** This Agreement and the Proprietary Information and Inventions Assignment Agreement constitute the complete, final and exclusive embodiment of the entire agreement between you and the Company with respect to the terms and conditions of your employment specified herein and therein. This Agreement and the Proprietary Information and Inventions Assignment Agreement supersede any other such promises, obligations, warranties, representations or agreements between you and the Company, and you agree that any and all such prior promises, obligations, warranties, representations and agreements are hereby terminated. This Agreement may not be amended or modified except by a written instrument signed by you and a duly authorized officer of the Company.

- **EMPLOYMENT START DATE.** We expect that your start date will be on or about March 10, 2022 (the "***Employment Start Date***"). This offer, if not accepted, will expire at the close of business on March 9, 2022.

If you choose to accept this Agreement under the terms described above, please acknowledge your acceptance of our offer by returning a signed copy of this letter and the Proprietary Information and Inventions Assignment Agreement to our attention.

Sincerely,

Mineralys Therapeutics, Inc.

/s/ Jon Congleton
Name: Jon Congleton
Title: Chief Executive Officer

Agreed and Accepted:

I have read and understood this Agreement and hereby acknowledge, accept and agree to the terms as set forth above and further acknowledge and agree that no other commitments were made to me as part of my employment offer except as specifically set forth herein.

/s/ Adam Levy
Adam Levy

Date: March 8, 2022

MINERALYS

Attachments: Proprietary Information and Inventions Assignment Agreement

[***] *Certain information in this document has been excluded pursuant to Regulation S-K, Item 601(b)(10). Such excluded information is not material and is treated by the Registrant as private or confidential.*

LICENSE AGREEMENT

This License Agreement (the **"Agreement"**) made and executed as of **[***]**, by and between Mitsubishi Tanabe Pharma Corporation, a corporation organized under the laws of Japan and having its principal place of business at 2-10 Dosho-machi, 3-chome, Chuo-ku, Osaka 541-8505, Japan (**"MTPC"**), and Mineralys Therapeutics, Inc., a corporation organized under the laws of the state of Delaware and having its principal of business at 100 Pine Street, Suite 1250, San Francisco, CA 94111, U.S.A. (**"MINERALYS"**). MTPC and MINERALYS are sometimes referred to individually as a **"Party"** and collectively as **"Parties"**.

WITNESSETH:

WHEREAS, MTPC has developed, owns or controls, or in the future may own or control, certain patent rights and know-how relating to the compound referred to as MT-4129;

WHEREAS, MINERALYS desires to obtain from MTPC a license to develop and commercialize MT-4129; and

WHEREAS, MTPC is willing to grant MINERALYS a license to develop and commercialize MT-4129 subject to the terms and conditions set forth below.

NOW THEREFORE, in consideration of the premises and of the covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto mutually agree as follows:

Article 1
Definitions

1.1 *Definitions.* For purposes of this Agreement, the capitalized terms used in this Agreement shall have the defined meanings set forth below or elsewhere in this Agreement. Capitalized singular, plural, and other variant forms of the defined terms shall have the corresponding meanings.

1.1.1 **"Affiliates"** means, with respect to a particular Person, another Person that controls, is controlled by or is under common control with such Person. For the purposes of this definition, the word "control" (including without limitation, with correlative meaning, the terms "controlled by" or "under the common control with") means the actual power, either directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of such entity, whether by the ownership of more than fifty percent (50%) of the voting stock of such entity, or by contract or otherwise.

1.1.2 **"API"** means Compound in bulk form for manufacture of a Product.

1.1.3 **"Asia"** means Japan, Taiwan, Indonesia, East Timor, South Korea, Mongolia, the Philippines, Vietnam, Laos, Cambodia, Thailand, Malaysia, Singapore, Burney, Myanmar, Nepal, Sri Lanka, Bangladesh, Bhutan, Maldives, Palau, Tonga and India, and their territories and possessions.

1.1.4 **"Business Day"** means each day of the week excluding Saturday, Sunday, U.S. federal holidays, Japanese national holidays, bank holidays in Japan or in New York, New York, U.S. and non-working days of either Party's office in Japan or the U.S.

1.1.5 **"Calendar Quarter"** means the respective periods of three (3) consecutive months ending on the 31st day of March, the 30th day of June, the 30th day of September and the 31st day of December.

1.1.6 **"Calendar Year"** means the period of twelve (12) consecutive months beginning on the 1st day of January and ending on the 31st day of December.

1.1.7 **"C.F.R."** means the U.S. Code of Federal Regulations.

1.1.8 **"CMC"** means chemistry, manufacturing, and controls.

1.1.9 **"CMO"** means contract manufacturing organization.

1.1.10 **"Combination Product"** means any product that contains a Compound and one or more additional active pharmaceutical ingredients other than a Compound (each such additional active pharmaceutical ingredient, an **"Other Product"**), whether co-formulated or co-packaged.

1.1.11 **"Commercially Reasonable Efforts"** means, with respect to MINERALYS's obligations under the Agreement to Develop or commercialize a Product, the carrying out of such obligations or tasks with a level of effort and resources consistent with the commercially reasonable practices of **[***]**.

1.1.12 **"Competing Product"** means an **[***]**, other than a Compound or Product, that is being developed or commercialized for the treatment of **[***]**.

1.1.13 **"Compound"** means

(i) MTPC's proprietary compound code named MT-4129 (as defined below);

(ii) **[***]**; and

(iii) pro-drugs, hydrates, solvates, conjugates, salts, esters, polymorphs, metabolites, intermediates, complexes, co-crystals, or isomers of any compound included in clause (i) or (ii) above (this (iii) means "**Sub-Compound**").

1.1.14 **"Control"** or **"Controlled"** means, with respect to any materials, Know-How, Patents or other intellectual property, the legal authority or right (whether by ownership, license, or otherwise, but without taking into account any rights granted by one Party to the other Party pursuant to this Agreement) of a Party to grant access, a license, or a sublicense of or under such materials, KnowHow, Patents, or other intellectual property to the other Party, or to otherwise disclose proprietary or trade secret information to such other Party, without breaching the terms of any agreement with a Third Party, or misappropriating the proprietary or trade secret information of a Third Party.

1.1.15 **"Cost of Goods"** means, with respect to any Compound or Product, the fully burdened cost and expense to manufacture or supply such Compound or Product, which means: **[***]**.

1.1.16 **"Data"** means any and all scientific, technical, test, marketing or sales data pertaining to any Compound or Product, including without limitation research data, clinical

pharmacology data, CMC data (including without limitation analytical and quality control data and stability data), pre-clinical data, clinical data, clinical study reports, or submissions made in association with an IND, NDA or MAA with respect to any Compound or Product.

1.1.17 **"Development"** means to research, develop (including without limitation clinical, non-clinical and CMC development), analyze, test and conduct preclinical, clinical and all other regulatory trials for a Compound or Product, as well as all related regulatory activities and any and all activities pertaining to new Indications, pharmacokinetic studies, including without limitation work on new formulations, new methods of treatment and CMC activities including new manufacturing methods. "**Developing**" and "**Develop**" have correlative meanings.

1.1.18 **"Development Plan"** means MINERALYS's plan for Development of Product with respect to the POC Period Studies; the Development Plan is attached thereto as Exhibit B, and may be amended from time to time by MINERALYS, with good faith consideration of MTPC's reasonable comments.

1.1.19 **"Effective Date"** means the execution date of this Agreement and shall be as set forth above.

1.1.20 **"EMA"** means the European Medicines Agency, or any successor Regulatory Authority.

1.1.21 **"EU"** means the member states of the European Union or the European Economic Area at the Effective Date and any countries that will become a member state of European Union and/or the European Economic Area at the relevant time during the Term and United Kingdom. For clarity, countries that are officially recognized as member states of European Union and/or the European Economic Area as of the Effective Date, but subsequently cease to be member states will continue to be treated as member states of European Union and/or the European Economic Area in connection with this Agreement.

1.1.22 **"Exploit"** means to make, have made, import, use, sell, or offer for sale, including without limitation to research, Develop, commercialize, register, hold, keep (whether for disposal or otherwise), have used, transport, distribute, promote, market, have sold or otherwise dispose of.

1.1.23 **"FDA"** means the U.S. Food and Drug Administration or any successor Regulatory Authority.

1.1.24 **"Field"** means the prevention, treatment, diagnosis, detection, monitoring or predisposition testing with respect to indications, diseases and conditions in humans.

1.1.25 **"Filing"** means the filing of NDA, MAA or any applicable application with the applicable Regulatory Authority.

1.1.26 **"First Commercial Sale"** means, with respect to a Product in a country in the MINERALYS Territory, the first sale by MINERALYS or any of its Affiliates or Sublicensees to a Third Party for use or consumption of the Product by the general public following receipt of Regulatory Approval for such Product in a country in the MINERALYS Territory. Any sale of Product by MINERALYS to its Affiliate or

Sublicensee shall not constitute a First Commercial Sale. Sales or transfers of the Product for clinical trial purposes, compassionate or similar use, named patient sales or indigent programs shall not be considered a First Commercial Sale.

1.1.27 **"GCP"** means current good clinical practices, as set forth in 21 C.F.R. Parts 50, 54, 56, 312, and 314, and as interpreted by relevant ICH guidelines, in each case, as amended from time to time.

1.1.28 **"Generic Competition"** means with respect to a given Product in any country in a Calendar Quarter, that, during such Calendar Quarter, (a) one or more Generic Products are commercially available in such country and (b) Net Sales of such Product decline by **[***]** for **[***]**, as compared with the average Net Sales of such Product in such country for the **[***]** immediately preceding the Calendar Quarter in which the first Generic Product is launched in such country.

1.1.29 **"Generic Product"** means, with respect to a Product in a country in the MINERALYS Territory, another pharmaceutical product that (a) is sold by a Third Party in such country for such Product, and (b) either (i) contains the Compound of such Product as an active pharmaceutical ingredient or (ii) is approved in reliance, in whole or in part, on the prior approval of such Product as determined by the applicable Regulatory Authority pursuant to 21 U.S.C. 355(b)(2), 21 U.S.C. 355(j), a separate approval, compendia listing, other drug approval application or other approval, including without limitation foreign equivalents.

1.1.30 **"GLP"** means current good laboratory practices, as set forth in 21 C.F.R. Part 58 or an applicable foreign equivalent, and as interpreted by relevant ICH guidelines, in each case, as amended from time to time.

1.1.31 **"Global Clinical Trials"** means any clinical trial or clinical study that is conducted (i) after the POC Period Studies and (ii) across countries within the MINERALYS Territory for obtaining Regulatory Approval of the Product in such country.

1.1.32 **"Global Clinical Trials Development Plan"** means initial and rough Development plans of the Global Clinical Trials, an initial Global Clinical Trials Development Plan attached hereto as Exhibit B, and may be amended from time to time by MINERALYS.

1.1.33 **"GMP"** means all requirements and standards applicable to the manufacture of pharmaceutical products for marketing and sale including without limitation good manufacturing practices as set forth in 21 C.F.R. Parts 210 and 211 and in the European Union specified in the current Eudralex Volume 4 and all relevant guidelines and directives, including without limitation 2003/94/EC and 2001/83/EC, as amended by 2004/27/EC, or an applicable foreign equivalent and as interpreted by relevant ICH guidelines and the Pharmaceutical Inspection Co-operation Scheme requirements and other applicable laws and regulations.

1.1.34 **"ICH"** means the International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use.

1.1.35 **"IND"** means an Investigational New Drug Application filed with the FDA in the U.S. or a corresponding application filed with a Regulatory Authority in any other country, in either case for the Development of a Product in the Field.

1.1.36 **"Indication"** means, for a given Product, (i) an indicated disease or condition for treatment and (ii) that is or is intended to be described in the Product label as required by the Regulatory Approval sought or granted by the applicable Regulatory Authority.

1.1.37 **"Joint Know-How"** means all Know-How that is discovered, made, or conceived in connection with the Development of a Compound or Product, jointly by (a) employee(s) of MTPC or other(s) acting under authority from MTPC (including without limitation its Affiliates, subcontractors, licensees, Sublicensees, consultants, outside contractors, clinical investigators and other agents) and (b) employee(s) of MINERALYS or other(s) acting under authority from MINERALYS (including without limitation its Affiliates, subcontractors, Sublicensees, consultants, outside contractors, clinical investigators and other agents).

1.1.38 **"Joint Patent Rights"** means any and all Patent Rights claiming Joint Know-How.

1.1.39 **"Joint Technology"** means Joint Patent Rights and Joint Know-How.

1.1.40 **"Know-How"** means knowledge, scientific information, formulae, processes, plans, inventions, technical information, product information, test procedures, experience, data, technology, design information, material, trade secrets, data, results and other information and knowledge in tangible or intangible form, regardless of whether patentable or patented or not including but not limited to regulatory documents with respect to Compounds and/or Products, including but not limited to regulatory applications, regulatory approval packages and correspondence with regulatory authority. The fact that all or a part of a compilation of data is in the public domain shall not prevent the compilation of data as such, or any one or more of the other elements of the compilation from being Know-How. Know-How shall not include Patent Rights.

1.1.41 **"MAA"** means a Market Authorization Application filed with (and the submission of which has been accepted by) the EMA.

1.1.42 **"Major European Countries"** means France, Germany, Italy, Spain or the United Kingdom.

1.1.43 **"Major Markets"** means the U.S., the Major European Countries, Japan and China. **"Major Market"** means any one of the foregoing countries or regions.

1.1.44 **"Material Transfer Agreement"** means the Materials Transfer Agreement between the Parties dated June, 25, 2020.

1.1.45 **"MINERALYS Know-How"** means all Know-How that encompass or relate to Compounds and/or Products or that are necessary or useful for the discovery, Development, manufacture and/or commercialization or other Exploitation of Compounds and/or Products, that are Controlled by MINERALYS or its Affiliates as of the Effective Date or during the Term.

1.1.46 **"MINERALYS Patent Rights"** means all Patent Rights Controlled by MINERALYS or its Affiliates as of the Effective Date or during the Term claiming **[***]**, the Compound or Product.

1.1.47 **"MINERALYS Technology"** means the MINERALYS Know-How and the MINERALYS Patent Rights.

1.1.48 **"MINERALYS Territory"** means worldwide.

1.1.49 **"MT-4129"** means **[***]**.

1.1.50 **"MTPC Know-How"** means all Know-How that encompass or relate to Compounds and/or Products or that are necessary or useful for the Exploitation, including without limitation discovery, Development, manufacture and/or commercialization, of Compounds and/or Products, that are Controlled by MTPC as of the Effective Date or during the Term. As of the Effective Date, MTPC Know-How is listed in Exhibit C.

1.1.51 **"MTPC Patent Rights"** means all Patent Rights Controlled by MTPC as of the Effective Date or during the Term claiming **[***]**, the Compound or Product, including without limitation all patents and/or patent applications set forth in Exhibit A as of the Effective Date.

1.1.52 **"MTPC Technology"** means MTPC Patent Rights and MTPC Know-How.

1.1.53 **"Negotiation Right Territory"** means **[***]**.

1.1.54 **"NDA"** means New Drug Application submitted (and the submission of which has been accepted) to the FDA in the U.S.

1.1.55 **"Net Sales"** means, with respect to any Product, the gross amounts billed or invoiced by MINERALYS, its Affiliates or its Sublicensees to Third Parties that are not Sublicensees for the sale or other transfer for consideration of Products, less the following deductions from gross invoiced sales amounts determined in each case in accordance with the generally accepted accounting principles (GAAP) as practiced in the U.S., and only to the extent attributable to Products: **[***]**.

If a Product is sold or otherwise commercially disposed of for consideration other than cash or in a transaction that is not at arm's length between the buyer and the seller, then the gross amount to be included in the calculation of Net Sales shall be the amount that would have been invoiced had the transaction been conducted at arm's length and for cash. Such amount that would have been invoiced shall be determined, wherever possible, by reference to the average selling price of the relevant Product in arm's length transactions in the relevant country during the applicable Calendar Quarter.

Net Sales will not include any payments among MINERALYS, its Affiliates and Sublicensees, to the extent such payors are not the end users of the applicable Product. **[***]**

1.1.56 **"Patent Rights"** means patents and patent applications, together with any unpublished patents and patent applications claiming priority thereto, and any continuations, continuations-in-part, reissues, reexamination certificates, substitutions, divisionals, supplementary protection certificates, renewals, registrations, extensions including without limitation all confirmations, revalidations, patents of addition, patent cooperation treaty applications, and pediatric exclusivity periods and all foreign

counterparts thereof, and any patents issued or issuing with respect to any of the foregoing.

1.1.57 **"Person"** means any individual, firm, corporation, partnership, limited liability company, trust, business trust, joint venture company, governmental authority, association or other entity.

1.1.58 **"Phase II Study(ies)"** means a human clinical trial of a Product, the principle purposes of which is to make a preliminary determination that such Product is safe for its intended use and to obtain information about such Product's efficacy to permit the design of further clinical trials or a similar clinical study prescribed by the regulatory authorities and would satisfy the requirements for a Phase 2 study as defined in 21 C.F.R. §312.21(b) (or its successor regulation), or an equivalent registration outside the U.S.

1.1.59 **"Phase III Study"** means a human clinical trial of a Product that would satisfy the requirements for a Phase 3 study as defined in either 21 C.F.R. § 312.21(c) (or its successor regulation) or in the ICH E8 Guideline (or its successor regulation), or an equivalent registration outside the U.S.

1.1.60 **"POC Period"** is the time from the Effective Date to the earlier of (i) **[***]** or (ii) **[***]**.

1.1.61 **"POC Period Studies"** means the first group of Phase II Studies of MT-4129 as specified in Exhibit B, wherein such studies are required to be completed prior to Global Clinical Trials for the first Indication for a first Product containing MT-4129, including, but not limited to, a proof of concept Phase II Study of MT-4129.

1.1.62 **"Post-Registration Studies"** mean clinical studies which are conducted for any reason in a particular country after Regulatory Approval of Product has been obtained from the appropriate Regulatory Authority in that country, which studies are conducted for the purpose of enhancing commercial acceptability of the Product or that are required by such Regulatory Authority.

1.1.63 **"Product"** means any pharmaceutical product containing a Compound (alone or with other active ingredients), in all forms, presentations, formulations, methods of administration and dosage forms.

1.1.64 **"Regulatory Approval"** means the act of a Regulatory Authority necessary for the marketing and commercial sale of a pharmaceutical product in a country or regulatory jurisdiction, including without limitation the approval of an NDA by the FDA or MAA by the EMA and reimbursement approval, where required.

1.1.65 **"Regulatory Authority"** means (a) the FDA; (b) EMA; or (c) any supranational, national or local agency, authority, department, inspectorate, ministry official, parliament or public or statutory person of any government of any country having jurisdiction over any of the activities contemplated by the Agreement or the Parties, or any successor bodies thereto.

1.1.66 **"Regulatory Documents"** means, with respect to the Compound and Product, all INDs or other regulatory applications submitted to any Regulatory Authority, Regulatory Approval packages, pre-clinical and clinical data (including without

limitation SAS datasets) and information, regulatory materials, drug dossiers, master files (including without limitation DMFs), and any other reports, records, regulatory correspondence and other materials relating to Development or Regulatory Approval of the Compound or Product, including without limitation those materials necessary or useful to Exploit the Product, including without limitation any information that relates to pharmacology, toxicology, chemistry, manufacturing and controls data, batch records, safety and efficacy, and any safety database.

1.1.67 **"Sublicensee"** means a Third Party or an Affiliate of MINERALYS to whom MINERALYS grants a sublicense to Develop or commercialize any Compound or Product in the Field in the MINERALYS Territory, as the case may be, beyond the mere right to purchase Products from MINERALYS and its Affiliates. MTPC or any of its Affiliates shall not be deemed a Sublicensee for purposes of this Agreement.

1.1.68 **"Technology"** means Patent Rights and Know-How.

1.1.69 **"Third Party"** means any person or entity other than (a) MTPC, (b) MINERALYS, or (c) an Affiliate of either Party.

1.1.70 **"U.S."** means the United States of America.

1.1.71 **"Valid Claim"** means (a) a claim in an issued MTPC Patent Right that has not: (i) expired or been canceled; (ii) been declared invalid by an unreversed and unappealable or unappealed decision of a court or other appropriate body of competent jurisdiction; (iii) been admitted to be invalid or unenforceable through reissue, disclaimer or otherwise; or (iv) been abandoned in accordance with or as permitted by the terms of this Agreement or by mutual written agreement of the Parties; or (b) a claim under an application for a MTPC Patent Right that has been pending **[***]** or less from the date that the prosecuting Party first receives an action on the merits for such MTPC Patent Right (excluding restriction requirements, notices to file missing parts, and the like), provided, however that, if any such claim issues after such **[***]**, it will thereafter be considered a Valid Claim and, in any case, which has not been canceled, withdrawn from consideration, finally determined to be unallowable by the applicable governmental authority or court for whatever reason (and from which no appeal is or can be taken), or abandoned.

Article 2
Grant of License

2.1 *License Grant to MINERALYS.* Subject to the terms and conditions of this Agreement MTPC hereby grants to MINERALYS an exclusive (even as to MTPC), royalty-bearing license under the MTPC Technology to Exploit the Compounds and Products in the Field in the MINERALYS Territory. The right granted to MINERALYS under this Section 2.1 shall be (a) sublicensable through multiple tiers to its Affiliates at any time without the consent of MTPC and (b) sublicensable through multiple tiers to Third Parties at any time without the consent of MTPC but with written notice to MTPC to be provided before the date of such sublicense, provided, however, that MINERALYS shall remain obligated to MTPC for the performance of its Sublicensees with respect to MINERALYS's obligations under the terms of this Agreement, including without limitation making all payments due to MTPC under the

terms of this Agreement with respect to the activities of its Sublicensees under the terms of this Agreement. **[***]**.

2.2 *Reserved Right.* MTPC hereby expressly reserves (a) all rights to practice under the MTPC Technology outside of the scope of the licenses granted in Section 2.1, for any and all purposes and (b) the right to conduct all activities to be conducted by MTPC as contemplated by this Agreement.

2.3 *Right of First Refusal.* During the Term, MINERALYS shall grant MTPC a right of first refusal, subject to the conditions as follows:

(a) MINERALYS shall provide prior written notice to MTPC before entering into any negotiations with a Third Party regarding a potential sublicense agreement for the Compound and/or any Product with respect to the Negotiation Right Territory (the **"Negotiation Notice"**).

(b) Within ninety (90) days of MTPC's receipt of such Negotiation Notice (the **"Negotiation Period"**), MTPC may elect to negotiate with MINERALYS with respect to such potential sublicense of rights granted under Section 2.1 and license to applicable MINERALYS Technology (collectively **"Negotiation Right Territory Sublicense"**) and execute a definitive agreement on the terms and conditions of such Negotiation Right Territory Sublicense. Unless MTPC has not commenced negotiations with MINERALYS for a Negotiation Right Territory Sublicense within thirty (30) days of receiving the Negotiation Notice, during the Negotiation Period, MINERALYS shall not enter into any **[***]** agreement with any Third Party with respect to such potential sublicense agreement, but shall not be prevented from **[***]**.

(c) If within thirty (30) days of receiving the Negotiation Notice, MTPC has not **[***]** with MINERALYS for a Negotiation Right Territory Sublicense, or if the Parties **[***]** such potential Negotiation Right Territory Sublicense within the Negotiation Period, then MINERALYS shall be free to enter into any **[***]** agreement with any Third Party with respect to such potential sublicense agreement.

(d) If the Parties are able to reach agreement on the terms and conditions **[***]** of such Negotiation Right Territory Sublicense within the Negotiation Period, such agreement shall include:

i. MINERALYS shall grant to MTPC a right of reference to **[***]**, solely for use in the elected country(ies) in the Negotiation Right Territory. **[***]**.

ii. MINERALYS shall provide **[***]**.

iii. MINERALYS shall grant to MTPC the non-exclusive right to make and have made Compounds and/or any Product for the purpose of commercialization in the elected country(ies) in the Negotiation Right Territory. **[***]**. Notwithstanding the foregoing, following receipt of Regulatory Approval for such Product and **[***]** in a country in the

Negotiation Right Territory, the Parties shall discuss in good faith and agree on **[***]** to take into account **[***]**.

2.4 *Right of Negotiation*. If MTPC is interested in obtaining rights to compounds or products Controlled by MINERALYS other than a Compound or Product in the Field, MTPC will notify MINERALYS in writing. MINERALYS agrees to negotiate in good faith, for a period of up to sixty (60) days, a non-exclusive, royalty-bearing license under the MINERALYS Technology to Exploit such compounds or products on terms and conditions to be mutually agreed to by the Parties in their discretion. If, notwithstanding such good faith negotiations, the Parties are unable to mutually agree to such terms and conditions, MINERALYS shall have no further obligations to MTPC under this Section 2.4. Notwithstanding anything to the contrary in this Section 2.4, MINERALYS retains the right to negotiate with any Third Party at any time with respect the MINERALYS Technology.

2.5 *No Implied Rights.* Except as expressly provided in this Agreement, neither Party shall be deemed to have granted the other Party any license or other right with respect to any Technology or other intellectual property rights of such Party.

Article 3
Financials

3.1 *Upfront Payment.* Within **[***]** of the Effective Date, MINERALYS shall pay MTPC a one-time, non-refundable, non-creditable payment of one million U.S. dollars (US$1,000,000).

3.2 *Milestone Payments.*

3.2.1 *Development Milestone Payments.* MINERALYS shall notify MTPC of the first achievement of each milestone event as described below (whether by MINERALYS or its Affiliate or a Sublicensee). Within **[***]** after each such notice, MINERALYS shall pay to MTPC the one-time, **[***]** milestone payment corresponding to such milestone event listed below. All figures below are in U.S. dollars (US$), with 1M = 1 Million. The maximum aggregate payment for development milestones as set forth in this Section 3.2.1 shall be **[***]**.

Development Milestone Events	Payment
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**

3.2.2 *Sales Milestone Payments.* Within **[***]** after the end of each calendar year in which aggregated annual Net Sales of a Product in the MINERALYS Territory by MINERALYS, its Affiliates and Sublicensee(s) first reach or exceed any threshold indicated in the milestone events listed below, MINERALYS shall pay to MTPC the corresponding one-time, **[***]** milestone payment set forth below. Such payments will be accompanied by a report containing its calculation thereof. All figures below are in U.S. dollars (US$), with 1M = 1 Million. The maximum aggregate payment for sales milestones as set forth in this Section 3.2.2 shall be **[***]**.

Sales Milestone Events	**Payment**
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**
[***]	**[***]**

3.3 *Royalties*.

3.3.1 *Royalty Payment.* During the Royalty Term for each Product, MINERALYS shall pay MTPC the following incremental running royalties, based on the aggregate annual Net Sales on a Product-by-Product basis (aggregated across all countries and Indications for such Product) in the MINERALYS Territory by MINERALYS, its Affiliates and Sublicensee(s). All figures below are in U.S. dollars (US$), with 1M = 1 Million.

Royalty Thresholds: Aggregate annual Net Sales for each Product in the MINERALYS Territory across all Indications	**Royalty Rate**
[***]	[***]
[***]	[***]
[***]	[***]

3.3.2 *Royalty Term.* Royalties shall be paid on a Product-by-Product and country-by-country basis as of First Commercial Sale of Product in the applicable country and shall continue until the latest of (i) the expiration in such country of the last to expire Valid Claim of the last to expire patent within the MTPC Patent Rights where the sale or the approved use of the applicable Product in such country would infringe such Valid Claim absent ownership of such patent or the license granted to MINERALYS under the Agreement; (ii) ten (10) years from the First Commercial Sale of such Product in such country; or (iii) the expiration of any applicable regulatory, pediatric, orphan drug or data exclusivity (such period being the "**Royalty Term**" for a particular Product).

3.3.3 *Royalty Adjustment.* The royalties payable, pursuant to Section 3.3.1, by MINERALYS on Net Sales of a Product in a country shall be reduced by [***] if the condition in subclause (i) in Section 3.3.2 is met (irrespective of whether the condition in subclause (ii) or (iii) in Section 3.3.2 has been met) with respect to such Product and such country. The royalties payable, pursuant to Section 3.3.1 as may be reduced by the preceding sentence, by MINERALYS on Net Sales of a Product in a country shall be reduced by [***] Generic Competition with respect to a such Product [***]. [***] the royalties payable pursuant to Section 3.3.1, as may be reduced by the two

preceding sentences, by MINERALYS on Net Sales of a Product in a country shall be reduced by an amount equal to [***] of any royalties or other payments paid by MINERALYS or its Affiliates for such license. [***]. Notwithstanding the foregoing, the royalties payable under Section 3.3.1 taking into account the adjustments under this Section 3.3.3 shall not be reduced in any such event below [***] of the amount that would otherwise be due pursuant to Section 3.3.1 with respect to sales of a Product in a country [***].

3.3.4 *Royalty Payments and Reports.* MINERALYS shall pay royalties on Net Sales no later than [***] if MINERALYS has not granted any sublicense to sell Products under this Agreement (or [***] if MINERALYS has granted any sublicense to sell Products under this Agreement) after the end of each Calendar Quarter in which such Net Sales are made. Such payments will be accompanied by a report containing the following information with respect to each Product as it pertains to the preceding Calendar Quarter just ended:

(a) the gross sales of such Product during the relevant Calendar Quarter in each country or region in the MINERALYS Territory in which such sale occurred (separately stated for each Sublicensee and each country or region);

(b) the computation of the Net Sales of such Product during the relevant Calendar Quarter based on the U.S. dollar value determined in (a) above, including an accounting of any allowed deductions from the gross sales to arrive at the Net Sales, and the exchange rates used for converting foreign currency to U.S. dollars in accordance with Section 3.5 hereof;

(c) the computation of earned royalties of such Product during the relevant Calendar Quarter based on the Net Sales; and

(d) a detailed accounting of any credits against earned royalties or milestone permitted hereunder.

If no earned royalties are due for a Calendar Quarter after Regulatory Approval for marketing approval for the relevant Product in the MINERALYS Territory, MINERALYS shall so report. MINERALYS shall use its Commercially Reasonable Efforts to provide MTPC a Net Sales report as frequently as MTPC may request, but in no event more frequently than once per Calendar Quarter for accounting purposes. The frequency and schedule of such Net Sales reports shall be discussed and agreed upon by the Parties when requested by MTPC.

3.4 *Tax.* Subject to the other provisions of this Section 3.4, MINERALYS will bear all taxes and charges assessed or imposed by a governmental authority on MINERALYS, including withholding taxes imposed on payments by MINERALYS under this Section 3.4. However, MINERALYS will have no accountability for any taxes imposed by a governmental authority on MTPC including without limitation income tax imposed on MTPC or its Affiliates by Japan (or other country) or a political or governmental subdivision thereof. In the event that MINERALYS is required to withhold any tax to the tax or revenue authorities in any country regarding any payment to MTPC due to the laws of such country, such amount will be deducted from the payment to be made by MINERALYS, and MINERALYS will promptly notify MTPC of such withholding and, within [***] after making such deduction,

furnish MTPC with copies of any tax certificate or other documentation evidencing such withholding, subject to MTPC's timely assistance, including, but not limited to, sending documents necessary for minimizing such deduction. MINERALYS shall [***] reasonably cooperate with MTPC in completing and filing documents required under the provisions of any applicable tax laws or under any other applicable law in connection with any claim to a refund or a credit for any such withholding taxes.

3.5 *Method of Payment.* All payments to be made by MINERALYS or its Affiliates to MTPC or its Affiliates hereunder shall be in immediately available funds via a bank wire transfer or any other means of electronic funds transfer, at MINERALYS's election, to the bank account designated separately by MTPC to MINERALYS prior to the Effective Date.

3.6 *Currency.* All payments shall be made in U.S. dollars.

3.7 *Calculation of Payment.* With respect to Net Sales invoiced in U.S. dollars, the Net Sales or expense amounts due to MTPC hereunder shall be expressed in U.S. dollars. With respect to Net Sales invoiced in a currency other than U.S. dollars, the Net Sales or expense shall be expressed in the currency in which such Net Sales were invoiced or such expense was incurred together with the U.S. dollar equivalent, calculated using the average of the daily telegraphic transfer middle ("**TTM**") rates during each Calendar Quarter in which the Net Sales were made based on rates published by the [***] or any other source as agreed to by the Parties in writing and using the methodology used by MINERALYS for financial reporting in accordance with the U.S. generally accepted accounting principles.

3.8 *Records and Audits.* As applicable, MINERALYS shall keep, and shall cause its Affiliates and Sublicensees to keep, full and accurate records and books of account containing all particulars that is necessary for the purpose of calculating Net Sales or other payments due to MTPC pursuant to this Agreement. Such books of account, with all necessary supporting data, shall be kept by MINERALYS at its place of business or at another location under its control for the longer of (i) [***] or (ii) as required under applicable law, following the end of the calendar year to which each shall pertain. MINERALYS shall permit an independent nationally recognized accounting firm selected by MTPC and reasonably acceptable to MINERALYS, which acceptance shall not be unreasonably withheld, delayed or conditioned, to have access after reasonable advance notice and during normal business hours to such records as may be reasonably necessary to verify the accuracy of MINERALYS's reports of Net Sales as provided herein. All such verifications shall be conducted at the expense of MTPC and not more than [***] and [***] period after the expiration or termination of this Agreement. In the event such accounting firm concludes that adjustments should be made in MINERALYS's favor, then MINERALYS shall have a credit against future royalties payable to MTPC, or be promptly reimbursed by MTPC if no future royalties are payable to MTPC, such as at the end of the Royalty Term, in the amount of the overpayment. In the event such accounting firm concludes that adjustments should be made in MTPC's favor, then the amount of the underpayment plus accrued interest at a rate announced by [***] as its prime rate in effect on the date that such payment was first due plus [***] per annum shall be paid by MINERALYS within [***] of the date MINERALYS receives MTPC's accounting firm's written report so concluding, unless MINERALYS has a good faith

dispute as to the conclusions set forth in such written report, in which case MINERALYS shall provide written notice to MTPC within such [***] period of the nature of its disagreement with MTPC's accounting firm's written report. The Parties shall thereafter, for a period of [***], attempt in good faith to resolve such dispute and if they are unable to do so then the matter will be submitted to dispute resolution in accordance with Section 16.7 hereof. The fees charged by such accounting firm shall be paid by MTPC unless the audit discloses that adjustments in favor of MTPC for the period are [***] or more of the aggregate amount paid or payable by MINERALYS to MTPC during the applicable period, in which case MINERALYS shall pay the reasonable fees and expenses charged by such accounting firm within [***] after receipt of the invoice for such audit. The Parties agree that all information subject to review under this Section 3.8 is Confidential Information of MINERALYS and that MTPC shall cause its accounting firm to retain all such information subject to the substantially similar confidentiality restrictions of Article 12 hereof.

3.9 *Late Payment.* Any payments owed by MINERALYS under this Agreement that are not paid on or before the date such payments are due shall accrue daily interest, to the extent permitted by law, at the rate announced by [***] (or its successor) [***] per annum.

Article 4
Development

4.1 *Development Diligence.*

4.1.1 MINERALYS shall use Commercially Reasonable Efforts to conduct and complete the Development activities and to File for Regulatory Approval of at least one (1) Product in the Major Markets. MINERALYS shall also consider in good faith to Develop at least one (1) Product in at least one (1) country in the MINERALYS Territory that is not a Major Market. For clarity, MTPC shall have no obligation to conduct any of the Development activities and make additional Data.

4.1.2 Commitment to MT-4129. Notwithstanding the foregoing, MINERALYS shall [***] Development of the Compound [***] in accordance with the Development Plan.

4.1.3 *MTPC Cooperation.* In accordance with the schedule set forth in Exhibit C [***], MTPC will disclose to MINERALYS certain data as specified in Exhibit C that are owned or otherwise Controlled by MTPC as of the Effective Date and are necessary or useful to Exploit the Compound and Product in the Field in the MINERALYS Territory. [***]. For a period of [***] after the Effective Date, as reasonably requested by MINERALYS [***], MTPC agrees to provide MINERALYS with reasonable technical assistance in relation to the use and practice of such MTPC Know-How set forth in Exhibit C, to the extent reasonably necessary or useful for MINERALYS to File the IND under POC Period Studies and to assume manufacturing of Compounds (including without limitation facilitation of transfer of supplier relationships), including without limitation reasonable access to personnel of MTPC or its Affiliates who are familiar with the Compounds or MTPC Know-How, and CMC information and/or data obtained from clinical trials conducted with respect to the Compounds. [***]. For clarity, MTPC Know-How shall be specified in Exhibit C, including without limitation all preclinical reports that was generated by or on

behalf of MTPC or its Affiliates prior to the Effective Date, that is reasonably necessary or useful for MINERALYS to exercise its rights under the licenses granted in Section 2.1, for any Compound or Product. At least [***] during the Term, MTPC shall provide to MINERALYS or its permitted designee all new MTPC Know-How as specified in Exhibit C generated since the last such disclosure, if any, that is reasonably necessary or useful for MINERALYS to exercise the license granted in Section 2.1. Upon MTPC's receipt of MINERALYS's [***] written request for quantity and timing of shipments, MTPC shall supply, in accordance with the terms and conditions of this Agreement, to MINERALYS, free of charge, all API and Compounds (" **Clinical Supplies**") as specified in Exhibit D that are owned or controlled by MTPC and in MTPC's possession at the time of MINERALYS's request [***] and that are necessary or useful for MINERALYS to Develop the Compounds or Products in accordance with this Agreement. The detail and timing of the Clinical Supplies is as set forth in Exhibit D. MTPC shall provide copies of relevant information and documentation regarding quality, safety, and stability, which shall be separately agreed by both Parties, including without limitation stability data, certificates of analysis and compliance, and other Regulatory Documents relating to such Clinical Supplies. MTPC shall deliver the Clinical Supplies, [***].

4.2 *MINERALYS's POC Study.* Before the initiation of the POC Period Studies, MTPC has the right to discuss the Development Plan with MINERALYS, including without limitation schedule and protocol for the POC Period Studies, and MINERALYS shall consider in good faith MTPC's reasonable comments on the POC Period Studies.

4.2.1 MINERALYS shall use Commercially Reasonable Efforts to perform the POC Period Studies of a Product containing MT-4129 in the first Indication by the end of the POC Period unless (i) there is a regulatory delay caused by a Regulatory Authority or (ii) there are restrictions or delays on the conduct of clinical trials that are beyond MINERALYS's control, including without limitation due to the COVID-19 pandemic, in which case the POC Period shall be extended by the length of time to be agreed upon by the Parties.

4.2.2 Upon the receipt of the interim analysis or top line data of the POC Period Studies for a Product containing MT-4129, MINERALYS shall promptly disclose and deliver to MTPC such interim analysis or top line data. Upon the receipt of the clinical study report of the POC Period Studies for a Product containing MT-4129, MINERALYS shall promptly disclose and deliver to MTPC such clinical study report including without limitation all Data and information generated from the POC Period Studies in English. Within [***] after the POC Period, MINERALYS shall determine whether to commence Global Clinical Trials including additional Phase II Studies or Phase III Studies for a Product containing MT-4129 regarding at least one of such completed POC Period Studies.

4.2.3 Notwithstanding the above, MINERALYS shall notify MTPC in writing within [***] after MINERALYS's board of directors makes a formal determination not to proceed with its efforts to conduct Global Clinical Trials including additional Phase II Studies or Phase III Studies for a Product containing MT-4129 during the POC Period.

4.2.4 In the event that MINERALYS makes a determination not to proceed with its efforts to conduct Global Clinical Trials and notifies MTPC of such determination for a

Product containing MT-4129 under Section 4.2.3, this Agreement shall be terminated effective as of the date of such notification, and the provisions of Section 15.8.2 shall apply.

4.3 *MINERALYS's Responsibility.* MINERALYS (including without limitation through its Affiliates and Sublicensees) shall be responsible (including without limitation decision-making), at its sole cost and expense, for all the Development of Compounds and Products, including without limitation clinical trials and formulation studies that are necessary for or otherwise support obtaining and maintaining Regulatory Approval in the MINERALYS Territory.

4.4 *Plans of Development.* The Development of the Compounds and Products in the Field by MINERALYS in the MINERALYS Territory shall be conducted pursuant to the Development Plan. In addition, MINERALYS shall prepare a Global Clinical Trials Development Plan. The initial Development Plan and the initial Global Clinical Trials Development Plan shall be attached as Exhibit B. MTPC shall have the opportunity to review and comment on the Development Plan, and the Development Plan may be amended by MINERALYS with prior notice to MTPC and good faith consideration of MTPC's reasonable comments. The Global Clinical Trials Development Plan may be amended from time to time by MINERALYS with a prior or posterior notice to MTPC.

4.5 *Records and Updates.* MINERALYS shall maintain records, in sufficient detail and in good scientific manner appropriate for patent and regulatory purposes, which shall [***] Development activities pursuant to this Agreement. During the Term, MINERALYS shall keep MTPC [***] Development activities with respect to Compounds and Products in the Field in the MINERALYS Territory conducted by it pursuant to this Agreement as follows: (a) [***] and (b) [***].

4.6 *Use of Subcontractors.* MINERALYS may perform any activity for which it is responsible under this Article 4 through a subcontractor, provided that (a) MTPC's rights hereunder shall not be [***] as a result of such subcontracting; and (b) the subcontractor undertakes in writing obligations of confidentiality and non-use regarding Confidential Information and ownership of intellectual property which are substantially the same as those undertaken by the parties pursuant to Article 12 and Sections 9.1, 9.2, 9.3 and 9.4.

4.7 *Performance Standards.* In conducting any activity pursuant to this Article 4, MINERALYS shall: (a) comply with all applicable laws, rules and regulations and applicable regulatory standards, including, as applicable, GLP, GMP and GCP; and (b) prepare and maintain, or shall cause to be prepared and maintained, complete and accurate written records, accounts, notes and reports in good scientific manner and in sufficient detail for patent and regulatory purposes, which shall fully and properly reflect all work done, results achieved, data generated, and inventions made in whole or in part, by MINERALYS. [***].

4.8 *Development Costs.* MINERALYS shall be responsible for all Development costs, including POC Period Studies costs, non-clinical studies costs and Global Clinical Trials costs, except for MTPC's provision of (i) a draft of the IND prepared for

potential submission to FDA and (ii) a clinical trial application submitted to Regulatory Authority in the Netherlands, both are on AS-IS basis.

Article 5
Regulatory and Post Registration

5.1 *Regulatory Strategy.* As between the Parties, MINERALYS shall be solely responsible for developing a coordinated global regulatory strategy for interacting with Regulatory Authorities and, during the POC Period, MINERALYS shall consider in good faith all reasonable comments from MTPC. For clarity, MTPC shall have no obligation to conduct any of the regulatory activities and make additional Data.

5.2 *MINERALYS's Responsibility.* MINERALYS shall be responsible for preparing and Filing all required documents and applications for Regulatory Approval and marketing authorization in all countries in the MINERALYS Territory. MINERALYS shall be responsible for all post-registration commitments as required by the Regulatory Authorities in all countries in the MINERALYS Territory in which Regulatory Approval is obtained. During the POC Period, MINERALYS may consult with MTPC as reasonably necessary regarding, and shall keep MTPC [***] informed of, the preparation, Regulatory Authority review and approval of submissions and communications with Regulatory Authorities with respect to Products in the Field in the MINERALYS Territory. In addition, during the POC Period, MINERALYS shall promptly provide MTPC with copies of any material documents, information and correspondence received from a Regulatory Authority and, upon reasonable request by MTPC, with copies of any other documents, reports and communications from or to any Regulatory Authority relating to Compounds, Products or activities under this Agreement.

5.3 *Sharing of Information.* After the POC Period, [***], MINERALYS shall provide MTPC with a summary report of material Regulatory Filings and activities that occurred during the preceding [***] that relate to Products in the Field in the MINERALYS Territory, and inform MTPC of major regulatory events such as Filing of Regulatory Documents in a country for Regulatory Approval and receipt of Regulatory Approval in a country.

5.4 *Regulatory Costs.* MINERALYS shall be responsible for all regulatory costs incurred by MINERALYS.

5.5 *Languages.* MINERALYS shall provide all documents, including electronic files, contemplated under this Article 5, to the other Party in the original language of such documents and, if previously translated into English, such English translation of certain key documents.

Article 6
Commercialization

6.1 *Commercialize Diligence, Launch.* As between the Parties, MINERALYS shall be solely responsible for all commercialization activities in the MINERALYS Territory, including without limitation the marketing, strategy, pricing, promotion, physician targeting, reimbursement, branding, distribution and sale of the Product in the

MINERALYS Territory. MINERALYS, through the activities of itself and its Affiliates and Sublicensees, shall use Commercially Reasonable Efforts to perform all such commercialization activities in the MINERALYS Territory and bear all related costs thereof incurred by MINERALYS. MINERALYS shall use Commercially Reasonable Efforts to launch at least one (1) Product in the Major Markets after obtaining Regulatory Approval of at least one Product in such countries. MINERALYS shall also use Commercially Reasonable Efforts to commercialize at least one (1) Product in at least one (1) country of the MINERALYS Territory that is not a Major Market if MINERALYS has obtained Regulatory Approval for such Product in such country.

6.2 *Sales* [***]. Within a reasonable time [***] prior to the first anticipated Regulatory Approval, MINERALYS shall provide MTPC with [***] for Products in the Field in the MINERALYS Territory.

6.3 *Commercialization Information.* On a [***] basis, MINERALYS will provide MTPC a [***] of MINERALYS's commercialization activities for the applicable Product in the Field in the MINERALYS Territory conducted in the preceding year. In addition, MINERALYS will notify MTPC of the launch, First Commercial Sale and withdrawal from market of any Product and entry of Generic Product in any country in the MINERALYS Territory.

6.4 *Post-Registration Studies.* MINERALYS may, in its sole discretion, conduct Post-Registration Studies of Product at its own expense in the MINERALYS Territory.

6.5 *Ownership of Post-Registration Studies Data.* All clinical Data generated during the course of such Post-Registration Studies of any Product under Section 6.4 shall be owned by MINERALYS and shall be included in MINERALYS Know-How.

6.6 *Pricing, Pricing Approvals and the Distribution of the Product.* With respect to the MINERALYS Territory, MINERALYS and its Affiliates and Sublicensees shall be solely responsible for setting all prices and obtaining pricing approvals for all Products, and for distributing and recording all sales of Products in each country of the MINERALYS Territory.

6.7 *Product Recalls.* If MINERALYS believes that a recall of any Product sold in the MINERALYS Territory is necessary, MINERALYS shall promptly undertake or have undertaken such recall and provide [***] notice to MTPC. Any decision of MINERALYS concerning any recalls of Product shall be solely at MINERALYS's discretion.

6.8 *Commercialization Costs.* MINERALYS shall be responsible for all commercialization costs incurred by MINERALYS.

Article 7

Manufacturing

7.1 *Development and Commercial Supply.* As between the Parties, except as otherwise provided in this Article 7, MINERALYS, itself or through its Affiliates or CMOs, shall be responsible for the manufacture and supply of MINERALYS's and its Affiliates' and Sublicensees' requirements of all Compounds and Products for use in Development and for use in commercialization in the MINERALYS Territory, at its

own cost. For clarity, MTPC shall have no obligation to conduct any of the manufacture activities for Compounds or Products and make additional Data.

7.2 *On-site visit.*

7.2.1 Within [***] from the Effective Date [***], upon a request from MINERALYS, the Parties shall begin discussion of the process of [***] on-site visit to conduct technology transfer process for API relating to the manufacture of Compounds, so that MINERALYS or its designee can begin to apply it to its manufacturing, process development or formulation development resources to be able to implement the manufacturing process used by MTPC (or its Affiliate or CMO) to manufacture Compounds. It is understood that such [***] may include a series of meetings in up to [***] (or such additional time as agreed by the Parties, such agreement not to be unreasonably withheld, delayed, or conditioned) between employees and/or representatives of MINERALYS and MTPC as well as MTPC's laboratory and/or plant visits in the same days as agreed by the Parties. Such [***] shall be provided at no charge to MINERALYS [***], provided, however, that [***]. Any additional visits shall be subject to [***] reimbursement for MTPC's employees' time at a rate to be agreed by the Parties. [***]. For the avoidance of doubt, MTPC shall not be obliged to provide MINERALYS with (i) [***] nor (ii) [***].

7.2.2 MTPC shall provide all information (including without limitation the Data) under this Section 7.2 on "AS IS" basis and in its original language. MINERALYS shall, at its option and its own expense, translate such information to English. Upon reasonable request by MINERALYS, MTPC agrees to review the English translation of any such documents, provided that MINERALYS reimburses MTPC's reasonable expenses, including MTPC's employees' reasonable labor cost, for such review.

Article 8
Non-Compete

8.1 *Non-Compete.* MINERALYS shall not, and shall not permit any of its Affiliates or Sublicensees to, directly or indirectly, sell or otherwise commercialize, alone or with Third Parties, any Competing Product [***]. Following such request, the Parties shall enter into good faith discussions regarding such request.

Article 9
Intellectual Property Ownership, Prosecution and Maintenance

9.1 *Inventorship.* Inventorship of any inventions invented during or in connection with any activity under the Agreement shall be determined in accordance with inventorship principles of U.S. laws, and ownership will follow inventorship. Therefore, inventions or discoveries that are first conceived and reduced to practice solely by one Party in the activities under this Agreement will belong solely to such Party.

9.2 *MTPC Intellectual Property.* MTPC shall own all right, title and interest in and to the MTPC Technology, subject to the rights granted to MINERALYS under this Agreement.

9.3 *MINERALYS Intellectual Property.* MINERALYS shall own all right, title and interest in and to the MINERALYS Technology, subject to the rights granted to MTPC under this Agreement.

9.4 *Joint Intellectual Property.* Subject to the license granted to MINERALYS pursuant to Section 2.1, the Parties shall each own an undivided equal interest in and to any Joint Technology, and each Party shall have the right to practice, license to its respective Affiliates and use the Joint Technology on a worldwide basis (subject to any underlying intellectual property rights), without consent of the other Party (where consent is required by law, such consent is deemed hereby granted) and without a duty of accounting to the other Party. For the avoidance of doubt, [***].

9.5 *MTPC Patent Rights Prosecution and Maintenance.* MTPC shall have control over patent prosecution and maintenance, including without limitation preparation, filing and seeking extension, of the MTPC Patent Rights, at its own cost and choice of counsel. MINERALYS will be kept [***] informed on progress and will be provided [***] opportunity to review and comment on the overall patent strategy and prosecution-related documents, and MTPC shall consider in good faith and incorporate MINERALYS's reasonable comments related to filings and prosecution-related documents in the MINERALYS Territory prior to submission to United States Patent and Trademark Office or foreign equivalent; [***]. In order to facilitate the foregoing, the Parties will communicate via e-mail as a basis. If both Parties consider that the e-mail communication is not efficient in a timely manner and both Parties agree to have meetings as reasonable in advance of patent filing, including without limitation deadlines for filing non-provisional applications, PCT applications, national stage entries, and appeals in Japan, EU, U.S. and China, which meetings shall include without limitation each Party's patent counsel and may be held telephonically, to discuss in good faith the matters referenced above.

9.6 *Abandonment of MTPC Patent Rights.* In the event that MTPC desires to not file, abandon or cease prosecution or maintenance of any MTPC Patent Rights in a certain country or territory in the MINERALYS Territory, MTPC shall provide prompt notice to MINERALYS of such intention to abandon and in no event less than [***] before the deadline for responding or acting to a patent office to avoid abandonment. In such case, no later than thirty (30) days after such notice from MTPC, upon MINERALYS's written election, MINERALYS shall have the right to assume prosecution and maintenance of such MTPC Patent Rights at MINERALYS's expense. [***]. If MINERALYS does not provide such election within thirty (30) days after such notice from MTPC, MTPC may, at its sole discretion, continue prosecution and maintenance of such MTPC Patent Rights or discontinue prosecution and maintenance of such MTPC Patent Rights.

9.7 *MINERALYS Patent Rights Prosecution and Maintenance.* MINERALYS shall have sole control over patent prosecution and maintenance, including without limitation preparation, filing and seeking extension, of the MINERALYS Patent Rights, at its own cost and choice of counsel. [***].

9.8 *Abandonment of MINERALYS Patent Rights.* [***].

9.9 *Joint Patent Rights Prosecution and Maintenance.* The Parties shall mutually determine, on a case-by-case basis, which Party shall have primary responsibility for the preparation, filing, prosecution and maintenance of any Joint Patent Rights. The Party having primary responsibility (the "**Joint Patent Filing Party**") shall [***] with respect to preparation, filing, prosecution and maintenance of Joint Patent Rights. The

Joint Patent Filing Party shall keep the other Party reasonably informed on progress and shall provide the other Party reasonable opportunity to review and comment on the overall patent strategy and prosecution-related documents, and shall consider in good faith and incorporate the other Party's reasonable comments related to filings and prosecution-related documents prior to submission to the United States Patent and Trademark Office or foreign equivalent; [***].

9.10 *Abandonment of Joint Patent Rights.* In the event that the Joint Patent Filing Party desires to abandon or cease prosecution or maintenance of any Joint Patent Rights (except in the event the Parties mutually decide to abandon or cease prosecution, maintenance of such Joint Patent), the Joint Patent Filing Party shall provide prompt notice to the other Party of such intention to abandon and in no event less than [***] before the deadline for responding or acting to a patent office to avoid abandonment. In such case, no later than [***] after such notice from the Joint Patent Filing Party, upon the other Party's written election provided, the other Party may elect to continue prosecution or maintenance of any such Joint Patent Rights in the MINERALYS Territory [***]. If the other Party does not provide such election within [***] after such notice from the Joint Patent Filing Party, the Joint Patent Filing Party may, at its sole discretion, continue prosecution and maintenance of such Joint Patent Rights or discontinue prosecution and maintenance of such Joint Patent Rights.

Article 10

Patents Enforcement

10.1 *Notice.* Each Party shall [***] inform the other Party as it becomes aware of any infringement of MTPC Patent Rights, Joint Patent Rights or MINERALYS Patent Rights, including without limitation administrative proceedings before patent offices, including without limitation oppositions and inter partes review.

10.2 *ANDAs Notice.* Each Party shall [***] notify the other Party upon the receipt of a notice of any 21 U.S.C 355 (b)(2)(A)(iv) or 21 U.S.C 355 (j)(2)(vii)(IV) or any amendment thereof or successor or similar provision of law, "patent certification" (the "**Paragraph IV Certificate**") filed by a Third Party FDA applicant which references a United States Patent falling within the scope of MTPC Patent Rights or Joint Patent Rights or MINERALYS Patent Rights for consideration and taking any possible action, including without limitation the bringing of any infringement suit under 35 U.S.C 271 (e)(2) or any successor or similar provision of law (**"ANDAs"**). The Parties shall discuss strategies and preparation for the actions to be taken against such ANDA filer(s).

10.3 *Patent Enforcement.* MINERALYS will have the right, at its sole discretion and expense, to enforce and defend the MTPC Patent Rights, MINERALYS Patent Rights and Joint Patent Rights against infringing third parties with respect to Compound or Product in the Field in the MINERALYS Territory ("**MINERALYS Enforcement**"). MTPC will reasonably cooperate as necessary to enforce the MTPC Patent Rights and Joint Patent Rights [***]. MINERALYS shall consider in good faith MTPC's reasonable comments in relation to such enforcement. MTPC will confer upon MINERALYS any authority as an exclusive licensee, including without limitation joining in an action as a litigant, under such MTPC Patent Rights and Joint Patent Rights, necessary for MINERALYS to enforce those MTPC Patent Rights and Joint

Patent Rights in any jurisdiction. MTPC shall have the right to retain its own counsel with respect to its participation in any such enforcement action, bearing its own counsel fees. Notwithstanding the foregoing, if MINERALYS fails to initiate MINERALYS Enforcement against any Third Party action within [***] after receiving Paragraph IV Certificate or [***] after receiving notice of a potential infringement, MTPC shall have right, in its discretion, to institute MINERALYS Enforcement action. Notwithstanding anything to the contrary, in the event that [***].

10.4 *Settlement.* Neither Party shall enter into a settlement or consent judgment or other voluntary final disposition of an enforcement action or defense action in the MINERALYS Territory without [***]. Any proceeds, including without limitation damages, obtained as a result of such proceeding, by settlement or otherwise, shall be used first to reimburse the respective costs and expenses incurred by each Party in connection with the enforcement and defense actions, including without limitation attorney's fees. And the amount of any recovery remaining shall then be allocated to MINERALYS and shall be deemed to be Net Sales for purposes of Section 3.3 and MINERALYS shall pay MTPC the corresponding incremental running royalties under Section 3.3. Notwithstanding anything to the contrary, in the event that [***].

10.5 *Infringing Third Party Patents.* Each Party shall [***] notify the other Party in the event it becomes aware of any Patent Rights that are owned or otherwise Controlled by a Third Party that may be asserted in connection with the manufacture, development, or commercialization of any Compound or Product. The Parties shall [***] thereafter consult and reasonably cooperate to determine a course of action, and each Party shall have the right to participate in defending against any such Third Party infringement claim relevant to any of such Party's interests hereunder, with counsel of its choice at its own expense. Notwithstanding the foregoing, MINERALYS shall have sole right to control the defense of any claim or action brought in the MINERALYS Territory [***].

Article 11
Trademark

11.1 *Selection.* Subject to applicable regulatory requirements, the Product may be sold in the Field under any and all trademarks selected by MINERALYS. MINERALYS shall own and be responsible for the selection, preparation, prosecution, registration and maintenance of such trademarks in the MINERALYS Territory.

Article 12
Confidential Information

12.1 *Confidentiality.* Except to the extent expressly authorized by this Agreement or otherwise agreed in writing by the Parties, each Party shall, during the Term and for [***], keep confidential and not disclose to others or use for any purpose, other than as authorized by this Agreement, all Confidential Information of the other Party or its Affiliates. For purposes of this Agreement, the term **"Confidential Information"** means the terms and conditions of this Agreement and proprietary or confidential Know-How (of whatever kind and in whatever form or medium, including without limitation copies thereof) (a) disclosed by or on behalf of a Party in connection with this Agreement, whether prior to or during the Term and whether disclosed orally,

electronically, by observation or in writing, or (b) created by, or on behalf of, either Party and provided to the other Party, or created jointly by the Parties, in the course of this Agreement. For the avoidance of doubt, "Confidential Information" includes without limitation Know-How regarding such Party's research, development plans, clinical trial designs, preclinical and clinical data, Regulatory Documents, technology, products, business information or objectives and other information that are the subject of this Agreement, currently in the possession of, or developed during the Term by MTPC, MINERALYS or any of their respective Affiliates, licensees, or Sublicensees.

12.2 *Excluded Information.* The restrictions of Section 12.1 shall not apply to any Confidential Information which (i) is already known to the recipient at the time of disclosure, as reasonably documented by written records; (ii) is or later becomes public knowledge through no fault of the recipient; (iii) is received from a Third Party having the lawful right to disclose the information; or (iv) is independently developed by employees of the recipient without access to the disclosing Party's Confidential Information, as reasonably documented by written records.

12.3 *Permitted Disclosure*. A Party may disclose Confidential Information of another Party to (i) its Affiliates, and to its and their directors, employees, consultants, attorneys, and agents, in each case who have a specific need to know such Confidential Information and who are bound by a like obligation of confidentiality and restriction on use; (ii) applicable patent granting authorities in preparing, filing, prosecuting, or maintaining patent applications and patents to the extent permitted in this Agreement; (iii) in the case where MINERALYS is the receiving party, in connection with the exercise of the rights granted by MTPC under this Agreement, and the Exploitation of Compounds or Products, including Filing of any Regulatory Documents or other disclosure to Regulatory Authorities and other applicable entities in obtaining and maintaining Regulatory Approvals; (iv) any bona fide actual or prospective collaborators, investment bankers, investors, lenders, acquirers, merger partners, or other potential financial partners (and their attorneys and agents) who are obligated to keep such information confidential, to the extent reasonably necessary to enable such actual or prospective Persons to determine their interest in collaborating with, investing in, merging with or otherwise forming a relationship with; (v) prosecuting or defending litigation; or (vi) to the extent such disclosure is reasonably required to comply with applicable law, including without limitation required disclosure under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the Financial Instruments and Exchange Act, as amended, the regulations and rules of Japan Exchange Group, as amended, the rules of any stock exchange, or any other securities law in any country where either party is required to make such disclosure for compliance with securities law, provided, however, that the receiving Party provides, to the extent permissible and practicable, prior written notice of such disclosure to the disclosing Party and takes reasonable and lawful actions to avoid or minimize the degree of such disclosure, including without limitation upon the disclosing Party's request or with disclosing Party's participation, seeking confidential treatment or protective order of such Confidential Information.

12.4 *Publicity.* It is acknowledged that MINERALYS may desire or be required to issue press releases relating to this Agreement or activities hereunder. [***]. MINERALYS agrees to consult with MTPC reasonably and in good faith with respect to the text and

timing of such press release prior to the issuance thereof, and to consider MTPC's comments in good faith. After the initial press release or public announcement, MINERALYS will be solely responsible for all subsequent press releases regarding this Agreement and agrees to provide MTPC with copies of each proposed press release [***]. Either Party may issue a press release if it determines, based on advice of counsel, it is reasonably necessary to do so to comply with applicable law or with the requirements of any stock exchange on which securities issued by a Party or its Affiliates are traded. In the event of a required public announcement, to the extent practicable under the circumstances, the Party making such announcement shall use Commercially Reasonable Efforts to provide the other Party with a copy of the proposed text of such announcement sufficiently in advance of the scheduled release to afford such other Party a reasonable opportunity to review and comment upon the proposed text. Each Party may make public statements regarding this Agreement in response to questions by the press, analysts, investors or those attending industry conferences or financial analyst calls, or issue press releases, so long as any such public statement or press release is not inconsistent with this Section 12.4 or is permitted by Sections 12.2 or 12.3 and does not reveal non-public information about the other Party.

12.5 *Publication.* A Party shall have the right to review and comment on any material proposed for scientific publication or public presentation by the other Party, such as by oral presentation, manuscript or abstract, which includes Confidential Information of the other Party. Before any such material is submitted for publication, the Party proposing publication shall deliver a summary of publication to the other Party at least [***] prior to submitting the material to a publisher or initiating any other disclosure. The other Party shall review any such material and give its comments to the Party proposing publication within [***] of the delivery of such material to such other Party. The publishing party shall comply with the other Party's request to delete references to the other Party's Confidential Information in any such material and agrees to delay any submission for publication or other public disclosure for a period of up to an additional [***] for the purpose of preparing and filing appropriate patent applications. For clarity, the foregoing limitations on scientific publication does not limit either Party's right to disclose Confidential Information in non-scientific publications or public presentations at investor conferences or via other non-scientific venues, provided that such disclosing Party shall reasonably limit disclosure to a minimum necessary to affect the purpose of such non-scientific publication or public presentation.

12.6 *Disclosure to Government or in Discovery.* Specific terms or conditions of this Agreement may be disclosed pursuant to a discovery demand; subpoena; order of a court, administrative body or arbitrator; or administrative guidance that in the opinion of a Party's counsel requires disclosure. If a Party receives a request to disclose any of the terms or conditions of this Agreement pursuant to a discovery demand; subpoena; order of a court, administrative body or arbitrator; or administrative guidance that in the opinion of such Party's counsel requests disclosure, such Party shall notify the other Parties within [***] after receiving such request and at least [***] prior to disclosing any terms of this Agreement. Such Party may then disclose the terms and conditions of this Agreement pursuant to such request, provided that it shall have used Commercially Reasonable Efforts to ensure that such disclosure is subject to a

protective order limiting access to the disclosure to outside counsel or expert witnesses only. Nothing herein shall preclude any Party from complying with an order requiring disclosure, or an administrative guidance that in the opinion of such Party's counsel requires disclosure, of the terms of this Agreement that has been issued by a court, arbitrator or administrative agency of competent jurisdiction.

Article 13

Representations and Warranties

13.1 *Mutual Representations and Warranties.* As of the Effective Date, Each Party represents and warrants to the other that (a) it is a validly existing corporation in good standing in its jurisdiction of incorporation, (b) it has the legal right and power to enter into this Agreement, to extend the rights and licenses granted or to be granted to the other in this Agreement, and to fully perform its obligations hereunder, (c) it has not made and it covenants it will not make any commitments to others in conflict with such rights or this Agreement, (d) except as otherwise disclosed, it is not aware of any legal obstacles which could prevent it from carrying out the provisions of this Agreement, (e) no consent, approval, or agreement of any person, party, court, government or entity is required to be obtained or if required, each Parties has obtained by it in connection with the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby, (f) it has obtained all necessary corporate approvals to enter into this Agreement, (g) this Agreement is a legal and valid obligation binding upon it and is enforceable in accordance with its terms, subject to applicable limitations on such enforcement based on bankruptcy laws and other debtors' rights, and (h) the execution, delivery and performance of this Agreement will not conflict with its charter documents or any agreements, contracts, or other arrangements to which it is or becomes a party or by which it is or becomes bound, nor violate any law or regulation of any court, governmental body or administrative or other agency having authority over it.

13.2 *MTPC Representations, Warranties, and Covenants.* MTPC represents, warrants, and covenants (as applicable) to MINERALYS that (a) it has not granted and it will not grant during the Term, any right, option, license, or interest in or to any of the MTPC Technology that is in conflict with the rights or licenses granted to MINERALYS under this Agreement; and MTPC has not granted, or permitted to be attached, and it will not grant or permit to be attached during the Term, any lien, security interest, or other encumbrance with respect to the MTPC Technology, (b) the Patent Rights listed in Exhibit A are all of the Patent Rights owned or otherwise Controlled by MTPC as of the Effective Date that claim or describe (i) the Compound except for the Sub-Compound or (ii) Product except for any pharmaceutical product containing a Sub-Compound (alone or with other active ingredients), and Exhibit A will be updated to include all subsequent Patent Rights owned or otherwise Controlled by MTPC that claim or describe MT-4129, (c) as of the Effective Date and to MTPC's knowledge, the MTPC Technology comprises all of the intellectual property rights owned or otherwise Controlled and used by MTPC and its Affiliates in the research, development and manufacturing of MT-4129 prior to the Effective Date and to the extent MTPC becomes aware of MTPC Technology of MT-4129 that was not disclosed to MINERALYS, MTPC will promptly notify MINERALYS and amend Exhibits A and C to reflect the full scope of MTPC Technology of MT-4129 with

MTPC's knowledge, (d) as of the Effective Date and to MTPC's knowledge, neither MTPC nor its Affiliates has received any written notice of any threatened or pending actions, suits, judgments, settlements, or claims against MTPC or its Affiliates that, if determined adversely to MTPC or its Affiliates, would have a material adverse effect upon (i) MTPC's ability to grant to MINERALYS the licenses and rights granted under this Agreement, (ii) the ability of MINERALYS to fully utilize the MTPC Technology pursuant to this Agreement, or (iii) MTPC's right to enter into and perform its obligations under this Agreement, (e) as of the Effective Date and to MTPC's knowledge, all references cited in the PCT and foreign equivalents of [***] were submitted to the USPTO during prosecution of the patent applications that matured into those two patents; (f) as of the Effective Date and to MTPC's knowledge, the MTPC Technology does not include any trade secrets that have been misappropriated from any Third Party or obtained in breach of any contractual obligation of MTPC or its employees to a Third Party, (g) as of the Effective Date and to MTPC's knowledge, MTPC is unaware of any Know-How that (i) is owned or otherwise Controlled by MTPC or its Affiliates and (ii) is necessary for the Development or manufacture or commercialization of MT-4129, other than the MTPC Know-How, (h) as of the Effective Date and to MTPC's knowledge, MTPC is unaware of any infringement or misappropriation by any Third Party of any of the MTPC Patent Rights listed in Exhibit A, (i) as of the Effective Date and to MTPC's knowledge, MTPC Controls, and is unaware of any facts that have led MTPC to suspect that it does not have sole Control of, the MTPC Patent Rights listed in Exhibit A existing as of the Effective Date, such ownership of such Patent Rights has been duly recorded with the applicable patent offices or corresponding governmental authorities, and there are no agreements in effect as of the Effective Date between MTPC and a Third Party under which Patent Rights with respect to the MTPC Technology are licensed to MTPC, (j) as of the Effective Date and to MTPC's knowledge, MTPC is not aware of any issued patents or pending patent applications not owned by MTPC that may cover MT-4129, (k) to MTPC's knowledge, all inventors of any inventions included within the MTPC Patent Rights listed in Exhibit A owned or otherwise Controlled by MTPC as of the Effective Date have assigned their entire right, title, and interest in and to such inventions and the corresponding Patent Rights to MTPC, (l) as of the Effective Date and to MTPC's knowledge, no person, other than those persons named as inventors on any MTPC Patent Rights listed in Exhibit A, is, or has alleged to MTPC to be, an inventor of the invention(s) claimed in such MTPC Patent Rights listed in Exhibit A, (m) with respect to all MTPC Patent Rights in as of the Effective Date and to MTPC's knowledge: each has been prosecuted in material compliance with (i) the duty of disclosure, candor and good faith under 37 C.F.R. 1.56 in the U.S. or (ii) applicable foreign equivalent laws and regulations requiring disclosure of material prior art to the patent granting authority, (n) as of the Effective Date and to MTPC's knowledge, MTPC has not utilized in conducting manufacture of the Compound or Product any person or entities that at such time are debarred by FDA, or that, at such time, are under investigation by FDA for debarment action pursuant to the provisions of the Generic Drug Enforcement Act of 1992 (21 U.S.C. § 335), or by any other equivalent foreign Regulatory Authority, (o) MTPC shall perform all of its obligations under this Agreement, and shall comply in all material respects with all applicable laws in performing its activities under this Agreement, (p) as of the Effective Date and to

MTPC's knowledge, MTPC has provided or made available to MINERALYS prior to the Effective Date, true and correct copies (as of the Effective Date) of all material adverse information actually known to MTPC with respect to the safety and efficacy of any Compounds or Products, and all of the foregoing information and documents provided are true and correct in all material respects, (q) in accordance with this Agreement, MTPC discloses to MINERALYS all material written Know-How in MTPC's possession and Control as of the Effective Date as listed in Exhibit C necessary for the Development, manufacture or commercialization of the Compounds or Products, (r) as of the Effective Date and to MTPC's knowledge, the Clinical Supplies labeled as "GMP" (i) were made in compliance with applicable GMP standards, (ii) were stored and handled at all times under environmental conditions necessary to maintain the stability of the Clinical Supplies labeled as "GMP", and (iii) (1) meets the applicable mutually agreed material specifications therefor, (2) be free of material defects in workmanship and materials, and (3) be free and clear of any and all liens or other security interests, and (s) as of the Effective Date and to MTPC's knowledge, MTPC has obtained all licenses, authorizations, and permissions necessary under applicable GMP standards necessary for the manufacture of the Clinical Supplies labeled as "GMP."

13.3 *MINERALYS Representations, Warranties, and Covenants*. MINERALYS represents, warrants, and covenants to MTPC that (a) neither MINERALYS nor its Affiliates has received any written notice of any threatened or pending actions, suits, judgments, settlements, or claims against MINERALYS or its Affiliates that, if determined adversely to MINERALYS or its Affiliates, would have an adverse effect upon (i) the ability of MINERALYS to fully utilize the MTPC Technology pursuant to this Agreement or (ii) MINERALYS' right to enter into and perform its obligations under this Agreement, (b) [***], (c) MINERALYS shall perform all of its obligations under this Agreement, and shall comply in all material respects with all applicable laws in performing its activities under this Agreement, (d) [***], and (e) MINERALYS will not utilize, in conducting manufacture of the Compound or Product any person or entities that at such time are debarred by FDA, or that, at such time, are under investigation by FDA for debarment action pursuant to the provisions of the Generic Drug Enforcement Act of 1992 (21 U.S.C. § 335), or by any other equivalent foreign Regulatory Authority and (f) MINERALYS shall, and shall direct its Affiliates to, perform all of its obligations under this Agreement, and shall comply in all material respects with all applicable laws in performing its activities under this Agreement.

13.4 *Warranty Disclaimer.* EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY MTPC TECHNOLOGY, MINERALYS TECHNOLOGY, MTPC PATENT RIGHTS, MINERALYS PATENT RIGHTS OR OTHER SUBJECT MATTER OF THIS AGREEMENT AND HEREBY DISCLAIMS WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT WITH RESPECT TO ANY AND ALL OF THE FOREGOING.

Article 14

Limitation of Liability, Indemnification, and Insurance

14.1 *Limitation of Liability.* EXCEPT FOR THE OBLIGATIONS SET FORTH IN THIS ARTICLE, AND VIOLATIONS OF ARTICLE 12 (CONFIDENTIALITY), AND UNLESS OTHERWISE EXPRESSLY STATED IN THIS AGREEMENT, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY (OR THE OTHER PARTY'S AFFILIATES OR SUBLICENSEES) FOR LOST REVENUE, LOST PROFITS, OR LOST SAVINGS OR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR INDIRECT DAMAGES TO THE OTHER PARTY (OR THE OTHER PARTY'S AFFILIATES OR SUBLICENSEES), HOWEVER CAUSED, IN CONNECTION WITH THIS AGREEMENT, EVEN IF THE PARTY HAS NOTICE OF THE POSSIBILITY OF SUCH DAMAGES.

14.2 *Indemnification by MINERALYS.* MINERALYS will indemnify, defend and hold harmless MTPC and its Affiliates and their respective directors, officers, employees and agents (the **"MTPC Indemnitees"**) from and against any and all claims, damages, liabilities, losses, costs (including without limitation reasonable attorneys' fees and expenses) and expenses (collectively, **"Losses"**) arising from: (a) any breach by MINERALYS of any obligation, representation, warranty, or covenant expressly made by MINERALYS under this Agreement; (b) the Exploitation of any Compound or Product by or on behalf of MINERALYS, its Affiliates or Sublicensees; or (c) any Third Party claim of death, bodily injury or physical property damage arising from and determined to be attributable to (i) the Development, manufacture (for use, distribution or sale by or on behalf of MINERALYS, its Affiliates or Sublicensees), use, commercialization, distribution or sale of any Compound and/or Product by MINERALYS, its Affiliates, Sublicensees, employees, agents or contractor, or (ii) the negligent act or negligent omission or willful misconduct of MINERALYS or its Affiliates, Sublicensees, employees, agents or contractors; provided, however, that such indemnification shall not apply to any Losses to the extent such Losses arise from a breach by MTPC of any obligation, representation, warranty, or covenant expressly made by MTPC under this Agreement or the negligence or willful misconduct of any MTPC Indemnitees or breach of this Agreement by MTPC.

14.3 *Indemnification by MTPC.* MTPC will indemnify, defend and hold harmless MINERALYS and its Affiliates and their respective directors, officers, employees and agents (the **"MINERALYS Indemnitees"**) from and against all Losses arising from: (a) any breach by MTPC of any obligation, representation, warranty, or covenant expressly made by MTPC under this Agreement; (b) the Exploitation of any Compound or Product by or on behalf of MTPC in (i) the elected country(ies) in the Negotiation Right Territory after the execution of the Negotiation Right Territory Sublicense or (ii) anywhere in the MINERALYS Territory before the Effective Date or (c) any Third Party claim of death, bodily injury or physical property damage arising from and determined to be attributable to (i) the Development, manufacture (for use, distribution or sale by or on behalf of MTPC or its Affiliate or MTPC's sublicensees under the Negotiation Right Territory Sublicense), use, distribution or sale of any Compound and/or Product by MTPC or its Affiliates, employees, agents, or contractor in the elected country(ies) in the Negotiation Right Territory after the

execution of the Negotiation Right Territory Sublicense, or (ii) the negligent act or negligent omission or willful misconduct of MTPC or its Affiliates, MTPC's sublicensees under the Negotiation Right Territory Sublicense, employees or agents; provided, however, that such indemnification shall not apply to any Losses to the extent such Losses arise from a breach by MINERALYS of any obligation, representation, warranty, or covenant expressly made by MINERALYS under this Agreement or the negligence or willful misconduct of any MINERALYS Indemnitees or Sublicensees or breach of this Agreement by MINERALYS.

14.4 *Indemnification Procedure.* As a condition precedent to a Party's (the **"Indemnifying Party"**) obligations to indemnify, defend and hold harmless any MTPC Indemnitee or MINERALYS Indemnitee (collectively, an **"Indemnified Party"**) pursuant to Section 14.2 or 14.3 above, the Indemnified Party shall promptly notify in writing, and provide a copy to, the Indemnifying Party of any complaint, summons or other written or verbal notice that the Indemnified Party receives of any claim that may be subject to such obligations. An Indemnified Party's failure to deliver written notice, to the extent prejudicial to the Indemnifying Party's ability to defend such claim, shall relieve the Indemnifying Party of liability to the Indemnified Party under Section 14.2 or 14.3 hereof, as applicable. The Indemnified Party shall allow the Indemnifying Party the control of the defense and settlement thereof, and assist in such defense and settlement as the Indemnifying Party may reasonably request in connection with the defense and settlement of the claim (at the Indemnifying Party's sole cost and expense), and the Indemnifying Party shall assume the defense thereof with counsel of its choosing; provided, that the Indemnified Party shall have the right to participate in any such proceeding with counsel of its choosing at its own expense. No Indemnified Party may settle a claim or action covered by this Section 14.2 or 14.3 without the prior written consent of the Indemnifying Party which consent shall not be unreasonably withheld, delayed or conditioned. Any payment made by an Indemnified Party in violation of this Section 14.4 to settle any such claim or action shall be at its own cost and expense.

14.5 *Insurance.* During [***] thereafter, each Party shall obtain and maintain (a) commercial general liability insurance covering its obligations and activities hereunder and (b) products liability insurance including coverage for such Party's Products undergoing clinical trials or being marketed, with financially secure insurance carriers in a form and at levels as customary for a company of its size in the pharmaceutical industry (or reasonable self-insurance sufficient to provide materially the same level and type of protection).

Article 15
Term and Termination

15.1 *Term.* The term of this Agreement (the **"Term"**) shall commence upon the Effective Date and, unless terminated earlier pursuant to the terms of Sections 4.2.4, 15.3, 15.4, 15.5, 15.6 or 15.7, shall expire on a Product-by-Product and country-by-country basis until the date upon which MINERALYS is no longer obligated to provide royalty payments to MTPC under Section 3.3 hereof.

15.2 *Effect of Expiration.* Upon expiration of Royalty Term on a Product-by-Product and country-by-country basis, no further royalties shall be payable in respect of sales of

such Product in such country and thereafter the licenses granted to MINERALYS with respect to such Product in such country shall be fully paid-up, perpetual, non-exclusive irrevocable, royalty-free license.

15.3 *Termination for Convenience.* MINERALYS may at its discretion terminate this Agreement in its entirety or on a Product-by-Product or country-by-country basis at any time after the completion of the POC Period Studies for the MINERALYS Territory by providing upon (i) ninety (90) days written notice to MTPC with respect to any country for which there is not a Product approved by the Regulatory Authority and (ii) one hundred and eighty (180) days written notice to MTPC with respect to any country for which there is a Product approved by the Regulatory Authority. Immediately after MINERALYS provides such notice, MINERALYS shall arrange for either a face-to-face or a telephone or an equivalent meeting with MTPC to confer and explain the reason for its termination decision.

15.4 *Termination by MTPC for Ceasing Development.* MTPC shall have the right to terminate this Agreement, if MINERALYS has not initiated regulatory consultation for the first Global Clinical Trials for MT-4129, [***], with any Regulatory Authority [***].

15.5 *Termination by Either Party for Material Breach of the Other Party.* Upon any material breach of this Agreement by either Party (the "**Defaulting Party**"), the other Party (the "**Terminating Party**") may elect to terminate this Agreement pursuant to this Section 15.5 by providing the Defaulting Party with written notice of the material breach. The Defaulting Party shall have [***] from receipt of written notice to cure any such alleged material breach (or, if applicable, such longer period, but not to exceed [***], as would be reasonably necessary for a Defaulting Party to cure such material breach, provided the Defaulting Party has commenced and continues its Commercially Reasonable Effort to cure during the initial [***] following the date on which the breach notice is provided), unless such alleged breach is a failure to pay an amount due hereunder on a timely basis, in which case the Defaulting Party shall have [***]. Upon the end of the cure period, if the material breach is not cured within such period, the Terminating Party may terminate this Agreement with immediate effect upon written notice to the Defaulting Party, and the Terminating Party shall be entitled to claim from the Defaulting Party all damages which would otherwise be due to the Terminating Party and to seek all other remedies otherwise available to the Terminating Party for such material breach. Notwithstanding the foregoing, if the Parties reasonably and in good faith disagree as to whether there has been a material breach, including without limitation whether such breach was material, the Parties shall discuss in good faith to resolve such dispute for a period of up to [***] from the end of the cure period, and the Terminating Party may not terminate this Agreement during such period.

15.6 *Termination by Either Party upon Insolvency of the Other Party.* Either Party may terminate this Agreement immediately by providing written notice, if the other Party: (a) applies for or consents to the appointment of a receiver, trustee, liquidator or custodian of itself or of all or a substantial part of its assets, (b) makes a general assignment for the benefit of its creditors, (c) is dissolved or liquidated in full or in substantial part, (d) commences a case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, moratorium, dissolution, delinquency or any

other similar law now or hereafter in effect for the purpose of liquidating itself or all or substantially all of its assets, including without limitation a case under Chapter 7 of the U.S. Bankruptcy Code, (e) takes any corporate action for the purpose of effecting any of the foregoing, (f) is the subject of a case or proceeding under any bankruptcy, insolvency, reorganization, moratorium, rehabilitation, delinquency or any other similar law now or hereafter in effect, including without limitation a case under Chapter 11 of the U.S. Bankruptcy Code, which has been converted to a liquidation or dissolution proceeding, or (g) becomes the subject of an involuntary case or proceeding under any bankruptcy, insolvency, reorganization, liquidation, moratorium, dissolution, delinquency or any other similar law now or hereafter in effect for the purpose of liquidating itself or all or substantially all of its assets, including without limitation a case under Chapter 7 of the U.S. Bankruptcy Code, that is not dismissed within [***] following commencement.

15.7 *Patent Right Challenge.* [***].

15.8 *Effect of Termination.*

15.8.1 Upon the termination of this Agreement by MTPC pursuant to Section 4.2.4, 15.4, 15.5, 15.6, or 15.7 or by MINERALYS pursuant to Section 15.3, the following provisions shall apply, subject to Section 15.9:

(a) promptly after the termination, but no later than [***] after such termination, MINERALYS shall return to MTPC or destroy all records of Confidential Information of MTPC in MTPC's discretion, except for such Confidential Information which has to be retained by MINERALYS or its Affiliates according to law or regulation, provided however that such Party may retain a single archival copy of MTPC's Confidential Information for the monitoring of its continued obligations hereunder;

(b) promptly after the termination, but no later than [***] after such termination, upon MTPC's request and at MINERALYS's expense, MINERALYS shall return to MTPC or destroy all Clinical Supplies, formulated drug compounds (capsules), placebo capsules and other samples provided by MTPC to MINERALYS under this Agreement;

(c) subject to the rights of MINERALYS's Sublicensees under Section 15.9, the license rights, including without limitation the right to sublicense, granted to MINERALYS, pursuant to Sections 2.1 shall terminate; and

(d) subject to the payment of the incremental running royalties under Section 3.3, MINERALYS and its Affiliates and Sublicensees shall have the right to sell the inventory of Products manufactured and held by MINERALYS and its Affiliates and Sublicensees for [***] after the date of termination, provided, however, that upon the expiration of such [***] period, MTPC has the right to purchase the inventory of Compound and/or Product from MINERALYS at MINERALYS's Cost of Goods without mark-up or profit margin.

15.8.2 For termination of this Agreement solely during the period commencing on the Effective Date and ending [***] after the POC Period, as determined by the date of the termination notice, by MTPC pursuant to Section 4.2.4, 15.4, 15.5, 15.6, or 15,7,

or by MINERALYS pursuant to Section 15.3, the following provisions in addition to the provisions from (a) to (d) of Section 15.8.1 shall apply, subject to Section 15.9:

[***];

15.8.3 For termination of this Agreement after [***].

15.9 *Survival of Sublicenses.* Unless a Sublicensee provides that it shall terminate upon termination of this Agreement, if this Agreement terminates for any reason, then at the option of any Sublicensee not in breach of the applicable sublicense (or any provision of this Agreement applicable to such Sublicensee) such Sublicensee shall, from the effective date of such termination, automatically become a direct licensee of MTPC under, and subject to the terms and conditions of, this Agreement, subject to modifications with respect to territory, field, exclusivity, and other conditions consistent within the scope and terms and conditions of the applicable sublicense and this Agreement; provided, however, that such Sublicensee shall cure all material breaches within the reasonable timeframe as contemplated in this Article 15, if any, by MINERALYS of this Agreement that relate to such sublicense.

15.10 *Pre-Existing Obligations.* Expiration or termination of this Agreement for any reason shall not relieve the Parties of any obligation that accrued prior to such expiration or termination.

15.11 *Surviving Provisions.* In addition to the survivability of certain provisions of this Agreement as expressly set forth herein, the following provisions shall survive in the event of expiration or termination of this Agreement for any reason: Articles 1, 9, 12, 14, and 16 and Sections 2.5, 10.3-10.4 (as applicable), 13.4, 15.8 (as applicable), 15.9, 15.10, 15.11 and 15.12, such other provisions hereof as are required for the interpretation or enforcement of those Sections, and any other provisions that, as apparent from their terms in the context of this Agreement, are intended to survive termination or expiration of this Agreement. Expiration or termination of this Agreement for any reason will not preclude any Party from claiming any other damages, compensation, or relief that it may be entitled to upon such Expiration or termination.

15.12 *365(n) of the U.S. Bankruptcy Code.* All licenses and rights to licenses granted under or pursuant to this Agreement by MTPC to MINERALYS are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(35A) of the U.S. Bankruptcy Code, including without limitation all trademarks and non-U.S. Patent Rights.

Article 16
Miscellaneous

16.1 *Force Majeure.* Neither Party shall be held liable or responsible to the other Party nor be deemed to have defaulted under or breached this Agreement for failure or delay in fulfilling or performing any provision of this Agreement when such failure or delay is caused by or results from causes beyond the reasonable control of the affected Party, including without limitation to earthquakes, fire, floods, embargoes, war, acts of war (whether war is declared or not), pandemics, insurrections, riots, terrorism, civil

commotions, strikes, lockouts or other labor disturbances, acts of God or acts, omissions or delays in acting by any governmental authority or the other Party; provided, however, that the Party so affected shall use Commercially Reasonable Efforts to avoid or remove such causes of nonperformance, and shall continue to perform hereunder with reasonable dispatch whenever such causes are removed. Either Party shall provide the other Party with prompt written notice of any delay or failure to perform that occurs by reason of force majeure. The Parties shall mutually seek a resolution of the delay or the failure to perform as noted above.

16.2 *Assignment.* No Party may assign its rights or, except as expressly provided herein, delegate its obligations under this Agreement, whether by operation of law or otherwise, in whole or in part without the prior written consent of the other Party, which consent shall not be unreasonably withheld, except that either Party shall always have the right, without such consent, (a) to perform any or all of its obligations and exercise any or all of its rights under this Agreement through any of its Affiliates and (b) assign any or all of its rights and delegate any or all of its obligations hereunder to any of its Affiliates or to any successor in interest (whether by merger, acquisition, or asset purchase) to all or substantially all of the business to which this Agreement relates, [***]. All validly assigned rights of a Party shall inure to the benefit of and be enforceable by, and all validly delegated obligations of such Party shall be binding on and be enforceable against, the permitted successors and assigns of such Party. Any attempted assignment or delegation in violation of this Section 16.2 shall be void.

16.3 *Severability.* Each Party hereby agrees that it does not intend to violate any public policy, statutory or common laws, rules, regulations, treaty or decision of any government agency or executive body thereof of any country or community or association of countries. Should one or more provisions of this Agreement be or become invalid, the Parties hereto shall substitute, by mutual consent, valid provisions for such invalid provisions which valid provisions in their economic effect are sufficiently similar to the invalid provisions that it can be reasonably assumed that the Parties would have entered into this Agreement with such valid provisions. In case such valid provisions cannot be agreed upon, the invalidity of one or several provisions of this Agreement shall not affect the validity of this Agreement as a whole, unless the invalid provisions are of such essential importance to this Agreement that it is to be reasonably assumed that the Parties would not have entered into this Agreement without the invalid provisions.

16.4 *Compliance with Applicable Laws.* The Parties shall comply with all provisions of any applicable laws, regulations, rules and orders relating to the license granted and to the testing, development, production, transportation, export, packaging, labeling, sale, reimbursement or use of Products. The Parties shall use Commercially Reasonable Efforts to obtain written assurances regarding export and re-export of technical data (including without limitation Product made by use of technical data) as may be required by the applicable U.S. Office of Export Administration Regulations or its applicable foreign equivalents. MINERALYS shall mark each Product with all issued MTPC Patent Rights covering such Product to the extent required in the applicable country in the MINERALYS Territory.

16.5 *Anti-corruption laws.* Each Party and its Affiliates, licensees, Sublicensees, employees, agents, contractors, sub-contractors, and consultants shall comply with all applicable laws, regulations, statutes and codes relating to any applicable anti-bribery and anti-corruption laws, including but not limited to the Japan Unfair Competition Prevention Act, the UK Bribery Act of 2010 and the U.S. Foreign Corrupt Practices Act (**"Anti-Corruption Laws"**). Neither Party shall engage in any conduct that would constitute an offence under any Anti-Corruption Laws in any jurisdiction and shall ensure that its internal policies and procedures comply with the Anti-Corruption Laws.

16.6 *Governing Law.* This Agreement is governed by and construed in accordance with the laws of the state of New York, U.S. without regard to any choice of law principle that would dictate the application of the laws of another jurisdiction. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

16.7 *Dispute Resolution.*

(a) [***]

(b) Notwithstanding the foregoing, nothing in this Agreement will preclude either Party from seeking equitable relief or interim or provisional relief from a court of competent jurisdiction, including without limitation a temporary restraining order, preliminary injunction or other interim equitable relief, concerning any such dispute either prior to or during any arbitration.

16.8 *Entire Agreement.* This Agreement, together with the Exhibits hereto, contains the entire understanding of the Parties with respect to the subject matter hereof. All express or implied agreements and understandings, either oral or written, heretofore made, including without limitation the Material Transfer Agreement, are expressly merged in and made a part of this Agreement. In the event of any conflict or inconsistency between any provision of any Exhibit hereto and any provision of this Agreement, the provisions of this Agreement shall prevail unless expressly stated otherwise. This Agreement may be amended, or any term hereof modified, only by a written instrument duly executed by both Parties hereto.

16.9 *Headings.* The captions to the several Articles and Sections hereof and Exhibits hereto are not a part of this Agreement, but are merely guides or labels to assist in locating and reading the several Articles and Sections hereof.

16.10 *Waiver.* The failure of either Party to enforce any provision of this Agreement at any time shall not be construed as a present or future waiver of such or any other provision of this Agreement. The express waiver by either Party of any provision or requirement hereunder shall neither be deemed nor operate as a future waiver of such or any other provision or requirement.

16.11 *Relationship of the Parties.* The status of a Party under this Agreement shall be that of an independent contractor. Nothing contained in this Agreement shall be construed as creating a partnership, joint venture or agency relationship between the Parties or, except as otherwise expressly provided in this Agreement, as granting any Party the authority to bind or contract any obligation in the name of or on the account of

another Party or to make any statements, representations, warranties or commitments on behalf of another Party. All persons employed by a Party shall be employees of such Party and not of another Party and all costs and obligations incurred by reason of any such employment shall be for the account and expense of such Party.

16.12 *Notices.* Any consent, notice or report required or permitted to be given or made under this Agreement by one of the Parties hereto to the other shall be in writing, delivered personally or by facsimile (and promptly confirmed by personal delivery or courier) or courier, postage prepaid (where applicable), addressed to such other Party at its address indicated below, or to such other address as the addressee shall have last furnished in writing to the addressor and shall be effective upon receipt by the addressee.

If to MTPC:

Mitsubishi Tanabe Pharma Corporation
2-10 Dosho-machi, 3-chome, Chuo-ku
Osaka 541-8505, Japan

Attention: Head of Business Development
Facsimile [***]

If to MINERALYS:

Mineralys Therapeutics, Inc.
100 Pine Street, Suite 1250
San Francisco, CA 94111, U.S.A.

Attention:

Chief Executive Officer
Legal Department

With a copy (which shall not constitute notice) to:

Latham & Watkins LLP
12670 High Bluff Drive
San Diego, CA 92130, U.S.A.

Attention:
[***]

16.13 *Expenses.* Except as otherwise expressly provided in this Agreement, each Party shall pay the fees and expenses of its respective lawyers and other experts and all other expenses and costs incurred by such Party incidental to the negotiation, preparation, execution and delivery of this Agreement.

16.14 *Counterparts.* This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall be deemed to constitute one and the same instrument. An executed signature page of this Agreement delivered by facsimile transmission or by electronic mail in "portable document format" (".pdf") shall be as effective as an original executed signature page.

[Signature Page Follows.]

IN WITNESS WHEREOF, the Parties hereto have caused this LICENSE AGREEMENT to be executed and entered into by their duly authorized representatives as of the Effective Date.

Mineralys Therapeutics, Inc.

By: /s/ [***]

Name: [***]

Title: Chief Executive Officer

Mitsubishi Tanabe Pharma Corporation

By: /s/ [***]

Name: [***]

Title: Vice President, Head of Business Development

Exhibit A

[***]

Exhibit B

[***]

Exhibit C

[***]

Exhibit D

[***]