UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Fiscal Year Ended December 31, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period from _____ to _____

Commission File Number 001-33650

LISATA THERAPEUTICS, INC.
(Exact name of Registrant as specified in its charter)

Delaware	22-2343568
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
110 Allen Road, 2nd Floor, Basking Ridge, New Jersey	07920
(Address of principal executive offices)	(zip code)

Registrant's telephone number, including area code: 908-842-0100

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol (s)	Name of Each Exchange On Which Registered
Common Stock, par value $0.001 per share	LSTA	The Nasdaq Capital Market

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

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

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

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definition of "large accelerated filer," "accelerated filer", and "smaller reporting 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 13(a) of the Exchange Act. ☐

Indicate by check mark whether the Registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

The aggregate market value of the Registrant's voting and non-voting common stock held by non-affiliates of the Registrant (without admitting that any person whose shares are not included in such calculation is an affiliate) computed by reference to June 30, 2025 (the last business day of the Registrant's most recently completed second fiscal quarter) was approximately $23.6 million, computed by reference to the last sale price of $2.90 for the common stock on the Nasdaq Capital Market reported for such date. Shares held by executive officers, directors and persons owning directly or indirectly more than 10% of the outstanding common stock have been excluded from the preceding number because such persons may be deemed to be affiliates of the Registrant. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	**Outstanding as of March 12, 2026**
Common stock, $0.001 par value per share	9,032,291 shares

DOCUMENTS INCORPORATED BY REFERENCE

The following documents (or parts thereof) are incorporated by reference into the following parts of this Form 10-K: Certain information required in Part III of this Annual Report on Form 10-K is incorporated by reference from the Registrant's Proxy Statement for the 2026 Annual Meeting of Stockholders. Such Proxy Statement will be filed with the Securities and Exchange Commission within 120 days of the Registrant's fiscal year ended December 31, 2025.

All references in this Annual Report on Form 10-K to "we," "us," the "Company" and "Lisata" mean Lisata Therapeutics, Inc., including subsidiaries and predecessors, except where it is clear that the term refers only to Lisata Therapeutics, Inc. This Annual Report on Form 10-K contains forward-looking statements, which involve risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those set forth under "Cautionary Note Regarding Forward-Looking Statements" and under "Risk Factors" and elsewhere in this Annual Report on Form 10-K.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual report (this "Annual Report") contains "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995, as well as historical information. When used in this Annual Report, statements that are not statements of current or historical fact may be deemed to be forward-looking statements, including, without limitation, all statements related to any expectations of revenues, expenses, cash flows, earnings or losses from operations, cash required to maintain current and planned operations, capital or other financial items; any statements of the plans, strategies and objectives of management for future operations; any plans or expectations with respect to product research, development and commercialization, including regulatory approvals; any other statements of expectations, plans, intentions or beliefs; and any statements of assumptions underlying any of the foregoing. Without limiting the foregoing, the words "plan," "project," "forecast," "outlook," "intend," "may," "will," "expect," "likely," "believe," "could," "anticipate," "estimate," "continue," "target,"or similar expressions or other variations or comparable terminology are intended to identify such forward-looking statements, although some forward-looking statements are expressed differently. We remind readers that forward-looking statements are merely predictions and therefore inherently subject to uncertainties and other factors and involve known and unknown risks that could cause the actual results, performance, levels of activity or our achievements or industry results, to be materially different from any future results, performance, levels of activity or our achievements or industry results expressed or implied by such forward-looking statements. Factors that could cause our actual results to differ materially from anticipated results expressed or implied by forward-looking statements include, among others:

- the proposed acquisition of our company by Kuva Labs, Inc., including the anticipated time frame for completion of the transaction;
- our ability to obtain sufficient capital or strategic business arrangements to fund our operations and expansion plans, including collecting amounts owed to us under various licensing and other strategic arrangements, meeting our financial obligations under various licensing and other strategic arrangements, the funding of our clinical trials for product candidates, and the commercialization of the relevant technology;
- our ability to build and maintain the management and human resources infrastructure necessary to support the operation and/or growth of our business;
- our ability to continue as a going concern
- whether a market is established for our products and our ability to capture a meaningful share of this market;
- scientific, regulatory and medical developments beyond our control;
- our ability to obtain and maintain, as applicable, appropriate governmental licenses, accreditations or certifications or to comply with healthcare laws and regulations or any other adverse effect or limitations caused by government regulation of our business;
- whether any of our current or future patent applications result in issued patents, the scope of those patents and our ability to obtain and maintain other rights to technology required or desirable for the conduct of our business, and our ability to commercialize products without infringing upon the claims of third-party patents;
- whether any potential strategic or financial benefits of various licensing agreements will be realized;
- our ability to diversify our pipeline of development product candidates, which could include an acquisition, merger, business combination, in-license or other strategic transaction, and whether any of such efforts will result in us entering into or completing any transaction or that any such transaction, if completed, will add to shareholder value;
- the results of our development activities;
- our ability to complete our other planned clinical trials (or initiate other trials) in accordance with our estimated timelines due to delays associated with enrolling patients due to the novelty of the treatment, the size of the patient population, competition with other clinical trials for similar subjects, patient and/or investigator site availability and accessibility due to external macroenvironmental factors and the need of patients to meet the inclusion criteria of the trial or otherwise; and
- the extent to which any future public health crisis and their long-term effects may impact, directly or indirectly, our business, including our clinical trials and financial condition.

The factors discussed herein, including those risks described in "Item 1A. Risk Factors" and in our other periodic filings with the SEC, which are available for review at *www.sec.gov*, could cause actual results and developments to be materially different from those expressed or implied by such statements. All forward-looking statements attributable to us are expressly

qualified in their entirety by these and other factors. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they were made. Except as required by law, we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I

ITEM 1. BUSINESS.

Overview

Lisata Therapeutics, Inc. (together with its subsidiaries, the "Company") is a clinical-stage pharmaceutical company dedicated to the discovery, development, and commercialization of innovative therapies for the treatment of solid tumors and other serious diseases. Our investigational product, certepetide (formerly known as LSTA1 or CEND-1), is designed to activate a novel uptake pathway (the C-end rule active transport mechanism) that allows co-administered or tethered (i.e., molecularly bound) anti-cancer drugs to target and penetrate solid tumors more effectively. Certepetide actuates this active transport system in a tumor-specific manner, resulting in systemically co-administered anti-cancer drugs more efficiently penetrating and accumulating in the tumor, while normal tissues are expected to remain unaffected. Certepetide has also been shown to modify the tumor microenvironment ("TME") by reducing T-regulatory cells and augmenting cytotoxic T cells, thereby making tumors more susceptible to immunotherapies while also inhibiting the metastatic cascade (i.e., the spread of cancer to other parts of the body). We, our collaborators and other researchers have amassed and continue to amass significant non-clinical data demonstrating enhanced delivery of a range of existing and emerging anti-cancer therapies, including chemotherapeutics, immunotherapies, and RNA-based therapeutics. In addition, certain preclinical data using certepetide in combination with antibody drug conjugates (ADCs) has been generated as part of our research collaboration with Catalent. These data were presented at a scientific meeting during the fourth quarter of 2025. To date, certepetide has also demonstrated favorable safety, tolerability and activity in completed and ongoing clinical trials designed to enhance delivery of standard-of-care chemotherapy, with and without added immunotherapy, for pancreatic cancer. Certepetide is or has been the subject of several Phase 2 clinical studies globally in a variety of solid tumor types, including metastatic pancreatic ductal adenocarcinoma (mPDAC), cholangiocarcinoma, appendiceal cancer, colon cancer and glioblastoma multiforme in combination with a variety of anti-cancer regimens.

Our leadership team has amassed many decades of collective biopharmaceutical and pharmaceutical product development experience across a variety of therapeutic categories and at all stages of development from preclinical through to product registration and launch. Our goal is to develop and commercialize products that address important unmet medical needs.

Corporate Information

We incorporated in 1980 as a Delaware corporation, and our principal executive offices are located at 110 Allen Road, Second Floor, Basking Ridge, NJ 07920. Our telephone number is (908) 842-0100 and the corporate website address is *www.lisata.com*. Our website address in this Annual Report is included only as an inactive textual reference and is not intended to be an active link to our website. The information on the website is not incorporated by reference into this Annual Report.

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports, as well as other documents filed with the U.S. Securities and Exchange Commission ("SEC"), are available free of charge through the "Investors" section of the website as soon as reasonably practicable after such material is electronically filed with or furnished to the SEC. The public can obtain documents that are filed with the SEC at *www.sec.gov*.

This Annual Report includes the following trademark owned by us, CendR Platform®. This trademark is the property of Lisata. This Annual Report also includes other trademarks, service marks and trade names owned by us or other companies. All trademarks, service marks and trade names included herein are the property of their respective owners.

Recent Developments

Proposed Acquisition by Kuva Labs Inc.

On March 6, 2026, we entered into an Agreement and Plan of Merger (the "Merger Agreement") with Kuva Labs Inc., a Delaware corporation ("Kuva"), and Kuva Acquisition Corp., a Delaware corporation and a wholly owned subsidiary of Kuva ("Purchaser"). Pursuant to the Merger Agreement, and upon the terms and subject to the conditions thereof, Purchaser will commence a tender offer (the "Offer") to purchase all of our issued and outstanding shares of common stock, par value $0.001 per share (the "Common Shares"), in exchange for (i) $5.00 per Common Share, net to the seller in cash, without interest, but subject to any applicable withholding of taxes (the "Closing Amount") plus (ii) one non-tradeable contingent value right (each, a "CVR"), which represents the contractual right to receive a contingent cash payment of $1.00 per CVR (the "Milestone Payment") if a New Drug Application or similar registration is filed or formally accepted for review by the FDA or any governmental authority in any jurisdiction with respect to any pharmaceutical product that contains or incorporates the product candidate referred to as of the date of the Merger Agreement as certepetide, alone or in combination with one or more other therapeutically active ingredients, including all formulations, dosages, or modes of delivery, for any indication or patient population prior to the earlier of (a) 11:59 p.m. New York City Time on the seventh (7th) anniversary of the Closing Date (as

defined in the Merger Agreement), and (b) termination of the CVR Agreement (the "Milestone"), in accordance with the terms and subject to the conditions of a contingent value rights agreement (the "CVR Agreement") to be entered into with a rights agent selected by Kuva and reasonably acceptable to us (the Closing Amount plus one CVR, collectively, the "Offer Price"). If certain conditions are satisfied and the Offer is consummated, Kuva would acquire any remaining Common Shares for the Offer Price by a merger of Purchaser with and into us (the "Merger").

The obligation of Kuva and Purchaser to consummate the Offer is subject to the satisfaction of customary conditions, including the condition that there be validly tendered, and not properly withdrawn, prior to the expiration of the Offer, that number of Shares that, together with the number of Shares, if any, then owned beneficially by Kuva and Purchaser (together with their wholly-owned subsidiaries), represents at least a majority of the Shares outstanding as of the consummation of the Offer. The obligation of Purchaser to consummate the Offer is also subject to other customary conditions. Consummation of the Offer is not subject to a financing condition.

Following the consummation of the Offer and subject to the terms and conditions of the Merger Agreement, Purchaser will merge with and into our company pursuant to the provisions of Section 251(h) of the General Corporation Law of the State of Delaware (the "DGCL") as provided in the Merger Agreement, with our company being the surviving corporation. At the effective time of the Merger (the "Effective Time"), (i) each Common Share (other than (a) our treasury shares, (b) Shares owned by Kuva, Purchaser, us or any of their respective direct or indirect wholly-owned subsidiaries and (c) Shares held by stockholders who have properly demanded appraisal of such Shares in accordance with the DGCL (collectively, "Excluded Shares")) will be cancelled and converted into the right to receive an amount in cash equal to the Offer Price, less applicable withholding of taxes (the "Common Merger Consideration") and (ii) each of our issued and outstanding shares (the "Preferred Shares" and, together with the Common Shares, the "Shares") of Series B Convertible Redeemable Preferred Stock, par value $0.01 per share, other than Excluded Shares will be canceled and converted into the right to receive $0.0005 per Preferred Share (which represents the Cash Amount and Milestone Payment per Preferred Share, on an as converted to Common Share basis) (the "Preferred Merger Consideration" and, together with the Common Merger Consideration, the "Merger Consideration").

The Merger Agreement includes customary representations, warranties and covenants of the parties. The Merger Agreement also includes customary termination provisions for each of us and Kuva, subject, in certain circumstances, to the payment by us and Kuva of a termination fee equal to $2,000,000.

The foregoing description of the Merger Agreement is only a summary of certain material provisions thereof, does not purport to be complete. The full text of the Merger Agreement is filed as Exhibit 2.1 to this Annual Report on Form 10-K.

The Offer and Merger are expected to close in the second quarter of 2026, subject to the terms of the Merger Agreement. Following completion of the transaction, we will become part of Kuva, a privately-held company, and our common stock will be delisted from the Nasdaq Capital Market ("Nasdaq"). We will also apply to deregister our common stock and cease to be a reporting company under the United States Securities Exchange Act of 1934, as amended. There can be no assurance that the Offer and the Merger will be consummated. Refer to Item 1A. "Risk Factors" for a summary of risks related to the proposed transaction.

Development Programs

Targeted Solid Tumor Penetration via CendR Active Transport

Many solid tumor cancers, including but not limited to pancreatic ductal adenocarcinoma ("PDAC") and cholangiocarcinoma, are surrounded by dense fibrotic tissue, known as the tumor stroma. This stroma often limits the penetration of anti-cancer therapies including chemotherapy into the tumor and thus limits their efficacy. Emerging immunotherapies, including but not limited to checkpoint inhibitors and adoptive cell therapies (e.g., chimeric antigen receptor T cells (CAR-Ts)), also face challenges in effectively treating solid tumors. Many tumors exhibit an immunosuppressive TME, which suppresses a patient's immune system and can thus limit the effectiveness of immunotherapies and/or contribute to metastases. These factors, i.e., the combination of a dense stroma and an immunosuppressive TME, negatively impact the ability of many therapeutic agents to optimally treat these cancers.

To address the tumor stroma's role as a key impediment to effective treatment, we make use of the C-end rule ("CendR") active transport mechanism, a naturally occurring transport system. Our investigational drug, certepetide (a specific, proprietary *internalizing* R-G-D or iRGD peptide), activates this transport system in a tumor-specific manner (Sugahara, Science, 2010). Certepetide enables more selective and efficient uptake of systemically administered anti-cancer drugs resulting in more intratumoral drug accumulation. The overall expected result is enhanced anticancer activity without an increase in systemic adverse side effects. While it is possible to couple/tether or conjugate some anticancer drugs to certepetide, we believe that our initial approach of co-administration of certepetide with anti-cancer therapies is advantageous. Co-administration does not create a new chemical entity ("NCE") with its attendant development and regulatory hurdles, thereby providing an anticipated

faster-to-clinic and faster-to-market product opportunity for a range of combination therapies. That said, an attractive life-cycle management strategy for certepetide would be to molecularly bind it to a variety of anti-cancer agents (as an alternative to co-administration), thereby creating new NCEs with the potential for distinct patent protection, compositionally or otherwise.

Certepetide has demonstrated favorable safety, tolerability, and activity to date in clinical trials enhancing the selective delivery of standard-of-care chemotherapies for mPDAC. Certepetide's cancer targeting characteristics may also enable emerging solid tumor treatment modalities to prove more effective. For example, preliminary results of certepetide in combination with both immunotherapy and chemotherapy are promising.

Certepetide as a treatment for solid tumor cancers in combination with other anti-cancer agents

Certepetide is an investigational drug that actuates the CendR active transport mechanism. Certepetide has been shown to modify the TME, making it less immunosuppressive and thereby making the tumor more susceptible to attack by the immune system while also inhibiting the metastatic cascade. It targets tumor vasculature, endothelial cells, tumor cells and some intratumoral immunosuppressive cells by its selective affinity for alpha-v beta-3 and alpha-v beta-5 integrins that are upregulated on these cells. Certepetide is a nine amino acid cyclic proprietary internalizing RGD ("iRGD") peptide that, once bound to these integrins, undergoes proteolytic cleavage to release a linear peptide fragment, called a CendR peptide fragment. After dissociation from the integrin receptor, the CendR peptide fragment then binds with high selectivity and affinity to an adjacent receptor, called neuropilin-1, also upregulated in solid tumors, to activate the novel uptake pathway that allows circulating anticancer drugs to more selectively and effectively penetrate solid tumors. The ability of certepetide and iRGD peptides to modify the TME to enhance delivery and efficacy of co-administered drugs has been demonstrated in many preclinical models in a range of solid tumors. We, our collaborators, and research groups around the world have published more than 400 scientific papers related to the benefits of iRGD peptides and the CendR pathway.

Clinically, certepetide has been the subject of multiple Phase 1 and Phase 2 trials. These studies include a Phase 1b/2a study in first line mPDAC patients. Study CEND1-201 was conducted in China by our former licensee, Qilu Pharmaceutical. Two dose levels of certepetide (1.6 and 3.2 mg/kg) were combined with SoC chemotherapy (gemcitabine and nab-paclitaxel). There were 55 patients in the study, 53 of whom were evaluable for efficacy. Twenty-five (25) patients were treated with 1.6 mg/kg certepetide and 28 patients with 3.2 mg/kg certepetide. In the 1.6 mg/kg certepetide group, partial response occurred in 11/25 (44.0%) patients, and stable disease occurred in 12/25 (48%) patients. In the 3.2 mg/kg certepetide group, partial response occurred in 11/28 (39.3%) patients, and stable disease occurred in 12/28 (42.9%) patients. The ORR was 41.5% for all doses. The ORR was 44.0% and 39.3% in the 1.6 mg/kg group and 3.2 mg/kg group, respectively. The DCR was 86.8% for all doses. The DCR in the 1.6 mg/kg group and 3.2 mg/kg group was 92.0% and 82.1%, respectively. The median PFS was 5.82 months for all doses combined. The median PFS was 7.36 months and 5.75 months in the 1.6 mg/kg group and 3.2 mg/kg group, respectively. The median OS was 11.10 months for all doses combined. The median OS was 10.35 months and 11.10 months in 1.6 mg/kg group and in 3.2 mg/kg group, respectively. The adverse event profile at both dose levels was similar to that for SoC alone. Qilu has informed us that they completed enrollment in the Phase 2 CEND1-202 study (n=96) in first line mPDAC in combination with SoC gemcitabine and nab-paclitaxel. We have not received a final clinical study report from the trial nor expect to, given that rights to certepetide have reverted to Lisata based on a mutual license termination agreement with Qilu, and there is no obligation on Qilu's part that such a report is to be received by Lisata. Additionally, since Qilu was the sponsor of the aforementioned Phase 2 trial, Lisata does not own rights to any of the data.

Certepetide was also the subject of a Phase 2b trial in first-line mPDAC patients, the ASCEND trial. We collaborated with the academic sponsor of the ASCEND trial, the Australasian Gastrointestinal Clinical Trials Group (AGITG) along with the University of Sydney to conduct the study at 25 sites in Australia and New Zealand. The Phase 2 double-blind, randomized (2:1), placebo-controlled, multi-center ASCEND trial evaluated certepetide in combination with SoC chemotherapy (gemcitabine and nab-paclitaxel) for the treatment of mPDAC. The original ASCEND protocol included one dosing scheme for certepetide. Following the acquisition of Cend Therapeutics and, by extension, certepetide in September 2022, Lisata collaborated with AGITG to amend the protocol to ensure it respected international regulatory standards. Thus, endpoints typically recognized by regulators as primary in registration studies and more effective in guiding next stages of clinical development (e.g., overall survival), were added. The amended protocol was designed to assess the efficacy of two different dosing regimens of certepetide in two separate cohorts: Cohort A, with 95 patients received a single intravenous (IV) dose of certepetide 3.2 mg/kg or placebo in combination with SoC, and Cohort B, with 63 patients received two IV doses of certepetide 3.2 mg/kg or placebo administered 4 hours apart in combination with SoC. The preliminary data from Cohort A were reported at the ASCO GI meeting on January 24, 2025, demonstrating a median overall survival (mOS) of 12.68 months for the certepetide treated group, compared to 9.72 months for the placebo treated group. Despite a numerical trend in 6-month PFS favoring the certepetide treatment group, no significant improvement in median PFS was observed (mPFS of 5.5 months in both groups). However, the objective response rate (ORR) benefit is positive with 4/65 (6.2%) complete responses in the certepetide treated group, compared to 0/28 (0%) the placebo treated group. The preliminary data from Cohort B were presented at the ESMO-GI meeting in July 2025, demonstrating a six-month progression-free survival ("6MPFS") of 60.8% for the certepetide-

treated group, whereas the 6MPFS in the placebo-treated group was 25%. Median progression-free survival ("mPFS") was 7.5 months for the certepetide-treated group and 4.7 months for the placebo-treated group. Objective response rate ("ORR") was 45.2% for the certepetide-treated group and 19% for the placebo-treated group. Median overall survival ("mOS") was 10.32 months for the certepetide-treated group compared to 9.23 months for the placebo-treated group. A comparison of the preliminary data from Cohorts A and B indicated that the addition of two doses of certepetide (Cohort B regimen) to SoC chemotherapy resulted in a clinically meaningful improvement in both PFS and ORR for patients with mPDAC. We believe that these preliminary clinically significant findings provide compelling support for the continued and expedited investigation of certepetide as a novel therapeutic agent for the treatment of metastatic pancreatic cancer. The adverse event profile of Cohorts A and B remain similar in subjects treated with certepetide compared to placebo, confirming previous observations of certepetide's benign safety profile. Additional data from Cohorts A and B was presented at the ESMO annual meeting in October 2025 with a final study report of the ASCEND study anticipated to be prepared and made available to Lisata in 2026.

Additionally, certepetide remains the subject of ongoing clinical trials being conducted globally in a variety of solid tumor types and in combination with several chemotherapy and immunotherapy anti-cancer regimens. These include three investigator-initiated trials: a Phase 2a trial in glioblastoma multiforme (GBM) in patients with newly diagnosed GBM, a Phase 1b/2a trial (iLSTA) in locally advanced non-resectable pancreatic ductal adenocarcinoma, and a Phase 1b/2a trial (CENDIFOX) in pancreatic, colon, and appendiceal cancers. Data announcements and final study reports from these investigator-initiated trials are entirely within the purview of the academic sponsors. Lisata's Phase 2a BOLSTER trial, evaluating a single 3.2 mg/kg dose of certepetide in combination with standards of care in first and second-line cholangiocarcinoma completed and demonstrated no evidence of benefit or increase in adverse events when a single 3.2 mg/kg dose of certepetide was added to standard of care.

Technology Collaboration and Out-Licensing Opportunities

Pancreatic Cancer & Advanced Solid Tumors (certepetide: CendR Platform®)

Our investigational drug candidate from the CendR Platform®, certepetide, holds broader potential to be combined as a co-administration treatment with an array of anti-cancer and diagnostic agents to benefit solid tumor cancer patients and we seek to collaborate with chemotherapy, targeted and immuno-therapy developers. The Company plans to enter partnerships to exploit the CendR Platform® for applications to enhance or enable effective diagnosis and treatment of solid tumor cancers across a range of treatment modalities. These include but are not limited to nucleic acid-based treatments such as antisense, siRNA, mRNA and gene editing approaches, immunotherapies such as adoptive cell immunotherapy as well as immune checkpoint inhibitors, and additional targeted therapy treatments for solid tumor cancer applications.

Intellectual Property Platform

Our developed and owned certepetide and CendR Platform® patent portfolio comprises the following:

a. Two pending patent applications in the United States;

b. Thirteen pending patent applications outside the United States; and

c. Pending claims covering, inter alia, methods for reducing the volume of a tumor using certepetide in combination with at least one anti-cancer agent or therapy; methods of treating pancreatic cancer using certepetide in combination with gemcitabine and/or nab-paclitaxel and methods of treating cancer in combination with chemotherapeutic and immunotherapeutic agents.

Product Opportunity for Pancreatic ductal adenocarcinoma (PDAC)

In the United States, there are approximately 67,000 new cases of pancreatic cancer diagnosed annually. Outside of the United States, there are an additional 498,000 annual pancreatic cancer diagnoses. PDAC accounts for more than 80% of all pancreatic cancer cases, so worldwide, nearly 452,000 annual incidences of PDAC are diagnosed. Further, PDAC is one of the most aggressive and lethal malignancies, with a 5-year survival rate of 13%, resulting in approximately 52,000 deaths annually in the United States alone. Moreover, on a global scale, pancreatic cancer results in over 466,000 deaths per year.

Seasonality

We do not believe that our operations are seasonal in nature.

Government Regulation

The healthcare industry is one of the most highly regulated industries in the United States and abroad. Various governmental regulatory authorities, as well as private accreditation organizations, oversee and monitor the activities of individuals and businesses engaged in the development, manufacture and delivery of healthcare products and services. The following is a general description of certain current laws and regulations that are relevant to our business:

U.S. Government Regulation

Premarket Review and Approval of Pharmaceutical Products in the United States

Pharmaceutical products are subject to extensive pre-market and post-market regulation by the U.S. Food and Drug Administration (the "FDA") and other global agencies. For example, the Federal Food, Drug, and Cosmetic Act ("FD&C Act") and other federal and state statutes and regulations, govern, among other things, the research, development, testing, manufacture, storage, recordkeeping, approval, labeling, promotion and marketing, distribution, post-approval monitoring and reporting, sampling, and import and export of pharmaceutical products intended for therapeutic uses. Before being marketed in the United States, pharmaceuticals must be reviewed and approved by the FDA via a New Drug Application ("NDA").

Failure to comply with applicable requirements may subject a company to a variety of administrative or judicial sanctions, by the FDA and other global agencies, such as the issuance of a clinical hold, refusal to approve pending NDAs or NDA supplements, withdrawal of an approval, issuance of warning letters and other types of enforcement letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement of profits, or civil or criminal investigations and penalties brought by the FDA and the Department of Justice, or DOJ, or other global governmental entities. Under certain circumstances, individual members of company management may also be subject to civil or criminal penalties related to company violations of applicable legal requirements.

An applicant seeking approval to market and distribute a new pharmaceutical product in the United States typically must undertake the following:

- completion of preclinical laboratory tests, animal studies and formulation studies in compliance with the good laboratory practice or GLP regulations;
- submission to a health authority of an investigational new drug application ("IND"), which includes the detailed clinical protocol and must take effect before human clinical trials can commence;
- approval of the clinical trial protocol and the sponsor's safeguards for human subjects by one or more institutional review boards, or "IRBs," depending on the numbers of clinical sites and other features of the study design, before each clinical trial may be initiated;
- performance of adequate and well-controlled human clinical trials in accordance with good clinical practices, or "GCPs," to establish the safety and efficacy of the proposed drug product for each proposed indication for which regulatory approval is sought;
- satisfactory completion of regulatory audits of the Sponsor, clinical research organizations, or clinical trial sites to assure compliance with GCPs and the integrity of the clinical data;
- preparation and submission to a health authority of an NDA;
- review of the product by a regulatory advisory committee, where appropriate or if applicable, as determined by the FDA at its discretion;
- satisfactory completion of one or more regulatory inspections of the manufacturing facility or facilities at which the product, or components thereof, are produced to assess compliance with the regulations establishing current Good Manufacturing Practices, or "cGMPs," and to assure that the facilities, methods and controls used for the manufacture, processing and packing of the drug product are adequate to preserve the product's identity, strength, quality and purity; and
- payment of applicable user fees and securing regulatory approval of the NDA.

Satisfaction of regulatory pre-market approval requirements typically takes many years, and the actual time required may vary substantially based upon the type, complexity and novelty of the product or disease. Moreover, submission of an IND may not result in authorization to initiate a clinical trial if the FDA raises concerns or questions about the design of the clinical trial or the non-clinical or manufacturing information supporting it, including concerns that human research subjects will be exposed to unreasonable health risks. A separate submission to an existing IND must also be made for each successive clinical trial conducted during product development. After a trial is initiated, the FDA or the IRB overseeing the trial may order the temporary or permanent discontinuation of a clinical trial at any time, or impose other sanctions, if it believes that the clinical trial is not being conducted in accordance with applicable requirements or presents an unacceptable risk to the clinical trial patients.

Clinical trials involve the administration of the investigational new drug to healthy volunteers or patients under the supervision of one or more qualified investigators. Clinical trials must be conducted in compliance with federal regulations and GCPs, which are meant to protect the rights and health of patients and to define the roles of clinical trial sponsors, administrators, and monitors. In addition, sponsors of most clinical trials involving regulated products, including drugs and biologics, are required to register and disclose certain clinical trial information on a public registry and results database managed by the National Institutes of Health called ClinicalTrials.gov. Registration information that must be submitted includes information related to the product, patient population, phase of investigation, study sites and investigators, and other aspects of the clinical trial. Sponsors are also obligated to disclose the results of their clinical trials after completion. Competitors may use this publicly available information to gain knowledge regarding the progress of development programs. Failure to comply with applicable clinical trial registration or results reporting obligations can result in civil monetary penalties or the withholding of grant funds from a federally funded grantee.

Clinical trials for marketing approval are typically conducted in three sequential phases, but the phases may overlap or may be combined. Under certain circumstances, a fourth post-approval phase may be required.

- *Phase 1*: Trials in this phase are initially conducted in a limited population of healthy volunteers to test the product candidate for safety, dose tolerance, absorption, metabolism, distribution and excretion in healthy humans or, on occasion, in patients, such as cancer patients, when the investigational drug is too toxic to be ethically given to healthy individuals.

- *Phase 2*: These clinical trials are generally conducted in a limited patient population to determine the presence and approximate magnitude of therapeutic effect of the product candidate for specific targeted indications and to identify appropriate therapeutic dose and dose frequency as well as any corresponding additional possible adverse effects and safety risks. Multiple Phase 2 clinical trials may be conducted by the sponsor to obtain information prior to beginning larger and more expensive Phase 3 clinical trials.
- *Phase 3*: These are commonly referred to as pivotal or registration studies. When Phase 2 evaluations demonstrate that a dose range of the product candidate is effective and has an acceptable safety profile, Phase 3 clinical trials are typically undertaken in a larger patient population to further evaluate dosage, to provide substantial evidence of clinical efficacy and to further test for safety in an expanded and diverse patient population at multiple and geographically dispersed clinical trial sites.
- *Phase 4*: In some cases, the FDA may condition approval of an NDA for a product candidate on the sponsor's agreement to conduct additional clinical trials after NDA approval. In other cases, a sponsor may voluntarily carry out additional trials post approval to gain more information about the drug product.

Congress amended the FD&C Act in 2022 to require sponsors of a Phase 3 clinical trial, or other "pivotal study" of a new drug to support marketing authorization, to design and submit a diversity action plan for such clinical trial. The action plan must include the sponsor's diversity goals for enrollment, as well as a rationale for the goals and a description of how the sponsor will meet them. Sponsors must submit a diversity action plan to the FDA by the time the sponsor submits the relevant clinical trial protocol to the agency for review. The FDA may grant a waiver for some or all of the requirements for a diversity action plan. If the FDA objects to a sponsor's diversity action plan or otherwise requires significant changes to be made, it could delay initiation of the relevant clinical trial.

Submission and FDA Review of an NDA

Assuming successful completion of all required testing in accordance with applicable regulatory requirements, the results of the preclinical studies and clinical trials, together with detailed information relating to the product's chemistry, manufacture, controls and proposed labeling, among other things, are submitted as part of an NDA seeking approval to market the drug product for one or more indications. To support marketing approval, the data submitted must be sufficient in quality and quantity to establish the safety, efficacy, and reliable manufacturing of the product candidate for its intended use(s) to the satisfaction of the FDA. Approval of the NDA is required before marketing of the product may begin. The cost of preparing and submitting an NDA is substantial. NDA submissions are additionally subject to a substantial application user fee, unless a fee waiver or reduction applies. Reduced or waived fees are available in certain circumstances, such as where a waiver is necessary to protect the public health, where the fee would present a significant barrier to innovation, or where the applicant is a small business submitting its first human therapeutic application for review. The FD&C Act also imposes an annual program fee for marketed prescription drug products. These fees are typically adjusted annually.

The FDA has 60 days after submission of an NDA to conduct a preliminary review in order to determine whether the application will be accepted for filing based on the Agency's threshold determination that the application is sufficiently complete to permit substantive review. Once the submission is accepted for filing, the FDA begins an in-depth review. If the application is not sufficiently complete, the regulator may issue a Refusal to File, or RTF, letter. In this event, the application must be resubmitted with the additional information and the resubmitted application is also subject to review before FDA accepts it for filing. FDA has ten months from the filing date in which to complete its review of a new molecular-entity ("NME") NDA and respond to the applicant, and six months from the filing date of an NME NDA designated for priority review. For non-NME NDAs, the review goals are ten months from the date of receipt for a standard application and six months from the date of receipt for a priority submission. The FDA does not always meet its goal dates for standard and priority NDAs, and the review process is often extended by FDA requests for additional information or clarification. In addition, if a sponsor submits a major amendment to a filed NDA at any time during the review cycle, the FDA may extend the goal dates for review.

Before approving an NDA, the FDA will typically inspect one or more clinical trial sites to ensure compliance with GCPs. Additionally, the FDA will also inspect the facility or the facilities at which the drug is manufactured. These pre-approval inspections cover all facilities associated with an NDA submission, including drug component manufacturing (such as active pharmaceutical ingredients), finished drug product manufacturing, and control testing laboratories. The FDA will not approve the product unless it determines that the manufacturing processes and facilities are in compliance with applicable cGMP requirements and are adequate to assure consistent production of the drug product within required specifications and the NDA. To ensure cGMP and GCP compliance by its employees and third-party contractors, an applicant must incur significant expenditure of time, money and effort in the areas of training, record keeping, production and quality control.

During its review of an NDA, the FDA may also refer applications for novel drug products, or drug products that present

difficult questions of safety or efficacy, to an advisory committee of independent clinicians and other scientific experts for review, evaluation, and a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendation of an advisory committee but will carefully consider them. Data from clinical trials are not always conclusive, and FDA or its advisory committee may interpret data differently than the NDA applicant interprets the same data. FDA may also re-analyze the clinical trial data, which could result in extensive discussions between FDA and the applicant during the review process.

After the FDA fully evaluates the NDA and the relevant manufacturing facilities, the FDA will issue either an approval letter or a complete response letter ("CRL"). A CRL indicates that the review cycle of the application is complete and the application will not be approved in its present form. A CRL generally outlines the deficiencies in the submission and may require substantial additional testing or information in order for the FDA to reconsider the application. In September 2025, the FDA began publishing CRLs soon after issuing them to the respective sponsors, breaking with long standing agency tradition of publishing CRLs with approval documentation after the product is approved. If a CRL is issued, the applicant may either resubmit the NDA, addressing all of the deficiencies identified in the letter, or withdraw the application. If and when those deficiencies have been addressed to the FDA's satisfaction in a resubmitted NDA, the FDA will issue an approval letter to the applicant. FDA has committed to reviewing such resubmissions in response to an issued CRL in either two or six months depending on the type of information being provided to address the deficiencies in the CRL. Even with the submission of this additional information, however, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval.

Even if the FDA approves a drug product for marketing, it may limit the approved indications for use for the product; require that contraindications, warnings or precautions be included in the product labeling; require that post-approval studies, including Phase 4 clinical trials, be conducted to further assess the drug's safety after approval; require testing and surveillance programs to monitor the product after commercialization; or impose other conditions, including distribution restrictions or other risk management mechanisms, such as a risk evaluation and mitigation strategy or "REMS." The FDA may also limit further marketing of a product or withdraw the marketing approval, based on results of post-market studies or surveillance programs. After approval, many types of changes to the approved product, such as adding new indications or patient populations, making certain types of manufacturing changes or seeking to make additional labeling claims, are subject to further testing requirements and FDA review and approval.

One potential condition of approval is that the FDA may require an applicant to develop a REMS if it determines that a REMS is necessary to ensure that the benefits of the drug outweigh its risks and to assure the safe use of the product. To determine whether a REMS is needed, the FDA will consider the size of the population likely to use the product, seriousness of the disease, expected benefit of the product, expected duration of treatment, seriousness of known or potential adverse events, and whether the product is a new molecular entity. REMS requirements are tailored to the specific risk/benefit profile of a drug and can include requirements such as medication guides for patients, detailed communication plans for healthcare professionals, and elements to assure safe use, or "ETASU." ETASU may include, but is not limited to, special training or certification for prescribing or dispensing, dispensing only under certain circumstances, special monitoring, restricted distribution, and the use of patient registries. The FDA may require a REMS as a condition of approval or may add such a requirement at any point post-approval if it becomes aware of a serious risk associated with use of the product. The requirement for a REMS and the specific components that are involved can materially affect the potential market and profitability of an approved drug product. If the FDA concludes that a REMS plan is needed, the sponsor of the NDA must submit a proposed REMS plan to the FDA for review. The FDA will not approve an NDA without a REMS, if required.

Expedited Review Programs (Fast Track, Breakthrough and Priority Review Designations)

The FDA is authorized to facilitate the development and expedite the review of certain drugs that are intended for the treatment of a serious or life-threatening disease or condition for which there is no effective treatment, and which demonstrate the potential to address unmet medical needs for the condition. For example, under the FDA's Fast Track Program, the sponsor of an IND for a drug candidate may request that the FDA designate the drug candidate for a specific indication as a Fast Track drug concurrent with, or after, the submission of the IND for the drug candidate. The FDA must determine if the drug candidate qualifies for Fast Track designation within 60 days of receipt of the sponsor's request. In addition to other benefits such as the ability to engage in more frequent interactions with the FDA, the FDA may initiate review of sections of a Fast Track drug's NDA before the application is complete. This "rolling review" is available if the applicant provides, and the FDA approves, a schedule for the submission of the remaining information and the applicant pays applicable user fees.

In addition, drug product candidates may be designated by FDA as "breakthrough therapies" upon a request made by the IND sponsors. A breakthrough therapy is defined as a drug that is intended, alone or in combination with one or more other drugs or biologics, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. Drugs designated as breakthrough therapies may

also be eligible for accelerated approval of their respective marketing applications. FDA must take certain actions with respect to breakthrough therapies, such as holding timely meetings with and providing advice to the product sponsor, intended to expedite the development and review of an application for approval of a breakthrough therapy.

FDA may designate a product for priority review if it is a drug that treats a serious condition and, if approved, would provide a significant improvement in safety or effectiveness. FDA determines at the time that the marketing application is submitted, on a case-by-case basis, whether the proposed drug represents a significant improvement in treatment, prevention or diagnosis of disease when compared with other available therapies. Significant improvement may be illustrated by evidence of increased effectiveness in the treatment of a condition, elimination or substantial reduction of a treatment-limiting drug reaction, documented enhancement of patient compliance that may lead to improvement in serious outcomes, or evidence of safety and effectiveness in a new subpopulation. A priority review designation is intended to direct overall attention and resources to the evaluation of such applications, and to shorten FDA's goal for taking action on a marketing application from ten months to six months for an NME NDA from the date of filing.

In 2025, the FDA created a new voucher program called the Commissioner's National Priority Voucher ("CNPV") with the goal of radically expediting the drug and biological product review and approval process. The agency may award a CNPV to a company or a specific product candidate that demonstrates alignment with certain national health priorities. The FDA aims to take action on a marketing application for which a CNPV is used within one to two months after the filing date.

Even if a product qualifies for one or more of these programs, 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. Furthermore none of these programs changes the standards for approval and may not ultimately expedite the development or approval process.

Accelerated Approval Pathway

In addition, products studied for their safety and effectiveness in treating serious or life-threatening illnesses and that provide meaningful therapeutic benefit over existing treatments may receive accelerated approval from FDA and may be approved on the basis of adequate and well-controlled clinical trials establishing that the drug product has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit. FDA may also grant accelerated approval for such a drug when the product has an effect on an intermediate clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality, or IMM, and that is reasonably likely to predict an effect on IMM or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. As a condition of approval, FDA may require that a sponsor of a drug receiving accelerated approval perform post-marketing clinical trials to verify and describe the predicted effect on IMM or other clinical endpoint, and the product may be subject to expedited withdrawal procedures. Drugs granted accelerated approval must meet the same statutory standards for safety and effectiveness as those granted traditional approval. Further, all promotional materials for product candidates being considered and approved under the accelerated approval program are subject to prior review by the FDA.

For the purposes of accelerated approval, a surrogate endpoint is a marker, such as a laboratory measurement, radiographic image, physical sign, or other measure that is thought to predict clinical benefit but is not itself a measure of clinical benefit. Surrogate endpoints can often be measured more easily or more rapidly than clinical endpoints. An intermediate clinical endpoint is a measurement of a therapeutic effect that is considered reasonably likely to predict the clinical benefit of a drug, such as an effect on IMM. FDA has limited experience with accelerated approvals based on intermediate clinical endpoints but has indicated that such endpoints generally may support accelerated approval when the therapeutic effect measured by the endpoint is not itself a clinical benefit and basis for traditional approval, if there is a basis for concluding that the therapeutic effect is reasonably likely to predict the ultimate long-term clinical benefit of a drug.

The accelerated approval pathway is most often used in settings in which the course of a disease is long, and an extended period of time is required to measure the intended clinical benefit of a drug, even if the effect on the surrogate or intermediate clinical endpoint occurs rapidly. For example, accelerated approval has been used extensively in the development and approval of drugs for treatment of a variety of cancers in which the goal of therapy is generally to improve survival or decrease morbidity and the duration of the typical disease course requires lengthy and sometimes large clinical trials to demonstrate a clinical or survival benefit.

The accelerated approval pathway is usually contingent on a sponsor's agreement to conduct, in a diligent manner, additional post-approval confirmatory studies to verify and describe the drug's clinical benefit. As a result, a product candidate approved on this basis is subject to rigorous post-marketing compliance requirements, including the completion of Phase 4 or post-approval clinical trials to confirm the effect on the clinical endpoint. In addition, as part of the Consolidated Appropriations Act for 2023, Congress provided FDA additional statutory authority to mitigate potential risks to patients from continued marketing of ineffective drugs previously granted accelerated approval. As a result of these recent amendments to the FD&C Act, the agency now generally requires a sponsor of a product granted accelerated approval to have a confirmatory

trial underway prior to approval. The sponsor must also submit progress reports on a confirmatory trial every six months until the trial is complete, and such reports will be published on the FDA's website. Failure to conduct required post-approval studies, or to confirm the predicted clinical benefit of the product during post-marketing studies, allows the FDA to withdraw approval of the drug. Congress also recently amended the law to give FDA the option of using expedited procedures to withdraw product approval if the sponsor's confirmatory trial fails to verify the claimed clinical benefits of the product. Prior to the recent statutory amendments enacted by Congress, several oncology sponsors voluntarily withdrew specific indications for their drug products that were being marketed pursuant to accelerated approval, and the FDA's Oncology Center of Excellence launched an initiative called Project Confirm, aimed at promoting transparency in the area of accelerated approvals for oncology indications. Scrutiny of the accelerated approval pathway is likely to continue in the coming years and may lead to further legislative and/or administrative changes in the future.

Pediatric Information

Under the Pediatric Research Equity Act ("PREA"), NDAs or supplements to NDAs must contain data that are adequate to assess the safety and effectiveness of the drug for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the drug is safe and effective. Sponsors must also submit pediatric trial plans and those plans must contain an outline of the proposed pediatric trial or trials the applicant plans to conduct, including trial objectives and design, any deferral or waiver requests and other information required by regulation. The applicant, the FDA, and the FDA's internal review committee must then review the information submitted, consult with each other, and agree upon a final plan. The FDA or the applicant may request an amendment to the plan at any time. The FDA may grant full or partial waivers or deferrals by age group for submission of data. In addition, FDA is required to send a PREA Non-Compliance letter to sponsors who have failed to submit their pediatric assessments required under PREA, have failed to seek or obtain a deferral or deferral extension or have failed to request approval for a required pediatric formulation, and FDA publicly posts such PREA Non-Compliance letters and sponsor's response. Unless otherwise required by regulation, the pediatric data requirements do not apply to products with orphan designation, although the FDA has taken steps to limit what it considers abuse of this statutory exemption in PREA by announcing that it does not intend to grant any additional orphan drug designations for rare pediatric subpopulations of what is otherwise a common disease.

The FDA Reauthorization Act of 2017 introduced a provision regarding required pediatric studies. Under this statute, for product candidates intended for the treatment of an adult cancer which are directed at molecular targets that the FDA determines to be substantially relevant to the growth or progression of one or more pediatric cancers, original application sponsors must submit, with the marketing application, reports from molecularly targeted pediatric cancer investigations designed to yield clinically meaningful pediatric study data, gathered using appropriate formulations for each applicable age group, to inform potential pediatric labeling. The FDA may, on its own initiative or at the request of the applicant, grant deferrals or waivers of some or all of this data, as above. Unlike PREA, orphan products for oncology indications are not exempt from this requirement.

The Best Pharmaceuticals for Children Act ("BPCA") provides approved NDA holders a six-month extension of any exclusivity that attaches to the end of all existing marketing exclusivities and listed patents for the drug. Conditions for exclusivity include the FDA's determination that information relating to the use of a new drug in the pediatric population may produce health benefits in that population, the FDA making a written request for pediatric studies, and the applicant agreeing to perform, and reporting on, the requested studies within the statutory timeframe. The data do not need to show the product to be effective in the pediatric population studied; rather, if the clinical trial is deemed to fairly respond to the FDA's written request, the additional protection is granted. If reports of requested pediatric studies are submitted to and accepted by the FDA within the statutory time limits, whatever statutory or regulatory periods of exclusivity or patent protection cover the product are extended by six months. Applications under the BPCA are treated as priority applications, with all of the benefits that designation confers. FDA's issuance of a written request for pediatric studies does not require the sponsor to undertake the described trials.

Congress periodically considers enacting new incentives or mandates applicable to pediatric drug development, and the regulatory requirements applicable to pediatric drug developers may change in the future. For example, in February 2026, bipartisan legislation was signed into law and grants FDA authority to assess penalties against companies that do not complete required pediatric studies.

Orphan Drugs

Under the Orphan Drug Act, the FDA may designate a candidate as an orphan drug if it is intended to treat a rare disease or condition, which is generally a disease or condition that affects either (i) fewer than 200,000 individuals in the United States or (ii) more than 200,000 individuals in the United States but there is no reasonable expectation that the cost of developing and making such a product available for this type of disease or condition will be recovered from sales in the United States from the product. Orphan drug designation must be requested by an applicant before submitting an NDA for the relevant drug candidate.

After FDA grants orphan drug designation, it will publicly disclose the generic identity of the drug candidate and its potential orphan use. Orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process.

If a product with orphan status receives the first regulatory approval for the disease or condition for which it has such designation, the product generally will receive orphan drug exclusivity. Orphan drug exclusivity means that the FDA may not approve any other applications for the same product for the same indication for seven years, except in certain limited circumstances (such as showing of clinical superiority to the drug with orphan exclusivity by means of greater effectiveness, greater safety, or providing a major contribution to patient care). However, a competitor may receive regulatory approval for a different product (i.e., a different therapeutic agent from the orphan drug) for the same indication for which the orphan product has exclusivity and may obtain approval for the same product (i.e., the same therapeutic agent as the orphan drug) but for a different indication. If a designated orphan drug ultimately receives marketing approval for an indication broader than what was described in its orphan drug designation request, it may not be entitled to exclusivity under the Orphan Drug Act. Recent court cases have challenged FDA's approach to determining the scope of orphan drug exclusivity; however, at this time the Agency continues to apply its long-standing interpretation of the governing regulations and has stated that it does not plan to change any orphan drug implementing regulations.

Among the other benefits of orphan drug designation, the sponsor receives a waiver of the NDA application user fee and is eligible for tax credits for certain research. The current tax credit regulation allows companies to claim up to 25% of the qualified clinical testing expenses in the current year and three prior years to offset their investment in rare (orphan) conditions.

Rare Pediatric Disease Designations

Under Section 529 of the FD&C Act, FDA can grant a Rare Pediatric Disease Designation ("RPDD") to a drug intended to prevent or treat a rare pediatric disease, defined as a serious or life-threatening disease that primarily affects patients from birth to 18 years or age and with a prevalence of less than 200,000 in the United States. RPDD requests should be made by the sponsor at any time prior to the submission of an NDA.

FDA can award priority review vouchers ("PRVs") to sponsors of rare pediatric disease product applications that meet certain criteria. Under this program, a sponsor who receives an approval for a drug that has been granted an RPDD may qualify for such a voucher, which can be redeemed to receive a priority review of a subsequent marketing application for a different product. Upon submitting a marketing application with a PRV, the sponsor is required to pay a separate user fee that is assessed in addition to the typical application user fee (if no waiver or exemption applies); the fee for redeeming a PRV is also adjusted each fiscal year. For fiscal year 2026 that additional user fee is approximately $2.0 million.

A PRV is transferable and may be sold to other companies who wish to obtain a priority review for a future new drug or biological product marketing application.

The Consolidated Appropriations Act for 2026, which was signed into law on February 3. 2026, extended the FDA's authority to grant Rare Pediatric Disease Priority Review Vouchers until September 30, 2029. The legislation also amended the FD&C Act to remove language imposing a deadline for a drug developer to have its product pre-designated by the FDA as intended for a "rare pediatric disease."

Post-Approval Requirements

Following approval, drug products and their manufacturers are subject to pervasive and continuing regulation by the FDA including, among other things, requirements relating to monitoring and recordkeeping, reporting of adverse experiences with the product, product sampling and distribution restrictions, and complying with advertising and promotion requirements, which include restrictions on promoting drugs for unapproved uses or patient populations (i.e., "off-label use") and limitations on industry-sponsored scientific and educational activities. Although physicians may prescribe legally available products for off-label uses, manufacturers may not market or promote such uses. FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability. If there are any modifications to the product, including changes in indications, labeling or manufacturing processes or facilities, the applicant may be required to submit and obtain FDA approval of a new NDA or NDA supplement, which may require the applicant to develop additional data or conduct additional non-clinical studies and clinical trials.

Further, drug manufacturers and other entities involved in the manufacture of approved drugs are required to register their facilities with the FDA and state agencies and are subject to periodic unannounced inspections for compliance with cGMP requirements. Changes to the manufacturing process, specifications or container closure system for an approved drug are strictly regulated and often require prior regulatory approval before being implemented. Regulations also require investigation and correction of any deviations from cGMP and impose reporting and documentation requirements upon the sponsor and

others involved in the product's manufacturing process. We rely, and expect to continue to rely, on third parties for the production of clinical and commercial quantities of our products in accordance with cGMP regulations. These manufacturers must comply with cGMP regulations that require, among other things, quality control and quality assurance, the maintenance of records and documentation and the obligation to investigate and correct any deviations from cGMP. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain cGMP compliance and ensure ongoing compliance with other statutory requirements of the FD&C Act.

Even after a new drug approval is granted, the FDA may withdraw that approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. If a previously unknown problem, including adverse events of unanticipated severity or frequency, or with manufacturing processes, is discovered or the manufacturer fails to comply with regulatory requirements, the FDA may require revisions to the approved labeling to add new safety information; may impose additional post-market studies or clinical trials to assess new safety risks; or may impose distribution or other restrictions under a REMS program. Other potential consequences of regulatory non-compliance 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 holds on post-approval clinical trials;
- refusal of the regulator to approve pending NDAs or supplements to approved NDAs, or suspension or revocation of product approvals;
- product seizure or detention, or refusal to permit the import or export of products;
- injunctions or the imposition of civil or criminal penalties;
- consent decrees, corporate integrity agreements, debarment, or exclusion from federal healthcare programs; and
- mandated modification of promotional materials and labeling and the issuance of corrective information.

In addition, the distribution of prescription pharmaceutical products is subject to the Prescription Drug Marketing Act, or PDMA, which regulates the distribution of drugs and drug samples at the federal level and sets minimum standards for the registration and regulation of drug distributors by the states. Both the PDMA and state laws limit the distribution of prescription pharmaceutical product samples and impose requirements to ensure accountability in distribution. More recently, the Drug Supply Chain Security Act, or DSCSA, was enacted with the aim of building an electronic system to identify and trace certain prescription drugs distributed in the United States. The DSCSA mandates resource-intensive traceability and verification obligations for pharmaceutical manufacturers, wholesale distributors, and dispensers. The DSCSA also replaced certain provisions from the PDMA pertaining to wholesale distribution of prescription drugs with a more comprehensive statutory scheme, requiring uniform national standards for wholesale distribution and, for the first time, for third-party logistics providers. In February 2022, the FDA released proposed regulations to amend the existing national standards for licensing of wholesale drug distributors by the states (which had been promulgated under the PDMA); to establish new minimum standards for state licensing third-party logistics providers; and to create a federal system for licensure for use in the absence of a state program, each of which is mandated by the DSCSA. From time to time, additional new legislation and regulations may be implemented that could significantly change the statutory provisions governing the approval, manufacturing and marketing of products regulated by the FDA. It is impossible to predict whether further legislative or regulatory changes will be enacted, or FDA regulations, guidance or interpretations changed or what the impact of such changes, if any, may be.

Other Healthcare Laws and Regulations

If our product candidates are approved in the United States, we will have to comply with various U.S. federal and state laws, rules and regulations pertaining to healthcare fraud and abuse, including but not limited to anti-kickback laws. Violations of the fraud and abuse laws are punishable by criminal and civil sanctions, including, in some instances, exclusion from participation in federal and state healthcare programs, including Medicare and Medicaid. Other federal and state laws and regulations that could directly or indirectly affect our ability to operate the business and/or financial performance include:

- laws and regulations administered by the United States Department of Health and Human Services, including the Office for Human Research Protections and the Office of Inspector General;
- state laws and regulations governing human subject research;
- federal and state coverage and reimbursement laws and regulations, including laws and regulations administered by the Centers for Medicare & Medicaid Services ("CMS") and state Medicaid agencies;

- the federal Anti-Kickback Law and similar state laws and regulations;
- the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH") and similar state laws and regulations;
- the federal transparency requirements under the Physician Payments Sunshine Act that require manufacturers of FDA-approved drugs, devices, biologics and medical supplies covered by Medicare or Medicaid to report, on an annual basis, to the Department of Health and Human Services information related to payments and other transfers of value physicians, teaching hospitals, and certain advanced non-physician healthcare practitioners and physician ownership and investment interests;
- Occupational Safety and Health Administration requirements; and
- state and local laws and regulations dealing with the handling and disposal of medical waste.

Some state laws require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines, or the relevant compliance guidance promulgated by the federal government, in addition to requiring drug manufacturers to report information related to payments to physicians and other healthcare providers or marketing expenditures to the extent that those laws impose requirements that are more stringent than the Physician Payments Sunshine Act. State and foreign laws also govern the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

Violations of the fraud and abuse laws, or other healthcare laws, are punishable by criminal and civil sanctions, including, in some instances, the possibility of exclusion from participation in federal and state healthcare programs, (including Medicare and Medicaid), and corporate integrity agreements, which impose, among other things, rigorous operational and monitoring requirements on companies. Similar sanctions and penalties also may be imposed upon executive officers and employees, including criminal sanctions against executive officers under the so-called "responsible corporate officer" doctrine, even in situations where the executive officer did not intend to violate the law and was unaware of any wrongdoing. Given the penalties that may be imposed on companies and individuals if convicted, allegations of such violations often result in settlements even if the company or individual being investigated admits no wrongdoing. Settlements often include significant civil sanctions, including fines and civil monetary penalties, and corporate integrity agreements. In addition, private individuals have the ability to bring similar actions under some of the fraud and abuse laws. Further, federal and state laws that require manufacturers to make reports on pricing and marketing information could subject us to penalty provisions.

Coverage, Pricing, and Reimbursement

Sales of our drug products, if approved, will depend, in part, on the extent to which the costs of our products will be covered by third-party payors, such as government healthcare programs, private health insurers, managed healthcare providers, and other organizations. These third-party payors are increasingly challenging drug prices and examining the medical necessity and cost-effectiveness of medical products and services, in addition to their safety and efficacy. If these third-party payors do not consider our products to be cost-effective compared to other therapies, they may not cover our products, if approved as a benefit under their plans or, even if they do provide coverage, the level of payment may not be sufficient to allow us to sell our products on a profitable basis.

Significant uncertainty exists as to the reimbursement status for newly approved prescription products, including coding, coverage and payment. Sales of any products for which we obtain marketing approval will depend in part on coverage and adequate payment from third-party payors. There is no uniform policy requirement for coverage and reimbursement for prescription products among third-party payors in the United States; therefore, coverage and reimbursement for prescription products can differ significantly from payor to payor.

In order to secure coverage and reimbursement for any product that might be approved for sale, a company may need to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of the product, in addition to the costs required to obtain FDA or other comparable regulatory approvals. A payor's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved. Moreover, eligibility for reimbursement does not imply that any product will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. Interim payments for new products, if applicable, may also not be sufficient to cover our costs and may not be made permanent. Payment rates may vary according to the use of the product and the clinical setting in which it is used, may be based on payments allowed for lower cost products that are already reimbursed and may be incorporated into existing payments for other services. Net prices for products may be reduced by mandatory discounts or rebates required by third-party payors and by any future relaxation of laws that presently restrict imports of products from countries where they may be sold at lower prices than in the United States. In the United States, third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement policies, but they also have their

own methods and approval process apart from Medicare coverage and reimbursement determinations. One third-party payor's determination to provide coverage for a product does not assure that other payors will also provide coverage for the product.

Accordingly, 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, if approved, to each payor separately, with no assurance that coverage and adequate payment will be applied consistently or granted at all. The process for determining whether a payor will cover and how much it will reimburse a product may be separate from the process of seeking approval of the product or for setting the price of the product. Even if reimbursement is provided, market acceptance of our products, if approved, may be adversely affected if the amount of payment for such products proves to be unprofitable for healthcare providers or less profitable than alternative treatments or if administrative burdens make the products less desirable to use.

Additionally, the containment of healthcare costs has become a priority of federal and state governments, and the prices of drug products have been a focus in this effort. For example, there have been several recent U.S. Congressional inquiries and proposed bills designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. In August 2022, President Biden signed into the law the Inflation Reduction Act of 2022, or the IRA, which includes (among other things) multiple provisions that may impact the prices of drug products that are both sold into the Medicare program and throughout the United States. For example, under the IRA, a manufacturer of drug products covered by Medicare Parts B or D must pay a rebate to the federal government if their drug product's price increases faster than the rate of inflation. This calculation is made on a drug product by drug product basis and the amount of the rebate owed to the federal government is directly dependent on the volume of a drug product that is paid for by Medicare Parts B or D. Additionally, CMS will negotiate drug prices annually for a select number of single source Part D drugs without generic competition. CMS will also negotiate drug prices for a select number of Part B drugs starting for payment year 2028. If a drug product is selected by CMS for negotiation, it is expected that the revenue generated from such drug will decrease. CMS has begun to implement these new authorities, announcing the first round of negotiated prices for the first 10 products in August 2024, which will become applicable for payment year 2026. The second round of negotiated prices for 15 drug products was announced in November 2025. However, the IRA's impact on the pharmaceutical industry in the United States remains uncertain, in part because multiple large pharmaceutical companies and other stakeholders (e.g., the U.S. Chamber of Commerce) have initiated federal lawsuits against CMS arguing the program is unconstitutional for a variety of reasons, among other complaints. Those lawsuits are currently ongoing.

Separately, the Trump Administration announced the creation of a government website called TrumpRx, which will allow consumers to purchase certain drugs at reduced prices as negotiated between the drug manufacturers and the administration. As of December 2025, the Trump Administration secured deals with five major drug manufacturers to offer certain drugs at most-favored-nation prices.

We expect that federal, state and local governments in the United States will continue to consider legislation directed at lowering the total cost of healthcare. Individual U.S. states have increasingly passed legislation and implemented 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. In December 2020, the U.S. Supreme Court held unanimously that federal law does not preempt the states' ability to regulate pharmacy benefit managers ("PBMs") and other members of the healthcare and pharmaceutical supply chain, an important decision that has led to more aggressive efforts by states in this area. During the current congressional session, numerous PBM reforms are being considered in both the Senate and the House of Representatives; they include diverse legislative proposals such as eliminating rebates; divorcing service fees from the price of a drug, discount, or rebate; prohibiting spread pricing; limiting administrative fees; requiring PBMs to report formulary placement rationale; promoting transparency. The Federal Trade Commission in mid-2022 also launched sweeping investigations into the practices of the PBM industry that could lead to additional federal and state legislative or regulatory proposals targeting such entities' operations, pharmacy networks, or financial arrangements. Significant efforts to change the PBM industry as it currently exists in the United States may affect the entire pharmaceutical supply chain and the business of other stakeholders, including medical product developers like us.

It is uncertain whether and how future legislation or regulatory changes could affect prospects for our product candidates or what actions federal, state, or commercial payors for pharmaceutical products may take in response to any such healthcare reform proposals or legislation. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures reforms may prevent or limit our ability to generate revenue, attain profitability or commercialize our product candidates.

Patent Term Extension

A patent claiming a prescription drug for which FDA approval is granted may be eligible for a limited patent term extension under the FD&C Act, which permits a patent restoration of up to five years for patent term lost during product development and the FDA regulatory review provided that certain statutory and regulatory requirements are met. The length of the patent term extension is related to the length of time the drug is under regulatory review while the patent is in force. The restoration period granted on a patent covering a new FDA-regulated medical product is typically one-half the time between the date a clinical investigation on human beings is begun and the submission date of an application for marketing approval of the product, plus the time between the submission date of an application for approval of the product and the ultimate approval date. Patent term restoration cannot be used to extend the remaining term of a patent past a total of 14 years from the product's approval date. Only one patent applicable to an approved drug product is eligible for the extension, and the application for the extension must be submitted prior to the expiration of the patent in question. A patent that covers multiple products for which approval is sought can only be extended in connection with one of the marketing approvals. The U.S. Patent and Trademark Office reviews and approves the application for any patent term extension or restoration in consultation with the FDA.

Data Privacy and the Protection of Personal Information

We are subject to numerous laws and regulations governing data privacy and the protection of personal information of patients, clinical investigators, employees, and vendors/business contacts, including in relation to medical records and other health information, credit card data and financial information. The legislative and regulatory landscape for privacy and data protection continues to evolve, and there has been an increasing focus on privacy and data protection issues which will continue to affect our business. In the United States, we may be subject to state security breach notification laws, state laws protecting the privacy of health and personal information and federal and state consumer protections laws that regulate the collection, use, disclosure and transmission of personal information. These laws overlap and often conflict and each of these laws is subject to varying interpretations by courts and government agencies, creating complex compliance issues. If we fail to comply with applicable laws and regulations, we could be subject to penalties or sanctions, including criminal penalties as well as reputational harm. Our customers and research partners must comply with laws governing the privacy and security of health information, including HIPAA, HITECH and state health information privacy laws. If we knowingly obtain protected health information without the authority to do so, our research collaborators may be subject to enforcement, and we may have direct liability for the unlawful receipt of protected health information or for aiding and abetting a HIPAA violation.

Even when HIPAA does not apply, according to the Federal Trade Commission ("FTC"), failing to take appropriate steps to keep consumers' personal information secure, or failing to provide a level of security commensurate to promises made to individual about the security of their personal information (such as in a privacy notice), may constitute unfair or deceptive acts or practices in violation of Section 5(a) of the Federal Trade Commission Act (the "FTC Act"). The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Individually identifiable health information is considered sensitive data that merits stronger safeguards. The FTC's guidance for appropriately securing consumers' personal information is similar to what is required by the HIPAA Security Rule. The FTC and states' Attorneys General have brought enforcement actions and prosecuted some data breach cases as unfair and/or deceptive acts or practices under the FTC Act and comparable state laws.

State laws protecting health and personal information are becoming increasingly stringent. For example, California has implemented the California Confidentiality of Medical Information Act that imposes restrictive requirements regulating the use and disclosure of health information and other personally identifiable information, and California has also adopted the California Consumer Privacy Act of 2018 ("CCPA"), which went into effect in January of 2020. The CCPA establishes a new privacy framework for covered businesses by creating an expanded definition of personal information, establishing new data privacy rights for consumers in the State of California, imposing special rules on the collection of consumer data from minors, requiring covered companies to provide new disclosures to consumers about such companies' practices for collection and use of consumer data, and providing consumers new ways to opt-out of certain sales or transfers of personal information. In addition, the CCPA creates a new and potentially severe statutory damages framework for violations of the CCPA and for businesses that fail to implement reasonable security procedures and practices to prevent data breaches. While there is an exception for protected health information that is subject to HIPAA and clinical trial regulations, as the law currently written, the CCPA may impact our business activities. More recently, a new privacy law, the California Privacy Rights Act ("CPRA") was approved by California voters. The CPRA went into effect in January of 2023, modifying and strengthening the CCPA significantly, potentially resulting in further uncertainty, additional costs and expenses in an effort to comply and additional potential for harm and liability for failure to comply. Among other things, the CPRA established a new regulatory authority, the California Privacy Protection Agency, which has the authority to promulgate new privacy regulations and enforce California privacy laws and regulations. Moreover, multiple states have enacted their own privacy laws similar to the CCPA, and other states are considering proposals for such laws. As more states implement their own privacy laws and regulations, and the interplay of federal and state laws becomes subject to varying interpretations by courts and government agencies, pharmaceutical companies

and clinical research collaborators may become exposed to complex compliance issues and the potential for additional expenses or liability.

Environmental, Health and Safety Regulation

We are subject to numerous federal, state and local environmental, health and safety ("EHS") laws and regulations relating to, among other matters, safe working conditions, product stewardship, environmental protection, and handling or disposition of products, including those governing the generation, storage, handling, use, transportation, release, and disposal of hazardous or potentially hazardous materials, medical waste, and infectious materials that may be handled by our research laboratories. Some of these laws and regulations also require us to obtain licenses or permits to conduct our research and development operations. If we fail to comply with such laws or obtain and comply with the applicable permits, we could face substantial fines or possible revocation of our permits or limitations on our ability to conduct our operations. Certain of our development and manufacturing activities involve use of hazardous materials, and we believe we are in compliance with the applicable environmental laws, regulations, permits, and licenses. However, we cannot ensure that EHS liabilities will not develop in the future. EHS laws and regulations are complex, change frequently and have tended to become more stringent over time. We cannot predict the impact on our business of new or amended laws or regulations or any changes in the way existing and future laws and regulations are interpreted or enforced, nor can we ensure we will be able to obtain or maintain any required licenses or permits.

U.S. Foreign Corrupt Practices Act

In general, the Foreign Corrupt Practices Act of 1977, as amended, ("FCPA") prohibits offering to pay, paying, promising to pay, or authorizing the payment of money or anything of value to a foreign official in order to influence any act or decision of the foreign official in his or her official capacity or to secure any other improper advantage in order to obtain or retain business for or with, or in order to direct business to, any person. The prohibitions apply not only to payments made to "any foreign official," but also those made to "any foreign political party or official thereof," to "any candidate for foreign political office" or to any person, while knowing that all or a portion of the payment will be offered, given, or promised to anyone in any of the foregoing categories. "Foreign officials" under the FCPA include officers or employees of a department, agency, or instrumentality of a foreign government. The term "instrumentality" is broad and can include state-owned or state-controlled entities.

Importantly, United States authorities that enforce the FCPA, including the DOJ, deem most healthcare professionals and other employees of foreign hospitals, clinics, research facilities and medical schools in countries with public healthcare or public education systems to be "foreign officials" under the FCPA. When we or our agents interact with foreign healthcare professionals and researchers in testing our product candidates abroad (and marketing products in the future, if any are approved), we must have policies and procedures in place sufficient to prevent us and agents acting on our behalf from providing any bribe, gift or gratuity, including excessive or lavish meals, travel or entertainment in connection securing required permits and approvals such as those needed to initiate clinical trials in foreign jurisdictions. The FCPA also obligates companies whose securities are listed in the United States to comply with accounting provisions requiring the maintenance of books and records that accurately and fairly reflect all transactions of the corporation, including international subsidiaries, and the development and maintenance of an adequate system of internal accounting controls for international operations. The Securities and Exchange Commission ("SEC") is involved with the books and records provisions of the FCPA.

Government Regulation Outside the U.S.

In addition to regulations in the United States, we may be subject to a variety of regulations in foreign jurisdictions that govern, among other things, clinical trials and any commercial sales and distribution of our products, if approved, either directly or through our distribution partners. Whether or not we obtain FDA approval for a product candidate, we must obtain the requisite approvals from regulatory authorities in foreign jurisdictions prior to the commencement of clinical trials or marketing and sale of the product in those countries. The foreign regulatory approval process includes risks that are the same as or similar to the ones described above relating to the FDA submission, review and approval processes, and the time required to obtain approval in other countries and jurisdictions might differ from and be longer than that required to obtain FDA approval. Some foreign jurisdictions have a drug product approval process similar to that in the United States, which requires the submission of a clinical trial application, or CTA, much like the IND prior to the commencement of clinical studies. In Europe, for example, a CTA must be submitted in accordance with the Clinical Trials Regulation and must involve an independent ethics committee, much like the FDA and a responsible IRB, respectively. Once the CTA is authorized, clinical trial development may proceed. To obtain regulatory approval of a therapeutic product candidate under European Union ("EU") regulatory systems, we would be required to submit a marketing authorization application, which is similar to the NDA, except that there are different pathways to obtain marketing authorization, such as the centralized and decentralized procedures. For countries outside of the EU, such as countries in Eastern Europe, Latin America or Asia, and recently the United Kingdom, the requirements governing the conduct of clinical trials, product approval, pricing and reimbursement vary from country to country. Regulatory approval in

one country or jurisdiction does not ensure regulatory approval in another, but a failure or delay in obtaining regulatory approval in one country or jurisdiction may negatively impact the regulatory process in others. Moreover, even though certain clinical trials may support product approval in the United States, some nations may not consider such clinical studies adequate to support marketing authorization or may require that additional studies be performed on their citizens. In addition, in certain foreign markets, the pricing of drug products is subject to government control and reimbursement may in some cases be unavailable or insufficient. We face the risk that the resulting prices would be insufficient to generate an acceptable return to us or any future partner of ours. If we fail to comply with applicable foreign regulatory requirements, we may be subject to, among other things, fines, suspension or withdrawal of regulatory approvals, product recalls, seizure of products, operating restrictions, and criminal prosecution.

Regulation of Pharmaceutical Products in the European Union

As in the United States, pharmaceutical products can be marketed in the EU only if a marketing authorization from the competent regulatory agencies has been obtained. Similar to the United States, the various phases of preclinical and clinical research in the EU are subject to significant regulatory controls.

Pursuant to the European Clinical Trials Directive, a system for the approval of clinical trials in the EU had been implemented through national legislation of the member states. Under the previous system, an applicant obtained approval from the competent national authority of an EU member state in which the clinical trial was conducted. Furthermore, the applicant could only start a clinical trial after a competent ethics committee had issued a favorable opinion. In April 2014, the new Clinical Trials Regulation, (EU) No 536/2014 ("Clinical Trials Regulation") was adopted and became effective on January 31, 2022. The Clinical Trials Regulation is directly applicable in all the EU Member States, repealing the previous Clinical Trials Directive 2001/20/EC. The extent to which ongoing clinical trials will be governed by the Clinical Trials Regulation depends on when the Clinical Trials Regulation becomes applicable and on the duration of the individual clinical trial. On January 31, 2025, the Clinical Trials Regulation became applicable to clinical trials which were initially authorized under the Clinical Trials Directive.

The Clinical Trials Regulation aims to simplify and streamline the approval of clinical trials in the European Union. The main characteristics of the regulation include: a streamlined application procedure via a single entry point, the "EU portal" called the Clinical Trial Information System ("CTIS"); a single set of documents to be prepared and submitted for the application as well as simplified reporting procedures for clinical trial sponsors; and a harmonized procedure for the assessment of applications for clinical trials. Use of the CTIS became mandatory for new clinical trial application submissions as of February 1, 2023.

To obtain marketing approval of a drug in the EU, an applicant must submit a marketing authorization application ("MAA") either under a centralized or decentralized procedure. The centralized procedure provides for the grant of a single marketing authorization by the European Commission that is valid for all EU member states, Iceland, Lichtenstein and Norway. The centralized procedure is compulsory for specific products, including for medicines produced by certain biotechnological processes, products designated as orphan medicinal products, advanced therapy products (such as gene-therapy, somatic cell-therapy or tissue-engineered medicines) and products with a new active substance indicated for the treatment of specific diseases, such as HIV/AIDS, cancer, diabetes, neurodegenerative disorders or autoimmune diseases and other immune dysfunctions and viral diseases. The centralized procedure is optional for products that represent a significant therapeutic, scientific or technical innovation, or whose authorization would be in the interest of public health. Under the centralized procedure the maximum timeframe for the evaluation of an MAA by the European Medicines Agency ("EMA") is 210 days, excluding clock stops, when additional written or oral information is to be provided by the applicant in response to questions asked by the Committee for Medicinal Products for Human Use ("CHMP"). Accelerated assessment might be granted by the CHMP in exceptional cases, when a medicinal product is expected to be of major public health interest, particularly from the point of view of therapeutic innovation. The timeframe for the evaluation of an MAA under the accelerated assessment procedure is 150 days, excluding stop-clocks.

The decentralized procedure is available to applicants who wish to market a product in specific EU member states where such product has not received marketing approval in any EU member states before. The decentralized procedure provides for an applicant to apply to one-member state to assess the application (the reference member state) and specifically list other member states in which it wishes to obtain approval (concerned member states). Under this procedure, an applicant submits an application based on identical dossiers and related materials, including a draft summary of product characteristics, and draft labeling and package leaflet, to the reference member state and each concerned member state. The reference member state prepares a draft assessment report and drafts of the related materials within 210 days after receipt of a valid application which is then reviewed and approved commented on by the concerned member states. Within 90 days of receiving the reference member state's assessment report and related materials, each concerned member state must decide whether to approve the assessment report and related materials.

In the EU, only products for which marketing authorizations have been granted may be promoted. A marketing authorization is valid for five years in principle and the marketing authorization may be renewed after the initial five-year period on the basis of a re-evaluation of the risk-benefit balance by the EMA or by the competent authority of the authorizing member state. To this end, the marketing authorization holder must provide the EMA or the competent authority with a consolidated version of the file in respect of quality, safety and efficacy, including all variations introduced since the marketing authorization was granted, at least six months before the marketing authorization ceases to be valid. Once renewed, the marketing authorization is valid for an unlimited period, unless the European Commission or the competent authority decides on justified grounds relating to pharmacovigilance, to proceed with one additional five-year renewal. Any marketing authorization which is not followed by the actual placing of the drug on the EU market (in case of centralized procedure) or on the market of the authorizing member state within three years after authorization ceases to be valid (the so-called sunset clause).

Moreover, even if authorized to be marketed in the EU, prescription-only medicines may only be promoted to healthcare professionals, not the general public. All promotion should be in accordance with the particulars listed in the summary of product characteristics. Promotional materials must also comply with various laws, and codes of conduct developed by pharmaceutical industry bodies in the EU which govern (among other things) the training of sales staff, promotional claims and their justification, comparative advertising, misleading advertising, endorsements, and (where permitted) advertising to the general public. Failure to comply with these requirements could lead to the imposition of penalties by the competent authorities of the EU member states. The penalties could include warnings, orders to discontinue the promotion of the drug product, seizure of promotional materials, fines and possible imprisonment.

In April 2023 the European Commission issued a proposal for a new Directive and a new Regulation to revise and replace the existing general pharmaceutical legislation. As of December 2025, the three EU institutions, the European Commission, the European Parliament and the Council of the EU are in the process of negotiating the final content of the new Directive and Regulation. Once negotiations are complete, the European Parliament and the Council of the EU will vote on whether to approve the Directive and Regulation. If adopted and implemented as currently proposed, these revisions will significantly change several aspects of drug development and approval in the EU.

Regulation of Pharmaceutical Products in the United Kingdom

As of January 1, 2021, European Union law no longer directly applies in the United Kingdom. The United Kingdom has adopted existing European Union medicines regulation as standalone United Kingdom legislation with some amendments to reflect procedural and other requirements with respect to marketing authorizations and other regulatory provisions.

The Medicines and Healthcare products Regulatory Agency, or MHRA, is responsible for regulating the United Kingdom medicinal products market (Great Britain and Northern Ireland). An MHRA authorization must be obtained for each medicine to be marketed in the regions that comprise the United Kingdom. On January 1, 2021, all European Union marketing authorizations were converted to United Kingdom marketing authorizations subject to a manufacturer opt-out. The United Kingdom has introduced separate, specific processes for regulatory submissions and medicinal product marketing authorization, and MHRA guidance states that the United Kingdom will have the power to take into account marketing authorizations made under the European Union decentralized and mutual recognition procedures. On January 1, 2024, the MHRA launched the International Recognition Procedure, or IRP, which provides for an expedited authorization procedure for products that have received positive marketing authorization decisions from trusted partner agencies, such as the EMA or the FDA. There are two available routes for assessment and recognition under the IRP:

- Recognition Route A – 60 days from validation of submission
    - Application must be based on a Reference Regulator, or RR, marketing authorization within the previous two years
    - Any significant differences from the quality dossier approved by the RR marketing authorization requires assessment under Recognition Route B
    - Evidence of cGMP compliance for manufacturing sites should be provided with submission
    - None of the Recognition Route B criteria are met
- Recognition Route B – 110 days from validation of submission with one planned clock stop (up to 60 days) at day 70 to allow applicant to respond to issues identified during review
    - Application must be based on a RR marketing authorization within the previous 10 years
    - Criteria requiring Recognition Route B include, among other things:
        - The RR marketing authorization granted a conditional or exceptional circumstances marketing authorization

- Additional manufacturing sites included in the application were not assessed by the RR marketing authorization or a manufacturing site is not cGMP certified
- There are substantial changes to the manufacturing process compared to the process approved by the RR marketing authorization
- Certain product types (e.g., advanced therapy medicinal products, orphan medicines, over-the-counter medicines)
- A risk management plan was not assessed under the RR marketing authorization
- The RR marketing authorization required one or more post-authorization safety studies for the product
- A companion diagnostic is necessary for correct use of the product and the diagnostic test is not authorized in the EU or UK

United Kingdom medicines legislation is subject to future regulatory change under the Medicines and Medical Devices Act 2021. This act sets out a framework for the adoption of medicines regulation.

Different rules apply in Northern Ireland following implementation of the Northern Ireland Protocol, under which European Union central marketing applications continue to apply there. However, in March 2023, the United Kingdom government and the European Commission reached agreement on a regulatory framework to replace the Northern Ireland Protocol, referred to as the Windsor Framework. The Windsor Framework is effective as of January 1, 2025, and requires changes to the system that was previously in effect under the Northern Ireland Protocol, including the regulation of pharmaceutical products in the United Kingdom. Specifically, the MHRA will be responsible for approving all medicines intended to be marketed in the United Kingdom (including Northern Ireland), while the EMA will no longer be involved in approving medicines intended for sale in Northern Ireland.

The Trade and Cooperation Agreement, which sets forth a framework for partnership between the European Union and the United Kingdom, became effective as of January 1, 2021. The Trade and Cooperation Agreement between the European Union and the United Kingdom contains an Annex in relation to medicinal products with the objective of facilitating availability of medicines, promotion of public health and consumer protection in respect of medicinal products. The Annex provides for mutual recognition of cGMP inspections and certificates, meaning that manufacturing facilities do not need to undergo duplicate inspections for the two markets. The Annex establishes a Working Group on Medicinal Products to deal with matters under the Trade and Cooperation Agreement, facilitate co-operation and for the carrying out of technical discussions. It is expected that further bilateral discussions will continue with respect to regulatory areas not the subject of the Trade and Cooperation Agreement, including pharmacovigilance. The Trade and Cooperation Agreement also does not include reciprocal arrangements for the recognition of batch testing certification. However, the United Kingdom has listed approved countries, including the EEA which will enable United Kingdom importers and wholesales to recognize certain certification and regulatory standards. The European Commission has not adopted such recognition procedures.

It is expected that the establishment of a separate United Kingdom authorization system, albeit with transitional recognition procedures in the United Kingdom, will lead to additional regulatory costs. In addition, additional regulatory costs may be incurred with respect to the lack of mutual recognition of batch testing and related regulatory measures.

Human Capital Resources

As of December 31, 2025, we had 21 full-time employees. Senior management and professional employees have had prior experience in pharmaceutical and/or biotechnology companies. None of our employees are covered by collective bargaining agreements. We believe that our relations with our employees are good. Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing and integrating our existing and additional employees, advisors and consultants. The principal purposes of our equity incentive plans are to attract, retain and reward personnel through the granting of equity-based compensation awards in order to emphasize increasing stockholder value and our success by motivating such individuals to perform to the best of their abilities and achieve our objectives.

We recognize that our industry is specialized and dynamic, and a significant aspect of our success is our continued ability to execute our human capital strategy of attracting, engaging, developing and retaining highly skilled talent. There is fierce competition both within our industry and in the geographic locations in which we operate for highly skilled talent, and we offer a robust set of benefits, career-enhancing learning experiences and initiatives aligned with our mission, vision, and values in order to attract qualified prospective employees and to retain and motivate our employees. We offer competitive compensation based on industry benchmarking provided by our independent compensation consultant to the Compensation Committee of the Board of Directors for our employees and strongly embrace a pay for performance philosophy in setting and adjusting compensation.

Our Code of Business Conduct and Ethics clearly outlines our commitment to diversity and inclusion, where all employees are welcomed in an environment designed to make them feel comfortable, respected, and accepted regardless of their age, race, national origin, gender, religion, disability or sexual orientation. We have a set of policies explicitly setting forth our expectations for nondiscrimination and a harassment-free work environment. We are also a proud equal opportunity employer and cultivate a highly collaborative and entrepreneurial culture.

Summary of Risk Factors

Our business, financial condition, operating results and cash flows are subject to numerous risks and uncertainties that are summarized below. The summary of risk factors below should be read together with the more detailed discussion of risks set forth following this section under the heading "Risk Factors," as well as elsewhere in this Annual Report.

- The proposed acquisition by Kuva is subject to a number of conditions beyond our control. Failure to complete the proposed acquisition within the expected time frame, or at all, could have a material adverse effect on our business, operating results, financial condition and our stock price.
- We have incurred substantial losses and negative cash flow from operations in the past and expect to continue to incur losses and negative cash flow for the foreseeable future. Additionally, we anticipate that we will need substantial additional financing to continue our operations; if we are unable to raise additional capital, we may be forced to delay, reduce or eliminate some or all of our product development programs, and our business will consequently be materially harmed.
- There is substantial doubt regarding our ability to continue as a going concern.
- We are substantially dependent on our investigational product candidate, certepetide. If we are unable to advance certepetide or any of our other product candidates through clinical development, obtain regulatory approval and ultimately begin commercializing, or experience significant delays in doing so, our business will be materially harmed.
- The commercial potential and profitability of our product candidates are unknown. We currently have no marketing and sales organization and have no experience in marketing products, and our products may not gain market acceptance among physicians, patients, hospitals, cancer treatment centers and others in the medical community.
- We may not be able to file INDs or IND amendments to commence additional clinical trials on the timelines we expect, and even if we are able to, the regulators may not permit us to proceed.
- Results from a clinical trial, once completed, may be less clear than expected, which may hinder our efforts to obtain regulatory approval for our product candidates.
- We may be unable to manage multiple late-stage clinical trials for a variety of product candidates simultaneously.
- Product candidates that appear promising in research and development may be delayed or may fail to reach later stages of clinical development.
- If serious or unacceptable side effects are identified during the development of any of our product candidates, we may need to abandon or limit our development of that product candidate.
- A Fast Track or breakthrough therapy designation by the FDA (or other regulatory authorities) and other similar regulatory designations may not lead to a faster development, regulatory review, or approval process.
- Our clinical trials may fail to demonstrate adequately the safety and efficacy of our product candidates, which failure would prevent or delay acquisition of requisite capital to complete development and/or regulatory approval and commercialization.
- We presently rely on contract manufacturing organizations to produce our product candidates at development and commercial scale quantities and have not yet qualified an alternate manufacturing supply, which could negatively impact our ability to meet any future demand for the products.
- We currently rely heavily on contract research organizations to conduct our studies. Their inability to recruit or operationalize our study could negatively impact our ability to meet our milestone timelines.
- Any supply chain disruption could impact our ability to perform clinical trials and seek future regulatory submissions.
- We may enter into collaborations, strategic alliances, additional licensing arrangements, acquisitions, business combinations and/or other strategic transactions, and we may not realize the benefits of any such arrangement.

- If competitors develop and market products that are more effective, safer, or less expensive than our product candidates or offer other advantages, our commercial prospects will be limited.
- We may need to grow the size or change the composition of our organization and may experience difficulties in managing this growth or change.
- We may be subject to significant product liability claims and litigation, including potential exposure from the use of our product candidates in human subjects, and our insurance may ultimately be inadequate to cover claims that may arise.
- We may be unable to hire or retain key officers or employees needed to implement our business strategy.
- A variety of risks associated with operating our business internationally could materially adversely affect our business.
- We conduct operations through our Australian subsidiary. If we lose our ability to operate in Australia, or if the subsidiary loses eligibility for certain Australian tax credits, our business and results of operations could suffer.
- Our internal computer systems, or those used by our clinical investigators, clinical research organizations or other contractors or consultants, may fail or suffer security breaches, which could result in a material disruption of development programs for our product candidates.
- The development and commercialization of our product candidates are subject to extensive regulation and the failure to receive regulatory approvals would have a material and adverse effect on our business and prospects. Obtaining and maintaining regulatory approval of our product candidates in one jurisdiction does not mean that it will be successful in obtaining regulatory approval of our product candidates in other jurisdictions.
- We may be subject to numerous and varied privacy and security laws, and our failure to comply could result in penalties and reputational damage.
- We will continue to be subject to extensive regulation following any product approvals, and if we fail to comply with these regulations, we may suffer a significant setback in our business.
- Healthcare companies have been the subject of federal and state investigations, and we could become subject to investigations in the future.
- It is uncertain to what extent government, private health insurers and third-party payors will approve coverage or provide reimbursement for the therapies and products to which our research and development relate. Legislation and regulatory proposals intended to contain healthcare costs may adversely affect our business.
- Inadequate funding for the FDA, the SEC and other government agencies in the U.S. or elsewhere, and/or large staff turnovers at these agencies could hinder new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business.
- If we are unable to obtain or maintain our licenses, patents or other intellectual property we could lose important protections that are material to continuing our operations and our future prospects.
- Litigation and third-party claims relating to intellectual property are expensive, time-consuming and uncertain, and we may be unsuccessful in our efforts to protect against infringement by third parties or defend ourselves against claims of infringement.
- Our ability to utilize our net operating loss carryforwards and tax credit carryforwards may be subject to limitations.
- Our stock price has been, and will likely continue to be, highly volatile and accurately predicting positive or negative movement relative to our results and announcements historically has been elusive.
- We may fail to comply with the continued listing requirements of the Nasdaq Capital Market, such that our common stock may be delisted and our ability to access the capital markets could be negatively and materially impacted.
- Future fundraising and strategic transactions may cause dilution, and we currently have securities outstanding that are exercisable for our common stock, which could result in significant additional dilution.
- Provisions in our amended and restated certificate of incorporation and by-laws and Delaware law may inhibit a takeover, which could limit the price investors are willing to pay for our common stock and could entrench management.

- Failure to maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and stock price.

ITEM 1A. RISK FACTORS.

Our business, financial condition, operating results and cash flows can be affected by a number of factors, including, but not limited to, those set forth below, any one of which could cause our actual results to vary materially from recent results or from our anticipated future results. The risks described below are not the only ones we face, but those we currently consider to be material. There may be other risks which we now consider immaterial, or which are unknown or unpredictable, with respect to our business, our competition, the regulatory environment or otherwise that could have a material adverse effect on our business, financial condition and results of operations.

RISKS RELATED TO THE PROPOSED ACQUISITION BY KUVA

The proposed acquisition by Kuva is subject to a number of conditions beyond our control. Failure to complete the proposed acquisition within the expected time frame, or at all, could have a material adverse effect on our business, operating results, financial condition and our stock price.

On March 6, 2026, we entered into the Merger Agreement, pursuant to which, and upon the terms and subject to the conditions thereof, Purchaser will commence a tender offer to purchase all of our issued and outstanding shares of common stock in exchange for (i) $5.00 per share, net to the seller in cash, without interest, but subject to any applicable withholding of taxes plus (ii) one non-tradeable CVR, which represents the contractual right to receive a contingent cash payment of $1.00 per CVR if the Milestone is met as further described in the CVR Agreement. If certain conditions are satisfied and the Offer is consummated, Kuva would acquire any remaining shares for the Offer Price by a merger of Purchaser with and into us.. Following completion of the transaction, we will become part of Kuva, a privately-held company, and our common stock will be delisted from Nasdaq. We will also apply to deregister our common stock and cease to be a reporting company under the United States Securities Exchange Act of 1934, as amended. Under the Merger Agreement, the Offer and the Merger will be subject to customary closing conditions for a transaction of this nature. Kuva will be required to close on the Offer so long as there shall be validly tendered a number of Shares that represents (and will represent immediately following the consummation of the Offer) at least a majority of the aggregate voting power of all Shares then outstanding.

We cannot predict whether and when the conditions to closing will be satisfied. Until these conditions are satisfied and we and Kuva complete the proposed transaction, our business, operating results and financial condition are exposed to certain risks due to the effect of the pending proposed transaction, including:

- the possibility of disruption to our business and operations, including diversion of management attention and resources;
- the inability to attract and retain key personnel, and the possibility that our current employees could be distracted, and their productivity decline as a result;
- the inability to pursue alternative business opportunities or make changes to our business pending the completion of the proposed transaction, and other restrictions on our ability to conduct our business;
- the amount of the costs, fees, expenses, and charges related to the proposed transaction;
- our inability to solicit other acquisition proposals; and
- the market price of our common stock could decrease if the proposed transaction is not completed or if there exists a market perception that the transaction will not be completed.

If the proposed transaction does not close, we would be exposed to additional risks, including:

- to the extent the current market price of our common stock reflects an assumption that the proposed transaction will be completed, the price of our common stock could decrease if the proposed transaction is not completed;
- investor confidence could decline, shareholder litigation could be brought against us, relationships with service providers, investors, and other business partners may be adversely impacted, we may be unable to retain key personnel, and our financial condition may be adversely impacted due to costs incurred in connection with the pending transaction; and
- the requirement that we pay a termination fee of $2,000,000 if the Merger Agreement is terminated in certain circumstances, including if we terminate to accept and enter into an agreement with respect to a superior proposal.

RISKS RELATED TO OUR FINANCIAL CONDITION AND CAPITAL REQUIREMENTS

We have incurred substantial losses and negative cash flow from operations in the past and expect to continue to incur losses and negative cash flow for the foreseeable future.

We have a limited operating history as Lisata Therapeutics, Inc, limited capital, and limited sources of revenue. Since our inception in 1980 through December 31, 2025, we have incurred aggregate net losses of approximately $564.7 million. Our net losses from continuing operations attributable to common stockholders for the years ended December 31, 2025 and December 31, 2024 were approximately $16.6 million and $20.0 million, respectively. As of December 31, 2025, our cash and cash equivalents and marketable securities were $16.0 million. Our current business has not generated revenues in the past and for the foreseeable future we do not expect it to generate revenue to be sufficient to cover costs attributable to that business or to our operations as a whole, including our development activities associated with our product candidates. Ultimately, we may never generate sufficient revenue from our business to reach profitability, generate positive cash flow or sustain, on an ongoing basis, our current or projected levels of product development and other operations.

We anticipate that we will need substantial additional financing to continue our operations; if we are unable to raise additional capital, we may be forced to delay, reduce or eliminate some or all of our product development programs, and our business will be materially harmed.

Our current operating plan will require significant levels of additional capital to fund the continued development of our product candidates and our clinical development activities. Based on our current expected capital needs, we believe that our projected capital will fund our current proposed operations into early 2027, encompassing anticipated data milestones from all of our ongoing clinical trials.

Our clinical activities may be expected to continue to increase in size, complexity and geographic reach as our programs are advanced and they will require significant investment over a period of several years before they yield results that could potentially be approved by health authorities and commercialized by us or a partner, if ever. Even if data from our current Phase 2 clinical trials for our product candidates were deemed positive, we most likely would be required to conduct additional clinical trials of the product candidates, including larger and more expensive pivotal Phase 3 trials, to pursue commercialization of the candidates. To do so, we will need to raise substantial additional capital, enter into collaboration agreements with third parties or undertake any combination thereof. If we are unsuccessful in our efforts to raise capital or find collaborative partners, we will likely need to otherwise delay or abandon the trials.

The amount and timing of our future capital requirements also will likely depend on many other factors, including but not limited to:

- the scope, progress, results, costs, timing and outcomes of our research and development programs and product candidates;
- our ability to control timing of results availability as well as the timing and content of related public announcements based on existing contracts with collaborators, particularly if those contracts were inherited as part of a business transaction;
- our ability to enter into any collaboration agreements with third parties for our product candidates and the timing and terms of any such agreements;
- the costs associated with the consummation of one or more strategic transactions;
- the timing of, and the costs involved in obtaining, regulatory approvals for our product candidates, a process which could be particularly lengthy;
- the costs of maintaining, expanding and protecting our intellectual property portfolio, including potential litigation costs and liabilities relating thereto;
- the cost of expansion of our development operations and personnel; and
- the availability of, or our access to, state or federal government awards.

To both fund our clinical trials and support our future operations, it is highly probable that we would require raising capital through a variety of different public and/or private financings vehicles. This could include, but not be limited to, utilization of our at-the-market offering agreement with H.C. Wainwright & Co., LLC, potential issuances of other debt or equity securities in public or private financings and/or sale or licensing of assets. If we raise capital through the sale of equity, or securities convertible into equity, it would likely result in dilution to our then-existing stockholders. Servicing the interest and principal repayment obligations under debt we incur, or whether any such debt is called, would divert funds that might otherwise be

available to support research and development, clinical or commercialization activities. In addition, debt financing involves covenants that restrict our ability to operate our business. In certain cases, we also may seek funding through collaborative arrangements that would likely require us to relinquish certain rights to our technology or product candidates and diminish our share in the future revenues associated with the partnered product.

Ultimately, we may be unable to raise capital or enter into collaborative relationships on terms that are acceptable to us, if at all. Our inability to obtain the necessary capital or financing to fund our future operating needs would materially adversely affect our business, results of operations and financial condition.

There is substantial doubt regarding our ability to continue as a going concern.

There is substantial doubt regarding our ability to continue as a going concern. Our continued operations are dependent upon our ability to obtain additional capital. As of December 31, 2025, our cash and cash equivalents were $16.0 million. Our management believes that such cash and cash equivalents will not be sufficient to fund our operating expenses and capital requirements for twelve months after the date that the financial statements included in this Annual Report are issued. We will require significant additional funding to advance any of our product candidates beyond the short term. Our ability to continue as a going concern will depend on our ability to obtain additional funding, as to which no assurances can be given. Our lack of sufficient liquidity could make it more difficult for us to secure additional financing or enter into strategic relationships on terms acceptable to us, if at all, and may materially and adversely affect the terms of any financing that we may obtain and our public stock price generally. We continue to analyze various alternatives, including debt or equity financings or other arrangements.

We have never generated any revenue from product sales and our ability to generate revenue from product sales and become profitable depends significantly on our success in a number of factors.

We have no products approved for commercial sale, have not generated any revenue from product sales, and do not anticipate generating any revenue from product sales until sometime after we have received regulatory approval for the commercial sale of a product candidate, which may never occur. Our ability to generate revenue from product sales and achieve profitability depends significantly on our success in many factors, including:

- completing research regarding, and non-clinical and clinical development of, our current and future product candidates;
- obtaining regulatory approvals and marketing authorizations for product candidates for which we complete clinical trials;
- developing a sustainable, scalable and economically feasible manufacturing process for our product candidates;
- identifying and contracting with contract manufacturers that have the ability and capacity to manufacture our development products and make them reliably at an acceptable cost;
- launching and commercializing product candidates for which we obtain regulatory approvals and marketing authorizations, either directly or with a collaborator or distributor;
- obtaining market acceptance of our product candidates as viable treatment options;
- ensuring ongoing regulatory compliance post-approval and with respect to sales and marketing of future products;
- addressing any competing technological and market developments;
- identifying, assessing, acquiring and/or developing new product candidates;
- negotiating favorable terms in any collaboration, licensing, or other arrangements into which we may enter;
- maintaining, protecting, and expanding our portfolio of intellectual property rights, including patents, trade secrets, and know-how; and
- attracting, hiring, and retaining qualified personnel.

Even if one or more of the product candidates that we develop is approved for commercial sale, we anticipate incurring significant costs associated with commercializing any approved product candidate. Our expenses could increase beyond expectations if we are required by regulatory agencies, domestic or foreign, to change our manufacturing processes or assays, or to perform clinical, non-clinical, or other types of studies in addition to those that we currently anticipate. If we are successful in obtaining regulatory approvals to market one or more of our product candidates, our revenue will depend, in part, upon the size of the markets in the territories for which we obtain regulatory approval, the accepted price for the product, the ability to

receive reimbursement at any price, and whether we own the commercial rights for that territory. If the number of our addressable disease patients is not as significant as we estimate, the indication approved by regulatory authorities is narrower than we expect, or the reasonably accepted population for treatment is narrowed by competition, physician choice or treatment guidelines, we may not generate significant revenue from sales of such products, even if approved. If we are not able to generate sufficient revenue from the sale of any approved products, we may never become profitable.

If our status as a smaller reporting company changes, Section 404(b) of the Sarbanes-Oxley Act of 2002 may require an independent registered public accounting firm to report on the effectiveness of our internal control over financial reporting. Any delays or difficulty in satisfying these requirements could adversely affect our future results of operations and our stock price.

Section 404(b) of the Sarbanes-Oxley Act of 2002 requires an independent registered public accounting firm to test the internal control over financial reporting of public companies, and to report on the effectiveness of such controls. Under the Dodd Frank Wall Street Reform and Consumer Protection Act of 2010, we are exempt from Section 404(b) as long as we remain a smaller reporting company or a non-accelerated filer. If our status as a smaller reporting company changes, we may be required to comply with this auditor attestation requirement.

In addition, we may in the future discover areas of our internal controls that need improvement, particularly with respect to businesses that we may acquire. If so, we cannot be certain that any remedial measure we take will ensure that we have adequate internal controls over our financial processes and reporting in the future. Any failure to implement the required new or improved controls, or difficulties encountered in their implementation could harm our operating results or cause us to fail to meet our reporting obligations. If we are unable to conclude that we have effective internal controls over financial reporting, or if it becomes necessary for our independent registered public accounting firm to provide us with an unqualified report regarding the effectiveness of our internal control over financial reporting and it is unable to do so, investors could lose confidence in the reliability of our financial statements. This could result in a decrease in the value of our common stock.

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

Our ability to use our federal and state net operating losses ("NOLs") to offset potential future taxable income and related income taxes that would otherwise be due is dependent upon our generation of future taxable income, and we cannot predict with certainty when, or whether, we will generate sufficient taxable income to use all of our NOLs.

Under Section 382 and Section 383 of the Code and corresponding provisions of state law, if a corporation undergoes an "ownership change," its ability to use its pre-change NOL carryforwards and other pre-change tax attributes (such as research tax credits) to offset its post-change income may be limited. A Section 382 "ownership change" is generally defined as a greater than 50 percentage point change (by value) in its equity ownership by certain stockholders over a three-year period. Even if we achieve profitability, we may not be able to utilize a material portion of our NOL carryforwards and other tax attributes, which could have a material adverse effect on cash flow and results of operations. Similar provisions of state tax law may also apply to limit our use of accumulated state tax attributes. There is also a risk that due to regulatory changes, such as suspensions on the use of NOLs, or other unforeseen reasons, our existing NOLs could expire or otherwise be unavailable to offset future income tax liabilities.

RISKS RELATED TO OUR PRODUCT DEVELOPMENT EFFORTS

We are substantially dependent on our investigational product candidate, certepetide. If we are unable to advance certepetide or any of our future product candidates through clinical development, obtain regulatory approval and ultimately commercialize certepetide or any of our other product candidates, or experience significant delays in doing so, our business will be materially harmed.

Our investigational product candidate certepetide is still in clinical development. Our ability to generate product revenues, which we do not expect will occur for many years, if ever, will depend heavily on the successful clinical development and eventual commercialization of certepetide and potentially one or more of our other product candidates. The success of our product candidates will depend on many factors, including the following:

- successful completion of preclinical and clinical studies;
- clearance of INDs, comparable foreign clinical trial applications ("CTAs") and clinical protocols for our planned clinical trials or future clinical trials;
- Regulator acceptance of our development strategy and resultant clinical data;
- successful initiation of clinical trials;

- successful patient enrollment in and completion of clinical trials;
- safety, tolerability and efficacy profiles for our product candidates that are satisfactory to regulators for marketing approval;
- receipt of marketing approvals for our product candidates from applicable regulatory authorities;
- the extent of any required post-marketing approval commitments to applicable regulatory authorities;
- obtaining and maintaining patent and trade secret protection and regulatory exclusivity for our product candidates;
- making arrangements with third-party manufacturers, or establishing manufacturing capabilities, for both clinical and commercial supplies of our product candidates, if any product candidates are approved;
- establishing sales, marketing and distribution capabilities and launching commercial sales of our products, if and when approved, whether alone or in collaboration with others;
- acceptance of our products, if and when approved, by patients, the medical community and third-party payors;
- effectively competing with other therapies;
- obtaining and maintaining third-party coverage and adequate reimbursement;
- maintaining a continued acceptable safety profile of our products following approval; and
- factors we may not be able to control, such as potential pandemics that may limit patients, principal investigators or staff or clinical site availability (e.g. the COVID-19 pandemic).

There is no guarantee that the results obtained in our current clinical studies will be sufficient to obtain regulatory approval or marketing authorization for any of our product candidates. Negative results in the development of our investigational product candidate, certepetide, in any one indication may also impact our ability to obtain regulatory approval of certepetide in other indications, either at all or within anticipated timeframes because, even though the indications are different, the underlying technology platform, manufacturing process and development process are the same. Accordingly, a failure or major issue associated with any one indication may affect the ability to obtain regulatory approval to continue or conduct clinical programs and/or obtain regulatory approval for another indication. Furthermore, although we believe based on available preclinical and clinical results that a combination of certepetide with certain anti-cancer therapeutics is more effective than the use of those therapeutics alone, this may not prove true in clinical testing of certepetide for all or any of the types of cancer. Anti-tumor activity may prove different in each of the different tumor types and/or with each of the anti-cancer therapeutic combinations we plan on evaluating. Therefore, the tumor response to certepetide plus the corresponding anti-cancer therapeutic(s) combination may be less robust in patients with some cancers compared to others. This may result in discontinuation of development of certepetide for certain tumor types and/or certain anti-cancer therapeutic(s) combinations due to insufficient clinical benefit.

In addition, because we have limited financial and personnel resources and are placing significant focus on the development of our investigational product candidate, we may forego or delay pursuit of opportunities with other future product candidates that later prove to have greater commercial potential. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs and other future product candidates for specific indications may not yield any commercially viable future product candidates. If we do not accurately evaluate the commercial potential or target market for a particular future product candidate, we may relinquish valuable rights to those future product candidates through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such future product candidates.

Our future success may be dependent on the timely and successful continued development and commercialization of our product candidates and if we encounter delays or difficulties in the development of these product candidates, our business prospects could be materially harmed.

We are dependent upon the successful development, approval and commercialization of our product candidates. Before we are able to seek regulatory approval of our product candidates, we must conduct and complete extensive clinical trials to demonstrate their safety and efficacy in humans. We have never taken a product through the regulatory approval process or successfully to U.S. or international commercialization.

Clinical testing is expensive, challenging and complex to design and execute and can take many years to complete. Importantly, a failure of one or more clinical trials can occur at any stage of testing. We may experience numerous unforeseen

events during, or as a result of clinical trials that could delay or prevent our ability to complete our clinical trials, receive regulatory approval or commercialize our product candidates, including the following:

- suspensions, delays or changes in the design, initiation, enrollment, execution or completion of required clinical trials;
- adverse changes in our financial position or significant and unexpected increases in the cost of our development programs;
- changes or uncertainties in, or additions to, the regulatory approval process that require us to alter our current development strategy;
- clinical trial results that are negative or inconclusive as to safety and/or efficacy, which would result in the need for additional clinical trials or the termination of the product's development;
- delays in our ability to manufacture our product candidates in quantities, in a form and/or at a cost that is suitable for any required clinical trials;
- intellectual property constraints that prevent us from making, using, or commercializing any of our product candidates;
- the supply or quality of our product candidates or other materials or equipment necessary to conduct clinical trials of these product candidates may be no longer available for purchase, insufficient or inadequate;
- inability to generate sufficient non-clinical, toxicology, or other in vivo or in vitro data to support the initiation and/or continuation of clinical trials;
- delays in reaching agreement on acceptable terms with prospective contract research organizations ("CROs"), contract manufacturing organizations ("CMOs"), and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs, CMOs and clinical trial sites;
- delays in obtaining required institutional review board approval at each clinical trial site;
- inability to submit or obtain clearance for an IND or CTA with the applicable regulators for our development candidates;
- imposition of a temporary or permanent clinical hold by the FDA or similar restrictions by other regulatory agencies for a number of reasons, including after review of an IND or protocol amendment, or equivalent application or amendment; as a result of a new safety finding that presents unreasonable risk to clinical trial participants; a negative finding from an inspection of our manufacturing sites, clinical trial operations (including those of any CRO involved) or clinical trial sites; developments on trials conducted by competitors or approved products post-market for related technology that raise FDA concerns about risk to patients of the technology broadly; or if the FDA finds that the investigational protocol or plan is clearly deficient to meet its stated objectives;
- difficulty collaborating with patient groups, individual investigators and/or associated institutions;
- failure by our CROs, CMOs, other third parties, or us to adhere to clinical trial requirements and international regulatory standards;
- failure to perform in accordance with the FDA or international GCP requirements;
- failure to reach agreement with the FDA on a satisfactory development path of our development candidates;
- failure to resolve contradictory guidance issued by the FDA, EMA or other international regulatory bodies of relevance to our development program(s);
- delays in having patients qualify for or complete participation in a trial or return for post-treatment follow-up;
- patients dropping out of a clinical trial;
- occurrence of adverse events associated with the product candidate;
- changes in the standard of care on which a clinical development plan was based, which may require new or additional trials or abandoning existing trials;
- transfer of manufacturing processes from one manufacturer and/or manufacturing site to another, operated by either a CMO or us, and delays or failure by our CMOs or us to qualify the transferred process and/or site;

- delays in and/or the inability to complete manufacturing, testing, releasing, validating, or importing/exporting sufficient stable quantities of our product candidates for use in clinical trials or the inability to do any of the foregoing; and
- the FDA may not accept clinical data from trials that are conducted in countries where the standard of care or the nature of the disease is potentially different from the United States or for other reasons.

Any inability to successfully complete non-clinical and clinical development could result in additional costs to us or impair our ability to generate revenue. In addition, if we make manufacturing or formulation changes to our product candidates, we may be required to, or we may elect to, conduct bridging studies to demonstrate the equivalence of our modified product candidates to earlier versions. Clinical trial delays could also shorten any periods during which our products have patent protection and may allow our competitors to bring products to market earlier than expected, which could impair our ability to successfully commercialize our product candidates and may harm our business and results of operations.

Even if we are able to successfully complete our clinical development programs for our product candidates and receive regulatory approval to market one or more of the products, if the commercial opportunities are smaller than we anticipate, our future revenues will be adversely affected, and our business may suffer.

If the size of the commercial opportunities in any of our target indications is smaller than we anticipate, or if the FDA grants our candidates approval to treat only specific subpopulations or otherwise approves the products for more narrow indications of use than we are seeking, we may not be able to achieve profitability and growth.

Even if we are able to successfully complete our clinical development program for our product candidates, and ultimately receive regulatory approval to market one or more of the products, we may, among other things:

- obtain approval for indications that are not as broad as the indications we sought;
- have the product removed from the market after obtaining marketing approval;
- encounter problems with respect to the manufacturing and/or distribution of commercial supplies;
- be subject to additional post-marketing testing requirements; and/or
- be subject to restrictions on how the product is distributed or used.

We may experience delays in enrolling patients in our clinical trials, which would delay or prevent the receipt of necessary regulatory approvals.

We may not be able to initiate or complete as planned any clinical trials if we are unable to identify and enroll a sufficient number of eligible patients to participate in the clinical trials required by the FDA or other regulatory authorities. Some of our competitors have ongoing clinical trials for product candidates that treat the same indications as our product candidates, and patients who would otherwise be eligible for our clinical trials may instead enroll in clinical trials of our competitors' product candidates. Enrollment challenges in clinical trials often result in increased development costs for a product candidate, significant delays and potentially the abandonment of the clinical trial and/or product candidate. We also may be unable to engage a sufficient number of clinical trial sites to conduct our trials. Moreover, our ability to conduct trials outside of the United States may be constrained by our inability to transport research materials to or from foreign destinations or find another source of supply.

Because our clinical trials for certepetide are focused on patients with specific solid tumors, our ability to enroll eligible patients may be limited or may result in slower enrollment than we anticipate. For example, we cannot be certain how many patients with the cancers that certepetide is designed to target will choose to enroll in our clinical trials and/or if that number will ultimately suffice for regulatory approval.

Patient enrollment in general is affected by many factors, including:

- patient, physician and/or treating institution financial considerations;
- size of the target patient population;
- severity of the disease or disorder under investigation;
- eligibility criteria for the clinical trial in question;
- competing clinical trials involving patients diagnosed with the disease or disorder under investigation;

- perceived risks and benefits of the product candidate under study;
- approval and availability of other therapies to treat the disease or disorder that is being investigated in the clinical trial;
- willingness or unwillingness to participate in a placebo controlled clinical trial;
- efforts to facilitate timely enrollment in clinical trials;
- patient referral practices of physicians;
- the ability to monitor patients adequately during and after treatment; and
- proximity and availability of clinical trial sites for prospective patients.

In addition, the U.S. Congress amended the FDCA in 2022 to require sponsors of a Phase 3 clinical trial, or other "pivotal study" of a new drug or biologic to support marketing authorization, to design and submit a diversity action plan for such clinical trial. The action plan must describe appropriate diversity goals for enrollment, as well as a rationale for the goals and a description of how the sponsor will meet them. Although none of our investigational product candidates has reached Phase 3 of clinical development, we or our partners must submit a diversity action plan to the FDA by the time a Phase 3 trial, or pivotal study, protocol is submitted to the agency for review, unless we or our partners are able to obtain a waiver for some or all of the requirements for a diversity action plan. Initiation of such trials may be delayed if the FDA objects to a proposed diversity action plans for any future Phase 3 trial of our product candidates, and we or our partners may experience difficulties recruiting a diverse population of patients in attempting to fulfill the requirements of any approved diversity action plan.

Our inability to enroll a sufficient number of patients in any of our planned clinical trials would result in significant delays or may require us to abandon one or more clinical trials altogether.

We may not be able to file INDs or IND amendments to commence additional clinical trials on the timelines we expect, and even if we are able to, the regulators may not permit us to proceed.

We submitted an IND for certepetide on April 14, 2021, and the IND was cleared by the FDA on May 14, 2021. Still, we may not be able to file INDs, or comparable foreign CTAs in other countries or jurisdictions, for our other product candidates on the timelines we expect. For example, we may experience manufacturing delays or other delays with IND-enabling studies. Moreover, we cannot be sure that acceptance of an initial IND will result in the FDA allowing further clinical trials to begin, or that, once begun, issues will not arise that lead to the suspension or termination of clinical trials. Additionally, even if such regulatory authorities agree with the design and implementation of the clinical trials set forth in an IND, we cannot guarantee that such regulatory authorities will not change their requirements in the future. These considerations also apply to new clinical trials we may submit as amendments to existing INDs or to a new IND. Any failure to file INDs on the timelines we expect or to obtain regulatory authorizations for our trials may prevent us from completing our clinical trials or commercializing our products on a timely basis, if at all.

Results from a clinical trial, once completed, may be less clear than expected, which may hinder our efforts to obtain regulatory approval for our product candidates.

Clinical trials by their nature evaluate the safety and effectiveness of an investigational product in a relatively small sample of the potential patient population. With a limited number of patients and limited duration of exposure, rare and severe side effects of our product candidates may only be uncovered with a significantly larger number of patients exposed to the drug candidate. If our product candidates receive marketing approval and we or others identify undesirable side effects caused by such product candidates (or any other similar drugs) after such approval, a number of potentially significant negative consequences could result, including those listed below:

- regulatory authorities may require the addition of labeling statements, such as a "boxed" warning or a contraindication;
- we may be required to change the way such product candidates are distributed or administered, conduct additional clinical trials or change the labeling of the product candidates;
- FDA may require a Risk Evaluation and Mitigation Strategy ("REMS") to mitigate risks, which 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;
- we may be subject to regulatory investigations and government enforcement actions;
- we may decide to remove affected product candidates from the marketplace;
- we could be sued and held liable for injury caused to individuals exposed to or taking our product candidates; and

- our reputation may suffer.

We believe that any of these events could prevent us from achieving or maintaining market acceptance of, affect our ability to successfully commercialize, and substantially increase the costs of commercializing, the affected products, if approved, and could significantly impact our ability to generate revenues.

We and our partners are conducting clinical trials for product candidates in many countries outside of the United States, and the FDA and comparable foreign regulatory authorities may not accept data from such trials where the preponderance of data are generated in a foreign jurisdiction.

We have in the past conducted clinical trials in Australia and Japan, and we may in the future choose to conduct one or more clinical trials outside the United States, including in Canada, Australia, Europe and/or Asia. The acceptance of study data from clinical trials conducted outside the United States or another jurisdiction by the FDA or comparable foreign regulatory authority, respectively, may be subject to certain conditions or may not be accepted at all. For example, in cases where data from foreign clinical trials are intended to support marketing approval in the United States, the FDA will generally not approve the application on the basis of foreign clinical trial data alone unless (i) the data are agreed by FDA to be 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 requirements; and (iii) the data may be considered valid without the need for an on-site inspection or, if the FDA considers an inspection necessary, the agency is able to validate the data through an on-site inspection or other means. In addition, such foreign trials would be subject to the applicable local laws of the foreign jurisdictions where the trials are conducted. 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 product candidates that we develop not receiving approval for commercialization in the applicable jurisdiction.

We may be unable to manage multiple late-stage clinical trials for a variety of product candidates simultaneously.

As our current clinical trials progress, we may need to manage multiple late-stage clinical trials simultaneously in order to continue developing all of our current product candidates. Typically, early-stage trials involve relatively small numbers of patients in relatively few clinical sites. Late-stage (e.g., Phase 3) trials may involve very large numbers of patients in a larger number of sites and may require facilities in several countries. Therefore, the project management required to supervise and control such an extensive program is substantially larger than for early-stage programs. As the need for these resources is not known until some months before the trials begin, it is necessary to recruit large numbers of experienced and talented individuals very quickly. If the labor market does not allow this team to be recruited quickly, the sponsor is faced with a decision to delay the program or to initiate it with inadequate management resources. This may result in recruitment of inappropriate patients, inadequate monitoring of clinical investigators and inappropriate handling of data or data analysis. Consequently, it is possible that conclusions of efficacy or safety may not be acceptable to permit submission of an NDA for any one of the above reasons or a combination of several. Additionally, any such failure may result in regulatory liability for the sponsor, negative publicity, and other adverse impacts on the business or its operations.

Any disruption to our access to the reagents, devices, materials or equipment we are using in the clinical development of our product candidates would adversely affect our ability to perform clinical trials and seek future regulatory submissions.

Reagents, devices, materials and systems that we are using in our clinical trials, that we intend to use in our planned clinical trials and that we may need or use in future commercial production, are provided by unaffiliated third parties. Any lack of continued availability of these reagents, devices, materials and systems for any reason would have a material adverse effect on our ability to complete these studies and could adversely impact our ability to achieve commercial manufacture of our planned therapeutic products. Although other available sources for these reagents, devices, materials and systems may exist in the marketplace, we have not evaluated their cost, effectiveness, or intellectual property foundation and therefore cannot guarantee the suitability or availability of such other potential sources.

The initiation of pivotal Phase 3 clinical trials for our product candidates requires the validation and establishment of manufacturing controls that may delay product development timelines.

To conduct pivotal Phase 3 clinical trials, we are required to have certain validated and established manufacturing controls with respect to the identity, strength, quality and purity of our product candidates when administered to patients. If we determine that the results of any Phase 2 clinical trial we may conduct support Phase 3 development, we expect to initiate and complete one or more pivotal Phase 3 clinical trials for such programs and would need to address any outstanding chemistry, manufacturing and controls ("CMC") requirements of the FDA or other relevant regulatory authority prior to initiating such trials. We may not be successful in our efforts to address any CMC issues raised by the FDA or other relevant regulatory authority. If we cannot initiate, or if we are delayed in initiating, a pivotal Phase 3 clinical program as a result of our failure to satisfy regulatory CMC concerns, the timing of completing, developing and making a regulatory submission for

commercialization of our product candidates would be delayed, or we may be unable to seek regulatory approval to commercialize our products at all.

Product candidates that appear promising in research and development may be delayed or may fail to reach later stages of clinical development.

The successful development of pharmaceutical product candidates is highly uncertain. Product candidates that appear promising in research and development and early clinical trials may be delayed or fail to reach later stages of development. Decisions regarding the further development of product candidates must be made with limited and incomplete data, which makes it difficult to ensure or even accurately predict whether the allocation of limited resources and the expenditure of additional capital on specific product candidates will result in desired outcomes. Non-clinical and clinical data can be interpreted in different ways, and negative or inconclusive results or adverse events during a clinical trial could delay, limit or prevent the development of a product candidate.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. The results of preclinical studies and early clinical trials of our product candidates may not be predictive of the results of later-stage clinical trials. Exploratory trends and results observed in earlier stage clinical trials, particularly trends and results observed for small subsets that were not pre-specified, may not be replicated in later stage clinical trials. Product candidates in Phase 3 clinical trials may fail to demonstrate sufficient efficacy despite having progressed through initial clinical trials, even if certain exploratory subset analyses of primary or secondary endpoints in those early trials showed trends toward efficacy or, in some analyses, nominal statistical significance. The results of clinical trials in one set of patients or line of treatment may not be predictive of those obtained in another.

If serious or unacceptable side effects are identified during the development of any of our product candidates, we may need to abandon or limit our development of that product candidate.

All of our product candidates are in clinical development, and their risk of failure is high. It is impossible to predict when or if any of our product candidates will prove effective and safe in humans or will receive marketing approval. If our product candidates are associated with undesirable side effects or have other unexpected, unacceptable characteristics, we may need to abandon their development or limit development to certain 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. Many investigational products that initially showed promise in clinical or earlier stage testing have later been found to cause side effects or other safety issues that prevented further development. Even if we receive regulatory approval for a candidate with a known safety risk that is described in the product's labeling, such an approved product may not achieve market acceptance by physicians, patients, third-party payors or others in the medical community, which would materially and adversely affect our business.

A breakthrough therapy designation by the FDA, even if granted for any of our product candidates, is no guarantee of a faster development or regulatory review or approval process and it does not increase the likelihood that our product candidates will receive marketing approval.

We may seek "breakthrough therapy" designation for certepetide and some or all of our current or future product candidates. A breakthrough therapy is defined as a drug that is intended, alone or in combination with one or more other drugs or biologics, to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. For product candidates that have been designated as breakthrough therapies, interaction and communication between the FDA and the sponsor of the trial can help to identify the most efficient path for clinical development while minimizing the number of patients placed in ineffective control regimens. Drugs designated as breakthrough therapies by the FDA may also be eligible for other expedited approval programs, including priority review and accelerated approval.

Designation as a breakthrough therapy is within the discretion of the FDA. Accordingly, even if we believe that one of our product candidates meets the criteria for designation as breakthrough therapy, the FDA may disagree and instead determine not to make such designation. In any event, the receipt of a breakthrough therapy designation for a product candidate may not result in a faster development process, review or approval compared to candidate products considered for approval under non-expedited FDA review procedures and does not assure ultimate approval by the FDA. In addition, even if one or more of our product candidates qualify as breakthrough therapies, the FDA may later decide that the product candidate no longer meets the conditions for qualification. Thus, even though we intend to seek Breakthrough Therapy designation for certepetide and some or all of our future product candidates, there can be no assurance that we will receive or maintain breakthrough therapy designation.

A Fast Track designation by the FDA and other similar regulatory designations is no guarantee of a faster development, regulatory review or approval process.

If a drug is intended for the treatment of a serious or life-threatening condition and the drug demonstrates the potential to address unmet medical needs for this condition, the drug sponsor may apply for FDA Fast Track designation for a particular indication. We have been granted Fast Track designation for certepetide for the treatment of pancreatic cancer. We may seek Fast Track designation for other indications or for certain of our other current or future product candidates, but there is no assurance that the FDA will grant this status to any of our other proposed product candidates. Marketing applications filed by sponsors of products in Fast Track development may qualify for priority review under the policies and procedures offered by the FDA, but the Fast Track designation does not assure any such qualification or ultimate marketing approval by the FDA. The FDA has broad discretion whether to grant Fast Track designation, so even if we believe a particular product candidate is eligible for this designation, there can be no assurance that the FDA would decide to grant it. Even if we do receive Fast Track designation, we may not experience a faster development process, review or approval compared to conventional FDA procedures, and receiving a Fast Track designation does not provide assurance of ultimate FDA approval. In addition, the FDA may withdraw Fast Track designation if it believes that the designation is no longer supported by data from our clinical development program or at any time.

Accelerated or provisional approval by the FDA or other relevant regulatory authority, even if granted for certepetide or future product candidates, is no guarantee of faster market introduction and it does not increase the likelihood that our product candidates will receive full marketing approval.

We plan to seek approval of certepetide and may seek approval of other current or future product candidates using an accelerated or provisional approval pathway available in many regulatory jurisdictions. A product candidate may be eligible for accelerated or provisional approval if it treats a serious or life-threatening condition and generally provides a meaningful advantage over available therapies. As a condition of provisional approval, the regulatory authority may require the sponsor to perform adequate and well-controlled post-marketing clinical trials for the corresponding product/indication. Regulatory authorities may require that such studies be fully enrolled before the marketing application is approved. These confirmatory trials must be completed with due diligence.

Specifically, we may seek an early approval under the Australian Provisional Determination scheme. A product candidate may be eligible for a provisional determination in Australia if it is 1) intended to treat, prevent, or diagnose a life threatening or seriously debilitating condition, 2) for which there is preliminary clinical data demonstrating that the medicine is likely to provide a significant improvement in the efficacy or safety of treating the condition, 3) the preliminary clinical data suggests that the medicine is likely to provide a major therapeutic advance, and 4) sufficient evidence has been provided of a plan to submit comprehensive clinical data confirming the safety and efficacy of the medicine before the end of the six years provisional registration.

Failure to conduct required post-approval studies, or to confirm the predicted clinical benefit of the product during post-marketing studies, allows a regulatory authority to withdraw approval of the drug. In addition, in the United States, a company whose drug product is authorized for commercialization through the accelerated approval pathway must submit all promotional materials for products approved under the accelerated or provisional approval pathway to the FDA in advance of dissemination for potential agency comment, which could adversely impact the timing of the commercial launch of the product. Even if we do receive accelerated or provisional approval for one or more of our product candidates, we may not experience a faster development or regulatory review or approval process and receiving accelerated or provisional approval does not provide assurance of ultimate full regulatory approval.

Our clinical trials may fail to demonstrate adequately the safety and efficacy of our product candidates, which would prevent or delay regulatory approval and commercialization.

The clinical trials of our product candidates are, and the manufacturing and marketing of our products will be, subject to extensive and rigorous review and regulation by numerous governmental authorities in the United States and in other countries where we intend to test and market our product candidates. Before obtaining regulatory approvals for the commercial sale of any of our product candidates, we must demonstrate through lengthy, complex and expensive preclinical testing and clinical trials that our product candidates are both safe and effective for use in each target indication. Each product candidate must demonstrate an adequate risk versus benefit profile in its intended patient population and for its intended use. The risk/benefit profile required for product approval will vary depending on multiple factors and may include adequate duration of response, a delay in the progression of the disease, and/or an improvement in survival.

There is typically an extremely high rate of attrition from the failure of product candidates proceeding through clinical trials. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy profile despite having progressed through preclinical studies and initial clinical trials. There are precedents for companies in the biopharmaceutical

industry experiencing significant setbacks in advanced clinical trials due to lack of efficacy or unacceptable safety issues, notwithstanding promising results in earlier trials. Most product candidates that begin clinical trials are never approved by regulatory authorities for commercialization.

Data from earlier studies conducted by third-party research institutions should not be relied upon as evidence that later or larger-scale clinical trials will succeed. Some future trials may have different patient populations than current studies and will test our product candidates in different indications, among other differences. In addition, our proposed manufacturing processes for our product candidates include what we believe will be process improvements that are not part of the production processes that were previously used in the earlier conducted clinical trials being conducted by the research institutions. Accordingly, our results with our product candidates may not be consistent with the results of those clinical trials.

In addition, even if such trials are successfully completed, we cannot guarantee that the FDA or foreign regulatory authorities will interpret the results as we do, and more trials could be required before we submit our product candidates for approval. To the extent that the results of the trials are not satisfactory to the FDA or foreign regulatory authorities for support of a marketing application, we may be required to expend significant resources, which may not be available to us, to conduct additional trials in support of potential approval of our product candidates.

We presently rely on contract manufacturing organizations to produce our product candidates at development and commercial scale quantities and have not yet qualified an alternate manufacturing supply, which could negatively impact our ability to meet any future demand for the products.

We do not presently have redundant suppliers for any of our product candidates. If the facilities where our product candidates are being manufactured and/or the associated equipment were significantly damaged or destroyed, or if there were other disruptions, delays or difficulties affecting manufacturing capacity, our planned and future clinical trials and commercial production for these product candidates would likely be significantly disrupted and delayed. It would be both time-consuming and expensive to replace this capacity with third parties, particularly since any new facility would need to comply with regulatory requirements.

Ultimately, if we are unable to supply our product candidates to meet commercial demand, were commercial approval to be obtained, whether because of processing constraints or other disruptions, delays or difficulties that we experience, our production costs could increase dramatically, and sales of the product and its long-term commercial prospects could be significantly damaged.

Also, as a result of the current geopolitical tensions and the conflict between Russia and Ukraine, the governments of the United States, the European Union, Japan and other jurisdictions have imposed sanctions on certain industry sectors and parties in Russia, as well as enhanced export controls on certain products and industries. These and any additional sanctions and export controls involving other countries, as well as any counter responses by the governments of Russia or other jurisdictions, could adversely affect, directly or indirectly, the global supply chain, with negative implications on the availability and prices of raw materials, energy prices, and our customers, as well as the global financial markets and financial services industry.

The commercial potential and profitability of our product candidates are unknown and subject to significant risk and uncertainty.

Even if we successfully develop and obtain regulatory approval for some or all of our product candidates, the market may not understand or accept the products, which could adversely affect both the timing and level of future sales. Ultimately, the degree of market acceptance of our product candidates (or any of our future product candidates) will depend on a number of factors, including:

- the efficacy and potential advantages compared to alternative treatments or competitive products;
- the prevalence and severity of any side effects;
- the approval and marketing of other therapeutics against which our product candidates will compete;
- physician acceptance of our approach to our target disease indications, include the ease or difficulty of administering the future products;
- restrictions on how the product is distributed or used;
- the strength of our marketing and distribution support, including whether we receive support from any patient advocacy groups;
- the adequacy of product supply in light of complex manufacturing and distribution processes;

- the cost of the product, the reimbursement policies of government and third-party payors and our ability to obtain sufficient third-party coverage or reimbursement.

Even if we are successful in achieving sales of our product candidates, it is not clear to what extent, if any, the products will be profitable. In addition, changes in manufacturing processes or procedures generally require FDA or foreign regulatory authority review and approval prior to implementation. Thus, we may need to conduct additional non-clinical studies and clinical trials to support approval of any such changes. Furthermore, this review process could be costly and time-consuming and could delay or prevent the commercialization of product candidates.

We may enter into collaborations, strategic alliances, additional licensing arrangements, acquisitions, business combinations or other strategic transactions in the future, any of which could require us to incur significant expenses or issue securities that could significantly dilute the shares of our existing stockholders, and we may not realize the benefits of such alliances or licensing arrangements, acquisitions, business combinations or strategic transactions.

We may enter into collaborations, strategic alliances, additional licensing arrangements, acquisitions, business combinations or other strategic transactions with third parties that we believe are essential to product commercialization or will complement or augment our development and commercialization efforts with respect to our product candidates and any future product candidates that we may develop. Any of these relationships may require us to incur non-recurring and other charges, increase our near and long-term expenditures, issue securities that could significantly dilute the shares of our existing stockholders or disrupt our management and business. In addition, we face significant competition in seeking appropriate strategic partners and/or acquisition candidates and the negotiation process can be time-consuming and complex. Moreover, we may not be successful in our efforts to establish a strategic partnership or other alternative arrangements for our product candidates because they may be deemed to be at too early of a stage of development for collaborative effort and third parties may not view our product candidates as having the requisite potential to demonstrate safety and efficacy. Furthermore, there can be no assurance that our exploration of potential acquisitions, business combinations or strategic alternatives will result in us entering into or completing any transaction or that such transaction, if completed, will add to stockholder value.

Further, collaborations involving our product candidates, such as our collaborations with third-party research institutions, are subject to numerous risks, which may include the following:

- collaborators have significant discretion in determining the efforts and resources that they will apply to a collaboration;
- collaborators may not pursue development and commercialization of our product candidates or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in their strategic focus due to the acquisition of competitive products, availability of funding, or other external factors, such as a business combination that diverts resources or creates competing priorities;
- collaborators may delay clinical trials, provide insufficient funding for a clinical trial, stop a clinical trial, 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 products or product candidates;
- a collaborator with marketing and distribution rights to one or more products may not commit sufficient resources to their marketing and distribution;
- collaborators may not properly maintain or defend our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability;
- disputes may arise between us and a collaborator that cause the delay or termination of the research, development or commercialization of our product candidates, or that result in costly litigation or arbitration that diverts management attention and resources;
- collaborations may be terminated and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable product candidates; and
- collaborators may own or co-own intellectual property and/or critical clinical data covering our products that results from our collaborating with them, and in such cases, we would not have the authority or exclusive right to utilize, publicly announce or commercialize such data or intellectual property.

As a result, if we enter into collaboration agreements and strategic partnerships or license our products or businesses, we may not be able to realize the benefit of such transactions if we are unable to successfully integrate them with our existing operations and company culture, which could delay our timelines or otherwise adversely affect our business. We also cannot be certain that, following a strategic transaction or licensing, we will achieve the economic return that justifies such a transaction. Any delays in entering into new collaborations or strategic partnership agreements related to our product candidates could delay the development and commercialization of our product candidates in certain geographies for certain indications, which would harm our business prospects, financial condition and results of operations.

If competitors develop and market products that are more effective, safer, and/or less expensive than our product candidates or offer other advantages, our commercial prospects will be limited or eliminated.

Our development programs now face, and will continue to face, intense competition from pharmaceutical, biopharmaceutical and biotechnology companies, as well as numerous academic and research institutions and governmental agencies engaged in drug discovery and development activities or funding, both in the United States and abroad. Some of these competitors are pursuing the development of drugs and other therapies that target the same diseases and conditions that we are targeting with our product candidates.

As a general matter, we also face competition from many other companies that are researching and developing product candidates in similar indications. Many of these companies have financial and other resources substantially greater than ours. In addition, many of these competitors have significantly greater experience in testing pharmaceutical and other therapeutic products, obtaining FDA and other regulatory approvals, and marketing and selling approved products in highly regulated commercial healthcare markets. If we ultimately obtain regulatory approval for any of our product candidates, we will also be competing with respect to manufacturing efficiency and marketing capabilities, areas in which we have limited or no commercial-scale experience. Mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated by our competitors. Competition may increase further as a result of advances made in the commercial applicability of our technologies and greater availability of capital for investment in these fields.

We conduct significant operations through our wholly-owned Australian subsidiary. If we lose our ability to operate in Australia, or if the subsidiary is unable to receive the research and development tax credit allowed by Australian regulations, our business and results of operations will suffer.

We develop certain of our programs in part through our wholly-owned Australian subsidiary, Lisata Therapeutics Australia Pty Ltd. Due to the geographical distance as well as our limited experience operating in Australia, we may not be able to efficiently or successfully monitor, develop or commercialize our products or programs in Australia, including conducting clinical trials. Furthermore, we have no assurance that the results of any clinical trials conducted for our product candidates in Australia will be accepted by the FDA or other foreign regulatory authorities for development and commercialization approvals. In addition, current Australian tax regulations provide for a refundable tax incentive between 43.5% to 48.5% (depending upon the income tax rate) for qualified research and development activities. If we are ineligible or unable to receive the research and development tax credit, or past credits are determined ineligible upon audit, or if we lose our ability to operate Lisata Therapeutics Australia Pty Ltd. in Australia, or the Australian government significantly reduces or eliminates the tax credit, our business and results of operation would be adversely affected. In the event we determine it advisable to stop operating through this subsidiary, we may be required to migrate such operations from this subsidiary to us. Any such action may be difficult and cause us to incur additional expenses, as well as give rise to tax liabilities for us or erode our tax attributes (such as tax credits or net operating losses).

We may be subject to significant product liability claims and litigation, including potential exposure from the use of our product candidates in human subjects, and our insurance may be inadequate to cover claims that may arise.

Our business exposes us to potential product liability risks inherent in the testing, processing and marketing of our products. Such liability claims may be expensive to defend and result in large judgments against us. We face an inherent risk of product liability exposure related to the testing of our current and any future product candidates in human clinical trials and will face an even greater risk with respect to any commercial sales of our products should they be approved. All our product candidates are in the clinical phase of development and therefore, relevant safety data are limited.

We will need to increase our insurance coverage whenever we begin commercializing product candidates. At that time, we may not be able to obtain or maintain product liability insurance on acceptable terms with adequate coverage or at all, or if claims against us substantially exceed our coverage, then our financial position could be significantly impaired.

Whether or not we are ultimately successful in any product liability litigation that may arise, such litigation could consume substantial amounts of our financial and managerial resources, decrease demand for our products and injure our reputation.

We seek to maintain errors and omissions, directors and officers, workers compensation and other insurance at levels we believe to be appropriate to our business activities. If, however, we were subject to a claim in excess of this coverage or to a claim not covered by our insurance and the claim succeeded, we would be required to pay the claim from our own limited resources, which would have a material adverse effect on our financial condition, results of operations and business. Additionally, liability or alleged liability could harm our business by diverting the attention and resources of our management and damaging our reputation.

We may be unable to retain key officers or employees or hire new key officers or employees needed to implement our business strategy and develop our products and businesses.

We are substantially dependent on the skills and efforts of current senior management for their management and operation skills, as well as for the implementation of our business strategy. In addition, our future success depends upon our ability to attract and retain additional qualified personnel (including medical, scientific, technical, commercial, business and administrative personnel) necessary to support our anticipated growth, develop our business, perform our contractual obligations to third parties and maintain appropriate licensure and compliance to applicable laws and regulations. There can be no assurance that we will be successful in attracting or retaining personnel required by us to continue to grow our operations. The loss of a key employee, the failure of a key employee to perform in his or her current position or our inability to attract and/or retain skilled employees, as needed, could result in our inability to continue to grow our business or to implement our business strategy, or may have a material adverse effect on our business, financial condition and operating results.

Our internal computer systems, or those used by our clinical investigators, clinical research organizations or other contractors or consultants, may fail or suffer security breaches, which could result in a material disruption of development programs for our product candidates.

We rely on information technology systems to keep financial records, maintain laboratory and corporate records, communicate with staff and external parties and operate other critical functions. Any significant insufficiency, degradation or failure of these computer systems could cause us to lose our ability to operate effectively, accurately and/or efficiently. Despite the implementation of security measures, these internal computer systems and those used by our clinical investigators, clinical research organizations, and other contractors and consultants are vulnerable to damage from computer viruses, malware, unauthorized access, natural disasters, terrorism, war, and telecommunication and electrical failures. The techniques that could be used by criminal elements or foreign governments to attack these computer systems are sophisticated, change frequently and may originate from less regulated and remote areas of the world. Furthermore, there is an increased risk of cybersecurity attacks by state actors. Russian, Chinese, Iranian, North Korean and other ransomware gangs have threatened or enacted increased hacking activity against critical infrastructure of many nations or organizations. Any such increase in such attacks on us and/or our third-party providers or other systems could adversely affect our network systems or other operations. While we have not experienced any such system failure, theft of information, accident or security breach to date, if such an event were to occur and cause interruptions in its operations, it could result in a material disruption of our clinical development activities and/or business operations. For example, the loss of clinical trial data from historical or future clinical trials could result in delays in regulatory approval efforts and significantly increase costs to recover or reproduce the data. To the extent that any disruption, theft of information, or security breach were to result in a loss of or damage to data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the clinical development, and the future development of our product candidates could be delayed.

The increasing use of social media platforms presents new risks and challenges including but not limited to the dissemination of disinformation, false or misleading accusations, incorrect statements and/or inaccurate statements or data generated by individuals or through use of artificial intelligence.

Social media is increasingly being used to communicate information about clinical-stage product candidates and the diseases that our therapies are designed to treat. Social media practices in the pharmaceutical industry continue to evolve and regulations related to such use are not always clear. This evolution creates uncertainty and risk of noncompliance with regulations applicable to our business. For example, patients and others may use social media channels to comment on the effectiveness of a product candidate or to report an alleged adverse event. When such disclosures occur, we may fail to monitor and comply with applicable adverse event reporting obligations, or we may not be able to defend against political and market pressures generated by social media due to restrictions on what we may say about our product candidates. There is also a risk of inappropriate disclosure of sensitive information or negative or inaccurate comments about us on any social networking website. If any of these events were to occur or we otherwise fail to comply with applicable regulations, we could incur liability, face overly restrictive regulatory actions or incur other harm to our business.

RISKS RELATED TO MANUFACTURING OUR DEVELOPMENT PRODUCT CANDIDATES

Contract development and manufacturing organizations have a finite manufacturing capacity, which could inhibit the long-term growth prospects of our business.

We currently have manufacturing contracts to produce materials for our clinical trials. It is possible that future demand for our products could exceed existing manufacturing capacity. We expect that, as our own development programs progress and demand for therapeutics in the industry expands, it may become necessary or desirable for us to expand our manufacturing vendors for services and products in the future, which may require us to invest significant amounts of capital and to obtain regulatory approvals. If manufacturers are unable to meet our rising demand for products and services on a timely basis or unable to maintain cGMP compliance standards, then it is likely that the progress of our own programs will be impaired which could materially and adversely affect the overall success of our development programs.

Components of therapeutic products approved for commercial sale or used in clinical trials must be manufactured in accordance with cGMPs. In addition, manufacturers of therapeutic products may be required to modify their manufacturing processes from time to time in response to regulatory requests.

We will need to improve manufacturing efficiency at our contract manufacturers in order to establish cost of goods levels that will permit approved products to succeed commercially.

CMOs cannot provide assurances that they will be able to develop process enhancements that are acceptable to regulators or other comparable regulatory authorities, on a timely basis, on commercially reasonable terms, or at all, or that any expected improvement in profitability will be realized. If they are unsuccessful in their efforts to develop necessary improvements, we may be unable to develop commercially viable products, which would impair our ability to continue our operations.

We will rely on third parties to manufacture our clinical product supplies, and we may rely on third parties to produce and process our products, if approved.

We have no internal capacity to manufacture our development product candidates and have no assurance that we will continue to have access to manufacturers in our industry that can effectively make our development products or make them at an affordable, salable or otherwise commercially reasonable price or quantity.

We do not currently own any facility that may be used as a clinical scale manufacturing facility and expect to rely on outside vendors to manufacture supplies of our product candidates. We will need to negotiate and maintain contractual arrangements with these outside vendors for the supply of our product candidates, and we may not be able to do so on favorable terms. We have not yet caused any product candidates to be manufactured on a commercial scale and may not be able to do so for any of our product candidates.

The facilities used by our contract manufacturers to manufacture our products or future products must be approved by the FDA or other foreign regulatory authorities following inspections that will be conducted after we submit an application to the FDA or other foreign regulatory authorities. We may not control the manufacturing process of, and may be completely dependent on, our contract manufacturing partners for compliance with cGMPs and any other regulatory requirements of the FDA or other regulatory authorities for the manufacture of our product candidates. Beyond periodic audits and contractual arrangements, we have no control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA or a comparable foreign regulatory authority does not approve these facilities for the manufacture of our product candidates or products or if it withdraws any approval in the future, we may need to find alternative manufacturing facilities, which would require the incurrence of significant additional costs and significantly impact our ability to develop, obtain regulatory approval for or market our product candidates, if approved. Similarly, if any third-party manufacturers on which we will rely fail to manufacture quantities of our product candidates or products at quality levels necessary to meet regulatory requirements and at a scale sufficient to meet anticipated demand at a cost that allows us to achieve profitability, our business, financial condition and prospects could be materially and adversely affected.

RISKS RELATED TO SALES, MARKETING, AND COMPETITION

We currently have no marketing and sales organization and have no experience in marketing products. If we are unable to establish marketing and sales capabilities or enter into agreements with third parties to market and sell our product candidates, if approved, we may not be able to generate product revenue.

We currently have no sales, marketing or distribution capabilities and have no experience in marketing products. We intend to develop an in-house marketing organization and sales force in the future, which will require significant capital expenditure, management resources and time. We will have to compete with other pharmaceutical and biotechnology companies to recruit, hire, train and retain marketing and sales personnel.

If we are unable or decide not to establish internal sales, marketing and distribution capabilities, we will pursue arrangements with third-party sales, marketing, and distribution collaborators regarding the sales and marketing of our products, if approved. However, there can be no assurance that we will be able to establish or maintain such arrangements on favorable terms or if at all, or if we are able to do so, that these third-party arrangements will provide effective sales forces or marketing and distribution capabilities. Any revenue we receive will depend upon the efforts of such third parties, which may not be successful. We may have little or no control over the marketing and sales efforts of such third parties and our revenue from product sales may be lower than if we had commercialized our product candidates ourselves. We also face competition in our search for third parties to assist with the sales and marketing efforts of our product candidates.

There can be no assurance that we will be able to develop in-house sales and distribution capabilities or establish or maintain relationships with third-party collaborators to commercialize any product in the United States or overseas.

A variety of risks associated with marketing our product candidates internationally could materially adversely affect our business.

We and our partners plan to seek regulatory approval of one or more of our product candidates outside of the United States and, accordingly, we expect that we will be subject to additional risks related to operating in foreign countries if we obtain the necessary approvals, including but not limited to:

- differing regulatory requirements in foreign countries;
- unexpected changes in tariffs, trade barriers, price and exchange controls and other regulatory requirements;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- foreign taxes, including withholding of payroll taxes;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenue, and other obligations incident to doing business in another country;
- difficulties staffing and managing foreign operations;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- potential liability under the Foreign Corrupt Practices Act of 1977 or comparable foreign regulations;
- challenges enforcing our contractual and intellectual property rights, especially in those foreign countries that do not respect and protect intellectual property rights to the same extent as the United States;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism.

These and other risks associated with international operations may materially adversely affect our ability to attain or maintain profitable operations.

Even if we obtain regulatory approval of our product candidates, our products may not gain market acceptance among physicians, patients, hospitals, cancer treatment centers and others in the medical community.

Various factors will influence whether our product candidates are accepted in the market, including:

- the clinical indications for which our product candidates are approved;
- physicians, hospitals, cancer treatment centers and patients considering our product candidates as a safe and effective treatment;
- the potential and perceived advantages and risks of our product candidates over alternative treatments;
- our ability to demonstrate the advantages of our product candidates over other cancer medicines;
- the prevalence and severity of any side effects;
- product labeling or product insert requirements of the FDA or other regulatory authorities;
- the timing of market introduction of our product candidates as well as competitive products;

- the cost of treatment in relation to alternative treatments;
- the availability of adequate coverage, reimbursement and pricing by third-party payors and governmental authorities;
- the willingness of patients to pay out-of-pocket in the absence of coverage by third-party payors and governmental authorities;
- the relative convenience and ease of administration, including as compared to alternative treatments and competitive therapies; and
- the effectiveness of our sales and marketing efforts.

If our product candidates are approved but fail to achieve market acceptance among physicians, patients, hospitals, cancer treatment centers or others in the medical community, we will not be able to generate significant revenue.

In addition, although our product candidates differ in certain ways from other approaches, serious adverse events or deaths in other clinical trials involving precision medicines, even if not ultimately attributable to our products or product candidates, could result in increased government regulation, unfavorable public perception and publicity, potential regulatory delays in the testing or licensing of our product candidates, stricter labeling requirements for those product candidates that are licensed, and a decrease in demand for any such product candidates.

Even if our products achieve market acceptance, it may not be able to maintain that market acceptance over time if new products or technologies are introduced that are more favorably received than our products, are more cost effective or render our products obsolete.

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

The biotechnology and pharmaceutical industries utilize rapidly advancing technologies and are characterized by intense competition. While we believe that our scientific knowledge, technology and development expertise provide us with competitive advantages, we face potential competition from many different sources, including major pharmaceuticals, specialty pharmaceuticals and biotechnology companies, academic institutions and government agencies, and public and private research institutes that conduct research, development, manufacturing and commercialization. Many of our competitors have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, regulatory approvals and product marketing than we do. Our competitors may compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. As a result, our competitors may discover, develop, license or commercialize products before or more successfully than we do.

Product candidates that we successfully develop and commercialize may compete with existing therapies and new therapies that may become available in the future.

If our drug candidates are approved for the indications for which we are currently planning clinical trials, they will likely compete with existing drugs and other drugs that are currently in development. Key product features that would affect our ability to effectively compete with other therapeutics include the efficacy, safety and convenience of our products. Our competitors may obtain patent protection or other intellectual property rights that limit our ability to develop or commercialize our product candidates. The availability of reimbursement from government and other third-party payors will also significantly affect the pricing and competitiveness of our products. Our competitors may also obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for our products, which could result in our competitors establishing a strong market position before we are able to enter the market.

RISKS RELATED TO GOVERNMENT REGULATION

The development and commercialization of our product candidates are subject to extensive regulation by the FDA and other regulatory agencies in the United States and abroad, respectively, and the failure to receive regulatory approvals for our product candidates would likely have a material and adverse effect on our business and prospects.

Governmental authorities in the United States, at the federal, state and local level, and in other countries, extensively regulate, among other things, the research, development, testing, manufacture, including any manufacturing changes, packaging, storage, recordkeeping, labeling, advertising and promotion, distribution, marketing, import and export of pharmaceutical products, such as certepetide. The process of obtaining required regulatory approvals and the subsequent compliance with appropriate statutes and regulations requires the expenditure of substantial time and money, and there is no guarantee that we will successfully complete the steps needed to obtain regulatory approval of certepetide or any future

product candidates. There also are extensive and ongoing post-marketing compliance obligations to which we would be subject following FDA approval of any of our product candidates. In addition, these federal regulations may change, and our product candidates may be subject to new laws or regulations.

To date, we have neither applied for nor received regulatory approval to market any of our product candidates in any jurisdiction. If we seek approval of any of our product candidates, we will be required to submit to FDA and relevant other regulatory authorities, extensive non-clinical and clinical data supporting the safety and efficacy of such product candidates, as well as information about the manufacturing process and to undergo inspection of manufacturing facilities, among other things. The process of obtaining FDA and other regulatory approvals is expensive, typically takes many years and is subject to numerous risks and uncertainties. Changes in regulatory approval policies during the clinical research and development period, changes in or the enactment of additional statutes or regulations, or changes in regulatory review for each submitted product application, may cause delays in the approval or rejection of an application or may make it easier for our competitors to gain regulatory approval to enter the marketplace. Ultimately, the FDA and other regulatory agencies have substantial discretion in the approval/licensure process and may refuse to accept any application or may decide that our product candidate data are insufficient for approval without the submission of additional non-clinical, clinical or other time-consuming studies. In addition, varying agency interpretations of the data obtained from non-clinical and clinical testing could delay, limit or prevent regulatory approval of a product candidate. Any regulatory approval we ultimately obtain may be limited or subject to restrictions or post-approval commitments that render the approved product not commercially viable.

Any of the following factors, among others, could cause regulatory approval for our product candidates to be delayed, limited or denied:

- the product candidates require further clinical testing to demonstrate safety and effectiveness before applications for marketing approval can be submitted to the FDA and other regulatory authorities;
- data obtained from animal testing and other non-clinical testing and clinical trials can be interpreted in different ways, and regulatory authorities may not agree with our respective interpretations or may require us to conduct additional testing;
- negative or inconclusive results or the occurrence of serious or unexpected adverse events during a clinical trial could cause us to delay and/or terminate development efforts for a product candidate; and/or
- the FDA and other regulatory authorities may require expansion of the size and scope of the clinical trials.

Any difficulties or failures that we encounter in securing regulatory approval for our product candidates would likely have a substantial adverse impact on our ability to generate product sales and could make any search for a collaborative partner more difficult.

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

Any regulatory approvals that we receive for our product candidates will require surveillance to monitor the safety and efficacy of the product. The FDA may also require a REMS in order to approve a product candidate, which could entail requirements for a medication guide, physician communication plans or additional elements to ensure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. In addition, if the FDA or a comparable foreign regulatory authority approves our 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 applicable cGMP, GLP and GCP requirements. Later discovery of previously unknown problems with our product candidates, including adverse events of unanticipated severity or frequency, or with our third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other things:

- restrictions on the marketing or manufacturing of our products, withdrawal of the product from the market or voluntary or mandatory product recalls;
- manufacturing delays and supply disruptions where regulatory inspections identify observations of noncompliance requiring remediation;
- revisions to the labeling, including limitation on approved uses or the addition of warnings, contraindications or other safety information, including boxed warnings;

- imposition of a REMS, which may include distribution or use restrictions;
- requirements to conduct additional post-market clinical trials to assess the safety of the product;
- fines, warning letters or holds on clinical trials or product distribution and sale;
- refusal by the FDA or other regulatory authorities to approve pending applications or supplements to approved applications filed by us or suspension or revocation of approvals;
- product seizure or detention, or refusal to permit the import or export of our product candidates; and
- injunctions or the imposition of civil or criminal penalties.

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

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

If any of our product candidates are approved and we are found to have improperly promoted off-label uses of those products, we may become subject to significant liability. The FDA and other regulatory agencies strictly regulate the promotional claims that may be made about prescription products. In particular, while the FDA permits the dissemination of truthful and non-misleading information about an approved product, a manufacturer may not promote a product for uses that are not approved by the FDA or other regulatory agencies as reflected in the product's approved labeling. If we are found to have promoted such off-label uses, we may become subject to significant liability. The federal government has levied large civil and criminal fines against companies for alleged improper promotion of off-label use and has enjoined several companies from engaging in off-label promotion. The DOJ and FDA have also requested that companies enter into consent decrees, corporate integrity agreements or permanent injunctions under which specified promotional conduct must be changed or curtailed. If we cannot successfully manage the promotion of our product candidates, if approved, we could become subject to significant liability, which would materially adversely affect our business and financial condition.

We may be unsuccessful in our efforts to comply with applicable federal, state and international laws and regulations, which could result in government enforcement actions or impact our ability to secure regulatory approval of our product candidates.

Although we seek to conduct our business in compliance with applicable laws and regulations, these laws and regulations are exceedingly complex and often subject to varying interpretations. The biopharmaceutical industry is a topic of significant government interest, and thus the laws and regulations applicable to our business are subject to frequent change and/or reinterpretation. As such, there can be no assurance that we will be able, or will have the resources, to maintain compliance with all applicable biopharmaceutical and healthcare laws and regulations. Failure to comply with such biopharmaceutical and healthcare laws and regulations could result in significant enforcement actions, civil or criminal penalties, which along with the costs associated with such compliance or with enforcement of such biopharmaceutical and healthcare laws and regulations, may have a material adverse effect on our operations or may require restructuring of our operations or impair our ability to operate profitably.

cGMP regulations govern the manufacture, processing, packaging and holding of biopharmaceutical products. Any third-party manufacturers that prepare our products must comply with cGMP requirements including quality control, quality assurance and the maintenance of relevant records and documentation. They may be unable to comply with these cGMP requirements and with other national regulators and state and local regulatory requirements. These requirements may change over time and we or third-party manufacturers may be unable to comply with the revised requirements.

We may be subject to numerous and varying privacy and security laws, and our failure to comply could result in penalties and reputational damage.

We are subject to laws and regulations covering data privacy and the protection of personal information including health information. The legislative and regulatory landscape for privacy and data protection continues to evolve, and there has been an increasing focus on privacy and data protection issues which may affect our business. In the United States, we may be subject to state security breach notification laws, state health information privacy laws and federal and state consumer protections laws which impose requirements for the collection, use, disclosure, and transmission of personal information. If we fail to comply

with applicable laws and regulations, we could be subject to penalties or sanctions, including criminal penalties if we knowingly obtain individually identifiable health information from a covered entity in a manner that is not authorized or permitted by HIPAA or for aiding and abetting the violation of HIPAA. In addition, as various states, such as California, Virginia, Colorado, Connecticut, and Utah implement their own privacy laws and regulations, the interplay of federal and state laws may be subject to varying interpretations by courts and government agencies, which may create complex compliance issues for us and potentially expose us to additional expense, adverse publicity and liability. Further, as regulatory focus on privacy issues continues to increase and laws and regulations concerning the protection of personal information expand and become more complex, these potential risks to our business could intensify.

Numerous other countries have, or are developing, laws governing the collection, use and transmission of personal information as well. EU member states and other jurisdictions have adopted data protection laws and regulations, which impose significant compliance obligations. In May 2016, the European Union formally adopted the General Data Protection Regulation ("GDPR"), which applies to all EU member states from May 25, 2018, and replaced the EU Data Protection Directive. The regulation introduced stringent new data protection requirements in the European Union and substantial fines for breaches of the data protection rules. It has increased our responsibility and liability in relation to personal data that we process, and we may be required to put in place additional mechanisms ensuring compliance with the new EU data protection rules. The GDPR is a complex law and the regulatory guidance is still evolving, including with respect to how the GDPR should be applied in the context of clinical studies. Furthermore, many of the countries within the European Union are still in the process of drafting supplementary data protection legislation in key fields where the GDPR allows for national variation, including the fields of clinical study and other health-related information. These variations in the law may raise our costs of compliance and result in greater legal risks.

Our employees, independent contractors, consultants, commercial partners, and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk of fraud or other illegal activity by our employees, independent contractors, consultants, commercial partners and vendors. Misconduct by these parties could include intentional, reckless and/or negligent conduct that fails to: a) comply with the regulations of the FDA and foreign regulatory authorities, provide true, complete and accurate information to the FDA and foreign regulatory authorities, b) comply with manufacturing standards we have established, c) comply with healthcare fraud and abuse laws in the United States and similar foreign fraudulent misconduct laws, or d) report financial information or data accurately or to disclose unauthorized activities to us. If we obtain FDA approval of any of our product candidates and begin commercializing those products, our potential exposure under such laws and regulations will increase significantly, and our costs associated with compliance with such laws and regulations are also likely to increase. These laws may impact, among other things, our current activities with principal investigators and research patients, as well as proposed and future sales, marketing, and education programs. In particular, the promotion, sales and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws designed to prevent fraud, kickbacks, self-dealing, and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, structuring and commission(s), certain customer incentive programs and other business arrangements generally. Activities subject to these laws also involve the improper use of information obtained in the course of patient recruitment for clinical trials. The laws that may affect our ability to operate include, but are not limited to:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons from knowingly and willfully soliciting, receiving, offering or paying any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, either the referral of an individual, or the purchase, lease, order or recommendation 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 the Medicare and Medicaid programs. 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. Violations are subject to civil and criminal fines and penalties for each violation, plus up to three times the remuneration involved, imprisonment, and exclusion from government healthcare programs. In addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the Federal False Claims Act. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution;

- federal civil and criminal false claims laws and civil monetary penalty laws, including the Federal False Claims Act (the "FCA"), which impose criminal and civil penalties, including through civil "qui tam" or "whistleblower" actions, against individuals or entities for, among other things, knowingly presenting, or causing to be presented, claims for payment or approval from Medicare, Medicaid, or other federal healthcare programs that are false or fraudulent; knowingly making or causing a false statement material to a false or fraudulent claim or an obligation to pay money to the federal government; or knowingly concealing or knowingly and improperly avoiding or decreasing such an

obligation. Manufacturers can be held liable under the FCA even when they do not submit claims directly to government payors if they are deemed to "cause" the submission of false or fraudulent claims. The FCA also permits a private individual acting as a "whistleblower" to bring actions on behalf of the federal government alleging violations of the FCA and to share in any monetary recovery. When an entity is determined to have violated the Federal False Claims Act, the government may impose civil fines and penalties for each false claim, plus treble damages, and exclude the entity from participation in Medicare, Medicaid and other federal healthcare programs;

- HIPAA, which created new federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e.g., public or private) and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false statements in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters. Similar to the federal Anti-Kickback Statute, a person or entity can be found guilty of violating HIPAA without actual knowledge of the statute or specific intent to violate it;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH, and their respective implementing regulations, which impose requirements on certain covered healthcare providers, health plans, and healthcare clearinghouses as well as their respective business associates that perform services for them that involve the use, or disclosure of, individually identifiable health information, relating to the privacy, security and transmission of individually identifiable health information without appropriate authorization. HITECH also created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates, and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce the federal HIPAA laws and seek attorneys' fees and costs associated with pursuing federal civil actions;
- the federal Physician Payment Sunshine Act, created under the ACA and its implementing regulations, which require manufacturers of drugs, devices, biologicals 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 CMS information related to payments or other transfers of value made to physicians (defined to include doctors, dentists, optometrists, podiatrists, chiropractors and certain non-physician advanced practice practitioners) and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members;
- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers; and
- analogous state and foreign laws and regulations, such as state and foreign anti-kickback, false claims, consumer protection and unfair competition laws which may apply to pharmaceutical business practices, including but not limited to, research, distribution, sales and marketing arrangements as well as submitting claims involving healthcare items or services reimbursed by any third-party payor, including commercial insurers; state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government that otherwise restricts payments that may be made to healthcare providers and other potential referral sources; state laws that require drug manufacturers to file reports with states regarding pricing and marketing information, such as the tracking and reporting of gifts, compensations and other remuneration and items of value provided to healthcare professionals and entities; state and local laws requiring the registration of pharmaceutical sales representatives; and state and foreign laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

We have adopted a code of business conduct and ethics, but it is not always possible to identify and deter employee misconduct, and the precautions we take to detect and prevent inappropriate conduct may not be effective in controlling unknown or unmanaged risks or losses or in protecting it from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations.

Efforts to ensure that our business arrangements with third parties will comply with applicable healthcare laws and regulations will involve substantial costs. Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available, it is possible that some of our business activities could be subject to challenge under one or more of such laws. It is possible that governmental authorities will conclude that our business practices, or those of our partners or critical contractors, 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 criminal, civil and administrative sanctions

including monetary penalties, damages, fines, disgorgement, individual imprisonment, and exclusion from participation in government funded healthcare programs, such as Medicare and Medicaid, additional reporting requirements and oversight if it becomes subject to a corporate integrity agreement or similar agreement to resolve allegations of noncompliance with these laws, contractual damages, reputational harm, diminished profits and future earnings, and it may be required to curtail or restructure our operations, any of which could adversely affect our ability to operate our business and our results of operations.

Any action against us for violation of these laws, even if we successfully defend against them, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business. The shifting compliance environment and the need to build and maintain robust and expandable systems to comply with multiple jurisdictions with different compliance and/or reporting requirements increases the possibility that a healthcare company may run afoul of one or more of the requirements.

Moreover, agreements with physicians often must be the subject of prior notification and approval by the physician's employer, his or her competent professional organization.

Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment.

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

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

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

Healthcare companies have been the subject of federal and state investigations, and we could become subject to such investigations in the future.

Both federal and state government agencies have heightened civil and criminal enforcement efforts. There are numerous ongoing investigations of healthcare companies, including drug, biologic and medical device companies, as well as their executives and managers. In addition, amendments to the Federal False Claims Act, including under healthcare reform, have made it easier for private parties to bring "*qui tam*" (whistleblower) lawsuits against companies under which the whistleblower may be entitled to receive a percentage of any money paid to the government. The Federal False Claims Act provides, in part, that an action can be brought against any person or entity that has knowingly presented, or caused to be presented, a false or fraudulent request for payment from the federal government, or who has made a false statement or used a false record to get a claim approved. The government has taken the position that claims presented in violation of the federal anti-kickback law or other healthcare-related laws, including laws enforced by the FDA, may be considered a violation of the Federal False Claims Act. Penalties include substantial fines for each false claim, plus three times the amount of damages that the federal government sustained because of the act of that person or entity and/or exclusion from the Medicare program. In addition, a majority of states have adopted similar state whistleblower and false claims provisions.

We are not aware of any government investigations involving any of our facilities or management. While we believe that we are in material compliance with applicable governmental healthcare laws and regulations, any future investigations of our business or executives could cause us to incur substantial costs, and result in significant liabilities or penalties, as well as damage to our reputation.

It is uncertain to what extent government, private health insurers, and third-party payors will approve coverage or provide reimbursement for the therapies and products to which our research and development relate. Availability for such reimbursement may be further limited by an increasing uninsured population and reductions in Medicare and Medicaid funding in the United States.

To the extent that healthcare providers cannot obtain coverage or reimbursement for our therapies and products, they may elect not to provide such therapies and products to their patients and, thus, may not need our services. Further, as cost containment pressures are increasing in the healthcare industry, government and private payors may adopt strategies designed to limit the amount of reimbursement paid to healthcare providers.

Similarly, the trend toward managed healthcare and bundled pricing for healthcare services in the United States, could significantly influence the purchase of healthcare services and products, resulting in lower prices and reduced demand for our therapeutic products under development.

We may receive a portion of our revenues from services rendered to patients enrolled in federal healthcare programs, such as Medicare, and we may also directly or indirectly receive revenues from federal healthcare programs. Federal healthcare programs are subject to changes in coverage and reimbursement rules and procedures, including retroactive rate adjustments. These contingencies could materially decrease the range of services covered by such programs or the reimbursement rates paid directly or indirectly for our products and services. To the extent that any healthcare reform favors the reimbursement of other therapies over our therapeutic products under development, such reform could affect our ability to sell any products for which we are able to obtain regulatory approval, which may have a material adverse effect on our revenues.

The limitation on reimbursement available from private and government payors may reduce the demand for, or the price of, our services, which could have a material adverse effect on our revenues. Additional legislation or regulation relating to the healthcare industry or third-party coverage and reimbursement may be enacted in the future which could adversely affect the revenues generated from the sale of our products and services.

Furthermore, overall funding for Medicare and Medicaid remains unpredictable and at the discretion of the U.S. government. Also, there remain a large number of people who do not have any form of healthcare coverage and who are not eligible for or enrolled in Medicare, Medicaid or other governmental programs. The extent to which any future healthcare reform may be successful in reducing the number of such uninsured is unclear, and the reduced funding of governmental programs and increase in uninsured populations could have a negative impact on the demand for our products and services that may be reimbursed by government and private payors.

There is also significant uncertainty related to the insurance coverage and reimbursement of newly approved products and coverage may be more limited than the purposes for which the medicine is approved by the FDA or comparable foreign regulatory authorities. In the United States, the principal decisions about reimbursement for new medicines are typically made by CMS, an agency within the U.S. Department of Health and Human Services (“HHS”). CMS decides whether and to what extent a new medicine will be covered and reimbursed under Medicare and private payors tend to follow CMS to a substantial degree. No uniform policy of coverage and reimbursement for products exists among third-party payors and coverage and reimbursement levels 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 may 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. It is difficult to predict what CMS will decide with respect to reimbursement for fundamentally novel products such as ours. Reimbursement agencies in Europe may be more conservative than CMS. For example, a number of cancer drugs have been approved for reimbursement in the United States and have not been approved for reimbursement in certain European countries. Moreover, eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale, and distribution. Interim reimbursement levels for new drugs, if applicable, may also not be sufficient to cover our costs and may not be made permanent. Reimbursement rates may vary according to the use of the drug and the clinical setting in which it is used, may be based on reimbursement levels already set for lower cost drugs and may be incorporated into existing payments for other services. Our inability to promptly obtain coverage and profitable payment rates from both government-funded and private payors for any approved products we may develop could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize product candidates, and our overall financial condition.

Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future relaxation of laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the United States. Our inability to promptly obtain coverage and profitable reimbursement rates third-party payors for any approved products that we develop could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize products and our overall financial condition.

Increasingly, third-party payors are requiring that drug companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products. We cannot be sure that reimbursement will be available for any product candidate that we are eventually able to commercialize and, if reimbursement is available, the level of reimbursement. Reimbursement may impact the demand for, or the price of, any product candidate for which we obtain marketing approval. In order to obtain reimbursement, physicians may need to show that patients have superior treatment outcomes with our products compared to standard-of-care drugs, including lower-priced generic versions of standard-of-care drugs. We expect to experience pricing pressures in connection with the sale of any of our product candidates 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, particularly prescription drugs and surgical procedures and other treatments, has become very intense. As a result, increasingly high barriers are being erected to the entry of new products.

Additionally, we and/or our collaborators may develop companion diagnostic tests for use with our product candidates. We, or our collaborators, may be required to obtain coverage and reimbursement for these tests separate and apart from the coverage and reimbursement we seek for our product candidates, once approved. Even if we obtain regulatory approval or clearance for such companion diagnostics, there is significant uncertainty regarding our ability to obtain coverage and adequate reimbursement for the same reasons applicable to our product candidates. Medicare reimbursement methodologies, whether under Part A, Part B, or clinical laboratory fee schedule may be amended from time to time, and we cannot predict what effect any change to these methodologies would have on any product candidate or companion diagnostic for which we or our collaborators receive approval. Our inability to promptly obtain coverage and adequate reimbursement from both third-party payors for the companion diagnostic tests that we develop and for which we or our collaborators obtain regulatory approval could have a material and adverse effect on our business, financial condition, results of operations and prospects.

Legislation and legislative and regulatory proposals intended to contain healthcare costs may adversely affect our business.

The containment of healthcare costs has become a priority of federal and state governments and the prices of drug products have been a focus of this effort. For example, there have been several recent U.S. Congressional inquiries and proposed bills designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. We expect that federal, state and local governments in the United States will continue to consider legislation directed at lowering the total cost of healthcare and prescription drugs. Individual U.S. states have increasingly passed legislation and implemented 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. In December 2020, the U.S. Supreme Court held unanimously that federal law does not preempt the states' ability to regulate PBMs and other members of the healthcare and pharmaceutical supply chain, an important decision that has led to more aggressive efforts by states in this area.

The U.S. Congress is currently considering numerous PBM reforms including diverse legislative proposals such as eliminating rebates; divorcing service fees from the price of a drug, discount, or rebate; prohibiting spread pricing; limiting administrative fees; requiring PBMs to report formulary placement rationale; promoting transparency. The Federal Trade Commission in mid-2022 also launched sweeping investigations into the practices of the PBM industry that could lead to additional federal and state legislative or regulatory proposals targeting such entities' operations, pharmacy networks, or financial arrangements. Significant efforts to change the PBM industry as it currently exists in the United States may affect the entire pharmaceutical supply chain and the business of other stakeholders, including medical product developers like us.

On August 16, 2022, President Biden signed into the law the Inflation Reduction Act ("IRA"). Among other things, the IRA has multiple provisions that may impact the prices of drug products that are both sold into the Medicare program and throughout the U.S. For example, under the IRA, a manufacturer of drugs or biological products covered by Medicare Parts B or D must pay a rebate to the federal government if their drug product's price increases faster than the rate of inflation. This calculation is made on a drug product by drug product basis and the amount of the rebate owed to the federal government is directly dependent on the volume of a drug product that is paid for by Medicare Parts B or D. Additionally, CMS will negotiate drug prices annually for a select number of single source Part D drugs without generic or biosimilar competition, and starting for payment year 2028, CMS will begin negotiating drug prices for a select number of Part B drugs. If a drug product is selected by CMS for negotiation, it is expected that the revenue generated from such drug will decrease. CMS has begun to implement these new authorities announcing the first round of negotiated prices for the first 10 drug products in August 2024, which will become applicable for payment year 2026. The second round of negotiated prices for 15 drug products was announced in November 2025. Ultimately, the IRA's impact on the biopharmaceutical industry in the United States remains uncertain, in part because of multiple ongoing lawsuits against CMS brought by large pharmaceutical companies and other stakeholders (e.g., the U.S. Chamber of Commerce).

It is uncertain whether and how future legislation or regulatory changes could affect prospects for our product candidates or what actions third-party payors may take in response to any such healthcare reform proposals or legislation. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures reforms, may prevent or limit our ability, or the ability of a commercial collaborator, to commercialize any of our future products that receive marketing approval as well as our ability to generate revenue and attain profitability.

Governments outside the United States tend to impose strict price controls, which may adversely affect our revenues, if any.

In some countries, particularly the member states of the European Union, the pricing of prescription pharmaceuticals is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a product. In addition, there can be considerable pressure from governments and other stakeholders on prices and reimbursement levels, including as part of cost containment measures. Political, economic and regulatory developments may further complicate pricing negotiations, and pricing negotiations may continue after reimbursement has been obtained. Reference pricing used by various EU member states and parallel distribution, or arbitrage between low-priced and high-priced member states, can further reduce prices. In some countries where we may seek to market our product candidates in the future, we may be required to conduct a clinical trial or other studies that compare the cost-effectiveness of our product candidate to other available therapies in order to obtain or maintain reimbursement or pricing approval. Publication of discounts by third-party payors or authorities may lead to further pressure on prices or reimbursement levels within the country of publication and other countries. If reimbursement of our products is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, our business could be adversely affected.

Inadequate funding for the FDA, the SEC and other government agencies could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which our operations may rely, including those that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable.

Future legislative and regulatory proposals may materially impact the ability of the FDA and other regulatory agencies to operate as they have historically operated. We cannot be sure whether additional legislative changes or executive orders will be enacted, or whether any of the FDA's regulations, guidances or interpretations will be changed, or what the impact of such changes on the agency and its scientific review staff, if any, may be. For example, the FDA has experienced significant and rapid fluctuations in leadership and scientific review personnel, which may be key contributing factors in multiple reported delays in agency decision making on marketing applications and agency requests for additional data that are inconsistent with prior regulatory feedback. In addition, the next FDA user fee reauthorization package entered the stakeholder negotiation phase in mid-2025, and any agreement will be sent to Congress in early 2027 for purposes of initiating the legislative process. Reauthorization of the prescription drug user fee program would need to be finalized by Congress by the end of September 2027 in order to avoid a disruption in FDA's performance goals for activities supported by user fees assessed against industry.

In addition, disruptions at the FDA and other agencies may also slow the time necessary for new drugs to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. For example, political disputes in Congress may result in a shutdown of the U.S. government, and in such cases certain regulatory agencies, such as the FDA and the SEC, would have to furlough employees and stop critical activities during that period. Moreover, government shutdowns or slowdowns can increase the time needed for an agency to complete its review or make final approvals or other administrative decisions. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Further, future government shutdowns could impact our ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations.

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

We plan to seek regulatory approval of our product candidates outside of the United States and, accordingly, we expect that we, and any potential collaborators in those jurisdictions, will be subject to additional risks related to operating in foreign countries, including:

- differing regulatory requirements in foreign countries;
- differing coverage and reimbursement requirements in foreign countries;

- unexpected changes in tariffs, trade barriers, price and exchange controls, and other regulatory requirements;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- compliance with tax, employment, immigration, and labor laws for employees living or traveling abroad;
- foreign taxes, including withholding of payroll taxes;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenue, and other obligations incident to doing business in another country;
- difficulties staffing and managing foreign operations;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- potential liability under the Foreign Corrupt Practices Act of 1977 or comparable foreign laws, such as the U.K. Anti-Bribery Act;
- challenges enforcing our contractual and intellectual property rights, especially in those foreign countries that do not respect and protect intellectual property rights to the same extent as the United States;
- the continued threat of terrorism and the impact of military and other action, including military actions involving Russia and Ukraine, and others;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad, including as a result of pandemics or possible military actions and conflicts around the world; and
- business interruptions resulting from geo-political actions, including war and terrorism.

These and other risks associated with our planned international operations may materially adversely affect our ability to attain or maintain profitable operations.

RISKS RELATED TO OUR INTELLECTUAL PROPERTY

We may be unable to obtain or maintain patent protection for our products and product candidates, which could have a material adverse effect on our business.

Our commercial success will depend, in part, on obtaining and maintaining patent protection for new technologies, product candidates, products and processes and successfully defending such patents against third-party challenges. To that end, we have filed patent applications and maintain issued patents intended to cover certain methods, uses and compositions relating to our products and product candidates. These patent applications may never result in the issuance of patents.

The patent positions in the pharmaceutical industry can be highly uncertain and involve complex legal, scientific and factual questions and recent court decisions have introduced significant uncertainty regarding the strength of patents in the industry. Moreover, the legal systems of some foreign countries do not favor the aggressive enforcement of patents and may not protect our intellectual property rights to the same extent as the laws of the United States. Any of the issued patents we own or license may be challenged by third parties and held to be invalid, unenforceable or with a narrower or different scope of coverage than what we currently believe, effectively reducing or eliminating protection we believed we had against competitors with similar products or technologies. If we ultimately engage in and lose any such patent disputes, we could be subject to competition and/or significant liabilities, we could be required to enter into third-party licenses or we could be required to cease using the disputed technology or product. In addition, even if such licenses are available, the terms of any license requested by a third party could be unacceptable or unaffordable to us.

Product development and approval timelines in the biotechnology industry are very lengthy. As such, it is possible that any patents that may cover an approved product may have expired at the time of commercialization or only have a short remaining period of exclusivity, thereby reducing the commercial advantages of the patent. In such case, we would then rely solely on other forms of exclusivity, such as regulatory exclusivity provided by the FD&C Act, which may provide less protection to our competitive position.

Litigation relating to intellectual property is expensive, time-consuming and uncertain, and we may be unsuccessful in our efforts to protect against infringement by third parties or defend ourselves against claims of infringement.

To protect our intellectual property, we may initiate litigation or other proceedings. In general, intellectual property litigation is costly, time-consuming, diverts the attention of management and technical personnel and could result in substantial uncertainty regarding our future viability, even if we ultimately prevail. Some of our competitors may be able to sustain the

costs of such litigation or other proceedings more effectively than we can because of their substantially greater financial resources. The loss or narrowing of our intellectual property protection, the inability to secure or enforce our intellectual property rights or a finding that we have infringed the intellectual property rights of a third party could limit our ability to develop or market our products and services in the future or adversely affect our revenues. Furthermore, any public announcements related to such litigation or regulatory proceedings could adversely affect the price of our common stock.

Third parties may allege that the research, development and commercialization activities we conduct infringe patents or other proprietary rights owned by such parties. While we do not believe any of our current activities infringe the rights of others, we have not conducted an exhaustive search or analysis of third-party patent rights to determine whether our pre-clinical or clinical research and development or activities may infringe or be alleged to infringe any third-party patent rights. If we are found to have infringed the patents of a third party, we may be required to pay substantial damages; we also may be required to seek from such party a license, which may not be available on acceptable terms, if at all, to continue our activities. A judicial finding or infringement or the failure to obtain necessary licenses could prevent us from commercializing our products, which would have a material adverse effect on our business, operating results and financial condition.

If we are unable to maintain our licenses, patents or other intellectual property we could lose important protections that are material to continuing our operations and our future prospects.

To obtain and maintain patent protection and licensing rights under certain of our license agreement, we must, among other things, ensure the timely payment of all applicable filing and maintenance fees. Any failure to do so could result in the loss of some or all of our rights to proprietary technology or the inability to secure or enforce intellectual property protection.

Additionally, our license agreements require us to meet certain diligence obligations in the development of the licensed products. Our failure to meet these diligence obligations could result in the loss of some or all of our rights, which could materially and adversely affect our business and future prospects.

On December 1, 2015, Cend entered into an Exclusive License Agreement (the "SBP License Agreement") with the Sanford Burnham Prebys Medical Discovery Institute ("SBP"), a California not-for-profit, public benefit corporation based in San Diego, California. Pursuant to the SBP License Agreement, which we assumed in connection with the Merger, SBP licensed to Cend the exclusive right to use certain patents to further Cend's research and development efforts relating to certepetide. Because we do not have the right to control the preparation, filing and prosecution of all of the patent applications, or to maintain the patents, covering certepetide, we cannot be certain that these patents and applications will be prosecuted, maintained and enforced in a manner consistent with the best interests of our business. If our licensors fail to maintain such patents, or lose rights to those patents or patent applications, the rights we have licensed may be reduced or eliminated and our right to develop and commercialize any products that are the subject of such licensed rights could be adversely affected. In addition to the foregoing, the risks associated with patent rights that we license from third parties will also apply to patent rights it may own in the future.

Further, pursuant to our license agreements, we may be held responsible for bringing actions against infringers. Certain of our license agreements could also require us to meet development thresholds to maintain the license, including establishing a set timeline for developing and commercializing products and minimum yearly diligence obligations in developing and commercializing the product. Disputes may also arise regarding intellectual property subject to a licensing agreement.

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 product candidates.

If we fail to comply with our obligations under these license agreements, or we are subject to a bankruptcy, the licensor may have the right to terminate the license, in which event we would not be able to market products covered by the license.

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

Our success depends on our ability to obtain and maintain patent protection in the United States and other countries with respect to proprietary product candidates and manufacturing technology. Our licensors have sought and we intend to seek to protect proprietary position by filing patent applications in the United States and abroad related to the novel technologies and product candidates that are vital to our business.

The patent prosecution process is expensive, time-consuming and complex, and we may not be able to file, prosecute, maintain, enforce or license all necessary or desirable patent applications at a reasonable cost or in a timely manner. For

example, in some cases, the work of certain academic researchers in the field of oncology could enter the public domain, which may compromise our ability to obtain patent protection for certain inventions related to or building upon such prior work. Consequently, we may not be able to obtain any such patent rights to prevent others from using our technology for, and developing and marketing competing products to treat, these indications. It is also possible that we will fail to identify patentable aspects of our research and development output prior to obtaining adequate patent protection.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has, in recent years, been the subject of much litigation. As a result, the issuance, scope, validity, enforceability and commercial value of patent rights remain highly uncertain. Any pending and future patent applications may not result in patents being issued which protect the related technology or product candidates or which effectively prevent others from commercializing competitive technologies and product candidates. Changes in either the patent laws or interpretation of the patent laws in the United States and other countries may diminish the value of patents or narrow the scope of patent protection.

We may not be aware of all third-party intellectual property rights potentially relating to our targeted product candidates. Publications of discoveries in the scientific literature often lag the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing or, in some cases, not at all. Therefore, we cannot be certain that we were the first to make the inventions claimed in any owned or any licensed patents or pending patent applications, or that it was the first to file for patent protection of such inventions.

Even if the patent applications we license or may own in the future do 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. Our competitors or other third parties may be able to circumvent key patents by developing similar or alternative technologies or products in a non-infringing manner.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, and key patents may be challenged in the courts or patent offices in the United States and abroad. Such challenges may result in loss of exclusivity or in patent claims being narrowed, invalidated or held unenforceable, which may impair our ability to stop others from using or commercializing similar or identical technology and products; or limit the duration of the patent protection of our technology and product candidates. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are 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.

Further, in the event we breach the terms of the SBP License Agreement, we could lose the ability to continue the development and potential commercialization of certepetide, and our operations and profitability will be significantly negatively impacted.

If we fail to comply with our obligations in any future agreements under which we may license intellectual property rights from third parties or otherwise experience disruptions to our business relationships with future licensors, we could lose license rights that are important to our business.

In the future, we may be party to license or collaboration agreements with third parties to advance our research or allow commercialization of product candidates. Such future agreements may impose numerous obligations, such as development, diligence, payment, commercialization, funding, milestone, royalty, sublicensing, insurance, patent prosecution, enforcement and other obligations on us and may require us to meet development timelines, or to exercise commercially reasonable efforts to develop and commercialize licensed products, in order to maintain the licenses. In spite of our best efforts, future licensors might conclude that we have materially breached future license agreements and might therefore terminate the license agreements, thereby removing or limiting our ability to develop and commercialize products and technologies covered by these license agreements.

Any termination of these licenses, or if the underlying patents fail to provide the intended exclusivity, could result in the loss of significant rights and could harm our ability to commercialize our product candidates, and competitors or other third parties would have the freedom to seek regulatory approval of, and to market, products identical to ours and it may be required to cease our development and commercialization of certain of our product candidates. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

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

- 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, misappropriate or otherwise violate intellectual property rights 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 our product candidates, and what activities satisfy those diligence obligations;
- the priority of invention of any patented technology; and
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our future licensors and us and our partners.

In addition, the agreements under which we may license intellectual property or technology from third parties in the future are likely to be complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement, either of which could have a material adverse effect on our business, financial condition, results of operations and prospects. Moreover, if disputes over intellectual property that we may license in the future prevent or impair our ability to maintain future licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates, which could have a material adverse effect on our business, financial conditions, results of operations and prospects.

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

We may discover that we need to obtain additional rights to the foundational IP associated with the product candidates we plan to develop, manufacture and market. If this occurs, we intend to license or purchase the rights to those candidates, which may or may not prove successful at all, or on acceptable terms. If our programs require the use of proprietary rights held by third parties, such as academic institutions, the growth of our business will critically depend on our ability to acquire, in-license or use these proprietary rights, which may not prove possible on acceptable terms. The licensing or acquisition of third-party intellectual property rights is a competitive area, and several more established companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive. These established companies may have a competitive advantage over us due to their size, capital resources and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. If we are unable to license or acquire third-party intellectual property rights on terms that would allow us to execute our business plan, your investment may be lost.

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

If we are unable to successfully obtain rights to required third-party intellectual property rights or maintain the existing intellectual property rights we have, we may be required to expend significant time and resources to redesign our product candidates, identify other candidates, or to develop or license replacement technology, none of which may be feasible on a technical or commercial basis, especially with our limited resources. If we are unable to do so, we may be unable to develop or commercialize the affected product candidates, which could critically harm our business.

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

Periodic maintenance fees, renewal fees, annuity fees and various other government fees on patents and/or 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 licensed patents and/or applications and any patent rights we may own in the future. We may rely on our outside counsel or licensing partners to pay these fees due to non-U.S. patent agencies. The USPTO and various non-U.S. government patent agencies require compliance with several procedural, documentary, fee payment and other similar provisions during the patent application process. We plan to employ reputable law firms and other professionals to help us comply, but we will also be dependent on our licensors to take the necessary action to comply with these requirements with respect to their licensed intellectual property. In many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance

with the applicable rules. There are situations, however, in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, potential competitors might be able to enter the market and this circumstance could irreparably harm 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.

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

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.

Presently we have two pending patent applications in the United States and thirteen pending patent applications outside the United States. Because additional product candidates may require the use of proprietary rights held by third parties, the growth of our business will likely depend in part on our ability to acquire, in-license or use these proprietary rights.

Our product candidates may also require specific formulations to work effectively and efficiently and these rights may be held by others. Similarly, efficient production or delivery of our product candidates may also require specific compositions or methods, and the rights to these may be owned by third parties. 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. We may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, if at all, which would harm our business. We may need to cease use of the compositions or methods covered by such third-party intellectual property rights and may need to seek to develop alternative approaches that do not infringe on such intellectual property rights which may entail additional costs and development delays, even if we are able to develop such alternatives, which may not be feasible. Even if we are able to obtain a license, it may be nonexclusive, thereby giving our competitors access to the same technologies licensed to it. In that event, we may be required to expend significant time and resources to develop or license replacement technology. Moreover, the molecules that will be used with our product candidates may be covered by the intellectual property rights of others.

Additionally, we sometimes collaborate with academic institutions to accelerate our clinical 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. Regardless of such option, we may be unable to negotiate a license within the specified timeframe or under terms that are acceptable to us. If we are unable to do so, the institution may offer the intellectual property rights to others, potentially blocking our ability to pursue our program and allowing third parties to compete with us. 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 such program and our business and financial condition could suffer.

There can be no assurance that we will be able to successfully complete such negotiations and ultimately acquire the rights to the intellectual property surrounding the additional product candidates that it may seek to acquire. 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 such program, and our business, results of operations, financial condition and prospects could suffer.

If we do not obtain patent term extension and data exclusivity for any of our current or future product candidates we may develop, our business may be materially harmed.

Depending upon the timing, duration and specifics of any FDA marketing approval of any of our current or future product candidates, one or more U.S. patents we may own or in-license in the future may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, or the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent term extension of up to five years as compensation for patent term lost during the FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval, only one patent may be extended and only those claims covering the approved drug, a method for using it, or a method for manufacturing it may be extended. However, we may not be granted an extension because

of, for example, failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents, or otherwise failing to satisfy applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. If we are unable to obtain patent term extension or the term of any such extension is shorter than what we request, our competitors may obtain approval of competing products following expiration of any patents that issue from our patent applications, and our business, financial condition, results of operations, and prospects could be materially harmed.

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

Our trademarks or trade names may be challenged, infringed, diluted, circumvented or declared generic or determined to be infringing on other marks. We intend to rely on both registration and common law protection for our trademarks. We may not be able to protect our rights to these trademarks and trade names or may be forced to stop using these names, which we need for name recognition by potential partners or customers in our markets of interest. During the trademark registration process, we may receive Office Actions from the USPTO objecting to the registration of our trademarks. Although we would be given an opportunity to respond to those objections, we may be unable to overcome such rejections. In addition, in the USPTO and in comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and/or to seek the cancellation of registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks, and our trademarks may not survive such proceedings. If we are unable to obtain a registered trademark or establish name recognition based on our trademarks and trade names, we may not be able to compete effectively and our business may be adversely affected.

If we are unable to protect the confidentiality of trade secrets, our competitive position could be impaired.

A significant amount of our technology, especially regarding manufacturing processes, is unpatented and is maintained as trade secrets and /or know-how. We expend significant energy, resources and know-how in an effort to protect these trade secrets and know-how, including through the use of confidentiality agreements. Even so, improper use or disclosure of our confidential information could occur, and in such case, adequate remedies may not exist. The disclosure of trade secrets and know-how could impair our competitive position. Although we require all of our employees, consultants, advisors and any third parties who have access to our proprietary know-how, information, or technology to enter into confidentiality agreements, trade secrets can be difficult to protect and we have limited the protection of trade secrets used by our collaborators and suppliers. We cannot be certain that we have or will obtain these agreements in all circumstances and cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary information.

Moreover, any of these parties might breach the agreements and intentionally or inadvertently disclose our trade secret information and we may not be able to obtain adequate remedies for such breaches. In addition, competitors may otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. Furthermore, the laws of some foreign countries do not protect proprietary rights and trade secrets to the same extent or in the same manner as the laws of the United States. As a result, we may encounter significant problems in protecting and defending our intellectual property both in the United States and abroad. If we are unable to prevent unauthorized material disclosure of our intellectual property to third parties, we will not be able to establish or maintain a competitive advantage in our market, which could materially adversely affect our business, financial condition, results of operations and future prospects.

Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. If we choose to go to court to stop a third party from using any of our trade secrets, we may incur substantial costs. These lawsuits may consume our time and other resources even if we are successful. For example, significant elements, including aspects of drug manufacturing processes, experiments to validate mechanisms and pharmacology, drug design, and related processes, are based on unpatented trade secrets that are not publicly disclosed. Although we take steps to protect our proprietary information and trade secrets, including through contractual means with our employees and consultants, third parties may independently develop substantially equivalent proprietary information and techniques or otherwise gain access to our trade secrets or disclose our technology. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us.

Thus, we may not be able to meaningfully protect our trade secrets. 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. These agreements provide that all confidential information concerning our business or financial affairs developed or made known to the individual or entity during the course of the party's relationship with us is to be kept confidential and not disclosed to third parties except in specific circumstances. In addition, we take other appropriate precautions, such as physical and technological security measures, to guard against misappropriation of our proprietary technology by third parties. In the case of employees, the agreements provide that all inventions conceived by

the individual, and which are related to our current or planned business or research and development or made during normal working hours, on our premises or using our equipment or proprietary information, are our exclusive property. Although we require all of our employees to assign their inventions 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.

In certain countries, patent holders may be required to grant compulsory licenses, which would likely have a significant and detrimental effect on any future revenues in such country.

Many countries, including some countries in Europe, have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, most countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may be limited to monetary relief and may be unable to enjoin infringement, which could materially diminish the value of the patent. Compulsory licensing of life-saving products is also becoming increasingly common in developing countries, either through direct legislation or international initiatives. Such compulsory licenses could be extended to our product candidates, which may limit our potential revenue opportunities, including with respect to any future revenues that may result from our product candidates.

Changes to U.S. patent law may have a material adverse effect on our intellectual property rights.

As is the case with other biopharmaceutical companies, our success is heavily dependent on intellectual property, particularly patents. Obtaining and enforcing patents in the biopharmaceutical industry involves both technological and legal complexity and is therefore costly, time consuming and inherently uncertain. Changes in either the patent laws or interpretation of the patent laws in the United States could increase the uncertainties and costs, and may diminish our ability to protect our inventions, 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 owned and any licensed patents. Patent reform legislation in the United States and other countries, including the Leahy-Smith America Invents Act (the Leahy-Smith Act), signed into law on September 16, 2011, could increase those uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents. In addition, the patent positions of companies in the development and commercialization of pharmaceuticals are particularly uncertain. The U.S. Supreme Court has ruled on several patent cases in recent years, either narrowing the scope of patent protection available in certain circumstances or weakening the rights of patent owners in certain situations. Depending on future actions by the U.S. Congress, the U.S. courts, the U.S. Patent and Trade Office (the "USPTO") and the relevant law-making bodies in other countries, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future.

Third-party claims of intellectual property infringement may prevent or delay our development and commercialization efforts.

Our commercial success depends in part on our avoiding infringement of the patents, trademarks and proprietary rights of third parties. There have been many lawsuits and other proceedings involving patent and other intellectual property rights in the biotechnology and pharmaceutical industries, including patent infringement lawsuits, interferences, oppositions, and reexamination proceedings before the USPTO and corresponding foreign patent offices and trademark violations. Numerous U.S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are developing products and services. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that our products and services may be subject to claims of infringement of the patent rights of third parties.

Third parties may assert that we are employing their proprietary technology without authorization. There may be third-party patents or patent applications with claims to devices, materials, formulations, methods of manufacture, or methods for treatment related to the use or manufacture of our products and services. We have conducted freedom to operate analyses with respect to only certain of our products and services, and therefore we do not know whether there are any third-party patents that would impair our ability to commercialize these products and services. We also cannot guarantee that any of our analyses are complete and thorough, nor can we be sure that we have identified each and every patent and pending application in the United States and abroad that is relevant or necessary to the commercialization of our products and services. Because patent applications can take many years to issue, there may be currently pending patent applications that may later result in issued patents that our products or services may inadvertently infringe upon.

In addition, third parties may obtain patents in the future and claim that use of our technologies infringes upon these patents. If any third-party patents were held by a court of competent jurisdiction to cover aspects of our products or services, the holders of any such patents may be able to block our ability to commercialize such products or services unless we obtained a license under the applicable patents, or until such patents expire or are finally determined to be invalid or unenforceable. Such a license may not be available on commercially reasonable terms or at all.

Parties making claims against us may obtain injunctive or other equitable relief, which could effectively block our ability to further develop and commercialize one or more of our products or services. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from our business. In the event of a successful claim of infringement against us, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, pay royalties, redesign our infringing products or obtain one or more licenses from third parties, which may be impossible or require substantial time and monetary expenditure.

RISKS RELATED TO OUR RELIANCE ON THIRD PARTIES

We may form or seek collaborations or strategic alliances or enter into additional licensing arrangements in the future, and we may not realize the benefits of such collaborations, alliances, or licensing arrangements.

We may form or seek strategic alliances, create joint ventures or collaborations, or enter into additional licensing arrangements with third parties that we believe will complement or augment our development and commercialization efforts with respect to our product candidates and any future product candidates that we may develop. Any of these relationships may require us to incur non-recurring and other charges, increase our near and long-term expenditures, issue securities that dilute our existing stockholders or disrupt our management and business.

In addition, we face significant competition in seeking appropriate strategic partners and the negotiation process is time-consuming and complex. Moreover, we may not be successful in our efforts to establish a strategic partnership or other alternative arrangements for our product candidates because they may be deemed to be at too early of a stage of development for collaborative effort and third parties may not view our product candidates as having the requisite potential to demonstrate safety, potency, purity and efficacy and obtain marketing approval.

Further, collaborations involving our product candidates are subject to numerous risks, which may include the following:

- collaborators have significant discretion in determining the efforts and resources that they will apply to a collaboration;
- collaborators may not pursue development and commercialization of our product candidates or may elect not to continue or renew development or commercialization of our product candidates based on clinical trial results, changes in their strategic focus due to the acquisition of competitive products, availability of funding or other external factors, such as a business combination that diverts resources or creates competing priorities;
- collaborators may delay clinical trials, provide insufficient funding for a clinical trial, stop a clinical trial, 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;
- a collaborator with marketing and distribution rights to one or more products may not commit sufficient resources to their marketing and distribution;
- collaborators may not properly maintain or defend our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability;
- disputes may arise between us and a collaborator that cause the delay or termination of the research, development or commercialization of our product candidates, or that result in costly litigation or arbitration that diverts management attention and resources;
- collaborations may be terminated and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable product candidates; and
- collaborators may own or co-own critical clinical data or intellectual property covering our products that results from our collaborating with them, and in such cases, we would not have the authority or exclusive right to utilize or publicly announce, or commercialize such data or intellectual property, respectively.

As a result, if we enter into additional collaboration agreements and strategic partnerships or licenses our product candidates, we may not be able to realize the benefit of such transactions if we are unable to successfully integrate them with our existing operations and company culture, which could delay our timelines or otherwise adversely affect our business. We also cannot be certain that, following a strategic transaction or license, we will achieve the revenue or specific net income that justifies such transaction. Any delays in entering into new collaborations or strategic partnership agreements related to our product candidates could delay the development and commercialization of our product candidates in certain geographies for certain indications, which would harm our business prospects, financial condition and results of operations.

Our manufacturing process needs to comply with regulatory authority regulations relating to the quality and reliability of such processes. Any failure to comply with relevant regulations could result in delays in or termination of our clinical programs and suspension or withdrawal of any regulatory approvals.

In order to commercially produce our products either at our own facility or at a third party's facility, we will need to comply or assure compliance with the FDA's and other regulatory authority's cGMP regulations and guidelines. We and/or our agents may encounter difficulties in achieving quality control and quality assurance and may experience shortages in qualified personnel. We and/or our agents are subject to inspections by the FDA and comparable foreign regulatory authorities to confirm compliance with applicable regulatory requirements. Any failure to follow cGMP or other regulatory requirements or delay, interruption or other issues that arise in the manufacture, fill-finish, packaging, or storage of our product candidates as a result of a failure of our facilities or the facilities or operations of third parties to comply with regulatory requirements or pass any regulatory authority inspection could significantly impair our ability to develop and commercialize our product candidates, including leading to significant delays in the availability of our product candidates for our clinical trials or the termination of or suspension of a clinical trial, or the delay or prevention of a filing or approval of marketing applications for our product candidates. Significant non-compliance could also result in the imposition of sanctions, including warning or untitled letters, fines, injunctions, civil penalties, failure of regulatory authorities to grant marketing approvals for our product candidates, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of products, operating restrictions and criminal prosecutions, any of which could damage our reputation and business.

If our third-party manufacturers use hazardous and biological materials in a manner that causes injury or violates applicable law, we may be liable for damages.

Our research and development activities involve the controlled use of potentially hazardous substances, including chemical and biological materials, by our third-party manufacturers. Our manufacturers are subject to federal, state and local laws and regulations in the United States governing the use, manufacture, storage, handling and disposal of medical and hazardous materials. Although we believe that our manufacturers' procedures for using, handling, storing and disposing of these materials comply with legally prescribed standards, we cannot completely eliminate the risk of contamination or injury resulting from medical or hazardous materials. As a result of any such contamination or injury, we may incur liability or local, city, state or federal authorities may curtail the use of these materials and interrupt our business operations. In the event of an accident, we could be held liable for damages or penalized with fines, and the liability could exceed our resources. We do not have any insurance for liabilities arising from medical or hazardous materials. Compliance with applicable environmental laws and regulations is expensive, and current or future environmental regulations may impair our research, development and production efforts, which could harm our business, prospects, financial condition or results of operations.

RISKS RELATED TO MANAGING GROWTH AND EMPLOYEE MATTERS

We may need to grow the size or change the structure of our organization, and may experience difficulties in managing this growth or change.

As of December 31, 2025, we had 21 full-time employees. We may need to hire new employees to conduct our research and development, administrative or business activities in the future. Any delay in hiring such new employees could result in delays in our research and development activities and would harm our business. As our development and commercialization plans and strategies develop, we expect to need additional managerial, operational, sales, marketing, financial and other personnel, as well as additional facilities to expand our operations. Future growth would impose significant added responsibilities on members of management, including:

- identifying, recruiting, integrating, managing, maintaining and motivating additional employees;
- advanced and/or expanded applications of our drug discovery and development platform;
- managing our internal development efforts effectively, including the clinical and FDA review process for our product candidates, while complying with our contractual obligations to contractors and other third parties; and
- maintaining and/or improving our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to commercialize our product candidates will depend, in part, on our ability to effectively manage any future growth, and our management may also have to divert a disproportionate amount of our attention away from day-to-day activities in order to devote a substantial amount of time to managing these growth activities.

We currently rely, and for the foreseeable future will continue to rely, in substantial part on certain independent organizations, advisors and consultants to provide certain services, including substantially all aspects of regulatory approval, clinical trial execution and manufacturing. There can be no assurance that the services of independent organizations, advisors and consultants will continue to be available to us on a timely basis when needed, or that we can find qualified replacements. In addition, if we are unable to effectively manage our outsourced activities or if the quality or accuracy of the services provided by consultants is compromised for any reason, our clinical trials may be extended, delayed or terminated, and we may not be able to obtain regulatory approval of our product candidates or otherwise advance our business. There can be no assurance that we will be able to manage our existing consultants or find other competent outside contractors and consultants on economically reasonable terms, or at all.

If we are not able to effectively expand our organization by hiring new employees and expanding our groups of consultants and contractors, or we are not able to effectively build out new facilities to accommodate this expansion, we may not be able to successfully implement the tasks necessary to further develop and commercialize our product candidates and, accordingly, may not achieve our research, development and commercialization goals.

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

We face an inherent risk of product liability as a result of the planned clinical testing of our product candidates and will face an even greater risk if we commercialize any products. For example, we may be sued if our product candidates cause or are perceived to cause injury or are found to be otherwise unsuitable during clinical 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, negligence, strict liability or a breach of warranties. 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 commercialization of our product candidates. Even 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 product candidates or products that we may develop;
- injury to our reputation;
- withdrawal of clinical trial participants, clinical investigators and related institutions;
- initiation of investigations by regulators;
- costs to defend the related litigation;
- a diversion of management's time and our resources;
- substantial monetary awards to trial participants or patients;
- product recalls, withdrawals or labeling, marketing or promotional restrictions;
- loss of revenue;
- exhaustion of any available insurance and our capital resources;
- the inability to commercialize any product candidate;
- a decline in share price; and
- increased insurance costs or the inability to secure sufficient relevant insurance coverage.

Failure to obtain or retain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of products we develop, alone or with corporate collaborators. Although we have clinical trial insurance, our insurance policies 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. Even if our agreements with any future corporate collaborators entitle us to indemnification against losses, such indemnification may not be available or adequate should any claim arise.

GENERAL RISK FACTORS

If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on the success of our business.

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our operations involve the use of hazardous and flammable materials, including chemicals and biological and radioactive materials. Our operations also produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. We also could incur significant costs associated with civil or criminal fines and penalties.

Although we maintain workers' compensation insurance to cover costs and expenses we may incur due to injuries to our employees resulting from the use of hazardous materials, this insurance may not provide adequate coverage against potential liabilities. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us in connection with storage or disposal of biological, hazardous or radioactive materials.

Data collection is governed by restrictive regulations governing the use, storage, processing and transfer of personal information.

The collection, use, storage, disclosure, transfer, or other processing of personal data is subject to the California Consumer Privacy Act, or CCPA, which creates new individual privacy rights for California consumers (as defined in the law) and places increased privacy and security obligations on entities handling personal data of consumers or households. The CCPA requires covered companies to provide new disclosure to consumers about such companies' data collection, use and sharing practices, provide such consumers new ways to opt-out of certain sales or transfers of personal information, and provide consumers with additional causes of action. The CCPA went into effect on January 1, 2020, and the California Attorney General commenced enforcement actions for violations beginning July 1, 2020. The CCPA was amended on September 23, 2018, and it remains unclear what, if any, further modifications will be made to this legislation or how it will be interpreted. As currently written, the CCPA may impact our business activities and exemplifies the vulnerability of our business to the evolving regulatory environment related to personal data and protected health information.

Compliance with U.S. and international data protection laws and regulations could require us to take on more onerous obligations in our contracts, restrict our ability to collect, use and disclose data, or in some cases, impact our ability to operate in certain jurisdictions. Failure 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 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 the 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 and could result in adverse publicity that could harm our business.

We may be unable to adequately protect our information systems from cyberattacks, which could result in the disclosure of confidential or proprietary information, including personal data, damage our reputation, and subject us to significant financial and legal exposure.

We rely on information technology systems that we or our third-party providers operate to process, transmit and store electronic information in our day-to-day operations. In connection with our product discovery efforts, we may collect and use a variety of personal data, such as name, mailing address, email addresses, phone number and clinical trial information. A successful cyberattack could result in the theft or destruction of intellectual property, data, or other misappropriation of assets, or otherwise compromise our confidential or proprietary information and disrupt our operations. Cyberattacks are increasing in their frequency, sophistication and intensity, and have become increasingly difficult to detect. Cyberattacks could include wrongful conduct by hostile foreign governments, industrial espionage, wire fraud and other forms of cyber fraud, the deployment of harmful malware, denial-of-service, social engineering fraud or other means to threaten data security, confidentiality, integrity and availability. A successful cyberattack could cause serious negative consequences for us, including, without limitation, the disruption of operations, the misappropriation of confidential business information, including financial information, trade secrets, financial loss and the disclosure of corporate strategic plans. Although we devote resources to protect our information systems, we realize that cyberattacks are a threat, and there can be no assurance that our efforts will prevent information security breaches that would result in business, legal, financial or reputational harm to us, or would have a material adverse effect on our results of operations and financial condition. Any failure to prevent or mitigate security breaches or improper access to, use of, or disclosure of our clinical data or patients' personal data could result in significant liability under

state (e.g., state breach notification laws), federal (e.g., HIPAA, as amended by HITECH), and international law (e.g., the GDPR) and may cause a material adverse impact to our reputation, affect our ability to conduct new studies and potentially disrupt our business.

In addition, the computer systems of various third parties on which we rely, and other contractors, consultants and law and accounting firms, may sustain damage from computer viruses, unauthorized access, data breaches, phishing attacks, cybercriminals, natural disasters (including hurricanes and earthquakes), terrorism, war and telecommunication and electrical failures. We rely on our third-party providers to implement effective security measures and identify and correct for any such failures, deficiencies or breaches. If we or our third-party providers fail to maintain or protect our information technology systems and data integrity effectively or fail to anticipate, plan for or manage significant disruptions to our information technology systems, we or our third-party providers could have difficulty preventing, detecting and controlling such cyber-attacks and any such attacks could result in losses described above as well as disputes with physicians, patients and our partners, regulatory sanctions or penalties, increases in operating expenses, expenses or lost revenues or other adverse consequences, any of which could have a material adverse effect on our business, results of operations, financial condition, prospects and cash flows. Any failure by such third parties to prevent or mitigate security breaches or improper access to or disclosure of such information could have similarly adverse consequences for us. If we are unable to prevent or mitigate the impact of such security or data privacy breaches, we could be exposed to litigation and governmental investigations, which could lead to a potential disruption to our business.

RISKS RELATED TO OUR COMMON STOCK

Our stock price has been, and will likely continue to be, highly volatile.

The market price of our common stock has been, and in the future may continue to be, highly volatile. For example, from January 1, 2025 through March 12, 2026 our common stock traded as low as $1.81 per share and as high as $5.07 per share.

The market price for our common stock is highly dependent on, among other things, stock market conditions in general, the type and distribution of investors that make up our shareholder base, our clinical development efforts and the growth of our business in general, the amount of our available cash and investments and our level of cash utilization as well as the public understanding and perception of public announcements we make. Future events could increase the volatility seen in our common stock and ultimately cause a significant decline in the price of our common stock and ultimately impact our ability to raise additional capital in the future. These events could include the following, among others:

- positive announcements by competitors;
- low levels of trading volume for our shares;
- capital-raising or other transactions that are, or may in the future be, dilutive to existing stockholders or that involve the issuance of debt securities;
- delays in our clinical trials, significant issues associated with any aspect of our development efforts (e.g., failed manufacturing or negative clinical trial results) or adverse regulatory decisions relating to our product candidates;
- adverse fluctuations in our operating results or financial results that otherwise fall below the market's expectations;
- disappointing developments concerning our product candidates;
- incorrect or misleading reports about our products, data and/or company;
- positive developments concerning our product candidates that lead to the need for additional capital to complete the development process; and
- legal challenges, disputes and/or other adverse developments impacting our patents or other proprietary rights that protect our products.

In addition, broader external events, such as news concerning economic or market conditions in the general economy or within our industry, the activities of our competitors, changes (or the threat of changes) in U.S. or foreign government regulations impacting the life sciences industry or the movement of capital into or out of our industry, are likely to affect the price of our common stock. Geopolitical events, including the continued threat of terrorism and the impact of military and other action, including but not limited to military actions involving Russia and Ukraine as well as Israel and Gaza, could impact our stock price as well. There can be no assurance that the market price of our common stock will not continue to fluctuate or decline significantly in the future.

We may fail to comply with the continued listing requirements of the Nasdaq Capital Market, such that our common stock may be delisted and the price of our common stock and our ability to access the capital markets could be negatively impacted.

Our common stock is listed for trading on the Nasdaq Capital Market. We must satisfy Nasdaq's continued listing requirements, including, among other things, a minimum closing bid price requirement of $1.00 per share for 30 consecutive business days (the "Minimum Bid Price Requirement"). We have in the past been notified by Nasdaq that we were not in compliance with the Minimum Bid Price Requirement, and while we have regained compliance, there can be no assurance that we will remain compliant with the Minimum Bid Price Requirement or any other Nasdaq continued listing requirements.

A delisting of our common stock from Nasdaq could materially reduce the liquidity of our common stock and result in a corresponding material reduction in the price of our common stock. In addition, delisting could harm our ability to raise capital through alternative financing sources on terms acceptable to us, or at all, and may result in the potential loss of confidence by investors, employees and fewer business development opportunities.

In addition to potential dilution associated with potential future fundraising and strategic transactions, we currently have securities outstanding that are exercisable for our common stock, which could result in significant additional dilution and downward pressure on our stock price.

As of December 31, 2025, there were 8,833,875 shares of our common stock outstanding. In addition, there were outstanding stock options, restricted stock units and warrants representing the potential issuance of an additional 3,105,000 shares of our common stock. The issuance of these shares in the future would result in significant dilution to our current stockholders and could adversely affect the price of our common stock and the terms on which we could raise additional capital. In addition, the issuance and subsequent trading of shares could cause the supply of our common stock available for purchase in the market to exceed the purchase demand for our common stock. Such supply in excess of demand could cause the market price of our common stock to decline.

Provisions in our amended and restated certificate of incorporation and by-laws and Delaware law may inhibit a takeover of us, which could limit the price investors might be willing to pay in the future for our common stock and could entrench management.

Our amended and restated certificate of incorporation and by-laws contain provisions that may discourage unsolicited takeover proposals that stockholders may consider to be in their best interests. Our board of directors is divided into three classes, each of which will generally serve for a term of three years with only one class of directors being elected in each year. As a result, at a given annual meeting only a minority of the board of directors may be considered for election. Since our staggered board of directors may prevent our stockholders from replacing a majority of our board of directors at any given annual meeting, it may entrench management and discourage unsolicited stockholder proposals that may be in the best interests of stockholders. Moreover, our board of directors has the ability to designate the terms of and issue new series of preferred stock without stockholder approval.

We are also subject to anti-takeover provisions under Delaware law, which could delay or prevent a change of control. Together, these provisions may make the removal of management difficult and may discourage transactions that otherwise could involve payment of a premium over prevailing market prices for our securities.

Failure to maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act could have a material adverse effect on our business and stock price.

During the course of testing our disclosure controls and procedures and internal control over financial reporting, we may identify and disclose material weaknesses or significant deficiencies in internal control over financial reporting that will have to be remedied. Implementing any appropriate changes to our internal control may require specific compliance training of our directors, officers and employees, entail substantial costs to modify our existing accounting systems, and take a significant period of time to complete. Such changes may not, however, be effective in maintaining the adequacy of our internal control over financial reporting, and any failure to maintain that adequacy or inability to produce accurate financial statements on a timely basis could result in our financial statements being unreliable, increase our operating costs and materially impair our ability to operate our business.

Failure to achieve and maintain effective internal control over financial reporting could result in a loss of investor confidence in our financial reports and could have a material adverse effect on our stock price. Additionally, failure to maintain effective internal control over our financial reporting could result in government investigation or sanctions by regulatory authorities.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 1C. CYBERSECURITY.

Cybersecurity

We recognize the critical importance of maintaining the trust and confidence of partners, shareholders, government agencies and employees toward our business and are committed to protecting the confidentiality, integrity and availability of our business operations and systems. Our board of directors is actively involved in oversight of our risk management activities, and cybersecurity represents an important element of our overall approach to risk management. Our cybersecurity policies, standards, processes and practices are based on recognized frameworks established by the National Institute of Standards and Technology ("NIST") and other applicable industry standards. In general, we seek to address cybersecurity risks through a comprehensive, cross-functional approach that is focused on preserving the confidentiality, security and availability of the information that we collect and store by identifying, preventing and mitigating cybersecurity threats and effectively responding to cybersecurity incidents when they occur.

Cybersecurity Risk Management and Strategy

We face risks related to cybersecurity such as unauthorized access, cybersecurity attacks and other security incidents, including as perpetrated by hackers and unintentional damage or disruption to hardware and software systems, loss of data, and misappropriation of confidential information. To identify and assess material risks from cybersecurity threats, we maintain a comprehensive cybersecurity program to ensure our systems are effective and prepared for information security risks, including regular oversight of our programs for security monitoring for internal and external threats to ensure the confidentiality and integrity of our information assets. We employ a range of tools and services, including regular network and endpoint monitoring, audits, vulnerability assessments, penetration testing, and tabletop exercises. As discussed in more detail under "Cybersecurity Governance" below, our audit committee provides oversight of our cybersecurity risk management and strategy processes.

We also identify our cybersecurity threat risks by comparing our processes to standards set by the NIST as well as by engaging experts to attempt to infiltrate our information systems. To provide for the availability of critical data and systems, maintain regulatory compliance, manage our material risks from cybersecurity threats, and protect against and respond to cybersecurity incidents, we undertake the following activities:

- monitor emerging data protection laws and implement changes to our processes that are designed to comply with such laws;
- through our policies, practices and contracts (as applicable), require employees, as well as third parties that provide services on our behalf, to treat confidential information and data with care;
- employ technical safeguards that are designed to protect our information systems from cybersecurity threats, including firewalls, intrusion prevention and detection systems, anti-malware functionality and access controls, which are evaluated and improved through vulnerability assessments and cybersecurity threat intelligence;
- provide regular, mandatory training for our employees and contractors regarding cybersecurity threats as a means to equip them with effective tools to address cybersecurity threats, and to communicate our evolving information security policies, standards, processes and practices;
- conduct regular phishing email simulations for all employees and contractors with access to our email systems to enhance awareness and responsiveness to possible threats;
- conduct cybersecurity management and incident training for employees involved in our systems and processes that handle sensitive data;
- run tabletop exercises to simulate a response to a cybersecurity incident and use the findings to improve our processes and technologies;
- leverage the NIST incident handling framework to help us identify, protect, detect, respond and recover when there is an actual or potential cybersecurity incident; and

- carry cyber liability insurance that provides protection against the potential losses arising from a cybersecurity incident.

Our incident response plan coordinates the activities we take to prepare for, detect, respond to and recover from cybersecurity incidents, which include processes to triage, assess severity for, escalate, contain, investigate and remediate the incident, as well as to comply with potentially applicable legal obligations and mitigate damage to our business and reputation.

As part of the above processes, we may engage with assessors, consultants, auditors, and other third-parties, including by having a third-party review our cybersecurity program to help identify areas for continued focus, improvement and/or compliance.

Our processes also address cybersecurity threat risks associated with our use of third-party service providers who have access to patient and employee data or our systems. In addition, cybersecurity considerations affect the selection and oversight of our third-party service providers. We perform diligence on third parties that have access to our systems, data or facilities that house such systems or data. Additionally, we generally require those third parties that could introduce significant cybersecurity risk to us to agree by contract to manage their cybersecurity risks in specified ways, and to agree to be subject to cybersecurity audits, which we conduct as appropriate.

We describe how risks from cybersecurity threats are reasonably likely to materially affect us, including our business strategy, results of operations, or financial condition, under the heading, *"We may be unable to adequately protect our information systems from cyberattacks, which could result in the disclosure of confidential or proprietary information, including personal data, damage our reputation, and subject us to significant financial and legal exposure,"* which disclosures are incorporated herein by reference. In the last three fiscal years, we have not experienced any material cybersecurity incidents.

Cybersecurity Governance

Cybersecurity is an important part of our risk management processes and an area of focus for our board of directors and management. In general, the audit committee of our board of directors oversees risk management activities designed and implemented by our management, and considers specific risks, including, for example, risks associated with our strategic plan, business operations, and capital structure. Our board of directors executes its oversight responsibility for risk management both directly and through delegating oversight of certain of these risks to its committees, and our board of directors has authorized our audit committee to oversee risks from cybersecurity threats.

At least quarterly, our audit committee receives an update from management of our cybersecurity threats and strategy processes covering topics such as data security posture, results from third-party assessments, progress towards pre-determined risk-mitigation-related goals, our incident response plan, and material cybersecurity threat risks or incidents and developments, as well as the steps management has taken to respond to such risks. In such sessions, our audit committee generally receives materials that include a cybersecurity update and other materials discussing current and emerging material cybersecurity threat risks, and describing our ability to mitigate those risks, as well as recent developments, evolving standards, technological developments and information security considerations arising with respect to our peers and third parties, and discusses such matters with our Chief Information Officer. Our audit committee also receives prompt and timely information regarding any cybersecurity incident that meets established reporting thresholds, as well as ongoing updates regarding any such incident until it has been addressed.

Members of our audit committee are also encouraged to regularly engage in conversations with management on cybersecurity-related news events and discuss any updates to our cybersecurity risk management and strategy programs. Material cybersecurity threat risks are also considered during separate board meeting discussions of important matters like enterprise risk management, operational budgeting, business continuity planning, mergers and acquisitions and other relevant matters.

Our cybersecurity risk management and strategy processes, which are discussed in greater detail above, are led by our Chief Information Officer and Data Protection Officer. This individual has over 30 years of prior work experience in various roles involving managing information security, developing cybersecurity strategy, implementing effective information and cybersecurity programs (nationally and globally), as well as several relevant degrees and certifications, including a Bachelors and Master's Degree focusing in Computer Science, along with cybersecurity leadership, computer security, forensics, and technology certifications earned over the years. This management team member is informed about and monitors the prevention, mitigation, detection, and remediation of cybersecurity incidents through their management of, and participation in, the cybersecurity risk management and strategy processes described above, including the operation of our incident response plan. As discussed above, this management team member reports to the audit committee of our board of directors about cybersecurity threat risks, among other cybersecurity related matters, on a quarterly basis.

ITEM 2. PROPERTIES.

Our corporate headquarters are in Basking Ridge, New Jersey and although our lease expired on September 30, 2025 we, based on prior understanding with the building's management, continue to occupy a portion of office space in the building. We are seeking a new corporate space as a result of the building recently falling into receivership (and pending sale).

ITEM 3. LEGAL PROCEEDINGS.

From time to time, we are subject to legal proceedings and claims, either asserted or unasserted, that arise in the ordinary course of business. While the outcome of pending claims cannot be predicted with certainty, we do not believe that the outcome of any pending claims will have a material adverse effect on our financial condition or operating results.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Market for Our Common Equity

Our common stock trades on The Nasdaq Capital Market under the symbol "LSTA."

Holders

As of March 12, 2026, there were approximately 322 holders of record of our common stock. The number of record holders was determined from the records of our transfer agent and does not include beneficial owners of our common stock whose shares are held in the names of various security brokers, dealers, and registered clearing agencies.

Dividends and Dividend Policy

We have not paid cash dividends on our common stock. The holders of our common stock are each entitled to receive dividends when and if declared by the board of directors out of funds legally available therefore, subject to the terms of any outstanding series of preferred stock. We intend to retain any future earnings to fund the development and growth of our business, and therefore we do not anticipate paying any cash dividends on our common stock in the foreseeable future.

Equity Compensation Plan Information

The following table provides information as of December 31, 2025 regarding shares of our common stock that may be issued under our existing equity compensation plans, including our 2018 Equity Incentive Compensation Plan (the "2018 Plan"), our 2015 Equity Compensation Plan (the "2015 Plan"), our 2009 Stock Option and Incentive Plan (the "2009 Plan"), and our amended 2017 Employee Stock Purchase Plan (the "Amended 2017 ESPP").

	Equity Compensation Plan Information			
	Number of securities to be issued upon exercise of outstanding options (1)	Weighted Average exercise price of outstanding options and rights	Number of securities remaining available for future issuance under equity compensation plan (excluding securities referenced in column (a))	
Equity compensation plans approved by security holders (2)	1,502,881	$6.17	478,010	(3)
Equity compensation plans not approved by security holders	0	—	0	
Total	1,502,881	$6.17	478,010	(3)

(1) Includes stock options only; does not include purchase rights accruing under the Amended 2017 ESPP Plan because the purchase price (and therefore the number of shares to be purchased) will not be determined until the end of the purchase period.

(2) Consists of the 2018 Plan, the 2015 Plan, the 2009 Plan, and the Amended 2017 ESPP.

(3) Includes shares available for future issuance under the 2018 Plan and the Amended 2017 ESPP.

Recent Sales of Unregistered Securities

None.

ITEM 6. [RESERVED].

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Cautionary Note Regarding Forward-Looking Statements" herein. The following discussion should be read in conjunction with our consolidated financial statements and related notes thereto included elsewhere in this Annual Report.

Overview

We are a clinical-stage pharmaceutical company dedicated to the discovery, development, and commercialization of innovative therapies for the treatment of solid tumors and other serious diseases. Our investigational product, certepetide (formerly known as LSTA1 or CEND-1), is designed to activate a novel uptake pathway (the C-end rule active transport mechanism) that allows co-administered or tethered (i.e., molecularly bound) anti-cancer drugs to target and penetrate solid tumors more effectively. Certepetide actuates this active transport system in a tumor-specific manner, resulting in systemically co-administered anti-cancer drugs more efficiently penetrating and accumulating in the tumor, while normal tissues are expected to remain unaffected. Certepetide has also been shown to modify the tumor microenvironment ("TME") by reducing T-regulatory cells and augmenting cytotoxic T cells, thereby making tumors more susceptible to immunotherapies while also inhibiting the metastatic cascade (i.e., the spread of cancer to other parts of the body). We, our collaborators and other researchers have amassed and continue to amass significant non-clinical data demonstrating enhanced delivery of a range of existing and emerging anti-cancer therapies, including chemotherapeutics, immunotherapies, and RNA-based therapeutics. In addition, certain preclinical data using certepetide in combination with antibody drug conjugates (ADCs) has been generated as part of our research collaboration with Catalent. These data were presented at a scientific meeting during the fourth quarter of 2025. To date, certepetide has also demonstrated favorable safety, tolerability and activity in completed and ongoing clinical trials designed to enhance delivery of standard-of-care chemotherapy, with and without added immunotherapy, for pancreatic cancer. Certepetide is or has been the subject of several Phase 2 clinical studies globally in a variety of solid tumor types, including metastatic pancreatic ductal adenocarcinoma (mPDAC), cholangiocarcinoma, appendiceal cancer, colon cancer and glioblastoma multiforme in combination with a variety of anti-cancer regimens.

Our leadership team has amassed many decades of collective biopharmaceutical and pharmaceutical product development experience across a variety of therapeutic categories and at all stages of development from preclinical through to product registration and launch. Our goal is to develop and commercialize products that address important unmet medical needs.

Recent Developments

Proposed Acquisition by Kuva Labs Inc.

On March 6, 2026, we entered into the Merger Agreement, pursuant to which, and upon the terms and subject to the conditions thereof, Purchaser will commence a tender offer to purchase all of our issued and outstanding shares of common stock in exchange for (i) $5.00 per share, net to the seller in cash, without interest, but subject to any applicable withholding of taxes (the "Closing Amount") plus (ii) one non-tradeable CVR, which represents the contractual right to receive a contingent cash payment of $1.00 per CVR if the Milestone is met as further described in the CVR Agreement. If certain conditions are satisfied and the Offer is consummated, Kuva would acquire any remaining shares for the Offer Price by a merger of Purchaser with and into us. Following completion of the transaction, we will become part of Kuva, a privately-held company, and our common stock will be delisted from Nasdaq. We will also apply to deregister our common stock and cease to be a reporting company under the United States Securities Exchange Act of 1934, as amended. Under the Merger Agreement, the Offer and the Merger will be subject to customary closing conditions for a transaction of this nature. Kuva will be required to close on the Offer so long as there shall be validly tendered a number of Shares that represents (and will represent immediately following the consummation of the Offer) at least a majority of the aggregate voting power of all Shares then outstanding. We cannot predict whether and when the conditions to closing will be satisfied. Until these conditions are satisfied and we and Kuva complete the proposed transaction, our business, operating results and financial condition are exposed to certain risks due to the effect of the pending proposed transaction. Refer to Item 1A. "Risk Factors" for a summary of risks related to the proposed transaction.

Termination of Qilu Exclusive License and Collaboration Agreement

On January 23, 2026, we and Qilu Pharmaceutical Co., Ltd. ("Qilu") entered into a Mutual Termination Agreement (the "Termination Agreement") relating to the Exclusive License and Collaboration Agreement between us (formerly Cend Therapeutics, Inc. ("Cend")) and Qilu, relating to the research, development and commercialization of certepetide (formerly known as CEND-1), dated February 11, 2021, as amended on April 26, 2021, and further amended by the Side Letter Agreement, dated November 10, 2023 (collectively the "License and Collaboration Agreement").

Previously, Cend (which was subsequently acquired by us) and Qilu entered into the License and Collaboration Agreement, pursuant to which we granted Qilu a royalty-bearing exclusive license for the research, development and commercialization of certepetide in the Greater China territory (including Mainland China, Hong Kong, Macau, and Taiwan). Pursuant to the License and Collaboration Agreement, we were eligible to receive up to $200 million in development and commercial milestone payments and royalties ranging from 10% to 15% on licensed product sales. In consideration for the license, Qilu made an upfront payment of $10.0 million to Cend, which was recognized as revenue by Cend prior to our acquisition of Cend on September 15, 2022 (the "Cend Merger"). In addition, Cend received and recognized as revenue a $5.0 million development milestone prior to the Cend Merger. We have not received any additional development and commercial milestone payments since the Cend Merger.

Pursuant to the Termination Agreement, the License and Collaboration Agreement is terminated, effective as of January 23, 2026, and is no longer in effect, except that the termination does not relieve the parties from obligations under the License and Collaboration Agreement that accrued prior to the termination and certain other provisions expressly indicated to survive the termination.

Results of Operations

Year Ended December 31, 2025 Compared to Year Ended December 31, 2024

The following table summarizes our results of operations for the years ended December 31, 2025 and 2024:

	Year Ended December 31,		
	2025	2024	Change
Revenue	$ 170	$ 1,000	$ (830)
Operating Expenses:			
Research and development	7,949	11,334	(3,385)
General and administrative	10,430	12,075	(1,645)
Total operating expenses	18,379	23,409	(5,030)
Loss from operations	(18,209)	(22,409)	4,200
Total other income	661	1,626	(965)
Benefit from income taxes	(962)	(798)	164
Net loss	$ (16,586)	$ (19,985)	$ 3,399

Overall, net losses were $16.6 million and $20.0 million for the years ended December 31, 2025 and 2024, respectively.

Revenue

Revenue totaled $0.2 million and $1.0 million for the years ended December 31, 2025 and 2024, in connection with certain upfront license fees in the current year and the Exclusive License and Collaboration Agreement with Kuva in the prior year.

Operating Expenses

For the year ended December 31, 2025, operating expenses totaled $18.4 million compared to $23.4 million for the year ended December 31, 2024, representing a decrease of $5.0 million or 21.5%.

Operating expenses comprise the following:

- Research and development expenses were approximately $7.9 million for the year ended December 31, 2025, compared to $11.3 million for the year ended December 31, 2024, representing a decrease of approximately $3.4 million, or 29.9%. This was primarily due to a reduction in Clinical department expenses as a result of the elimination of several positions during the year and reversal of the bonus accrual in the fourth quarter, lower spend on the ASCEND trial, a reduction in patient treatment costs and clinical research organization ("CRO") expenses associated with our Phase 2a proof-of-concept BOLSTER trial and lower spend on chemistry, manufacturing and controls ("CMC") partially offset by an increase in expenses associated with our Phase 2a glioblastoma multiforme ("GBM") proof-of-concept study.
- General and administrative expenses were approximately $10.4 million for the year ended December 31, 2025, compared to $12.1 for the year ended December 31, 2024, representing a decrease of approximately $1.6 million or 13.6%. This was primarily due to a reversal of the bonus accrual in the fourth quarter, one-off settlement costs in the prior year in addition to lower spending on consulting in the current year partially offset by a credit loss allowance, and impairment of a non-financial asset.

Historically, to minimize our use of cash, we have used a variety of equity instruments as compensation to employees, consultants, directors and other service providers. The use of these equity instruments has resulted in non-cash charges to the results of operations, which has been significant in the past.

Other Income

Total other income was $0.7 million for the year ended December 31, 2025, compared to $1.6 million for the year ended December 31, 2024, representing a decrease of approximately $1.0 million or 59.3%. This was primarily due to a reduction in investment income from cash, cash equivalents and marketable securities in the current year as a result of lower investment balances.

Income Tax Benefit

In January 2025, we received final approval from the New Jersey Economic Development Authority ("NJEDA") under the Technology Business Tax Certificate Transfer Program (the "Program") to sell a percentage of our NJ NOLs, which were subsequently sold to a qualifying and approved buyer pursuant to the Program for net proceeds of $0.9 million. The $1.0 million of our NJ NOL tax benefits have been recorded as a benefit from income taxes and the loss on sale of $0.1 million recorded in other income (expense).

In March 2024, we received final approval from the NJEDA under the Program to sell a percentage of our NJ NOLs, which were subsequently sold to a qualifying and approved buyer pursuant to the Program for net proceeds of $0.7 million. The $0.8 million of our NJ NOL tax benefits have been recorded as a benefit from income taxes and the loss on sale of $0.1 million recorded in other income (expense).

Analysis of Liquidity and Capital Resources

At December 31, 2025, we had cash and cash equivalents of approximately $16.0 million, working capital of approximately $14.6 million, and stockholders' equity of approximately $14.9 million.

During the year ended December 31, 2025, we met our immediate cash requirements through existing cash balances. Additionally, we used equity and equity-linked instruments to pay for services and compensation.

Net cash provided by or (used in) operating, investing and financing activities were as follows (in thousands):

	Year Ended December 31,	
	2025	2024
Net cash used in operating activities	$ (15,949)	$ (19,35
Net cash provided by investing activities	15,086	13,23
Net cash provided by (used in) financing activities	599	(20

Operating Activities

Our cash used in operating activities during the year ended December 31, 2025 totaled approximately $15.9 million, comprising (i) our net loss of $16.6 million, as adjusted for non-cash income and expenses totaling $1.9 million (which includes adjustments for equity-based compensation, depreciation and amortization, impairment of a non-financial asset, amortization/accretion of marketable securities and credit loss allowance), and (ii) changes in operating assets and liabilities using approximately $1.3 million.

Our cash used in operating activities during the year ended December 31, 2024 totaled approximately $19.4 million, comprising (i) our net loss of $20.0 million, as adjusted for non-cash income and expenses totaling $1.5 million (which includes adjustments for equity-based compensation, depreciation and amortization, loss from equity method investment, and amortization/accretion of marketable securities), and (ii) changes in operating assets and liabilities using approximately $0.9 million.

Investing Activities

Our cash provided by investing activities during the year ended December 31, 2025 totaled approximately $15.1 million and was primarily due to net sales of marketable securities (net of purchases of marketable securities).

Our cash provided by investing activities during the year ended December 31, 2024 totaled approximately $13.2 million and was primarily due to net sales of marketable securities (net of purchases of marketable securities) partially offset by an investment of $0.1 million in Impilo.

Financing Activities

Our cash provided by financing activities during the year ended December 31, 2025 totaled $0.6 million in proceeds primarily from the issuance of shares of $0.8 million through our ATM Agreement (as defined below) partially offset by tax withholding-related payments on net share settlement equity awards to employees of $0.3 million.

Our cash used in financing activities during the year ended December 31, 2024 totaled $0.2 million, consisting primarily of tax withholding-related payments on net share settlement equity awards to employees.

Liquidity and Capital Requirements Outlook

As of December 31, 2025, we had cash and cash equivalents of approximately $16.0 million. We will need to raise additional capital to fund our planned future operations. However, we cannot guarantee that we will be able to obtain sufficient additional funding or that if we do obtain additional funding, that such funding will be obtainable on terms satisfactory to us.

Based on our current business plan and existing capital resources, management has concluded that there is substantial doubt regarding our ability to continue as a going concern for a period of twelve months from the date of issuance of the accompanying consolidated financial statements. The accompanying financial statements have been prepared on a going concern basis and do not include any adjustments to the carrying amounts and classification of assets and liabilities that may be necessary if we were unable to continue as a going concern.

To meet our short and long-term liquidity needs, we expect to use existing cash balances and a variety of other means. Other sources of liquidity could include additional potential issuances of debt or equity securities in public or private financings, partnerships and/or collaborations and/or sale of assets. Our history of operating losses and liquidity challenges may make it difficult for us to raise capital on acceptable terms or at all. The demand for the equity and debt of pharmaceutical companies like ours is dependent upon many factors, including the general state of the financial markets. During times of extreme market volatility, capital may not be available on favorable terms, if at all. Our inability to obtain such additional capital could materially and adversely affect our business operations. We will also continue to seek, as appropriate, grants for scientific and clinical studies from various governmental agencies and foundations, and other sources of non-dilutive funding. As discussed above under recent developments, in January 2026, we entered into the Term Sheet with Kuva for the proposed acquisition of us by Kuva. However, there can be no assurance that the Purchase Agreement will be entered into and the Offer and the Merger will be consummated. Refer to Item 1A. “Risk Factors” for a summary of risks related to the proposed transaction. If the proposed acquisition does not occur, we may pursue other strategic alternatives. Our future capital requirements are difficult to forecast and will depend on many factors, including the timing and nature of the proposed acquisition by Kuva, any other strategic transactions that we undertake and our ability to establish and maintain collaboration partnerships, in-license/out-license or other similar arrangements and the financial terms of such agreements.

On June 4, 2021, we entered into the ATM Agreement with H.C. Wainwright & Co., LLC as sales agent, in connection with an "at the market offering" under which we from time to time may offer and sell shares of our common stock having an aggregate offering price of up to $50.0 million. As of the date of this filing and so long as our public float remains below $75.0 million, we are subject to limitations pursuant to General Instruction I.B.6 of Form S-3 (the "Baby Shelf Limitation"), which limits the amount we can offer to up to one-third of our public float during any trailing 12-month period. Subsequent to the filing of a prospectus supplement to our Registration Statement on Form S-3 (File No. 333-279034) relating to the at the market offering on August 21, 2024, the aggregate market value of our outstanding common stock held by non-affiliates was approximately $29.6 million. Pursuant to the Baby Shelf Limitation, since the aggregate market value of our outstanding common stock held by non-affiliates was below $75.0 million at the time of such prospectus supplement filing, the aggregate amount of securities that we are permitted to offer and sell pursuant to the ATM Agreement as of the date of this Annual Report on Form 10-K, is $9,855,890, which amount is equal to one-third of the aggregate market value of our common stock held by non-affiliates as of August 20, 2024. If our public float exceeds $75.0 million on a future measurement date, the Company will no longer be subject to the Baby Shelf Limitation. During the twelve months ended December 31, 2025, the Company issued 262,765 shares of common stock under the ATM Agreement for net proceeds of $784,761. Since inception through December 31, 2025, the Company has issued 330,938 shares of common stock under the ATM Agreement for net proceeds of $1,065,608.

While we continue to seek capital through a number of means, there can be no assurance that additional financing will be available on acceptable terms, if at all, and our negotiating position in capital generating efforts may worsen as existing resources are used. Additional equity financing may be dilutive to our stockholders; debt financing, if available, may involve significant cash payment obligations and covenants that restrict our ability to operate as a business; our stock price may not reach levels necessary to induce option or warrant exercises; and asset sales may not be possible on terms we consider acceptable. If we are unable to access capital necessary to meet our long-term liquidity needs, we may have to delay the expansion of our business or raise funds on terms that we currently consider unfavorable.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and judgments that affect the amounts reported in the financial statements. We evaluate our estimates and assumptions on an ongoing basis. We base our estimates on historical experience and other assumptions believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates.

An accounting policy is considered to be critical if it is important to our financial condition and results of operations and if it requires management's most difficult, subjective and complex judgments in its application. For a summary of all of our significant accounting policies, see Note 2 to our Consolidated Financial Statements.

Share-Based Compensation

We expense all share-based payment awards to employees, directors, and consultants, including grants of stock options, warrants, and restricted stock, over the requisite service period based on the grant date fair value of the awards. For awards with performance-based vesting criteria, we estimate the probability of achievement of the performance criteria and recognize compensation expense related to those awards expected to vest. We determine the fair value of option awards using the Black-Scholes option-pricing model which uses both historical and current market data to estimate fair value. This method incorporates various assumptions such as the risk-free interest rate, expected volatility, expected dividend yield and expected life of the options or warrants. Share-based compensation expense also includes an estimate, which is made at the time of the grant, of the number of awards that are expected to be forfeited. The fair value of our restricted stock and restricted stock units is based on the closing market price of our common stock on the date of grant.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Not applicable.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The financial statements and notes thereto required to be filed under this Item are presented commencing on page 74 of this Annual Report.

Lisata Therapeutics, Inc. and Subsidiaries

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders
Lisata Therapeutics, Inc.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Lisata Therapeutics, Inc. (a Delaware corporation) and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive loss, equity, and cash flows for each of the two years in the period ended December 31, 2025, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Going concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has a history of net operating losses and negative cash flows from operating activities and has cash and cash equivalents of approximately $16 million as of December 31, 2025. These conditions, along with other matters as set forth in Note 1, raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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.

Critical audit matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2011.

New York, New York
March 12, 2026

LISATA THERAPEUTICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data)

	December 31, 2025	December 31, 2024
ASSETS		
Current Assets		
Cash and cash equivalents	$ 15,956	$ 16,209
Marketable securities	—	15,036
Accounts receivable	—	900
Prepaid and other current assets	1,747	2,433
Total current assets	17,703	34,578
Property and equipment, net	18	72
Acquired license-intangible, net	—	192
Other assets	23	160
Total assets	$ 17,744	$ 35,002
LIABILITIES, NON-CONTROLLING INTERESTS AND STOCKHOLDERS' EQUITY		
Liabilities		
Accounts payable	$ 1,019	$ 1,284
Accrued liabilities	2,052	4,329
Total current liabilities	3,071	5,613
Other long-term liabilities	72	72
Total liabilities	3,143	5,685
Commitments and Contingencies (Note 14)		
Stockholders' Equity		
Common stock, $0.001 par value, authorized 500,000,000 shares; issued 8,834,613 and 8,409,582 shares, at December 31, 2025 and December 31, 2024, respectively; and outstanding, 8,833,875 and 8,408,844 shares, at December 31, 2025 and December 31, 2024, respectively	9	8
Additional paid-in capital	580,243	578,418
Treasury stock, at cost; 738 shares at December 31, 2025 and December 31, 2024 respectively	(708)	(708)
Accumulated deficit	(564,652)	(548,066)
Accumulated other comprehensive loss	(37)	(81)
Total Lisata Therapeutics, Inc. stockholders' equity	14,855	29,571
Non-controlling interests	(254)	(254)
Total equity	14,601	29,317
Total liabilities, non-controlling interests and stockholders' equity	$ 17,744	$ 35,002

See accompanying notes to consolidated financial statements.

LISATA THERAPEUTICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Year Ended December 31,	
	2025	**2024**
Revenue	$ 170	$ 1,000
Operating Expenses:		
Research and development	7,949	11,334
General and administrative	10,430	12,075
Operating expenses	18,379	23,409
Operating loss	(18,209)	(22,409)
Other income (expense):		
Investment income, net	806	1,883
Other expense, net	(145)	(257)
Total other income	661	1,626
Net loss before benefit from income taxes and noncontrolling interests	(17,548)	(20,783)
Benefit from income taxes	(962)	(798)
Net loss	$ (16,586)	$ (19,985)
Less - net income (loss) attributable to noncontrolling interests	—	—
Net loss attributable to Lisata Therapeutics, Inc. common stockholders	$ (16,586)	$ (19,985)
Basic and diluted loss per share:		
Lisata Therapeutics, Inc. common stockholders	$ (1.91)	$ (2.40)
Weighted average common shares outstanding:		
Basic and diluted shares	8,687	8,329

See accompanying notes to consolidated financial statements.

LISATA THERAPEUTICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(In thousands)

	Year Ended December 31,	
	2025	**2024**
Net loss	$ (16,586)	$ (19,985)
Other comprehensive income (loss):		
Available for sale securities - net unrealized gain	4	1
Cumulative translation adjustment arising during the period	40	(40)
Total other comprehensive income (loss)	44	(39)
Comprehensive loss	(16,542)	(20,024)
Comprehensive income (loss) attributable to noncontrolling interests	—	—
Comprehensive loss attributable to Lisata Therapeutics, Inc. common stockholders	$ (16,542)	$ (20,024)

See accompanying notes to consolidated financial statements.

LISATA THERAPEUTICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(In thousands)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Treasury Stock	Total Lisata Therapeutics, Inc. Stockholders' Equity	Non-Controlling Interest in Subsidiary	Total Equity
	Shares	Amount							
Balance at December 31, 2023	8,151	$ 8	$ 576,971	$ (42)	$ (528,081)	$ (708)	$ 48,148	$ (254)	$ 47,894
Net loss	—	—	—	—	(19,985)	—	(19,985)	—	(19,985)
Share-based compensation	218	—	1,379	—	—	—	1,379	—	1,379
Net proceeds from issuance of common stock	28	—	68	—	—	—	68	—	68
Proceeds from option exercises	13	—	—	—	—	—	—	—	—
Unrealized gain on marketable securities	—	—	—	1	—	—	1	—	1
Foreign currency translation adjustment	—	—	—	(40)	—	—	(40)	—	(40)
Balance at December 31, 2024	8,410	$ 8	$ 578,418	$ (81)	$ (548,066)	$ (708)	$ 29,571	$ (254)	$ 29,317
Net loss	—	—	—	—	(16,586)	—	(16,586)	—	(16,586)
Share-based compensation	129	—	974	—	—	—	974	—	974
Net proceeds from issuance of common stock	292	1	843	—	—	—	844	—	844
Proceeds from option exercises	4	—	8	—	—	—	8	—	8
Unrealized gain on marketable securities	—	—	—	4	—	—	4	—	4
Foreign currency translation adjustment	—	—	—	40	—	—	40	—	40
Balance at December 31, 2025	8,835	$ 9	$ 580,243	$ (37)	$ (564,652)	$ (708)	$ 14,855	$ (254)	$ 14,601

See accompanying notes to consolidated financial statements.

LISATA THERAPEUTICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended December 31,	
	2025	**2024**
Cash flows from operating activities:		
Net loss	$ (16,586)	$ (19,985)
Adjustments to reconcile net loss to net cash used in operating activities:		
Share-based compensation expense	1,226	1,653
Depreciation and amortization	146	174
Loss from equity method investment	—	130
Impairment of non-financial asset	127	—
Amortization/accretion on marketable securities	(75)	(455)
Allowance for credit losses	500	—
Changes in operating assets and liabilities:		
Accounts receivable	401	(900)
Prepaid and other current assets	742	852
Other assets	140	170
Accounts payable, accrued liabilities and other liabilities	(2,570)	(995)
Net cash used in operating activities	(15,949)	(19,356)
Cash flows from investing activities:		
Purchase of marketable securities	(9,180)	(55,688)
Sales of marketable securities	24,294	69,051
Investment in Impilo Therapeutics	—	(130)
Purchases of property and equipment	(28)	—
Net cash provided by investing activities	15,086	13,233
Cash flows from financing activities:		
Proceeds from exercise of options	8	—
Tax withholding payments on net share settlement equity awards	(253)	(274)
Net proceeds from issuance of common stock	844	68
Net cash provided by (used in) financing activities	599	(206)
Effect of exchange rate changes on cash	11	(55)
Net decrease in cash and cash equivalents	(253)	(6,384)
Cash and cash equivalents at beginning of year	16,209	22,593
Cash and cash equivalents at end of year	$ 15,956	$ 16,209

See accompanying notes to consolidated financial statements.

Note 1 – Description of Business

Overview

Lisata Therapeutics, Inc. (together with its subsidiaries, the "Company") is a clinical-stage pharmaceutical company dedicated to the discovery, development, and commercialization of innovative therapies for the treatment of solid tumors and other serious diseases. The Company's investigational product, certepetide (formerly known as LSTA1 or CEND-1), is designed to activate a novel uptake pathway (the C-end rule active transport mechanism) that allows co-administered or tethered (i.e., molecularly bound) anti-cancer drugs to target and penetrate solid tumors more effectively. Certepetide actuates this active transport system in a tumor-specific manner, resulting in systemically co-administered anti-cancer drugs more efficiently penetrating and accumulating in the tumor, while normal tissues are expected to remain unaffected. Certepetide has also been shown to modify the tumor microenvironment ("TME") by reducing T-regulatory cells and augmenting cytotoxic T cells, thereby making tumors more susceptible to immunotherapies while also inhibiting the metastatic cascade (i.e., the spread of cancer to other parts of the body). The Company, its collaborators and other researchers have amassed and continue to amass significant non-clinical data demonstrating enhanced delivery of a range of existing and emerging anti-cancer therapies, including chemotherapeutics, immunotherapies, and RNA-based therapeutics. In addition, certain preclinical data using certepetide in combination with antibody drug conjugates (ADCs) has been generated as part of the Company's research collaboration with Catalent. These data were presented recently at a scientific meeting during the fourth quarter of 2025. To date, certepetide has also demonstrated favorable safety, tolerability and activity in completed and ongoing clinical trials designed to enhance delivery of standard-of-care chemotherapy, with and without added immunotherapy for pancreatic cancer. Certepetide is or has been the subject of several Phase 2 clinical studies globally in a variety of solid tumor types, including metastatic pancreatic ductal adenocarcinoma (mPDAC), cholangiocarcinoma, appendiceal cancer, colon cancer and glioblastoma multiforme in combination with a variety of anti-cancer regimens.

The Company's leadership team has amassed many decades of collective biopharmaceutical and pharmaceutical product development experience across a variety of therapeutic categories and at all stages of development from preclinical through to product registration and launch. The Company's goal is to develop and commercialize products that address important unmet medical needs.

Liquidity and Capital Resources

The Company has a history of net operating losses and negative cash flows from its operating activities, and has cash and cash equivalents of approximately $16.0 million as of December 31, 2025. The Company anticipates incurring additional losses until such time, if ever, that it can generate significant revenues from its products currently in development. To manage capital for operating needs in the short-term, as previously disclosed, the Company has delayed commencement of certain readiness activities for its planned Phase 3 study in metastatic pancreatic ductal adenocarcinoma (mPDAC), particularly those related to chemistry, manufacturing and controls ("CMC"). The Company's ongoing trials continue to progress as planned.

The Company's continued operations are dependent on its ability to raise additional funding. Based on its current business plan and current capital resources, combined with the need to raise additional funding and the uncertainty regarding the availability of such additional funding, management has concluded that there is substantial doubt regarding the Company's ability to continue as a going concern for a period of twelve months after the date these consolidated financial statements are issued. Management's plans to alleviate the conditions that raise substantial doubt regarding the Company's ability to continue as a going concern include obtaining additional funding through equity or debt offerings and/or pursuing collaboration or licensing arrangements. However, additional funding may not be available on terms acceptable to the Company or at all. The Company may also continue to reduce current spending requirements where necessary.

If, for any reason, the Company utilizes its capital resources more quickly than anticipated or is unable to obtain additional funding on a timely basis, it may be required to revise its business plan and strategy. This may result in the Company significantly curtailing, delaying or discontinuing its research and development programs. As a result, the Company's business, financial condition, and results of operations could be materially affected. The accompanying consolidated financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may be necessary if the Company were unable to continue as a going concern.

Proposed Acquisition by Kuva Labs Inc.

On March 6, 2026, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with Kuva Labs Inc. ("Kuva"), and Kuva Acquisition Corp., a wholly owned subsidiary of Kuva ("Purchaser"). Pursuant to the Merger Agreement, and upon the terms and subject to the conditions thereof, Purchaser will commence a tender offer (the "Offer") to purchase all of the issued and outstanding shares of common stock, par value $0.001 per share (the "Common Shares"), of the Company in exchange for (i) $5.00 per Common Share, net to the seller in cash, without interest, but subject to any applicable withholding of taxes (the "Closing Amount") plus (ii) one non-tradeable contingent value right (each, a "CVR"), which represents the contractual right to receive a contingent cash payment of $1.00 per CVR if a New Drug Application or similar registration is filed or formally accepted for review by the FDA or any governmental authority in any jurisdiction with respect to any pharmaceutical product that contains or incorporates the product candidate referred to as of the date of the Merger Agreement as certepetide, alone or in combination with one or more other therapeutically active ingredients, including all formulations, dosages, or modes of delivery, for any indication or patient population prior to the earlier of (a) 11:59 p.m. New York City Time on the seventh (7th) anniversary of the Closing Date (as defined in the Merger Agreement), and (b) termination of the CVR Agreement (the "Milestone"), in accordance with the terms and subject to the conditions of a contingent value rights agreement (the "CVR Agreement") to be entered into with a rights agent selected by Kuva and reasonably acceptable to the Company (the Closing Amount plus one CVR, collectively, the "Offer Price"). If certain conditions are satisfied and the Offer is consummated, Kuva would acquire any remaining Shares for the Offer Price by a merger of Purchaser with and into the Company (the "Merger"). Upon completion of these transactions, the Company would no longer be a publicly traded company and the listing of its common stock on Nasdaq will terminate.

Under the Merger Agreement, the Offer and the Merger are subject to customary closing conditions for a transaction of this nature. Kuva will be required to close on the Offer so long as there shall be validly tendered a number of shares that represents (and will represent immediately following the consummation of the Offer) at least a majority of the aggregate voting power of all shares then outstanding. There can be no assurance that the Offer and the Merger will be consummated.

The foregoing description of the Merger Agreement is only a summary of certain material provisions thereof, does not purport to be complete. The full text of the Merger Agreement is filed as Exhibit 2.1 to this Annual Report on Form 10-K.

Basis of Presentation

The accompanying consolidated financial statements and accompanying notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Segment Information

The Company operates as one operating segment, the research and development of its investigational drug product. The Company's Chief Operating Decision Maker ("CODM") is its Chief Executive Officer, who manages the business on a consolidated basis.

Note 2 – Summary of Significant Accounting Policies

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 consolidated financial statements. Estimates also affect the reported amounts of expenses during the reporting period. The Company bases its estimates on historical experience and other assumptions believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. The Company makes critical estimates and assumptions in determining stock-based awards values. Accordingly, actual results could differ from those estimates and assumptions.

Recently issued accounting pronouncements not yet adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, requiring public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning

after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03.

Recently adopted accounting pronouncements

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, requiring public entities to disclose information about their reportable segments' significant expenses and other segment items on an interim and annual basis. Public entities with a single reportable segment are required to apply the disclosure requirements in ASU 2023-07, as well as all existing segment disclosures and reconciliation requirements in ASC 280 on an interim and annual basis. The Company adopted ASU 2023-07 during the year ended December 31, 2024. These amendments were effective for the Company in 2024 and retrospectively to all prior periods using the significant segment expense categories identified. The impact of the adoption of the amendments in this update was not material to the Company's consolidated financial position and results of operations, as the requirements impact only segment reporting disclosures in the footnotes to the Company's consolidated financial statements. See Note 12 Segment Information in the accompanying notes to the consolidated financial statements for further detail.

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. The Company adopted ASU 2023-09 during the year ended December 31, 2025. The adoption of this standard did not have a material impact on our consolidated financial statements and related disclosures.

Principles of Consolidation

The Consolidated Financial Statements include the accounts of Lisata Therapeutics, Inc. and its wholly owned and majority owned subsidiaries and affiliates. All intercompany activities have been eliminated in consolidation.

Foreign Currency Remeasurement

The Company's reporting currency is the U.S. Dollar. The functional currency of Lisata Therapeutics Australia Pty Ltd., which is a foreign subsidiary of the Company, is the Australian Dollar. The assets and liabilities of Lisata Therapeutics Australia Pty Ltd. are translated into U.S. Dollars at the exchange rates in effect at each balance sheet date, and the results of operations are translated using the average exchange rates prevailing throughout the reporting period. Adjustments resulting from translating foreign functional currency financial statements into U.S. Dollars are included in the foreign currency translation adjustment, a component of accumulated other comprehensive income (loss) in stockholders' equity.

Cash and Cash Equivalents

Cash and cash equivalents include short-term, highly liquid, investments with maturities of ninety days or less when purchased.

Concentration of Risks

The Company is subject to credit risk from its portfolio of cash, cash equivalents, accounts receivable and marketable securities. Under its investment policy, the Company limits amounts invested in such securities by credit rating, maturity, industry group, investment type and issuer, except for securities issued by the U.S. government, thereby reducing credit risk exposure. Cash is held at major banks in the United States and may exceed federally insured limits. The Company does not believe that it is subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships. The goals of the Company's investment policy, in order of priority, are as follows: safety and preservation of principal and diversification of risk, liquidity of investments sufficient to meet cash flow requirements, and a competitive after-tax rate of return. The Company had $— million and $0.9 million in accounts receivable as of December 31, 2025 and 2024, respectively. The Company has no significant off-balance sheet concentrations of credit risk, such as foreign currency exchange contracts, option contracts, or other hedging arrangements.

Accounts Receivable

Accounts receivable is stated at historical cost, less allowance for credit losses. The Company records an expense based on a forward-looking current expected credit loss model to maintain its allowance for credit losses. When determining its allowance for trade accounts receivable, the Company considers the probability of recoverability of accounts receivable based on experience, taking into account current collection trends and general economic factors, including bankruptcy rates. The Company also considers future economic trends to estimate expected credit losses over the lifetime of the asset. Credit risks are assessed based on historical write-offs, net of recoveries, as well as an analysis of the aged accounts receivable balances with allowances generally increasing as the receivable ages. Accounts receivable may be fully reserved for when specific collection

issues are known to exist, such as pending bankruptcies. Account balances are written off against the allowance when it is determined that the receivable will not be recovered. The Company increased its allowance for credit losses during the quarter ended December 31, 2025 by $0.5 million. As of December 31, 2025, the associated accounts receivable was uncollectible and written off (See Note 17). As of December 31, 2025 and 2024, there were no allowance for credit losses.

Marketable Securities

The Company determines the appropriate classification of its marketable securities at the time of purchase and reevaluates such designation at each balance sheet date. All of the Company's marketable securities are considered as available-for-sale and carried at estimated fair values and reported in cash equivalents and marketable securities. Unrealized gains and losses on available-for-sale securities, that are not the result of credit losses, are excluded from net income and reported in accumulated other comprehensive income (loss) as a separate component of stockholders' equity. Other income (expense), net, includes interest, dividends, amortization of purchase premiums and discounts, realized gains and losses on sales of securities and credit losses recognized through an allowance for credit losses, if any. The cost of securities sold is based on the specific identification method. The Company regularly reviews all of its investments for other-than-temporary declines in fair value. The Company's review includes the consideration of the cause of the impairment, including the creditworthiness of the security issuers, the number of securities in an unrealized loss position, the severity and duration of the unrealized losses, whether the Company has the intent to sell the securities and whether it is more likely than not that it will be required to sell the securities before the recovery of their amortized cost basis. When the Company determines that the decline in fair value of an investment is below its accounting basis and this decline is other-than-temporary, it reduces the carrying value of the security it holds and records a loss for the amount of such decline.

Property and Equipment

The cost of property and equipment is depreciated over the estimated useful lives of the related assets. Depreciation is computed on the straight-line method. Repairs and maintenance expenditures that do not extend original asset lives are charged to expense as incurred. The estimated useful lives of property and equipment are as follows:

Furniture and fixtures	10 years
Computer equipment	3 years
Software	3 years
Leasehold improvements	Shorter of useful life or lease term

Long-lived Assets

Long-lived assets consist of property and equipment. The assets are amortized on a straight-line basis over their respective useful lives. The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset exceeds the fair value of the asset. If other events or changes in circumstances indicate that the carrying amount of an asset that the Company expects to hold and use may not be recoverable, the Company will estimate the undiscounted future cash flows expected to result from the use of the asset and/or its eventual disposition, and recognize an impairment loss, if any. The impairment loss, if determined to be necessary, would be measured as the amount by which the carrying amount of the assets exceeds the fair value of the assets.

Share-Based Compensation

The Company expenses all share-based payment awards to employees, directors, and consultants, including grants of stock options, warrants, and restricted stock, over the requisite service period based on the grant date fair value of the awards. For awards with performance-based vesting criteria, the Company estimates the probability of achievement of the performance criteria and recognizes compensation expense related to those awards expected to vest. The Company determines the fair value of option awards using the Black-Scholes option-pricing model which uses both historical and current market data to estimate the fair value. This method incorporates various assumptions such as the risk-free interest rate, expected volatility, expected dividend yield and expected life of the options or warrants. Share-based compensation expense also includes an estimate, which is made at the time of the grant, of the number of awards that are expected to be forfeited. The fair value of the Company’s restricted stock and restricted stock units is based on the closing market price of the Company’s common stock on the date of grant.

Loss Per Share

Basic loss per share is based on the weighted effect of all shares of common stock issued and outstanding and is calculated by dividing net loss attributable to common stockholders by the weighted average shares outstanding during the period. Diluted loss per share is calculated by dividing net loss attributable to common stockholders by the weighted average number of shares

of common stock used in the basic loss per share calculation plus the number of shares of common stock that would be issued assuming conversion of all potentially dilutive securities outstanding. Diluted loss per share is not presented as such potentially dilutive securities are anti-dilutive to losses incurred in all periods presented.

Treasury Stock

Treasury stock purchases are accounted for under the cost method whereby the entire cost of the acquired stock is recorded as treasury stock. Gains or losses on the subsequent reissuance of shares are credited or charged to additional paid in capital.

Research and Development Costs

Research and development ("R&D") expenses include salaries, benefits, and other headcount related costs, clinical trial and related clinical manufacturing costs, contract and other outside service fees including sponsored research agreements, and facilities and overhead costs. The Company expenses the costs associated with research and development activities when incurred.

To further drive the Company's initiatives, the Company will continue targeting key governmental agencies and not-for-profit organizations to contribute funds for the Company's research and development programs. The Company accounts for such grants as a deduction to the related expense in research and development operating expenses when earned.

In-process Research and Development Expense

Upfront payments that relate to the acquisition of a new drug compound, as well as pre-commercial milestone payments, are immediately expensed as IPR&D in the period in which they are incurred, provided that the new drug compound did not also include processes or activities that would constitute a "business" as defined under U.S. GAAP, the drug has not achieved regulatory approval for marketing and, absent obtaining such approval, has no established alternative future use. The Company accounts for contingent consideration payable upon achievement of certain regulatory, development or sales milestones in such asset acquisitions when the underlying contingency is probable and estimable. Milestone payments made to third parties subsequent to regulatory approval will be capitalized as intangible assets and amortized over the estimated remaining useful life of the related product.

Intangible Asset

The Company's intangible asset consists of a single asset, a license agreement with Qilu Pharmaceutical, Co., Ltd. ("Qilu") acquired in the Company's acquisition of Cend Therapeutics, Inc (the "Cend Merger"), with a value of $0.4 million. The intangible asset is stated at fair value and is amortized using the straight-line method over its estimated useful life of 5 years. Amortization expense was $65 thousand and $71 thousand for the years ended December 31, 2025 and December 31, 2024, respectively. The intangible asset is reviewed for potential impairment when events or circumstances indicate that carrying amounts may not be recoverable. As of December 31, 2025, the Company determined that the carrying amount of the asset was not recoverable and recorded an intangible asset impairment charge of $0.1 million in general and administrative expenses in the Consolidated Statements of Operations.

Revenue Recognition

The Company evaluates license and collaboration arrangements to determine whether units of account within the arrangement exhibit the characteristics of a vendor and customer relationship. For arrangements and units of account where a customer relationship exists, the Company applies the revenue recognition guidance. The Company recognizes revenue upon the transfer of promised goods or services to customers in an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. To determine revenue recognition for contracts with customers the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the Company satisfies the performance obligations. At contract inception, the Company assesses the goods or services promised within each contract and assesses whether each promised good or service is distinct and determines those that are performance obligations. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied. Taxes imposed by governmental authorities on the Company's revenue, such as sales taxes and withholding taxes, are excluded from net revenue.

If a license to the Company's intellectual property is determined to be distinct from the other performance obligations identified in the arrangement, the Company recognizes revenues from non-refundable, upfront fees allocated to the license when the license is transferred to the licensee and the licensee is able to use and benefit from the license. If licenses are bundled with other performance obligations, the Company would utilize judgment to assess the nature of the combined performance obligation to determine whether the combined performance obligation is satisfied over time or at a point in time and, if over

time, the appropriate method of measuring progress for purposes of recognizing revenue. The Company recognized revenue of $0.2 million and $1.0 million for the years ended December 31, 2025 and 2024, respectively.

Milestones

At the inception of each arrangement that includes milestone payments (variable consideration), the Company evaluates whether the milestones are considered probable of being reached and estimates the amount to be included in the transaction price using the most likely amount method. If it is probable that a significant revenue reversal would not occur, the associated milestone value is included in the transaction price. Milestone payments that are not within the Company or the Company's collaboration partner's control, such as regulatory approvals, are generally not considered probable of being achieved until those approvals are received. The transaction price is then allocated to each performance obligation on a relative stand-alone selling price basis, for which the Company recognizes revenue as or when the performance obligations under the contract are satisfied. At the end of each subsequent reporting period, the Company re-evaluates the probability of achievement of such milestones and any related constraint, and if necessary, adjusts the Company's estimate of the overall transaction price. Any such adjustments are allocated on a cumulative catch-up basis to satisfied and partially satisfied performance obligations, with the consideration allocated to an ongoing performance obligation being recognized over the period of performance. For the years ended December 31, 2025 and 2024 the Company has not recognized revenue related to milestones.

Royalties

For arrangements that include sales-based royalties, including milestone payments based on the level of sales, and for which the license is deemed to be the predominant item to which the royalties relate, the Company recognizes revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied). To date, the Company has not recognized any royalty revenue from any collaborative arrangement.

Note 3 – Available-for-Sale-Securities

The following table is a summary of available-for-sale securities recorded in cash and cash equivalents or marketable securities in the Company's Consolidated Balance Sheets (in thousands):

	December 31, 2025				December 31, 2024			
	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Corporate debt securities	$ —	$ —	$ —	$ —	$ 16,025	$ —	$ (4)	$ 16,021
Money market funds	11,640	—	—	11,640	6,614	—	—	6,614
Agency bonds	—	—	—	—	613	—	—	613
Treasury bills	—	—	—	—	1,496	—	—	1,496
Municipal debt securities	—	—	—	—	905	—	—	905
Total	$ 11,640	$ —	$ —	$ 11,640	$ 25,653	$ —	$ (4)	$ 25,649

Estimated fair values of available-for-sale securities are generally based on prices obtained from commercial pricing services. The following table summarizes the classification of the available-for-sale securities in the Company's Consolidated Balance Sheets (in thousands):

	December 31, 2025	December 31, 2024
Cash equivalents	$ 11,640	$ 10,613
Marketable securities	—	15,036
Total	$ 11,640	$ 25,649

The following table summarizes the Company's portfolio of available-for-sale securities by contractual maturity (in thousands):

	December 31, 2025		December 31, 2024	
	Amortized Cost	Estimated Fair Value	Amortized Cost	Estimated Fair Value
Less than one year	$ 11,640	$ 11,640	$ 25,653	$ 25,649
Greater than one year	—	—	—	—
Total	$ 11,640	$ 11,640	$ 25,653	$ 25,649

Note 4 – Property and Equipment

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

	December 31,	
	2025	2024
Computer equipment	494	589
Leasehold improvements	—	72
Property and equipment, gross	494	661
Accumulated depreciation	(476)	(589)
Property and equipment, net	$ 18	$ 72

The Company’s results included depreciation expense of approximately $0.1 million and $0.1 million for the years ended December 31, 2025 and 2024, respectively.

Note 5 – Income (Loss) Per Share

For the years ended December 31, 2025 and 2024, the Company incurred net losses and therefore no common stock equivalents were utilized in the calculation of diluted loss per share as they are anti-dilutive in the periods presented. At December 31, 2025 and 2024, the Company excluded the following potentially dilutive securities (in thousands):

	December 31,	
	2025	2024
Stock options	1,503	1,441
Warrants	1,277	1,497
Restricted stock units	325	246

Note 6 – Fair Value Measurements

Fair value of financial assets and liabilities that are being measured and reported are defined as the exchange price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market at the measurement date (exit price). The Company is required to classify fair value measurements in one of the following categories:

Level 1 inputs are defined as quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2 inputs are defined as inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly.

Level 3 inputs are defined as unobservable inputs for the assets or liabilities. Financial assets and liabilities are classified based on the lowest level of input that is significant to the fair value measurement. The Company’s assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of the fair value of assets and liabilities and their placement within the fair value hierarchy levels.

The Company's financial assets and liabilities that were accounted for at fair value on a recurring basis as of December 31, 2025 and December 31, 2024 were as follows (in thousands):

	December 31, 2025				December 31, 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Cash equivalents	$ 11,640	$ —	$ —	$ 11,640	$ 10,613	$ —	$ —	$ 10,613
Marketable securities - available for sale	—	—	—	—	—	15,036	—	15,036
	$ 11,640	$ —	$ —	$ 11,640	$ 10,613	$ 15,036	$ —	$ 25,649

The carrying values of cash, cash equivalents, accounts receivable, accounts payable and accrued expenses approximate fair value at December 31, 2025 and December 31, 2024, due to the short maturity nature of these items.

Note 7 – Accrued Liabilities

Accrued liabilities were as follow (in thousands):

	December 31,	
	2025	2024
Salaries, employee benefits and related taxes	$ 812	$ 2,640
Operating lease liabilities - current	—	137
Clinical and R&D related liabilities	1,022	1,333
Accounting & tax consulting liabilities	62	55
Other	156	164
	$ 2,052	$ 4,329

Note 8 – Operating Leases

The Company had an operating lease for one office which expired in 2025, however, based on prior understanding with the building’s management, continue to occupy a portion of office space in the building on a non-committal basis. The Company estimates its incremental borrowing rate at lease commencement to determine the present value of lease payments as the Company's lease did not provide an implicit rate of return. The Company recognized lease expense on a straight-line basis over the lease term. For lease agreements entered into or reassessed after the adoption of ASU No. 2016-02, Leases (Topic 842), the Company elected to account for non-lease components associated with its leases and lease components as a single lease

component. The Company's lease included an option for the Company to extend the lease term and/or sub-lease space in whole or in part for which the Company has not exercised.

Operating lease liabilities and right-of-use assets were recorded in the following captions of the Company's balance sheet as follows (in thousands):

	December 31, 2025	December 31, 2024
Right-of-Use Assets:		
Other assets	$ —	$ 138
Total Right-of-Use Asset	$ —	$ 138
Operating Lease Liabilities:		
Accrued liabilities	$ —	$ 137
Other long-term liabilities	—	—
Total Operating Lease Liabilities	$ —	$ 137

As of December 31, 2024, the weighted average remaining lease term for the Company's operating lease was 0.75 years, and the weighted average discount rate for the Company's operating leases was 9.625%.

Operating lease costs were $0.1 million and $0.2 million for the years ended December 31, 2025 and 2024, respectively and includes both cash and non-cash expenses for operating leases. The operating lease costs are recognized evenly over the lease term, therefore, the timing of the expense may differ from the timing of actual cash payments. Cash payments and lease costs can differ due to the timing of cash payments relative to the level expense. Operating lease costs are included in research and development and general and administrative expense in the accompanying consolidated statements of operations.

Note 9 – Stockholders' Equity

Equity Plans

The Company has used long-term incentive plans for the purpose of granting equity awards to employees of the Company, including officers, and nonemployees, including consultants and nonemployee members of the Company's board of directors (collectively, the “Participants”). The Participants may receive awards as determined by a committee of independent members of the Company's board of directors or, to the extent authorized by such committee with respect to certain Participants, a duly authorized employee (collectively, the “Committee”). The incentive plan currently used by the Company is the 2018 Equity Incentive Compensation Plan (the “2018 Plan”), as adopted by the stockholders of the Company in (i) June 2018, and subsequently increased by the stockholders of the Company in June 2024 with 600,000 shares authorized for issuance thereunder and 862,135 additional shares authorized for issuance thereunder pursuant to the automatic annual evergreen increase, in (ii) June 2023 with 400,000 shares authorized for issuance thereunder, in (iii) September 2022 with 333,333 shares authorized for issuance thereunder, in (iv) June 2021 with 400,000 shares authorized for issuance thereunder and in (v) June 2020 with 166,667 shares authorized for issuance thereunder, plus any shares awarded under the 2015 Equity Compensation Plan (the “2015 Plan”) or the Amended and Restated 2009 Equity Compensation Plan (the “2009 Plan”) that are not issued due to their subsequent forfeiture, cancellation, or other settlement thereof. Concurrent with the adoption of the 2018 Plan, no future awards will occur under the 2015 Plan or the 2009 Plan. The awards that may be made under the 2018 Plan include: (a) incentive stock options and nonqualified stock options, (b) shares of restricted stock, (c) restricted stock units, and (d) other kinds of equity-based compensation awards. All stock options under the 2015 Plan and 2009 Plan were granted and the 2018 Plan are granted at the fair market value of the common stock at the grant date. Stock options vest either on the date of grant, ratably over a period determined at time of grant (typically over 3 years) or upon the accomplishment of specified business milestones, and generally expire 2, 3, or 10 years from the grant date depending on the status of the recipient as a nonemployee, employee or director of the Company. As of December 31, 2025 and 2024 there were 463,373 shares and 744,514 shares, respectively available for future grants under the 2018 Plan. No additional awards may be made under the 2015 Plan or the 2009 Plan.

The Company adopted an employee stock purchase plan effective January 1, 2013 and authorized 3,333 shares under the plan (the “2012 ESPP”). The plan has two six-month offering periods per year under which eligible employees may contribute

up to 15% of their compensation toward the purchase of the Company's common stock per offering period (with a $25,000 fair market value cap per calendar year). The employee's purchase price is equal to (i) 85% of the closing price of a share of the Company's common stock on the enrollment date of such offering period or (ii) 85% of the closing price of a share of the Company's common stock on the Exercise Date of such Offering Period, whichever is lower. In May 2017, the Company's stockholders approved an amendment and restatement to the 2012 ESPP (the "2017 ESPP") in order to effect an increase of authorized shares from 3,333 to 6,667. In June 2018, the Company's stockholders approved an amendment to the 2017 ESPP (the "Amended 2017 ESPP") in order to effect an increase of authorized shares from 6,667 to 33,333. In June 2023, the Company's stockholders approved an amendment to the Amended 2017 ESPP in order to effect an increase of authorized shares from 33,333 to 68,333. In June 2024, the Company's stockholders approved an amendment to the Amended 2017 ESPP in order to effect an increase of authorized shares from 68,333 shares to 113,333 shares.

During the year ended December 31, 2025, 28,484 shares were issued under the Amended 2017 ESPP. At December 31, 2025 and 2024, the Company had 14,637 shares and 43,121 shares, respectively of the Company's common stock available for future grant in connection with this plan.

Equity Issuances

At The Market Offering Agreement

On June 4, 2021, the Company entered into an At The Market Offering Agreement (the "ATM Agreement") with H.C. Wainwright & Co., LLC, as sales agent, in connection with an "at the market offering" under which the Company from time to time may offer and sell shares of its common stock, having an aggregate offering price of up to $50.0 million. As of the date of this filing and so long as the Company's public float remains below $75.0 million, the Company is subject to limitations pursuant to General Instruction I.B.6 of Form S-3 (the "Baby Shelf Limitation"), which limits the amount the Company can offer to up to one-third of its public float during any trailing 12-month period. Subsequent to the filing of a prospectus supplement to the Company's Registration Statement on Form S-3 (File No. 333-279034) relating to the at the market offering on August 21, 2024, the aggregate market value of its outstanding common stock held by non-affiliates was approximately $29.6 million. Pursuant to the Baby Shelf Limitation, since the aggregate market value of the Company's outstanding common stock held by non-affiliates was below $75.0 million at the time of such prospectus supplement filing, the aggregate amount of securities that the Company is permitted to offer and sell pursuant to the ATM Agreement as of the date of this Annual Report on Form 10-K, is $9,855,890, which is equal to one-third of the aggregate market value of our common stock held by non-affiliates as of August 20, 2024. If the Company's public float exceeds $75.0 million on a future measurement date, it will no longer be subject to the Baby Shelf Limitation. During the year ended December 31, 2025, the Company issued 262,765 shares of common stock under the ATM Agreement for net proceeds of $784,761. Since inception through December 31, 2025, the Company has issued 330,938 shares of common stock under the ATM Agreement for net proceeds of $1,065,608.

Stock Options and Warrants

The following table summarizes the activity for stock options and warrants for the year ended December 31, 2025:

	Stock Options				Warrants			
	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (In Thousands)	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (In Thousands)
Outstanding at December 31, 2024	1,440,535	$ 8.82	5.46	$ 157.0	1,496,744	$ 40.52	1.29	$ 7.5
Changes during the Year:								
Granted	111,400	$ 3.80			—	—		
Exercised	(4,329)	$ 1.88			—	—		
Forfeited	(17,930)	$ 3.53			131,628	43.50		
Expired	(26,795)	$ 141.14			88,154	32.09		
Outstanding at December 31, 2025	1,502,881	$ 6.17	4.77	$ 24.6	1,276,962	$ 40.80	0.29	$ —
Vested at December 31, 2025 or expected to vest in the future	1,497,282	$ 6.18	4.76	$ 24.6	1,276,962	$ 40.80	0.29	$ —
Exercisable at December 31, 2025	1,337,823	$ 6.51	4.33	$ 24.6	1,276,962	$ 40.80	0.29	$ —

Restricted Stock

During the years ended December 31, 2025 and 2024, the Company issued restricted stock for services as follows ($ in thousands, except share data):

	2025	2024
Number of restricted stock issued	215,550	203,800
Value of restricted stock issued	$ 819.1	$ 627.7

The weighted average estimated fair value of restricted stock issued for services in the years ended December 31, 2025 and 2024 was $3.80 and $3.08 per share, respectively. The fair value of the restricted stock was determined using the Company's closing stock price on the date of issuance. The vesting terms of restricted stock issuances are generally between one year and four years.

The following is a summary of the changes in non-vested restricted stock for the year ended December 31, 2025:

	Restricted Stock Shares	Weighted Average Grant-Date Fair Value
Non-vested at December 31, 2024	228,428	$ 3.67
Changes during the Year:		
Granted	215,550	$ 3.80
Vested	(161,492)	$ 4.20
Forfeited	(17,450)	$ 3.50
Non-vested at December 31, 2025	265,036	$ 3.46

Restricted Stock Units

During the years ended December 31, 2025 and 2024, the Company issued restricted stock units for services as follows ($ in thousands, except share data):

	2025	2024
Number of restricted stock units issued	78,945	205,300
Value of restricted stock units issued	$ 300.0	$ 632.3

The weighted average estimated fair value of restricted stock units issued for services in the years ended December 31, 2025 and 2024 was $3.80 and $3.08 per share, respectively. The fair value of the restricted stock units was determined using the Company's closing stock price on the date of issuance. The vesting terms of restricted stock unit issuances are generally one year, or upon the achievement of performance-based milestones.

The following is a summary of the changes in non-vested restricted stock units for the year ended December 31, 2025:

	Restricted Stock Units	Weighted Average Grant-Date Fair Value
Non-vested at December 31, 2024	103,800	$ 3.28
Changes during the Year:		
Granted	78,945	$ 3.80
Vested	(103,800)	$ 3.28
Forfeited	—	$ —
Non-vested at December 31, 2025	78,945	$ 3.80

Note 10 – Share-Based Compensation

Share-Based Compensation

The Company utilizes share-based compensation in the form of stock options, restricted stock, restricted stock units and warrants. The following table summarizes the components of share-based compensation expense for the years ended December 31, 2025 and 2024 ($ in thousands):

	Year Ended December 31,	
	2025	2024
Research and development	$ 228	$ 270
General and administrative	998	1,383
Total share-based compensation expense	$ 1,226	$ 1,653

Total compensation cost related to unvested awards not yet recognized and the weighted-average periods over which the awards are expected to be recognized at December 31, 2025 were as follows ($ in thousands):

	Stock Options	Restricted Stock Units	Warrants	Restricted Stock
Unrecognized compensation cost	$ 216	$ 7	$ —	$ 527
Expected weighted-average period in years of compensation cost to be recognized	1.65	0.02	0.00	1.74

Total fair value of shares vested and the weighted average estimated fair values of shares granted for the years ended December 31, 2025 and 2024 were as follows ($ in thousands):

	Stock Options		Warrants	
	Year Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Total fair value of shares vested	$ 267	$ 204	$ 150	$ —
Weighted average estimated fair value of shares granted	2.60	2.15	—	1.99

Valuation Assumptions

The fair value of stock options and warrants at the date of grant was estimated using the Black-Scholes option pricing model. The expected volatility is based upon historical volatility of the Company's stock. The expected term for the options is based upon observation of actual time elapsed between date of grant and exercise of options for all employees. The expected term for the warrants is based upon the contractual term of the warrants.

The range of assumptions made in calculating the fair values of stock options was as follows:

	Stock Options	
	Year Ended December 31,	
	2025	2024
Expected term - minimum (in years)	6.3	6.0
Expected term - maximum (in years)	6.3	6.3
Expected volatility - minimum	73%	73%
Expected volatility - maximum	73%	77%
Weighted average volatility	73%	77%
Expected dividend yield	—	—
Risk-free interest rate - minimum	4.51%	3.54%
Risk-free interest rate - maximum	4.51%	4.30%

Note 11 – Income Taxes

The provision (benefit) for income taxes is based on loss from operations before provision for income taxes and noncontrolling interests as follows ($ in thousands):

	Years Ended December 31,	
Pre-tax book income	2025	2024
United States	$ (16,890)	$ (19,474)
Australia	(658)	(1,309)
Total	$ (17,548)	$ (20,783)

The provision (benefit) from income taxes was as follows ($ in thousands):

	Years Ended December 31,	
	2025	2024
Current		
U.S. Federal	$ —	$ —
State and local	—	—
	$ —	$ —
Deferred		
U.S. Federal	$ —	$ —
State and local	(962)	(798)
	$ (962)	$ (798)
Total		
U.S. Federal	$ —	$ —
State and local	(962)	(798)
	$ (962)	$ (798)

The provision (benefit) for income taxes is determined by applying the U.S. Federal statutory rate of 21% to income before income taxes, and the components are set forth below ($ in thousands):

	Years Ended December 31,			
	2025	%	2024	%
U.S. Federal tax (benefit) at statutory rate	$ (3,685)	21.00 %	$ (4,364)	21.00 %
Domestic				
Other true ups	(2)	0.01 %	(21)	0.10 %
Change in Valuation Allowance US	2,756	(15.71)%	3,695	(17.78)%
Non-taxable or non-deductible items				
Section 162(m) Limit on Compensation	67	(0.38)%	86	(0.41)%
Share-based compensation	525	(2.99)%	172	(0.83)%
Sale of NJ NOLs	202	(1.15)%	168	(0.81)%
Other	(1)	0.01 %	(11)	0.05 %
Domestic state and local income taxes, net of federal effect *	(962)	5.48 %	(798)	3.84 %
Foreign Tax Effects				
Australia				
AUS Foreign Rate Differential	(26)	0.15 %	(52)	0.25 %
Change in Valuation Allowance AUS	177	(1.01)%	(35)	0.17 %
Non-deductible R&D Expense	10	(0.06)%	188	(0.90)%
AUS Others	(23)	0.13 %	174	(0.84)%
Total Tax Provision	$ (962)	5.48 %	$ (798)	3.84 %

*State taxes in New Jersey made up the majority (greater than 50%) of the tax effect in this category.

Deferred income taxes at December 31, 2025 and 2024 consist of the following ($ in thousands):

	December 31,	
	2025	2024
Deferred Tax Assets:		
Accumulated net operating losses (tax effected)	$ 27,016	$ 16,062
Lease liability	—	39
Share-based compensation	1,846	2,373
Intangibles	621	765
Capitalized research and development	548	7,717
Accumulated depreciation	18	21
Accrued payroll	197	219
Other	639	637
Deferred tax assets	30,885	27,833
Deferred Tax Liabilities:		
Right-of-use asset	$ —	$ (39)
Deferred tax liabilities	—	(39)
Net deferred tax asset	30,885	27,794
Valuation allowance	(30,885)	(27,794)
Net deferred tax asset	$ —	$ —

The following table presents income taxes paid, net of refunds received, disaggregated by jurisdiction for the years ended December 31, 2025 and 2024 ($ in thousands):

	Years Ended December 31,	
Jurisdiction	2025	2024
U.S. Federal	$ —	$ –
States	—	
New Jersey	4	
California	2	
Foreign	—	–
Total	$ 6	$

In assessing the realizability of deferred tax assets, including the net operating loss carryforwards (NOLs), the Company assesses the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize its existing deferred tax assets. Based on its assessment, the Company has provided a full valuation allowance against its net deferred tax assets as their future utilization remains uncertain at this time.

As of December 31, 2025 and 2024, the Company had approximately $99.0 million and $57.9 million, respectively, of Federal NOLs available to offset future taxable income expiring from 2030 through 2036. The Company performed an analysis and determined that they had an ownership change of greater than 50% on September 15, 2022. As a result of the ownership change, losses incurred before the ownership change on September 15, 2022 will be subject to an annual limitation while losses incurred after September 15, 2022 will not be subject to limitations.

As of December 31, 2022, Cend Therapeutics, Inc. (“Cend”) had approximately $3.6 million of Federal NOLs available to offset future taxable income. The Company performed an analysis and determined that there was an ownership change of greater than 50% on September 15, 2022. As of September 15, 2022 Cend has approximately $3.1 million of Federal and $4.3 million of state NOLs. The state NOLs will expire from the 2036 through 2042 tax years. Using a fair market value of $36.1 million and applying an applicable federal rate of 2.54% Cend will have an annual limitation of approximately $917 thousand each year. The Federal NOL of $459 thousand incurred in the post-acquisition period September 15, 2022 to December 31, 2022 is not subject to limitation, and does not expire.

As of December 31, 2025 and 2024, the Company’s wholly owned Australian subsidiary had approximately $3.0 million and $2.3 million, respectively, of NOLs which will be carried forward and do not expire. There is a full valuation allowance against the NOLs.

As of December 31, 2025, the Company had federal research and development credit carryforwards of $0.5 million expiring from 2027 through 2034 if unutilized, and state research and development credit carryforwards of $0.1 million, which carryforward indefinitely. Utilization of these credits may be subject to an annual limitation based on changes in ownership.

As of December 31, 2025 and 2024, the Company had State NOLs available in New Jersey of $54.8 million and $24.6 million, respectively, California of $9.2 million and $9.2 million, respectively, and New York City of $1.9 million and $1.9 million, respectively, to offset future taxable income expiring from 2032 through 2045. The usage of the Company’s NOLs is limited given the change in ownership.

The Company applies the Financial Accounting Standards Board provisions for uncertain tax positions. The Company utilizes the two-step process to determine the amount of recognized tax benefit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the consolidated financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authority. The Company recognizes interest and penalties associated with certain tax positions as a component of income tax expense.

As of December 31, 2025 and 2024, the Company’s uncertain tax positions were $344 thousand and $344 thousand, respectively. The uncertain tax positions are due to the acquisition of Cend related to Federal and state credits and certain state NOLs. The Company will continue to evaluate its uncertain tax positions in future periods. The Company does not believe there will be any material changes in its unrecognized tax positions over the next year.

A reconciliation of the beginning and ending amounts of unrecognized tax benefits is as follows:

	Years Ended December 31,	
	2025	2024
Gross unrecognized tax benefit, beginning of period	$ 344	$ 344
Additions based on tax positions related to the current year	—	—
Additions based on tax positions related to the prior years	—	—
Reductions due to lapse in statute of limitations and settlements	—	—
Gross unrecognized tax benefit, end of period	$ 344	$ 344

For years prior to 2022 the federal statute of limitations is closed for assessing tax. The Company's state tax returns remain open to examination for a period of three to four years from the date of the tax return filing.

On March 4, 2024, the Company received final approval from the New Jersey Economic Development Authority ("NJEDA") under the Technology Business Tax Certificate Transfer Program ("Program") to sell $8.9 million of its New Jersey net operating losses ("NJ NOLs"), which were subsequently sold to a qualifying and approved buyer pursuant to the Program for net proceeds of $0.7 million. The sale of NJ NOLs resulted in a $0.8 million deferred income tax benefit and a loss on sale of $0.1 million recorded in other income (expense) in the consolidated financial statements.

In January 2025, the Company sold a portion of their unused New Jersey net operating losses through the State of New Jersey Economic Development Authority's ("NJEDA") Technology Business Tax Certificate Transfer Program ("Program"). Under the Program, the Company sold $10.7 million of its New Jersey net operating losses ("NJ NOLs") for net proceeds of $0.9 million. The sale of NJ NOLs resulted in a $1.0 million deferred income tax benefit and a loss on sale of $0.1 million recorded in other income (expense) in the consolidated financial statements.

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act ("OBBBA"). The OBBBA makes permanent key elements of the Tax Cuts and Jobs Act, including 100% bonus depreciation, domestic research cost expensing, and the business interest expense limitation. ASC 740, "Income Taxes", requires the tax effects of changes in tax rates and tax law be recognized in the period in which the legislation is enacted. The Company completed its initial assessment of OBBBA for the year ended December 31, 2025. For the provisions effective in 2025, there was no material impact to the Company's effective tax rate for the year ended December 31, 2025.

The One Big Beautiful Bill Act ("OBBBA") enacted new Section 174A, which permanently allows taxpayers to fully expense domestic research or experimental (R&E) expenditures paid or incurred in taxable years beginning after Dec. 31, 2024, and also provides transition rules permitting taxpayers to deduct unamortized domestic R&E expenditures paid or incurred in 2022 through 2024. The company anticipates deducting the remaining unamortized domestic R&E expenditures of $26.2 million entirely in 2025.

Note 12 – Segment Information

The Company operates as one operating segment, the research and development of its investigational drug product. The Company used the management approach to determine its reportable operating segment. The Company's Chief Operating Decision Maker ("CODM") is its Chief Executive Officer, who reviews financial information presented on a consolidated basis. The Company is a clinical-stage pharmaceutical company and has limited revenue associated with license and collaboration agreements. The CODM uses net loss as a measure of profit and loss, and assesses Company performance through the achievement of its clinical development goals. The CODM is regularly provided with budgeted and forecasted expense information which is used to determine the Company's liquidity needs and cash allocation to its development programs. The CODM uses cash and marketable securities as a measure of segment assets in managing the enterprise.

The Company had revenue of $0.2 million during the year ended December 31, 2025, and $1.0 million during the year ended December 31, 2024 in connection with certain upfront license fees in the current year and the Exclusive License and Collaboration Agreement with Kuva Labs, Inc in the prior year (Note 17) who is based in the United States. Depreciation and amortization expense was $0.1 million and $0.2 million for the years ended December 31, 2025, and 2024, respectively. Equity method investment expense was $0.1 million for the year ended December 31, 2024. There was no equity method investment expense for the year ended December 31, 2025.

The following table illustrates our segment information for significant operating expenses and includes a reconciliation to net loss for the years ended December 31, 2025 and 2024:

	Year Ended December 31,	
	2025	**2024**
Revenue	$ 170	$ 1,000
Operating Expenses:		
Research and development by significant expense:		
BOLSTER trial	2,540	3,581
ASCEND trial	41	754
Chemistry, manufacturing and controls	1,050	2,035
Clinical department	2,999	4,304
Other [1]	1,319	660
Research and development	7,949	11,334
General and administrative by significant expense:		
Corporate	3,026	3,693
Investor relations/public relations/communications	1,141	1,332
Finance	2,002	2,265
Legal	919	1,284
Business development	422	582
Share based compensation expense	999	1,383
Other [2]	1,921	1,536
General and administrative	10,430	12,075
Operating loss	(18,209)	(22,409)
Other income (expense),net	661	1,626
Benefit from income taxes	(962)	(798)
Net loss	**$ (16,586)**	**$ (19,985)**
Cash and marketable securities	**$ 15,956**	**$ 31,245**

[1] Included in other are GBM study, FORTIFIDE study and research oncology expenses

[2] Included in other are facilities expense, human resource, information technology expenses, allowance for credit losses and impairment of non-financial asset

Note 13 – Australia Research and Development Tax Incentive

The Company's Australian subsidiary, which conducts core research and development activities, is eligible to receive a refundable tax incentive between 43.5% to 48.5% (depending upon the income tax rate) for qualified research and development activities. As of December 31, 2025 and 2024, the Company had $0.7 million and $0.6 million, respectively, recorded as an income tax incentive receivable in prepaid and other current assets in the consolidated balance sheets, as the Company determined that the expenses met the eligibility criteria and the amounts claimed are expected to be received shortly after the related tax returns are filed. On February 4, 2026 the Company's Australian subsidiary received a $0.7 million tax refund from the Australian Taxation Office related to the 2024 tax year.

Note 14 – Commitments and Contingencies

Second Amended and Restated Employment Agreement

On June 10, 2025, the Company entered into an amended and restated employment agreement with David J. Mazzo, Ph.D., the Company's Chief Executive Officer (the "Mazzo Second Amended and Restated Employment Agreement"). The Mazzo Second Amended and Restated Employment Agreement supplements and amends the Amended and Restated Employment Agreement, dated and effective as of March 19, 2021, between Dr. Mazzo and the Company.

The Mazzo Second Amended and Restated Employment Agreement: (i) amended Dr. Mazzo's base salary to $717,229 from $633,032 and removed the non-accountable expense allowance of $12,000 per year, (ii) clarified that a material reduction in Dr. Mazzo's base salary is included in the definition of "Good Reason", (iii) amended that in the event of Dr. Mazzo's termination from the Company within two years following a Change in Control (as defined therein), any determination on (a) whether Dr. Mazzo's termination constitutes a termination with or without Cause (as defined therein) or with or without Good Reason (as defined therein) and (b) Dr. Mazzo's entitlement to the separation benefits and payments described therein, will be determined by the board of directors of the Company as constituted immediately prior to such Change in Control, which board may delegate its authority to a qualified independent third party, (iv) amended Dr. Mazzo's COBRA benefit coverage after the date of termination to monthly reimbursement payments for the cost of Dr. Mazzo's group health plan coverage, except in the event that such payment would incur tax penalties to the Company, violate applicable nondiscrimination requirements or in the event that the Company terminates the group health plan, in which case the Company will pay Dr. Mazzo a lump-sum cash payment equal to the aggregate cost of the remaining reimbursement payments less required withholdings, (v) amends the form of payment of Dr. Mazzo's bonus payments in the event of a termination not in connection to a Change in Control to a lump-sum payment, (vi) amended the definition of "Change in Control" therein to include the approval by the shareholders of the Company of any plan of complete liquidation of the Company, provided that the Change in Control meets all of the requirements of a "change in control" within the meaning of Treasury Regulation §1.409A-3(i)(5), (vii) clarified that the base salary severance payments, to the extent that the payments are in the aggregate less than or equal to twice the compensation limit under Section 401(a)(17) of the Internal Revenue Code of 1986, as amended (the "Code"), comply with the involuntary separation pay plan exception to Section 409A of the Code, and further clarified that Dr. Mazzo may receive such severance payments as a lump sum payment on the next payroll period following the date of his termination from employment; and (viii) clarified other technical terms for compliance with Section 409A of the Code.

Amended and Restated Employment Agreement

On June 10, 2025, the Company entered into an amended and restated employment agreement with Kristen K. Buck, M.D., the Company's Vice President, R&D and Chief Medical Officer (the "Buck Amended and Restated Employment Agreement"). The Buck Amended and Restated Employment Agreement supplemented and amended the Employment Agreement, dated and effective as of July 26, 2021, between Dr. Buck and the Company.

The Buck Amended and Restated Employment Agreement: (i) amended Dr. Buck's base salary to $599,342 from $550,000, (ii) clarified that a material reduction in Dr. Buck's base salary is included in the definition of "Good Reason", (iii) amended that in the event of Dr. Buck's termination from the Company within two years following a Change in Control (as defined therein), any determination on (a) whether Dr. Buck's termination constitutes a termination with or without Cause (as defined therein) or with or without Good Reason (as defined therein) and (b) Dr. Buck's entitlement to the separation benefits and payments described therein, will be determined by the board of directors of the Company as constituted immediately prior to such Change in Control, which board may delegate its authority to a qualified independent third party, (iv) amended Dr. Buck's COBRA benefit coverage after the date of termination to monthly reimbursement payments for the cost of Dr. Buck's group health plan coverage, except in the event that such payment would incur tax penalties to the Company, violate applicable nondiscrimination requirements or in the event that the Company terminates the group health plan, in which case the Company will pay Dr. Buck a lump-sum cash payment equal to the aggregate cost of the remaining reimbursement payments less required withholdings, (v) amended Dr. Buck's bonus payments in the event of a termination not in connection to a Change in Control such that the amount will not be pro-rated for the number of days Dr. Buck was employed in the year of termination of employment, (vi) amended the definition of "Change in Control" therein to include the approval by the shareholders of the Company of any plan of complete liquidation of the Company, provided that the Change in Control meets all of the requirements of a "change in control" within the meaning of Treasury Regulation §1.409A-3(i)(5), (vii) clarifies that the base salary severance payments, to the extent that the payments are in the aggregate less than or equal to twice the compensation limit under Section 401(a)(17) of the Code comply with the involuntary separation pay plan exception to Section 409A of the Code, and further clarified that Dr. Buck may receive such severance payments as a lump sum payment on the next payroll period following the date of her termination from employment; and (viii) clarified other technical terms for compliance with Section 409A of the Code.

Amended and Restated Separation Benefits Agreement

On June 10, 2025, the Company entered into an amended and restated separation benefits agreement with James Nisco, Senior Vice President Finance and Treasury and Chief Accounting Officer of the Company (the "Nisco Amendment"). The Nisco Amendment supplemented and amended the separation benefits provided in the Non-Change in Control Separation Pay Agreement between the Company and Mr. Nisco, dated as of December 24, 2024, and the severance agreement between Mr. Nisco and the Company, dated and effective as of September 12, 2016, and further amended on March 25, 2022.

The Nisco Amendment: (i) amended the definition of "Change in Control" therein to include the approval by the shareholders of the Company of any plan of complete liquidation of the Company, provided that the Change in Control meets all of the requirements of a "change in control" within the meaning of Treasury Regulation §1.409A-3(i)(5), (ii) included a condition that Mr. Nisco's right to the severance payments and benefits described therein are subject to Mr. Nisco's timely execution and non-revocation of a general release of claims within sixty days following Mr. Nisco's termination or such shorter time period set forth therein, (iii) amended Mr. Nisco's COBRA benefit coverage after the date of termination to monthly reimbursement payments for the cost of Mr. Nisco's group health plan coverage, except in the event that such payment would incur tax penalties to the Company, violate applicable nondiscrimination requirements or in the event that the Company terminates the group health plan, in which case the Company will pay Mr. Nisco a lump-sum cash payment equal to the aggregate cost of the remaining reimbursement payments less required withholdings, (iv) amended that in the event of Mr. Nisco's termination from the Company within two years following a Change in Control (as defined therein), any determination on (a) whether Mr. Nisco's termination constitutes a termination with or without Cause (as defined therein) or with or without Good Reason (as defined therein) and (b) Mr. Nisco's entitlement to the separation benefits and payments described therein, will be determined by the board of directors of the Company as constituted immediately prior to such Change in Control, which board may delegate its authority to a qualified independent third party, (v) clarified that the base salary severance payments, to the extent that the payments are in the aggregate less than or equal to twice the compensation limit under Section 401(a)(17) of the Code, comply with the involuntary separation pay plan exception to Section 409A of the Code, and further clarifies that Mr. Nisco may receive such severance payments as a lump sum payment on the next payroll period following the date of his termination from employment; and (vi) clarified other technical terms for compliance with Section 409A of the Code.

Amended and Restated Separation Benefits Agreement

On June 10, 2025, the Company entered into an amended and restated separation benefits agreement (the "Imam Amendment") with Tariq Imam, Senior Vice President, Business Development and Operations and General Counsel of the Company. The Imam Amendment supplemented and amended the separation benefits provided in the Non-Change in Control Separation Pay Agreement between the Company and Mr. Imam, dated as of December 24, 2024, effective as of February 1, 2025 (the "Imam Non-Change in Control Separation Pay Agreement") and the severance agreement between Mr. Imam and the Company, dated as of March 25, 2022 (the "Imam Severance Agreement").

Imam Severance Agreement

Pursuant to the Imam Severance Agreement, Mr. Imam is entitled to receive certain payments following his termination from the Company in specific circumstances. If Mr. Imam terminates his employment for Good Reason (as defined in the Imam Severance Agreement) during the period commencing on the effective date of a Change in Control (as defined in the Imam Severance Agreement) and ending on the second anniversary of the effective date of a Change in Control (as defined in the Imam Severance Agreement), or the Company terminates Mr. Imam's employment without Cause (as defined in the Imam Severance Agreement) (other than by reason of his death or disability), the Company will (a) continue to pay Mr. Imam's current base salary of $356,000 (the "Imam Salary Payment") for 12 months following the date the termination becomes effective (the "Imam Severance Period"), commencing on the next payroll period following the date the termination becomes effective and (b) pay Mr. Imam a lump-sum equal to 100% of Mr. Imam's then annual target bonus on the next payroll period following the date the termination becomes effective (the "Imam Cash Severance") and (c) pay monthly the monthly premium amount for continued COBRA coverage. If the Company may not pay Mr. Imam's COBRA premiums without incurring tax penalties or violating any requirement of law, the Company shall use its commercially reasonable best efforts to provide Mr. Imam with substantially similar assistance in an alternative manner (the "Imam COBRA Payments"), provided that the cost of doing so does not exceed the cost that the Company would have incurred had the Company been able to pay the COBRA premiums on Mr. Imam's behalf. In addition to the Imam Salary Payment, Imam Cash Severance and the Imam COBRA Payments, the Company shall (i) fully vest as of the date the termination becomes effective, all outstanding unvested equity awards, including options granted to Mr. Imam; and (ii) extend the exercise date of the options to the earlier of the one-year anniversary of the date the termination becomes effective and the original expiration date of the options.

Imam Non-Change in Control Separation Pay Agreement

Pursuant to the Imam Non-Change in Control Separation Pay Agreement, Mr. Imam is entitled to a salary continuation of his current base salary of $356,000 for 12 months from the date of his termination, as well as a lump-sum cash payment of 100% of his then annual target bonus on the next payroll period following the date the termination becomes effective. Mr. Imam is also entitled to payment of accrued but unpaid paid time off and wages up to the date of termination and monthly COBRA coverage reimbursements for 12 months from the date of termination. The Imam Non-Change in Control Separation Pay Agreement also provides an extension of the time period for exercising any fully vested option awards to the earlier of the one-year anniversary of the date the termination becomes effective and the original expiration date of the options.

The Imam Amendment: (i) amended the definition of "Change in Control" therein to include the approval by the shareholders of the Company of any plan of complete liquidation of the Company, provided that the Change in Control meets all of the requirements of a "change in control" within the meaning of Treasury Regulation §1.409A-3(i)(5), (ii) included a condition that Mr. Imam's right to the severance payments and benefits described therein are subject to Mr. Imam's timely execution and non-revocation of a general release of claims within sixty days following Mr. Imam's termination or such shorter time period set forth therein, (iii) amended Mr. Imam's COBRA benefit coverage after the date of termination to monthly reimbursement payments for the cost of Mr. Imam's group health plan coverage, except in the event that such payment would incur tax penalties to the Company, violate applicable nondiscrimination requirements or in the event that the Company terminates the group health plan, in which case the Company will pay Mr. Imam a lump-sum cash payment equal to the aggregate cost of the remaining reimbursement payments less required withholdings, (iv) clarified that in the event of Mr. Imam's termination from the Company within two years following a Change in Control (as defined therein), any determination on (a) whether Mr. Imam's termination constitutes a termination with or without Cause (as defined therein) or with or without Good Reason (as defined therein) and (b) Mr. Imam's entitlement to the separation benefits and payments described therein, will be determined by the board of directors of the Company as constituted immediately prior to such Change in Control, which board may delegate its authority to a qualified independent third party, (v) clarified that the base salary severance payments, to the extent that the payments are in the aggregate less than or equal to twice the compensation limit under Section 401(a)(17) of Code, comply with the involuntary separation pay plan exception to Section 409A of the Code, and further clarifies that Mr. Imam may receive such severance payments as a lump sum payment on the next payroll period following the date of his termination from employment and (vi) clarified other technical terms for compliance with Section 409A of the Code.

Legal Proceedings and Claims

From time to time, the Company is subject to legal proceedings and claims, either asserted or unasserted, that arise in the ordinary course of business. While the outcome of pending claims cannot be predicted with certainty, the Company does not believe that the outcome of any pending claims will have a material adverse effect on the Company's financial condition or operating results. The Company has elected to recognize expense for legal fees as incurred when the legal services are provided.

In May 2021, Cend received a written threat of litigation on behalf of a Chinese entity called Lingmed Limited ("Lingmed") claiming Lingmed was entitled to a success fee based on Cend's Collaboration and License Agreement with Qilu Pharmaceuticals. Cend responded by denying that Lingmed is entitled to a success fee under the terms of their agreement. In May 2022, Cend was served with a complaint filed by Lingmed in the San Diego County Superior Court, alleging claims for breach of contract, fraud and declaratory relief. Cend's response to the complaint was filed on June 6, 2022 and denied all of Lingmed's material allegations. Lingmed filed an answer to Cend's response on July 11, 2022, denying all of the Company's material allegations. On March 25, 2024 the Company entered into a settlement agreement whereby the Company was required to pay Lingmed $0.5 million within 30 days of the effective date and the Company effected payment on April 4, 2024. Lingmed is also entitled to 5.0% of any future milestone payments received by the Company under the license agreement with Qilu in addition to a sum of $250 thousand with respect to the first future milestone received by the Company. On April 9, 2024, pursuant to the parties' joint request, the Court entered a dismissal with prejudice of the entire action as to all parties and all claims and the matter was settled. On January 23, 2026, the Company entered into a mutual termination of the Collaboration and License Agreement with Qilu Pharmaceuticals.

Note 15 – Technology Transfer Agreement

Impilo Therapeutics

In July 2023, the Company entered into a technology transfer agreement with Impilo Therapeutics ("Impilo") under which the Company transferred its rights to its tumor penetrating nanocomplex (TPN) platform to Impilo. As consideration for the technology transfer, Impilo issued a total of 766,000 shares of its pre-seed preferred stock to the Company. On October 3, 2023 in connection with the Sanford Burnham Prebys license agreement (see Note 16 - License Agreements) Impilo cancelled the original stock certificate for 766,000 shares and reissued 574,500 shares of its pre-seed preferred stock to the Company.

On March 15, 2024, the Company purchased a Simple Agreement for Future Equity ("SAFE") from Impilo for $100 thousand. On July 12, 2024, the Company purchased an additional SAFE from Impilo for $30 thousand. As of December 31, 2025 and December 31, 2024 the Company owned 38.6% of Impilo. These investments were expensed under the equity method of accounting in the prior year in other expense, net in the accompanying statement of operations. The SAFE has a valuation cap of $30.0 million and an 80% discount rate.

Note 16 – License Agreements

Sanford Burnham Prebys

In December 2015, Cend entered into a license agreement with Sanford Burnham Prebys ("SBP") under which Cend was granted an exclusive, worldwide, royalty-bearing license to certain patent rights and know-how controlled by SBP related to the development of certepetide. At the time the license agreement was entered into, Cend's founding shareholder was an executive at SBP. The agreement provides the Company with the rights to grant and authorize sublicenses to use, sell, and otherwise exploit the patent rights. As consideration for the license, SBP was issued a total of 382,030 shares of common stock. The Company is required to pay an annual license maintenance fee of $10 thousand increasing to $20 thousand on year seven of the agreement. The Company could also be required to make milestone payments to SBP upon completion of certain regulatory and commercial milestones. The aggregate potential milestone payments are approximately $10.6 million. The Company has also agreed to pay SBP royalties of 4% of net sales of products sold by the Company, or through a sublicense, subject to certain reductions. Additionally, the Company is obligated to pay SBP 25% of any sublicensing income received, which, pursuant to the technology transfer agreement with Impilo, resulted in SBP receiving 191,500 shares of the Company's pre-seed preferred stock in Impilo on October 3, 2023.

The agreement will expire upon the later of (i) the final abandonment of all pending patent applications within the licensed patents or (ii) the expiration of the last to expire patent within the licensed patents. The agreement may be terminated in its entirety by the Company at any time by giving SBP sixty days' prior written notice. The agreement may be terminated in its entirety by SBP if the Company, at any time, defaults in the payment of any sum when due and fails to make such payment within thirty days after receipt of written notice. The agreement may be terminated in its entirety by either SBP or the Company (i) in the event of an uncured material breach by the other party, or (ii) in the event the other party (a) files for, or is involuntarily petitioned with, bankruptcy (other than dissolution or winding up for the purposes of reconstruction or amalgamation), (b) makes an assignment of all or substantially all of its assets for the benefit of creditors, or (c) has a receiver or trustee is appointed and is unable to secure a dismissal, stay or other suspension of such proceedings within thirty days. Upon termination of the agreement for any reason, all rights and obligations of the Company with respect to the patents and patent applications shall terminate and revert to SBP.

SBP did not own shares of the Company's common stock as of December 31, 2025.

Note 17 – Research Collaboration and License Agreements

Exclusive License and Collaboration Agreement - Qilu Pharmaceutical

In February 2021, Cend entered into an Exclusive License and Collaboration Agreement (the "Qilu Agreement") in which Cend granted an exclusive license to Qilu for the development and commercialization of certepetide in the Territory (defined as the Greater Area of China including China, Macau, Hong Kong, and Taiwan). Under the terms of the agreement, Qilu is solely responsible for the development of certepetide in its Territory. In consideration for the license, Qilu made an upfront payment of $10.0 million to Cend, which was recognized as revenue by Cend prior to the Company's acquisition of Cend on September 15, 2022 (the "Cend Merger"). In addition, Cend received and recognized as revenue a $5.0 million development milestone prior to the Cend Merger. The Company is eligible to receive additional development and commercial milestone payments up to

$96.0 million and $125.0 million, respectively, tiered royalties on net sales ranging from 10% to 15%, and tiered sublicensing revenues ranging from 12% to 35%.

On March 25, 2024 the Company entered into a settlement agreement with Lingmed whereby Lingmed is entitled to 5.0% of any future milestone payments received by the Company under the Qilu Agreement. In addition, Lingmed is entitled to a sum of $250 thousand with respect to the first future milestone received by the Company.

Unless terminated early, the Qilu Agreement will continue in effect until the expiration of all Qilu payment obligations. Either party may terminate the Qilu Agreement if an undisputed material breach by the other party is not cured within a defined period of time, or upon notice for insolvency-related events of the other party that are not discharged within a defined time period. Qilu may terminate the Qilu Agreement in its entirety, at any time with at least sixty days written notice. All rights and obligations of Qilu with respect to such licensed patents and patent applications would terminate simultaneously. On January 23, 2026 the Company entered into a mutual termination of the February 2021 Exclusive License and Collaboration Agreement with Qilu Pharmaceutical Co., Ltd. This action resulted in all licenses and other rights granted to Qilu reverting to the Company.

Exclusive License and Collaboration Agreement - Kuva Labs

In November 2024, the Company entered into an Exclusive License and Collaboration Agreement (Agreement) in which the Company granted an exclusive license to Kuva Labs, Inc. (Kuva) to explore the synergistic potential of the Company's certepetide, as a targeting and delivery agent for Kuva's NanoMark™ imaging technology in solid tumors. Under the Agreement, Kuva will assume full responsibility for research, development, and commercialization costs, while the Company will be responsible for supplying certepetide for additional consideration pursuant to a Clinical Supply Agreement. In consideration for the license, the Company recognized $1.0 million as revenue upon delivery of the license in November 2024. The Company was eligible to receive additional development and commercial milestone payments up to $1.5 million and $17.5 million, respectively, a 5.0% percent royalty on net sales, and sublicensing revenues of 50% On November 30, 2025, Kuva Labs defaulted for non-payment of its obligation under the Agreement, and were unable to satisfy such obligation during the cure period that expired on December 31, 2025. As a result of the default and failure to cure such default, the Agreement was terminated.

Non-Exclusive License Agreement - Catalent

On October 8, 2025, the Company entered into a worldwide Non-Exclusive License Agreement (the "Non-Exclusive License Agreement" or the "Agreement") with Catalent, Inc. ("Catalent"), pursuant to which the Company granted to Catalent, on a non-exclusive basis, certain of its intellectual property to exploit use of the Company's novel iRGD cyclic peptide, certepetide, as an antibody drug conjugate (ADC) payload as part of Catalent's SMARTag® ADC platform. Under the Agreement, Catalent will assume full responsibility for research, development, and commercialization costs. In connection with entering into the Non-Exclusive License Agreement, the Company is eligible to receive pre-determined development milestone payments of up to $10.5 million in the aggregate. The Company is also eligible to receive tiered revenue sharing on future sales and/or partnerships, subject to specified royalty reductions as set forth in the Agreement, as well as a portion of any sublicense consideration received from the grant of any sublicense or similar rights under any of the rights or licenses granted to Catalent under the Agreement. The Agreement will remain in effect until it expires on a product-by-product and country-by-country basis at the end of the royalty term. Either party may terminate the Agreement upon the other party's material breach, subject to specified notice and cure provisions, as well as resulting from the bankruptcy or insolvency of the other party. Catalent may also terminate the Agreement in its entirety at any time by giving the Company at least thirty (30) days prior written notice. In connection with the Agreement, Catalent has agreed to grant the Company a right of first negotiation for a license, in the event Catalent initiates a specific, organized out-licensing process of an asset resulting from the Agreement.

Note 18 – Subsequent Events

Proposed Acquisition by Kuva Labs Inc.

On March 6, 2026, the Company entered into an Agreement and Plan of Merger (the "Merger Agreement") with Kuva Labs Inc. ("Kuva"), and Kuva Acquisition Corp., a wholly owned subsidiary of Kuva ("Purchaser"). Pursuant to the Merger Agreement, and upon the terms and subject to the conditions thereof, Purchaser will commence a tender offer (the "Offer") to purchase all of the issued and outstanding shares of common stock, par value $0.001 per share (the "Common Shares"), of the Company in exchange for (i) $5.00 per Common Share, net to the seller in cash, without interest, but subject to any applicable withholding of taxes (the "Closing Amount") plus (ii) one non-tradeable contingent value right (each, a "CVR"), which represents the contractual right to receive a contingent cash payment of $1.00 per CVR if a New Drug Application or similar registration is filed or formally accepted for review by the FDA or any governmental authority in any jurisdiction with respect

to any pharmaceutical product that contains or incorporates the product candidate referred to as of the date of the Merger Agreement as certepetide, alone or in combination with one or more other therapeutically active ingredients, including all formulations, dosages, or modes of delivery, for any indication or patient population prior to the earlier of (a) 11:59 p.m. New York City Time on the seventh (7th) anniversary of the Closing Date (as defined in the Merger Agreement), and (b) termination of the CVR Agreement, (the Closing Amount plus one CVR, collectively, the "Offer Price"). If certain conditions are satisfied and the Offer is consummated, Kuva would acquire any remaining Shares for the Offer Price by a merger of Purchaser with and into the Company (the "Merger"). Upon completion of these transactions, the Company would no longer be a publicly traded company and the listing of its common stock on Nasdaq will terminate.

Under the Merger Agreement, the Offer and the Merger are subject to customary closing conditions for a transaction of this nature. Kuva will be required to close on the Offer so long as there shall be validly tendered a number of shares that represents (and will represent immediately following the consummation of the Offer) at least a majority of the aggregate voting power of all shares then outstanding. There can be no assurance that the Offer and the Merger will be consummated.

The foregoing description of the Merger Agreement is only a summary of certain material provisions thereof, does not purport to be complete. The full text of the Merger Agreement is filed as Exhibit 2.1 to this Annual Report on Form 10-K.

Termination of Exclusive License and Collaboration Agreement with Qilu Pharmaceutical

On January 23, 2026, the Company entered into a mutual termination of the February 2021 Exclusive License and Collaboration Agreement with Qilu Pharmaceutical Co., Ltd. This action resulted in all licenses and other rights granted to Qilu reverting to the Company.

Sale of New Jersey Net Operating Losses

On October 20, 2025, the Company received preliminary approval from the New Jersey Economic Development Authority ("NJEDA") to participate in the Technology Business Tax Certificate Transfer Program (the "Program"). The Program permits qualified companies to sell a percentage of their New Jersey net operating losses ("NJ NOLs") to unrelated profitable corporations. On February 15, 2026, the Company received final approval from the NJEDA, and it subsequently sold a portion of its NJ NOLs to a qualifying and approved buyer pursuant to the Program for net proceeds of $0.3 million.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES.

Disclosure Controls and Procedures

Disclosure controls and procedures are our controls and other procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934 (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934), as amended (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports that we file under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer, who serves as our principal executive officer and who served as our principal financial officer until April 15, 2024, and our Senior Vice President, Finance and Treasury and Chief Accounting Officer, who has served as our principal financial officer from April 15, 2024 to present (together, the "Evaluating Officers"), as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Due to the inherent limitations of control systems, not all misstatements may be detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. Controls and procedures can only provide reasonable, not absolute, assurance that the above objectives have been met.

As of December 31, 2025, we evaluated, with the participation of our management, including our Evaluating Officers, the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on that evaluation, our Evaluating Officers concluded that our disclosure controls and procedures were effective, at the reasonable assurance level, in ensuring that information required to be disclosed by us in the reports that we file or submit under

the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms and is accumulated and communicated to management, including the Evaluating Officers, as appropriate to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting

Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act.

Our internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of management and our board of directors; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions or because of declines in the degree of compliance with policies or procedures.

Management assessed the effectiveness of its internal control over financial reporting as of December 31, 2025. In making this assessment, they used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in *Internal Control-Integrated Framework (2013)*.

As of December 31, 2025, based on management's assessment, our internal control over financial reporting was effective.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION.

During the three months ended December 31, 2025, no director or officer of the Company adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The response to this item is incorporated by reference from the discussion responsive thereto under the captions "Management and Corporate Governance," and "Code of Ethics" in our Proxy Statement for the 2026 Annual Meeting of Stockholders.

The following table sets forth the name and position of each of our executive officers and directors as of March 12, 2026.

Name	Position(s)
David J. Mazzo, Ph.D.	President and Chief Executive Officer and Class II Director
Kristen K. Buck, M.D.	Executive Vice President R&D and Chief Medical Officer
James Nisco	Senior Vice President, Finance and Treasury and Chief Accounting Officer
Tariq Imam	Senior Vice President, Business Development and Operations and General Counsel
Gregory B. Brown, M.D.	Class II Director; Chairman of Board of Directors
Steven M. Klosk	Class III Director
Cynthia L. Flowers	Class I Director
Heidi Henson	Class II Director
Mohammad Azab, MD, MBA	Class III Director

Executive Officers

David J. Mazzo, Ph.D.

David J. Mazzo, Ph.D. was appointed as our President and Chief Executive Officer on March 28, 2017. Dr. Mazzo was previously appointed as our Chief Executive Officer and as a member of our board of directors on January 5, 2015. Dr. Mazzo brings to Lisata over 40 years of experience in the pharmaceutical industry. Prior to joining Lisata, Dr. Mazzo served from August 2008 to October 2014 as Chief Executive Officer and as a member of the board of directors of Regado Biosciences, Inc. (Nasdaq: RGDO), a biopharmaceutical company focused on the development of novel antithrombotic drug systems for acute and sub-acute cardiovascular indications. Prior to his leading Regado, from March 2007 to April 2008, Dr. Mazzo was President, Chief Executive Officer and a director of Æterna Zentaris, Inc. (Nasdaq: AEZS), a publicly held international biopharmaceutical company. From 2003 until 2007 Dr. Mazzo served as President, Chief Executive Officer and director of Chugai Pharma USA, LLC, a biopharmaceutical company and U.S. subsidiary of Chugai Pharmaceutical Co., Ltd. of Japan and a member of the Roche Group. Prior to that, Dr. Mazzo was Senior Vice President of Development Operations at the Schering-Plough Research Institute and was a director of the Essex Chimie European subsidiary at Schering-Plough Corporation, a publicly held pharmaceutical company that was subsequently acquired by Merck & Co., Inc. Earlier in his career, Dr. Mazzo held senior management and executive positions in R&D at Hoechst Marion Roussel, Inc., the U.S. subsidiary of Hoechst AG, that was subsequently acquired by Sanofi, a multinational pharmaceuticals company; and Rhone-Poulenc Rorer, Inc., a subsidiary of Rhone-Poulenc SA, a French pharmaceuticals company, that was subsequently acquired by Hoechst AG. He previously served on the board of directors of publicly held Visioneering Technologies, Inc., a developer and seller of therapeutic contact lenses for myopia progression control from February 2020 to February 2024 during which time he was Chairman of the board; EyePoint Pharmaceuticals, Inc., a biopharmaceutical company focused on treatments for diseases of the back of the eye, from October 2005 to June 2020 and was Chairman of the board from 2007 to 2018; Seneca Biopharmaceuticals, Inc., a therapeutics development company focused on CNS applications that merged with Palisade BIO, from April 2019 to April 2021 and Avanir Pharmaceuticals, Inc., a pharmaceutical company working in the area of products for CNS diseases, from October 2005 through January 2015, that was sold to Otsuka Holdings in 2015. He currently serves on the board of directors of Feldan Therapeutics, a private company developing technology for the intracellular delivery of therapeutic agents, where he has served on the board since January 2021 and as Chairman since October 2023.

Dr. Mazzo earned a B.A. in the Honors Program (Interdisciplinary Humanities) and a B.S. in Chemistry from Villanova University. In addition, Dr. Mazzo received his M.S. in chemistry and his Ph.D. degree in Analytical Chemistry from the

University of Massachusetts, Amherst. He was also a research fellow at the Ecole Polytechnique Federale de Lausanne, Switzerland.

Kristen K. Buck, M.D.

Dr. Kristen K. Buck joined Lisata in September 2021 as Executive Vice President of R&D and Chief Medical Officer ("CMO") of the Company. Prior to joining Lisata, Dr. Buck worked at ICON plc from March 2020 to July 2021, where she served as its CMO and represented the company's position on key scientific, ethical, and medical governance matters, provided guidance and oversight to the medical and scientific groups, and led the Drug Development Services group. Prior to that, Dr. Buck was Senior Vice President & Chief of Clinical Development at Optum Insights (part of the United Healthcare Group) from August 2018 to March 2020, where she led the clinical operations and regulatory groups within the Digital Research Network (DRN) clinical trial business. From January 2014 to July 2018, Dr. Buck held a position at Quintiles/IQVIA as Vice President of Global Strategic Drug Development designing clinical development plans and protocols across all therapeutic areas for emerging biotech and large pharma.

Earlier in her career, Dr. Buck worked as a primary care physician and then later served as a medical officer in the FDA's Office of New Drugs Division of Gastrointestinal and Hematology Drug Products where she was responsible for reviewing efficacy and safety data for new drug indications, as well as post-marketing safety data for over 40 drugs. Dr. Buck worked at AstraZeneca for six years where she served as a Global Safety Physician and Global Study Physician, leading a large cardiovascular outcomes study through to commercialization. Her drug development experience covers every phase of development and over multiple therapeutic indications including cardiovascular/metabolic, rare diseases, gastrointestinal, pulmonary, neuroscience, oncology, immunology, and women's health.

Dr. Buck currently serves as a Senior Medical Advisor and chairwoman of the Scientific Advisory Board for global contract research organization; Biorasi Inc. She also serves as a medical advisor to a private Canadian biotech company; Feldan Therapeutics.

Dr. Buck is a board certified and licensed physician who received her medical degree from the Pennsylvania State University School of Medicine and completed her internship and residency in Internal Medicine at Abington Memorial Hospital before working in a private practice as a primary care physician.

James Nisco

Mr. Nisco was appointed as our Senior Vice President, Finance and Treasury and Chief Accounting Officer on April 15, 2024. From August 2020 through April 2024, Mr. Nisco served as our Vice President of Finance & Treasury, and from February 2012 to August 2020, Mr. Nisco served as our Senior Director of Treasury, Financial Planning and Analysis. Mr. Nisco oversees all finance activities for the Company and is responsible for SEC reporting, financial reporting and accounting, treasury operations and financial planning and analysis.

With over 30 years of experience in corporate finance, Mr. Nisco has held various senior finance positions prior to Lisata, including at OSI Pharmaceuticals, Inc. (acquired by Astellas) and Ciba Corporation (acquired by The BASF Group). Mr. Nisco began his career at Ciba-Geigy (now Novartis Pharmaceuticals).

Mr. Nisco holds an MBA in Financial Management from Pace University and a Bachelor of Science in Business Economics from the State University of New York, College at Oneonta.

Tariq Imam

Mr. Imam was appointed as our Senior Vice President, Business Development and Operations and General Counsel in February 2025 and has served as Head of Business Development of the Company since May 2016. As of April 2023, Mr. Imam had also served as Corporate Counsel of the Company. Before joining Lisata, Mr. Imam led business and corporate development functions at various specialty pharmaceutical companies, including, Mist Pharmaceuticals, Leonard-Meron Biosciences (acquired by Citius Pharmaceuticals (NASDAQ: CTXR)), Akrimax Pharmaceuticals and Rouses Point Pharmaceuticals. Prior to that, Mr. Imam held positions of increasing responsibility at Humana (NYSE: HUM) within the corporate integration/M&A group. Mr. Imam also worked in the corporate finance and strategy division of Orion Health (ASX: OHE).

Mr. Imam's legal career began in the areas of mergers and acquisitions, securities offerings, and other transactional work. Mr. Imam then went on to represent clients in civil matters such as contract, property, and family disputes, followed by practice in the areas of corporate restructuring, divestitures, and insolvency within the life sciences sector at an international law firm. Throughout his career, Mr. Imam has and continues to counsel individuals, small businesses, not-for-profit organizations, and emerging companies, through private advisement.

Mr. Imam holds an A.B. in Politics from Princeton University, a J.D. from the New York University School of Law and an MBA in Finance from the New York University Stern School of Business.

Non-Employee Directors

Gregory B. Brown, M.D.

Gregory B. Brown, M.D. was appointed to our board of directors in October 2016 and was elected Chairman by our board of directors on February 16, 2017. Dr. Brown is currently Chief Executive Officer of Memgen, Inc., a development-stage biotechnology company. In 2007, Dr. Brown co-founded HealthCare Royalty Partners ("HCR Partners"), a healthcare-focused private asset management firm investing in biopharmaceutical and medical products, and developing and deploying innovative risk-mitigated investment strategies to deliver non-correlated cash flow. Dr. Brown served as Vice Chairman of HCR Partners until December 2022 and remains a member of the firm's SAB. Dr. Brown was educated as a transplantation immunologist and trained as a thoracic and vascular surgeon. He practiced thoracic and vascular surgery in a community setting where he also founded and led a health maintenance organization. He brings particular expertise in the scientific, technical, clinical and medical evaluation of products as well as in healthcare systems and payor/reimbursement dynamics. He has been involved in sourcing, performing due diligence on and closing more than $1 billion of royalty financings.

Before co-founding HCR Partners, Dr. Brown was a partner at Paul Capital Partners where he co-managed that firm's royalty investments as a member of the royalty management committee. Prior to beginning his principal investment career in 2003, Dr. Brown was co-head of investment banking and head of healthcare at Adams, Harkness & Hill (now Canaccord Genuity) and a ranked biotechnology research analyst at Vector Securities International. Dr. Brown holds a B.A. from Yale, an M.D. from SUNY Upstate Medical Center and an M.B.A. from Harvard Business School. He currently serves on the boards of Adimab, LLC since 2023, Memgen, Inc since 2018, and Aquestive Therapeutics since 2017. He previously served on the boards of FAST Biomedical, Cambrex Corporation, Faron Pharmaceuticals Oy, Invuity, Inc., and Vanderbilt Clinical S.a.r.l.

Steven M. Klosk

Steven M. Klosk joined our board of directors in 2014. He is a senior executive with extensive management experience in the life sciences industry. He served as a Director at Cambrex Corporation (NYSE:CBM) from May 2008 through December 2019, until it was acquired by Permira and then as Director from December 2019 until June 2020. Cambrex is one of the leading providers of active pharmaceutical ingredients, advanced intermediates and finished dosage form products to the branded and generic pharmaceutical markets, where he served as President and Chief Executive Officer from May 2008 through June 2020. In that role he was responsible for all aspects of Cambrex's global business with manufacturing and R&D facilities in the United States, Sweden, Italy, Estonia, Canada, Scotland, and Germany.

From 2021 until April 2024, he served on the board of directors of Recipharm, a leading pharmaceutical contract development & manufacturing organization. Since 2021 he has served on the board of Formulated Solutions, a topicals contract development & manufacturing organization where he is the chairman of the board and BioIVT, a leading supplier of biologics specimens for biotech research. In addition, Mr. Klosk served on the board of Golden Arrow Merger Corp., which merged in August 2024 with Bolt Project Holdings Inc. (Nasdaq: BSLK), a pioneer in sustainable biomaterials for consumer products. Mr. Klosk served both as a board member and an audit committee member of Bolt Project Holdings until February 2025. Mr. Klosk previously served on the boards of BIOVECTRA, a leading small molecule and biologics CDMO until September 2024 and NJ Bio, a leading antibody drug conjugate contract research organization from March 2021 through December 2024.

Mr. Klosk held other executive positions at Cambrex Corporation, including President, Executive Vice President & COO as well as President, Pharma Business Unit (2007-2008) where he had full P&L and balance sheet responsibility for four operating units in North America and Europe. Prior to this he was Executive Vice President & COO Cambrex Pharma & Biopharmaceuticals Business Unit (2003-2007) where he was responsible for managing a highly profitable global business with six operating units in North America and Europe. Earlier in his career Mr. Klosk served as Vice President, Administration for The Genlyte Group, Inc., a publicly traded producer of lighting fixtures. Mr. Klosk earned a B.S. from Cornell University and a J.D. from New York Law School.

Cynthia L. Flowers

Ms. Flowers was appointed to our board of directors in November 2018. She is currently CEO of OMEZA Holdings, Inc., an advanced wound care company. From February 2014 through November 2017, Ms. Flowers was President and Chief Executive Officer of Ipsen North America, where she led the transformation of the company as it became the highest-growth subsidiary worldwide. Prior to joining Ipsen, she served as President of Eisai Pharmaceuticals, where she oversaw commercial operations, medical affairs and services, manufacturing, alliance management and other functions. She has also held general management roles, both domestically and internationally, at Amgen Inc. and Johnson & Johnson. Ms. Flowers began her career as an oncology/critical care nurse.

Ms. Flowers currently serves on the board of Hikma Pharmaceuticals PLC, a multigenerational generics company and G1 Therapeutics Inc., a biotechnology clinical development company. She has held positions on numerous corporate and non-profit boards, including Nanoform Finland OYi, a nanoparticle manufacturing company, Kadmon Group, Inc., a clinical stage biopharmaceutical company, the Women's Leadership Advisory Board for the John F. Kennedy School of Government at Harvard University and the board of directors for the Sarah Cannon Oncology Research Institute. Ms. Flowers holds an M.B.A. from the Wharton School of the University of Pennsylvania and a B.S.N. from the University of Delaware.

Heidi Henson

Ms. Henson was appointed to the Lisata Board in September 2022 and serves as the Chairman of the Audit Committee. Ms. Henson possesses over two decades of financial operations experience with both public and private companies. In addition, Ms. Henson currently serves on the board of directors of PepGen and Perspective Therapeutics.

Ms. Henson previously served as Chief Financial Officer at Pardes Biosciences where she was instrumental in completing their tender offer transaction, as well as their de-SPAC transaction. Prior to Pardes, she served as the Chief Financial Officer for Imbria Pharmaceuticals, Kura Oncology, Wellspring Biosciences, and their parent company, Araxes Pharma.

Ms. Henson holds a BS in Accounting from the University of San Diego and is a Certified Public Accountant (currently inactive) in California**.**

Mohammad Azab, MD, MBA

Mohammad Azab, M.D., MSc, MBA was appointed to our board of directors in September 2022. Dr. Azab is a leader in clinical and regulatory development of biopharmaceutical drugs with particular expertise in oncology drug development. In July 2009, Dr. Azab joined Astex Pharmaceuticals, Inc. ("Astex"), a pharmaceutical company focused on the discovery and development of drugs in oncology and other areas, as its Chief Medical Officer. Dr. Azab served as President and Chief Medical Officer of Astex from January 2014 to November 2020, and has served as the chair of its board of directors from November 2020 to May 1, 2022. Since January 2021, Dr. Azab has served on the board of directors of DURECT Corporation (Nasdaq: DRRX), a biopharmaceutical company committed to transforming the treatment of acute organ injury and chronic liver diseases. Additionally, Dr. Azab has served on the board of directors of Xenon Pharmaceuticals Inc. (Nasdaq: XENE), a biopharmaceutical company delivering innovative medicines to patients with neurological disorders, from January 2003 to June 2024. Previously, Dr. Azab served as President and Chief Executive Officer of Intradigm Corporation, a developer of siRNA cancer therapeutics. Prior to this, Dr. Azab served as Executive Vice President of Research and Development and Chief Medical Officer of QLT Inc. and in several leadership positions at AstraZeneca plc in the United Kingdom and Sanofi in France. Dr. Azab holds an MBA from the Richard Ivey School of Business, University of Western Ontario, and an MB ChB from Cairo University. He received post-graduate training and degrees in oncology research from the University of Paris-Sud and in biostatistics from the University of Pierre et Marie Curie in Paris, France.

ITEM 11. EXECUTIVE COMPENSATION

The response to this item is incorporated by reference from the discussion responsive thereto under the captions "Executive Compensation" and "Lisata Director Compensation" in our Proxy Statement for the 2026 Annual Meeting of Stockholders. The section entitled "Pay Versus Performance" in our 2026 Proxy Statement is not incorporated by reference herein.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The response to this item is incorporated by reference from the discussion responsive thereto under the caption "Security Ownership of Management and Certain Beneficial Owners" and "Equity Compensation Plan Information" in our Proxy Statement for the 2026 Annual Meeting of Stockholders.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The response to this item is incorporated by reference from the discussion responsive thereto under the captions "Certain Relationships and Related Party Transactions" and "Governance of Lisata Therapeutics Inc." in our Proxy Statement for the 2026 Annual Meeting of Stockholders.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The response to this item is incorporated by reference from the discussion responsive thereto under the caption “Accounting Fees and Other Accounting Matters” in our Proxy Statement for the 2026 Annual Meeting of Stockholders.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

The following documents are being filed as part of this Annual Report:

(a)(1) FINANCIAL STATEMENTS:

Reference is made to the Index to Financial Statements on Page 76 of this Annual Report.

All other schedules have been omitted because the required information is not present or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the Financial Statements or Notes thereto.

(a)(3) EXHIBITS:

The following is a list of exhibits filed (or furnished, where specified) as part of this Annual Report on Form 10-K. Exhibits that were previously filed are described below and are incorporated by reference. For exhibits incorporated by reference, the location of the exhibit in the previous filing is indicated.

Exhibit	Description
2.1 *	Agreement and Plan of Merger, dated March 6, 2026, by and among the Company, Kuva Labs, Inc. and Kuva Acquisition Corp. (filed as Exhibit 2.1 to the Company's Current Report on Form 8-K, filed with the SEC on March 9, 2026).
3.1	Certificate of Amendment (Reverse Stock Split) to the Amended and Restated Certificate of Incorporation, dated September 14, 2022 (filed as Exhibit 3.1 to the Company's Current Report on 8-K, filed with the SEC on September 15, 2022).
3.2	Certificate of Amendment (Name Change) to the Amended and Restated Certificate of Incorporation, dated September 15, 2022 (filed as Exhibit 3.2 to the Company's Current Report on Form 8-K, filed with the SEC on September 15, 2022).
3.3	Amended and Restated Certificate of Incorporation of Lisata Therapeutics, Inc., as amended, effective July 27, 2016 (filed as Exhibit 3.1 to the Company's on Form 10-Q for the quarter ended June 30, 2016, filed with the SEC on August 9, 2016).
3.4	Amended and Restated By-Laws of the Lisata Therapeutics, Inc. as amended, effective as of July 27, 2016 (filed as Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2016, filed with the SEC on August 9, 2016).
3.5	Amendments to Amended and Restated Bylaws of Lisata Therapeutics, Inc., effective as of September 18, 2017 (filed as Exhibit 3.1 to the Company's Current Report on Form 8-K, filed with the SEC on September 21, 2017).
4.1	Description of Capital Stock (filed as Exhibit 4.3 to the Company's Annual Report on Form 10-K, for the year ended December 31, 2019, filed with the SEC on March 5, 2020).
4.2	Form of Warrant (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K, filed with the SEC on April 24, 2020).
4.3	Form of Warrant (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K, filed with the SEC on May 26, 2020).
4.4	Form of Warrant (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K, filed with the SEC on July 10, 2020).
4.5	Form of Warrant (filed as Exhibit 4.1 to the Company's Current Report on Form 8-K, filed with the SEC on January 25, 2021).
10.1 +	Director Compensation Policy, dated April 21, 2021 (filed as Exhibit 10.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on March 30, 2023).
10.2 +	2018 Equity Incentive Compensation Plan, effective June 20, 2018, as amended on June 18, 2020, June 16, 2021, September 15, 2022, June 14, 2023 and June 27, 2024.
10.3 +	2015 Equity Incentive Compensation Plan, effective July 15, 2015 (filed as Exhibit 10.4 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 30, 2023).
10.4 +	Amended & Restated 2009 Equity Compensation Plan, effective October 4, 2012 (filed as Exhibit 10.5 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 30, 2023).

10.5 +	2017 Employee Stock Purchase Plan, effective as of March 28, 2017, as amended on June 20, 2018, June 14, 2023 and June 27, 2024.
10.6 +	Form of Indemnification Agreement between the Company and each of its directors and officers (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K, filed with the SEC on September 15, 2022).
10.7 +	Amended and Restated Employment Agreement with David J. Mazzo, dated March 19, 2021 (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on March 19, 2021).
10.8 +	Second Amended and Restated Employment Agreement, by and between the Company and David J. Mazzo, Ph.D., dated as of June 10, 2025 (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on June 13, 2025)
10.9 +	Amended and Restated Employment Agreement, by and between the Company and Kristen K. Buck, M.D., dated as of June 10, 2025 (filed as Exhibit 10.2 to the Company's Current Report on Form 8-K, filed with the SEC on June 13, 2025).
10.10 +	Amended and Restated Separation Benefits Agreement, by and between the Company and James Nisco, dated as of June 10, 2025 (filed as Exhibit 10.3 to the Company's Current Report on Form 8-K, filed with the SEC on June 13, 2025).
10.11 +	Amended and Restated Separation Benefits Agreement, by and between the Company and Tariq Imam, dated as of June 10, 2025 (filed as Exhibit 10.4 to the Company's Current Report on Form 8-K, filed with the SEC on June 13, 2025).
10.12	Cend 2016 Equity Incentive Plan, including all amendments thereto (filed as Exhibit 99.1 to the Company's Registration Statement on Form S-8, filed with the SEC on October 17, 2022).
10.13	At The Market Offering Agreement, dated June 4, 2021, by and between Caladrius Biosciences, Inc. and H.C. Wainwright & Co., LLC (filed as Exhibit 10.1 to the Company's Current Report on Form 8-K, filed with the SEC on June 4, 2021).
10.14	Exclusive License Agreement, dated December 1, 2015, by and between Cend Therapeutics, Inc. (f/k/a DrugCendR, LLC) and Sanford Burnham Prebys Medical Discovery Institute (filed as Exhibit 10.18 to the Company's Registration Statement on Form S-4, filed with the SEC on June 15, 2022).
10.15	First Amendment to Exclusive License Agreement, dated March 8, 2016, by and between Cend Therapeutics, Inc. (f/k/a DrugCendR, LLC) and Sanford Burnham Prebys Medical Discovery Institute (filed as Exhibit 10.19 to the Company's Registration Statement on Form S-4, filed with the SEC on June 15, 2022).
10.16	Second Amendment to Exclusive License Agreement, dated May 10, 2019, by and between Cend Therapeutics, Inc. (f/k/a DrugCendR, LLC) and Sanford Burnham Prebys Medical Discovery Institute (filed as Exhibit 10.20 to the Company's Registration Statement on Form S-4, filed with the SEC on June 15, 2022).
10.17	Third Amendment to Exclusive License Agreement, dated September 24, 2020, by and between Cend Therapeutics, Inc. (f/k/a DrugCendR, LLC) and Sanford Burnham Prebys Medical Discovery Institute (filed as Exhibit 10.21 to the Company's Registration Statement on Form S-4, filed with the SEC on June 15, 2022).
10.18	Exclusive License and Collaboration Agreement, dated as of November 30, 2024, by and between Lisata Therapeutics, Inc. and Kuva Labs, Inc.
10.19	Non-Exclusive License Agreement, dated as of October 8, 2025, by and between Lisata Therapeutics, Inc. and Catalent, Inc.
14.1	Code of Ethics for Senior Financial Officers, effective as of November 7, 2022 (filed as Exhibit 14.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 30, 2023).

19.1	Insider Trading Policy, effective as of October 30, 2015 (filed as Exhibit 19.1 on the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 29, 2024).
97	Incentive Recoupment Policy, effective as of March 28, 2023 (filed as Exhibit 97 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 29, 2024).
21.1	Subsidiaries of Lisata Therapeutics, Inc.
23.1	Consent of Grant Thornton LLP.
31.1	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1 †	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant Section 906 of the Sarbanes-Oxley Act of 2002.
32.2 †	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

+	Management contract or compensatory plan, contract or arrangement required to be filed as an exhibit to this Form 10-K pursuant to Item 15(b) of Form 10-K.
†	Furnished herewith.
*	Schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Company agrees to furnish supplementally a copy of any such schedule or exhibit to the SEC upon request.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in Basking Ridge (Bernards Township), State of New Jersey, on March 12, 2026.

LISATA THERAPEUTICS, INC.
By: /s/ David J. Mazzo, PhD

Name: David J. Mazzo
Title: President & Chief Executive Officer
(Principal Executive Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ David J. Mazzo David J. Mazzo, PhD	Director and President and Chief Executive Officer (Principal Executive Officer)	March 12, 2026
/s/ James Nisco James Nisco	SVP, Finance and Treasury and Chief Accounting Officer (Principal Financial Officer and Principal Accounting Officer)	March 12, 2026
/s/ Gregory B. Brown Gregory B. Brown, MD	Chairman of the Board of Directors	March 12, 2026
/s/ Mohammad Azab Mohamad Azab, MD, MBA	Director	March 12, 2026
/s/ Cynthia L. Flowers Cynthia L. Flowers, MBA	Director	March 12, 2026
/s/ Heidi Henson Heidi Henson	Director	March 12, 2026
/s/ Steven M. Klosk Steven M. Klosk, JD	Director	March 12, 2026

Exhibit 10.2

LISATA BIOSCIENCES, INC. 2018 EQUITY INCENTIVE COMPENSATION PLAN, AS AMENDED

Effective as of June 27, 2024

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1. **Purposes of the Plan**. The purposes of this Lisata Therapeutics, Inc. (f/k/a Caladrius Biosciences, Inc.) 2018 Equity Incentive Compensation Plan (the "Plan") are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentives to Employees, Directors and Consultants, and to promote the success of the Company and any Parent or Subsidiary. Options granted under the Plan may be Incentive Stock Options or Nonstatutory Stock Options, as determined by the Administrator at the time of grant. Restricted Stock, Restricted Stock Units, Deferred Share Units, Unrestricted Shares and Stock Appreciation Rights may also be granted under the Plan.

2. **Definitions**. As used herein, the following definitions shall apply:

"Administrator" means a Committee which has been delegated the responsibility of administering the Plan in accordance with Section 4 of the Plan or, if there is no such Committee, the Board.

"Applicable Laws" means the requirements relating to the administration of equity compensation plans under the applicable corporate and securities laws of any of the states in the United States, U.S. federal securities laws, the Code, any stock exchange or quotation system on which the Common Stock is listed or quoted and the applicable laws of any foreign country or jurisdiction where Awards are, or will be, granted under the Plan.

"Award" means the grant of an Option, Restricted Stock, Restricted Stock Units, Deferred Share Units, a Stock Appreciation Right and/or the grant of Unrestricted Shares.

"Board" means the Board of Directors of the Company.

"Cause", with respect to any Service Provider, means (unless otherwise determined by the Administrator) such Service Provider's (i) conviction of, or plea of nolo contendere to, a felony or crime involving moral turpitude; (ii) fraud on or misappropriation of any funds or property of the Company; (iii) personal dishonesty, willful misconduct, willful violation of any law, rule or regulation (other than minor traffic violations or similar offenses) or breach of fiduciary duty which involves personal profit; (iv) willful misconduct in connection with the Service Provider's duties; (v) chronic use of alcohol, drugs or other similar substances which affects the Service Provider's work performance; or (vi) material breach of any provision of any employment, non-disclosure, non-competition, non-solicitation or other similar agreement executed by the Service Provider for the benefit of the Company, all as reasonably determined by the Administrator, which determination will be conclusive. Notwithstanding the foregoing, if a Service Provider and the Company (or any of its Subsidiaries or affiliates) have entered into an employment agreement, consulting agreement, advisory agreement or other similar agreement that specifically defines "cause," then with respect to such Service Provider, "Cause" shall have the meaning defined in that employment agreement, consulting agreement, advisory agreement or other agreement.

"Code" means the Internal Revenue Code of 1986, as amended.

"Committee" means a committee of Directors appointed by the Board in accordance with Section 4 of the Plan.

"Common Stock" means the common stock, par value $.001 per share, of the Company.

"Company" means Lisata Therapeutics, Inc. (f/k/a Caladrius Biosciences, Inc.), a Delaware corporation.

"Consultant" means any person, including an advisor, engaged by the Company or a Parent or Subsidiary to render services to such entity, other than an Employee or a Director.

"Deferred Share Unit" (or "DSU") has the meaning set forth in Section 12 of the Plan.

"Director" means a member of the Board.

"Disability" means total and permanent disability as defined in Section 22(e)(3) of the Code.

"Employee" means any person, including officers and Directors, serving as an employee of the Company or any Parent or Subsidiary. An individual shall not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its Parent, any Subsidiary or any successor. For purposes of an Option initially granted as an Incentive Stock Option, if a leave of absence of more than three months precludes such Option from being treated as an Incentive Stock Option under the Code, such Option thereafter shall be treated as a Nonstatutory Stock Option for purposes of this Plan. Neither service as a Director nor payment of a director's fee by the Company shall be sufficient to constitute "employment" by the Company.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

(i) if the Common Stock is listed on any established stock exchange or a national market system, including without limitation the NYSE Amex, Nasdaq National Market or The Nasdaq SmallCap Market of The Nasdaq Stock Market, or any successor to any of them, the Fair Market Value of a Share of Common Stock shall be the closing sales price of a Share of Common Stock as quoted on such exchange or system for such date (or the most recent trading day preceding such date if there were no trades on such date), as reported in The Wall Street Journal or such other source as the Administrator deems reliable, including without limitation, Yahoo! Finance;

(ii) if the Common Stock is regularly quoted by a recognized securities dealer but is not listed in the manner contemplated by clause (i) above, the Fair Market Value of a Share of Common Stock shall be the mean between the high bid and low asked prices for the Common Stock for such date (or the most recent trading day preceding such date if there were no trades on such date), as reported in The Wall Street Journal or such other source as the Administrator deems reliable, including without limitation Yahoo! Finance; or

(iii) if neither clause (i) above nor clause (ii) above applies, the Fair Market Value shall be determined in good faith by the Administrator based on the reasonable application of a reasonable valuation method.

"Grant Agreement" means an agreement between the Company and a Participant evidencing the terms and conditions of an individual Option or Stock Appreciation Right grant. Each Grant Agreement shall be subject to the terms and conditions of the Plan.

"Incentive Stock Option" means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code and the regulations promulgated thereunder.

"Nonstatutory Stock Option" means an Option not intended to qualify as an Incentive Stock Option.

"Notice of Grant" means a written or electronic notice evidencing certain terms and conditions of an individual Option grant, Stock Award grant or grant of Unrestricted Shares or Stock Appreciation Rights. The Notice of Grant applicable to Awards shall be part of the Grant Agreement or Stock Award Agreement, as applicable.

"Option" means a stock option granted pursuant to the Plan.

"Optioned Stock" means the Common Stock subject to an Option.

"Optionee" means the holder of an outstanding Option granted under the Plan.

"Parent" means a "parent corporation" of the Company (or, for purposes of Section 16(b) of the Plan, a successor to the Company), whether now or hereafter existing, as defined in Section 424(e) of the Code.

"Participant" shall mean any Service Provider who holds an Option, Restricted Stock, a Restricted Stock Units, Deferred Share Units, Unrestricted Shares or a Stock Appreciation Right granted or issued pursuant to the Plan.

"Restricted Stock" means an Award of Shares pursuant to Section 11 of the Plan.

"Restricted Stock Unit" means an Award of Shares pursuant to Section 12 of the Plan.

"Rule 16b-3" means Rule 16b-3 of the Exchange Act or any successor to such Rule 16b-3, as such rule is in effect when discretion is being exercised with respect to the Plan.

"Section 16(b)" means Section 16(b) of the Exchange Act.

"Service Provider" means an Employee, Director or Consultant.

"Share" means a share of the Common Stock, as adjusted in accordance with Section 16 of the Plan.

"Stock Appreciation Right" means a right awarded pursuant to Section 14 of the Plan.

"Stock Award" means an Award of Restricted Stock pursuant to Section 11 of the Plan, an Award of Restricted Stock Units (including Deferred Share Units) pursuant to Section 12 of the Plan and an Award of Unrestricted Shares pursuant to Section 13 of the Plan.

"Stock Award Agreement" means an agreement, approved by the Administrator, providing the terms and conditions of a Stock Award.

"Stock Award Shares" means Shares subject to a Stock Award.

"Stock Awardee" means the holder of an outstanding Stock Award granted under the Plan.

"Subsidiary" means a "subsidiary corporation" of the Company (or, for purposes of Section 16(b) of the Plan, a successor to the Company), whether now or hereafter existing, as defined in Section 424(f) of the Code.

"Unrestricted Shares" means a grant of Shares made on an unrestricted basis pursuant to Section 13 of the Plan.

3. **Stock Subject to the Plan**.

(a) Subject to adjustment pursuant to the provisions of Section 16(a) of the Plan, the maximum aggregate number of Shares that may be issued under the Plan is 1,900,000 Shares, all of which may be issued in respect of Incentive Stock Options. In addition there shall be added to the reserve any Shares that are subject to awards under the Company's Amended and Restated 2009 Equity Compensation Plan and 2015 Equity Compensation Plan, as amended, and not thereafter issued under such plan due to a forfeiture, cancellation, or other settlement thereof up to a maximum of 27,126 shares, all of which may be issued in respect of Incentive Stock Options.

(b) Notwithstanding Section 3(a), on the first day of each fiscal year of the Company during the period beginning in fiscal year 2025 and ending on the second day of fiscal year 2027, the number of Shares that may be issued from time to time pursuant to the Plan shall be increased by an amount equal to the lesser of (i) 5% of the number of outstanding shares of Common Stock on the immediately preceding December 31 and (ii) an amount determined by the Administrator. The maximum number of Shares that may be issued in respect of Incentive Stock Options shall be equal to the maximum number of shares available for issuance pursuant to Section 3(a), without taking into account any increases pursuant to this Section 3(b).

(c) The maximum number of Shares subject to Options and Stock Appreciation Rights which may be issued to any Participant under the Plan during the term of the Plan is fifty percent (50%) of the number of Shares determined from time to time pursuant to the first sentence of this Section. If an Option or Stock Appreciation Right expires or becomes unexercisable without having been exercised in full or is canceled or terminated, or if any Shares of Restricted Stock or Shares underlying any other type of Stock Award are forfeited or reacquired by the Company or results in any Shares not being issued even if used to satisfy the exercise price or a tax withholding obligation, the Shares that were subject thereto shall be added back to the Shares available for issuance under the Plan. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

(d) Notwithstanding anything to the contrary herein, the maximum number of Shares that may be subject to Awards granted to any non-Employee Director in any calendar year under the Plan shall not exceed an aggregate grant date fair value of $60,000, except that the foregoing limitation shall not apply to awards made (i) pursuant to an election

by a non-Employee Director to receive the Award in lieu of cash for all or a portion of cash fees to be received for service on the Board or any Committee thereof or (ii) in connection with a non-Employee Director initially joining the Board.

4. **Administration of the Plan**.

(a) *Appointment*. The Plan shall be administered by a Committee to be appointed by the Board, which Committee shall consist of not less than two members of the Board and shall be comprised solely of members of the Board who qualify as both non-employee directors as defined in Rule 16b-3(b)(3) of the Exchange Act. The Board shall have the power to add or remove members of the Committee, from time to time, and to fill vacancies thereon arising; by resignation, death, removal, or otherwise. Meetings shall be held at such times and places as shall be determined by the Committee. A majority of the members of the Committee shall constitute a quorum for the transaction of business, and the vote of a majority of those members present at any meeting shall decide any question brought before that meeting.

(b) *Powers of the Administrator*. The Administrator shall have the authority, in its discretion:

(i) to determine the Fair Market Value of Shares;

(ii) to select the Service Providers to whom Awards may be granted hereunder;

(iii) to determine the number of shares of Common Stock to be covered by each Award granted hereunder;

(iv) to approve forms of agreement for use under the Plan, including but not limited to Grant Agreements and Stock Award Agreements;

(v) to determine the terms and conditions, not inconsistent with the terms of the Plan or of any Award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Options and Stock Appreciation Rights may be exercised (which may be based on performance criteria), any vesting, acceleration or waiver of forfeiture provisions, and any restriction or limitation regarding any Option, Stock Appreciation Right or Stock Award, or the Shares of Common Stock relating thereto, based in each case on such factors as the Administrator, in its sole discretion, shall determine;

(vi) to construe and interpret the terms of the Plan, Awards granted pursuant to the Plan and agreements entered into pursuant to the Plan;

(vii) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of qualifying for preferred tax treatment under foreign tax laws. Without limiting the foregoing, the Administrator is specifically authorized to adopt rules and procedures regarding the conversion of local currency, taxes, withholding procedures, escrow accounts, sub-plans, and handling of stock certificates, making of book entries, and/or settlement of Awards in cash in lieu of Shares, in all of the foregoing instances in ways that may vary with the customs and requirements of Applicable Laws and other considerations of particular countries or jurisdictions thereof;

(viii) to modify or amend each Award (subject to Section 19(c) of the Plan) in any manner that would be allowed for a new Award under the Plan, including the discretionary authority to accelerate the vesting of any Stock Award, to extend, subject to the terms of the Plan, the post-termination exercisability period of Options or Stock Appreciation Rights longer than is otherwise provided for in a Grant Agreement, and to accelerate the time at which any outstanding Option or Stock Appreciation Right may be exercised; provided, however, that, except as approved by the Company's stockholders, for any period during which the Company is subject to the reporting requirements of the Exchange Act, the Administrator may not cancel an outstanding Option or SAR whose exercise price is greater than Fair Market Value at the time of cancellation for the purpose of reissuing the Option or SAR to the Participant at a lower exercise price, granting a replacement award of a different type, or otherwise allowing for a "repricing" within the meaning of either the federal securities laws applicable to proxy statement disclosures or other applicable governance standards;

(ix) to allow grantees to satisfy withholding tax obligations by having the Company withhold from the Shares to be issued upon exercise of an Option or Stock Appreciation Right, upon vesting of a Stock Award or upon the grant of Unrestricted Shares that number of Shares having a Fair Market Value equal to the amount required to be withheld. The Fair Market Value of the Shares to be withheld shall be determined on the date that the amount of tax to be withheld is to be determined. All determinations to have Shares withheld for this purpose shall be made by the Administrator in its discretion;

(x) to reduce the exercise price of any Option or Stock Appreciation Right, provided such reduction receives shareholder approval in accordance with Applicable Law;

(xi) to authorize any person to execute on behalf of the Company any agreement entered into pursuant to the Plan and any instrument required to effect the grant of an Award previously granted by the Administrator;

(xii) to correct any defect, omission or inconsistency in this Plan or any Grant or Stock Award Agreement, in the manner and to the extent deemed necessary or expedient to make this Plan or an Award fully effective;

(xiii) to settle all controversies regarding this Plan and Awards granted hereunder;

(xiv) to the extent consistent with the purposes of this Plan and without amending this Plan, to cancel or waive the Company's rights with respect to any Awards, to adjust or to modify Grant and/or Stock Award Agreements for changes in Applicable Laws, and to recognize differences in foreign law, tax policies or customs;

(xv) to require, as a condition precedent to the grant, vesting, exercise, settlement and/or issuance of Shares pursuant to any Award, that a Participant agree to execute a general release of claims (in any form that the Administrator may require, in its sole and absolute discretion, which form may include any other provisions, e.g., confidentiality and restrictions on competition, that are found in general claims release agreements that the Company utilizes or expects to utilize);

(xvi) in the event that the Company establishes, for itself or through using the services of a third party, an automated system for the documentation, granting, settlement, or exercise of Awards, such as a system using an internet website or interactive voice response, to implement paperless documentation, granting, settlement, or exercise of Awards by Participants, to permit or to unilaterally require the future use of such an automated system (for all Awards, whenever granted); and

(xvii) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) *Action by Administrator*. Unless otherwise established by the Board or in any charter of the Committee or the Administrator, or by the terms of this Plan, a majority of the members of the Administrator shall constitute a quorum and the acts of a majority of the members present at any meeting at which a quorum is present, and acts approved in writing by all members of the Administrator in lieu of a meeting, shall be deemed the acts of the Administrator. Each member of the Administrator is entitled to, in good faith, rely or act upon any report or other information furnished to that member by an officer or other Employee of the Company or any of its Subsidiaries affiliates, the Company's independent certified public accountants or independent registered public accounting firm, or any executive compensation Consultant or other professional retained by the Administrator or the Company to assist in the administration of this Plan.

(d) Effect of Administrator's Decision. The Administrator's decisions, determinations findings of fact, and interpretations shall be final and binding on all holders of Awards. The validity of any such decisions, determinations, findings of fact, or interpretations shall not be given de novo review if challenged in court, by arbitration or in any other forum, and shall be upheld unless clearly and convincingly shown to have been made in bad faith or materially affected by fraud. None of the Board, the Committee or the Administrator, nor any member or delegate thereof, shall be liable for any act, omission, interpretation, construction or determination made in good faith in

connection with the Plan, and each of the foregoing shall be entitled in all cases to indemnification and reimbursement by the Company in respect of any claim, loss, damage or expense (including without limitation reasonable attorneys' fees) arising or resulting therefrom to the fullest extent permitted by law and/or under any directors' and officers' liability insurance coverage which may be in effect from time to time.

(e) *Delegation of Grant Authority*. Notwithstanding any other provision in the Plan, the Board may, to the full extent allowable under Applicable Laws, authorize the Company's Chief Executive Officer or another executive officer of the Company or a committee of such officers ("Authorized Officers") to grant Awards under the Plan; provided, however, that in no event shall the Authorized Officers be permitted to grant Awards to (i) any Director, (ii) any person who is identified by the Company as an executive officer of the Company or who is subject to the restrictions imposed under Section 16 of the Exchange Act, (iii) any person who is not an employee of the Company or any Subsidiary, or (iv) such other person or persons as may be designated from time to time by the Board. If such authority is provided by the Board, the Board shall establish and adopt written guidelines setting forth the maximum number of shares for which the Authorized Officers may grant Awards to any individual during a specified period of time and such other terms and conditions as the Board deems appropriate for such grants. Such guidelines may be amended by the Board prospectively at any time. Subject to the foregoing, the Authorized Officers shall have the same authority as the Administrator under this Section 4 with respect to the grant of Awards under the Plan.

(f) *Claims Limitations Period*. Any Participant who believes he or she is being denied any benefit or right under this Plan or under any Award may file a written claim with the Administrator. Any claim must be delivered to the Administrator (care of the Company's President and Chief Financial Officer) within forty-five (45) days of the specific event giving rise to the claim. Untimely claims will not be processed and shall be deemed denied. The Administrator, or its designee, will notify the Participant of its decision in writing as soon as administratively practicable. Claims not responded to by the Administrator in writing within one hundred and twenty (120) days of the date the written claim is delivered to the Administrator shall be deemed denied. No lawsuit relating to this Plan or any Award(s) may be filed before a written claim is filed with the Administrator and is denied or deemed denied, and any lawsuit must be filed within one year of such denial or deemed denial or be forever barred.

(g) *Expenses*. The expenses of administering this Plan (including the settlement of Awards) shall be borne by the Company.

5. **Eligibility**. Nonstatutory Stock Options, Stock Awards and Stock Appreciation Rights may be granted to Service Providers. Incentive Stock Options may be granted only to Employees. Notwithstanding anything contained herein to the contrary, an Award may be granted to a person who is not then a Service Provider; provided, however, that the grant of such Award shall be conditioned upon such person becoming a Service Provider at or prior to the time of the execution of the agreement evidencing such Award.

6. **Limitations**.

(a) Each Option shall be designated in the Grant Agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designation, if a single Employee becomes eligible in any given year to exercise Incentive Stock Options for Shares having a Fair Market Value in excess of $100,000, those Options representing the excess shall be treated as Nonstatutory Stock Options. In the previous sentence, "Incentive Stock Options" include Incentive Stock Options granted under any plan of the Company or any Parent or any Subsidiary. For the purpose of deciding which Options apply to Shares that "exceed" the $100,000 limit, Incentive Stock Options shall be taken into account in the same order as granted. The Fair Market Value of the Shares shall be determined as of the time the Option with respect to such Shares is granted.

(b) Neither the Plan nor any Award nor any agreement entered into pursuant to the Plan shall confer upon a Participant any right with respect to continuing the Participant's relationship as a Service Provider with the Company, nor shall they interfere in any way with the Participant's right or the Company's right to terminate such relationship at any time, with or without cause.

7. **Term of the Plan**. The Plan shall continue in effect until April 23, 2028 unless terminated earlier under Section 19 of the Plan.

8. **Term of Options**. Unless otherwise provided in the applicable Grant Agreement, the term of each Option granted to anyone other than a Consultant shall be ten (10) years from the date of grant and the term of each Option granted to any Consultant shall be three (3) years from the date of grant. In the case of an Incentive Stock Option, the term shall be ten (10) years from the date of grant or such shorter term as may be provided in the applicable Grant Agreement. However, in the case of an Incentive Stock Option granted to an Optionee who, at the time the Incentive Stock Option is granted, owns, directly or indirectly, stock representing more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or any Parent or Subsidiary, the term of the Incentive Stock Option shall be five (5) years from the date of grant or such shorter term as may be provided in the applicable Grant Agreement.

9. **Option Exercise Price; Exercisability**.

(a) *Exercise Price*. The per share exercise price for the Shares to be issued pursuant to exercise of an Option shall be determined by the Administrator, subject to the following:

(i) In the case of an Incentive Stock Option

(1) granted to an Employee who, at the time the Incentive Stock Option is granted, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary, the per Share exercise price shall be no less than 110% of the Fair Market Value per Share on the date of grant, or

(2) granted to any Employee other than an Employee described in paragraph (A) immediately above, the per Share exercise price shall be no less than 100% of the Fair Market Value per Share on the date of grant.

(ii) In the case of a Nonstatutory Stock Option, the per Share exercise price shall be no less than 100% of the Fair Market Value per Share on the date of grant, as determined by the Administrator in good faith.

(b) *Exercise Period and Conditions*. At the time that an Option is granted, the Administrator shall fix the period within which the Option may be exercised and shall determine any conditions that must be satisfied before the Option may be exercised.

(c) *Prohibition on Repricing*. Except as otherwise provided in Section 16, but notwithstanding any other provision of the Plan, without the prior approval of the shareholders of the Company: (i) the exercise price of an Option or Stock Appreciation Right may not be reduced, directly or indirectly, (ii) no Option or Stock Appreciation Right may be cancelled in exchange for cash, other Awards, or Options or Stock Appreciation Rights with an exercise price that is less than the exercise price of the original Option or Stock Appreciation Right, or otherwise, and (iii) the Company may not repurchase an Option or Stock Appreciation Right for value (in cash, substitutions, cash buyouts, or otherwise) from a Participant if the current Fair Market Value of the Shares underlying the Option or Stock Appreciation Right is lower than its exercise price per Share.

10. **Exercise of Options; Consideration**.

(a) *Procedure for Exercise; Rights as a Shareholder*. Any Option granted hereunder shall be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Grant Agreement. Unless the Administrator provides otherwise, vesting of Options granted hereunder shall be tolled during any unpaid leave of absence. An Option may not be exercised for a fraction of a Share. An Option shall be deemed exercised when the Company receives: (i) written or electronic notice of exercise (in accordance with the Grant Agreement) from the person entitled to exercise the Option, and (ii) full payment for the Shares with respect to which the Option is exercised. Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Grant Agreement and Section 10(f) of the Plan. Shares issued upon exercise of an Option shall be issued in the name of the Optionee. Until the Shares are issued (as evidenced

by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such Shares promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 16 of the Plan. Exercising an Option in any manner shall decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(b) *Termination of Relationship as a Service Provider*. Unless otherwise specified in the Grant Agreement or provided by the Administrator, if an Optionee ceases to be a Service Provider, other than as a result of (x) the Optionee's death or Disability, or (y) termination of such Optionee's employment or relationship with the Company with Cause, the Optionee may exercise his or her Option for up to ninety (90) days following the date on which the Optionee ceases to be a Service Provider to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Grant Agreement). If, on the date that the Optionee ceases to be a Service Provider, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall revert to the Plan. If, after the date that the Optionee ceases to be a Service Provider the Optionee does not exercise his or her Option in full within the time set forth herein or the Grant Agreement, as applicable, the unexercised portion of the Option shall terminate, and the Shares covered by such unexercised portion of the Option shall revert to the Plan. Notwithstanding the foregoing, if there is a blackout period under the Company's insider trading policy or Applicable Law (or an Administrator-imposed blackout period) that prohibits the buying or selling of Shares during any part of the ten-day period before the expiration of any Option based on the termination of a Participant's employment for any reason other than Cause, the period for exercising the Option shall be extended until the earlier of ten days beyond when such blackout period ends and the expiration date of its original term as set forth in the applicable Grant Agreement. An Optionee who changes his or her status as a Service Provider (e.g., from being an Employee to being a Consultant) shall not be deemed to have ceased being a Service Provider for purposes of this Section 10(b), nor shall a transfer of employment among the Company and any Subsidiary be considered a termination of employment; however, if an Optionee holding Incentive Stock Options ceases being an Employee but continues as a Service Provider, such Incentive Stock Options shall be deemed to be Nonstatutory Stock Options three months after the date of such cessation.

(c) *Disability of an Optionee*. Unless otherwise specified in the Grant Agreement, if an Optionee ceases to be a Service Provider as a result of the Optionee's Disability, the Optionee may exercise his or her Option, to the extent the Option is vested on the date that the Optionee ceases to be a Service Provider, up until the one-year anniversary of the date on which the Optionee ceases to be a Service Provider (but in no event later than the expiration of the term of such Option as set forth in the Grant Agreement). If, on the date that the Optionee ceases to be a Service Provider, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall revert to the Plan. If, after the Optionee ceases to be a Service Provider, the Optionee does not exercise his or her Option in full within the time set forth herein or the Grant Agreement, as applicable, the unexercised portion of the Option shall terminate, and the Shares covered by such unexercised portion of the Option shall revert to the Plan.

(d) *Death of an Optionee*. Unless otherwise specified in the Grant Agreement, if an Optionee dies while a Service Provider, the Option may be exercised, to the extent that the Option is vested on the date of death, by the Optionee's estate or by a person who acquires the right to exercise the Option by bequest or inheritance up until the one-year anniversary of the Optionee's death (but in no event later than the expiration of the term of such Option as set forth in the Notice of Grant). If, at the time of death, the Optionee is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option shall revert to the Plan. If the Option is not so exercised in full within the time set forth herein or the Grant Agreement, as applicable, the unexercised portion of the Option shall terminate, and the Shares covered by the unexercised portion of such Option shall revert to the Plan.

(e) *Termination for Cause or Voluntary Termination*. If a Service Provider's relationship with the Company is terminated for Cause (or the Service Provider resigns or is terminated at a time when the Company had Cause for such termination), then, unless otherwise provided in such Service Provider's Grant Agreement or by the

Administrator, such Service Provider shall have no right to exercise any of such Service Provider's Options at any time on or after the effective date of such termination.

(f) *Form of Consideration*. The Administrator shall determine the acceptable form of consideration for exercising an Option, including the method of payment. In the case of an Incentive Stock Option, the Administrator shall determine the acceptable form of consideration at the time of grant. Such consideration may consist entirely of:

(i) cash;

(ii) check;

(iii) other Shares which (A) in the case of Shares acquired upon exercise of an option at a time when the Company is subject to Section 16(b) of the Exchange Act, have been owned by the Optionee for more than six months on the date of surrender, and (B) have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Shares as to which said Option shall be exercised;

(iv) consideration received by the Company under a cashless exercise program implemented by the Company in connection with the Plan;

(v) a reduction in the number of Shares otherwise issuable by a number of Shares having a Fair Market Value equal to the exercise price of the Option being exercised;

(vi) any combination of the foregoing methods of payment; or

(vii) such other consideration and method of payment for the issuance of Shares to the extent permitted by Applicable Laws.

Notwithstanding any other provision of this Plan to the contrary, no Participant who is a Director or an "executive officer" of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to make payment with respect to any Awards granted under this Plan, or continue any extension of credit with respect to such payment with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act.

(g) *Non-Exempt Employees*. If an Option or SAR is granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any Shares until at least six (6) months following the Grant Date of the Option or Stock Appreciation Right (although the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or becomes Disabled, or (ii) upon a Change in Control in which such Option or Stock Appreciation Right is not assumed, continued or substituted, the vested portion of any Options and SARs may be exercised earlier than six months following the Grant Date. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or Stock Appreciation Right will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Award will be exempt from the employee's regular rate of pay, the provisions of this Section will apply to all Awards and are hereby incorporated by reference into such applicable Award Agreements.

11. **Stock Awards**. The Administrator may, in its sole discretion, grant (or sell at par value or such higher purchase price as it determines) Shares to any Service Provider subject to such terms and conditions as the Administrator sets forth in a Stock Award Agreement evidencing such grant. Stock Awards may be granted or sold in respect of past services or other valid consideration or in lieu of any cash compensation otherwise payable to such individual. The grant of Stock Awards under this Section 11 shall be subject to the following provisions:

(a) At the time a Stock Award under this Section 11 is made, the Administrator shall establish a vesting period (the "Restricted Period") applicable to the Stock Award Shares subject to such Stock Award. The Administrator may, in its sole discretion, at the time a grant is made, prescribe restrictions in addition to the expiration

of the Restricted Period, including the satisfaction of corporate or individual performance objectives. None of the Stock Award Shares may be sold, transferred, assigned, pledged or otherwise encumbered or disposed of during the Restricted Period applicable to such Stock Award Shares or prior to the satisfaction of any other restrictions prescribed by the Administrator with respect to such Stock Award Shares.

(b) The Company shall issue, in the name of each Service Provider to whom Stock Award Shares have been granted, stock certificates representing the total number of Stock Award Shares granted to such person, as soon as reasonably practicable after the grant. The Company, at the direction of the Administrator, shall hold such certificates, properly endorsed for transfer, for the Stock Awardee's benefit until such time as the Stock Award Shares are forfeited to the Company, or the restrictions lapse.

(c) Unless otherwise provided by the Administrator, holders of Stock Award Shares shall have the right to vote such Shares and cash dividends may accrue with respect to such Shares but shall not be paid prior to the time, and may be paid only to the extent that the Restricted Period applicable to the Stock Award Shares subject to such Stock Award have lapsed or the corporate or individual performance objectives have been achieved. All distributions, if any, received by a Stock Awardee with respect to Stock Award Shares as a result of any stock split, stock distribution, combination of shares, or other similar transaction shall be subject to the restrictions of this Section 11.

(d) Unless otherwise provided by the Stock Award Agreement or determined by the Administrator in its sole discretion, any unvested Stock Award Shares granted to a Service Provider pursuant to the Plan shall be forfeited if the Stock Awardee's employment or service with the Company or its Subsidiaries terminates for any reason prior to the expiration or termination of the applicable vesting period and/or the achievement of such other vesting conditions applicable to the Award.

(e) Upon the expiration or termination of the Restricted Period and the satisfaction of any other conditions prescribed by the Administrator, the restrictions applicable to the Stock Award Shares shall lapse and, at the Stock Awardee's request, a stock certificate for the number of Stock Award Shares with respect to which the restrictions have lapsed shall be delivered, free of all such restrictions, to the Stock Awardee or his beneficiary or estate, as the case may be.

12. **Restricted Stock Units**. The Administrator may, in its sole discretion, grant Restricted Stock Units to a Service Provider subject to such terms and conditions as the Administrator sets forth in a Stock Award Agreement evidencing such grant. "Restricted Stock Units" are Awards denominated in units evidencing the right to receive Shares, which may vest over such period of time and/or upon satisfaction of such performance criteria or objectives as is determined by the Administrator at the time of grant and set forth in the applicable Stock Award Agreement, without payment of any amounts by the Stock Awardee thereof (except to the extent required by law). Prior to delivery of Shares with respect to an award of Restricted Stock Units, the Stock Awardee shall have no rights as a shareholder of the Company.

Upon satisfaction and/or achievement of the applicable vesting requirements relating to an Award of Restricted Stock Units, the Stock Awardee shall be entitled to receive a number of Shares that are equal to the number of Restricted Stock Units that became vested. To the extent, if any, set forth in the applicable Stock Award Agreement, cash dividend equivalents may be accumulated and paid at the end of, the applicable vesting period or achievement of the performance conditions only to the extent that the Stock Awardee receives the Shares issuable pursuant to the Restricted Stock Units.

Unless otherwise provided by the Stock Award Agreement or determined by the Administrator in its sole discretion, any Restricted Stock Units granted to a Service Provider pursuant to the Plan shall be forfeited if the Stock Awardee's employment or service with the Company or its Subsidiaries terminates for any reason prior to the expiration or termination of the applicable vesting period and/or the achievement of such other vesting conditions applicable to the Restricted Stock Units.

Notwithstanding the foregoing provisions for the settlement of Restricted Stock Units at the time of vesting, the Administrator may pursuant to Stock Award Agreements permit Stock Awardees who are Directors or members of a select group of management or "highly compensated employees" (within the meaning of ERISA) to irrevocably elect, on a form provided by and acceptable to the Administrator (the "Election Form"), to forego the receipt of cash or other compensation (including the Shares deliverable pursuant to any Restricted Stock Unit Award) and in lieu thereof to have the Company credit to an internal

Plan account a number of Deferred Share Units having a Fair Market Value equal to the Shares and other compensation deferred. These credits will be made at the end of each calendar year (or other period determined by the Administrator) during which compensation is deferred. A Participant's Election Form will in no event be effective with respect to any compensation that the Participant earns before the date on which the Election Form takes effect. For any Participant who is subject to U.S. income taxation, the Administrator shall only authorize deferral elections under this Section pursuant to written procedures, and using written Election Forms, that satisfy the requirements of Code Section 409A. In all cases, DSUs shall be subject to the following terms and conditions:

(a) *Vesting*. Unless a Stock Award Agreement expressly provides otherwise, each Participant shall be 100% vested at all times in any Shares subject to DSUs.

(b) *Issuances of Shares*. Unless a Stock Award Agreement expressly provides otherwise, the Company shall settle a Participant's DSUs by delivering one Share for each DSU, in five substantially equal annual installments that are issued before the last day of each of the five calendar years that end after the date on which the Participant's Continuous Service ends for any reason, subject to:

(i) the Participant's right to elect a different form of distribution, only on a form provided by and acceptable to the Administrator, that permits the Participant to select any combination of a lump sum and annual installments that are triggered by, and completed within ten years following, the last day of the Participant's Continuous Service; and

(ii) the Company's acceptance of the Participant's distribution election form executed at the time the Participant elects to defer the receipt of cash or other compensation pursuant to this Section; provided that the Participant may change a distribution election through any subsequent election that (A) the Participant delivers to the Company at least one year before the date on which distributions are otherwise scheduled to commence pursuant to the Participant's initial distribution election, and (B) defers the commencement of distributions by at least five years from the originally scheduled distribution commencement date. Fractional shares shall not be issued, and instead shall be paid out in cash.

(c) *Termination of Service*. For purposes of this Section, a Participant's employment shall be considered to have terminated only when the Participant incurs a "separation from service" within the meaning of Treasury Regulations Section 1.409A-1(h). A Participant shall be considered to have experienced a Separation from Service when the facts and circumstances indicate that either (i) no further services will be performed for the Company or any of its Subsidiaries or affiliates after a certain date, or (ii) the level of bona fide services the Participant will perform after such date (whether as an Employee, Director or Consultant) are reasonably expected to permanently decrease to no more than 50% of the average level of bona fide services performed by such Participant (whether as an Employee, Director or Consultant) over the immediately preceding 36-month period (or full period of services to the Company and its Subsidiaries and affiliates if the Participant has been providing such services for less than 36 months).

13. **Unrestricted Shares**. The Administrator may grant Unrestricted Shares in accordance with the following provisions:

(a) The Administrator may cause the Company to grant Unrestricted Shares to Service Providers at such time or times, in such amounts and for such reasons as the Administrator, in its sole discretion, shall determine. No payment shall be required for Unrestricted Shares.

(b) The Company shall issue, in the name of each Service Provider to whom Unrestricted Shares have been granted, stock certificates representing the total number of Unrestricted Shares granted to such individual, and shall deliver such certificates to such Service Provider as soon as reasonably practicable after the date of grant or on such later date as the Administrator shall determine at the time of grant.

14. **Stock Appreciation Rights**. A Stock Appreciation Right may be granted by the Administrator either alone, in addition to, or in tandem with other Awards granted under the Plan. Each Stock Appreciation Right granted under the Plan shall be subject to the following terms and conditions:

(a) Each Stock Appreciation Right shall relate to such number of Shares as shall be determined by the Administrator.

(b) The date of grant of a Stock Appreciation Right shall be the date specified by the Administrator, provided that that date shall not be before the date on which the Stock Appreciation Right is actually granted and shall not be prior to the date on which the recipient commences providing services as a Service Provider. The term of each Stock Appreciation Right shall be determined by the Administrator, but shall not exceed ten years from the date of grant. Each Stock Appreciation Right shall become exercisable at such time or times and in such amount or amounts during its term as shall be determined by the Administrator. Unless otherwise specified by the Administrator, once a Stock Appreciation Right becomes exercisable, whether in full or in part, it shall remain so exercisable until its expiration, forfeiture, termination or cancellation. Notwithstanding the foregoing, if there is a blackout period under the Company's insider trading policy or Applicable Law (or an Administrator-imposed blackout period) that prohibits the buying or selling of Shares during any part of the ten-day period before the expiration of any Stock Appreciation Right based on the termination of a Participant's employment without Cause, the period for exercising the Stock Appreciation Right shall be extended until the earlier of ten days beyond when such blackout period ends and the expiration date of its original term as set forth in the applicable Grant Agreement.

(c) A Stock Appreciation Right may be exercised, in whole or in part, by giving written notice to the Administrator. As soon as practicable after receipt of the written notice, the Company shall deliver to the person exercising the Stock Appreciation Right stock certificates for the Shares to which that person is entitled under Section 14(d) hereof, subject however to prior satisfaction of applicable withholding requirements in accordance with any method consistent with those set forth in Section 10(f) above.

(d) A Stock Appreciation Right shall be exercisable for Shares only. The number of Shares issuable upon the exercise of the Stock Appreciation Right shall be determined by dividing:

(i) the number of Shares for which the Stock Appreciation Right is exercised multiplied by the amount of the appreciation per Share (for this purpose, the "appreciation per Share" shall be the amount by which the Fair Market Value of a Share on the exercise date exceeds (x) in the case of a Stock Appreciation Right granted in tandem with an Option, the exercise price or (y) in the case of a Stock Appreciation Right granted alone without reference to an Option, the Fair Market Value of a Share on the Award Date of the Stock Appreciation Right); by

(ii) the Fair Market Value of a Share on the exercise date.

15. **Non-Transferability**. Awards other than Unrestricted Shares shall not be transferable by the Participant other than (i) by will or by the laws of descent and distribution, or (ii) as approved by the Administrator in its discretion and set forth in the applicable Agreement provided that no Award may be transferred by a Participant for value. Notwithstanding the foregoing, an ISO transferred except in compliance with clause (i) above shall no longer qualify as an ISO. If the Administrator makes an Option or Stock Appreciation Right transferable, such Option or Stock Appreciation Right shall contain such additional terms and conditions as the Administrator deems appropriate. Notwithstanding the foregoing, the Administrator, in its sole discretion, may provide in the Grant Agreement regarding a given Option that the Optionee may transfer, without consideration for the transfer, his or her Nonstatutory Stock Options to members of his or her immediate family, to trusts for the benefit of such family members, or to partnerships in which such family members are the only partners, provided that the transferee agrees in writing with the Company to be bound by all of the terms and conditions of this Plan and the applicable Option.

16. **Adjustments Upon Changes in Capitalization; Change in Control Provisions**.

(a) *Changes in Capitalization*. Subject to any required action by the shareholders of the Company, the number of Shares covered by each outstanding Award, and the number of Shares which have been authorized for issuance under the Plan but as to which no Awards have yet been granted or which have been returned to the Plan upon cancellation or expiration of any Awards, as well as the price per Share covered by each such outstanding Option or Stock Appreciation Right and the share limitations set forth in Section 3, shall be proportionately and equitably adjusted for any increase or decrease in the number of issued Shares resulting from a stock split, reverse stock split,

stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of issued Shares effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." Such adjustment shall be made by the Administrator, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, 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 or price of Shares subject to an Award hereunder. Except as expressly provided herein, the issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, for cash or property, or for labor or services either upon direct sale or upon the exercise of rights or warrants to subscribe therefor, or upon conversion of shares or obligations of the Company convertible into sub-shares or other securities, shall not affect, and no adjustment by reason thereof shall be made with respect to, the number of Shares then subject to Awards (or the price of Shares then subject to outstanding Options and Stock Appreciation Rights).

(i) *Change in Control Provisions*.

(ii) *Benefits*. In the event of a Change in Control of the Company (as defined below) and either (i) the failure of the Company's successor to assume a Participant's Awards or (ii) such assumption of Awards followed by the Participant's termination without Cause on or within the one-year period following the Change in Control, then, except as otherwise provided by the Administrator in a Participant's Grant or Stock Award Agreement, the Participant shall be entitled to the following benefits:

(a) All outstanding Options and Stock Appreciation Rights of such Participant, if any, granted prior to the Change in Control shall be fully vested and immediately exercisable in their entirety upon such Change in Control (or upon later termination of the Participant's employment without Cause, if applicable).

(b) All unvested Stock Awards, performance-based Awards, and other Awards shall become fully vested, including without limitation, the following: (i) the restrictions to which any Stock Award granted prior to the Change in Control are subject shall lapse as if the applicable Restriction Period had ended upon such Change in Control (or upon later termination of the Participant's employment without Cause, if applicable), and the conditions required for vesting of any unvested performance-based Awards shall be deemed to be satisfied, at their maximum performance level, upon such Change in Control (or upon later termination of the Participant's employment without Cause, if applicable).

(iii) *Change in Control*. A "Change in Control" shall mean the occurrence of any of the following:

(a) any person (as defined in Section 3(a)(9) of the Exchange Act and as used in Sections 13(d) and 14(d) thereof), excluding the Company, any subsidiary of the Company and any employee benefit plan sponsored or maintained by the Company or any subsidiary of the Company (including any trustee of any such plan acting in his capacity as trustee), becoming the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act) of securities of the Company representing thirty percent (30%) of the total combined voting power of the Company's then outstanding securities;

(b) the merger, consolidation or other business combination of the Company (a "Transaction"), other than (A) a Transaction involving only the Company and one or more of its subsidiaries, or (B) a Transaction immediately following which the shareholders of the Company immediately prior to the Transaction continue to have a majority of the voting power in the resulting entity and no person (other than those covered by the exceptions in (1) above) becomes the beneficial owner of securities of the resulting entity representing more than twenty-five percent (25%) of the voting power in the resulting entity;

(c) during any period of two (2) consecutive years beginning on or after the date of the approval of this Plan by the shareholders (the "Effective Date"), the persons who were members of

the Board immediately before the beginning of such period (the "Incumbent Directors") ceasing (for any reason other than death) to constitute at least a majority of the Board or the board of directors of any successor to the Company, provided that, any director who was not a director as of the Effective Date shall be deemed to be an Incumbent Director if such director was elected to the board of directors by, or on the recommendation of or with the approval of, at least two-thirds of the directors who then qualified as Incumbent Directors either actually or by prior operation of the foregoing unless such election, recommendation or approval occurs as a result of an actual or threatened election contest (as such terms are used in Rule 14a-11 of Regulation 14A promulgated under the Exchange Act or any successor provision) or other actual or threatened solicitation of proxies or contests by or on behalf of a person other than a member of the Board; or

(d) the approval by the shareholders of the Company of any plan of complete liquidation of the Company or an agreement for the sale of all or substantially all of the Company's assets other than the sale of all or substantially all of the assets of the Company to a person or persons who beneficially own, directly or indirectly, at least fifty percent (50%) or more of the combined voting power of the outstanding voting securities of the Company at the time of such sale.

17. **Substitute Options**. In the event that the Company, directly or indirectly, acquires another entity, the Board may authorize the issuance of stock options ("Substitute Options") to the individuals performing services for the acquired entity in substitution of stock options previously granted to those individuals in connection with their performance of services for such entity upon such terms and conditions as the Board shall determine, taking into account the conditions of Code Section 424(a), as from time to time amended or superseded, in the case of a Substitute Option that is intended to be an Incentive Stock Option. Shares of capital stock underlying Substitute Stock Options shall not constitute Shares issued pursuant to the Plan for any purpose.

18. **Date of Grant**. The date of grant of an Award shall be, for all purposes, the date on which the Administrator makes the determination granting such Award, or such other later date as is determined by the Administrator. Notice of the determination shall be provided to each Participant within a reasonable time after the date of such grant.

19. **Amendment and Termination of the Plan**.

(a) *Amendment and Termination*. The Board may at any time amend, alter, suspend or terminate the Plan.

(b) *Shareholder Approval*. The Company shall obtain shareholder approval of any Plan amendment to the extent necessary to comply with Applicable Laws.

(c) *Effect of Amendment or Termination*. No amendment, alteration, suspension or termination of the Plan shall materially impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of the Plan shall not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

20. **Conditions Upon Issuance of Shares**.

(a) *Legal Compliance*. Shares shall not be issued in connection with the grant or vesting of any Stock Award or Unrestricted Share or the exercise of any Option or Stock Appreciation Right unless such grant or the exercise of such Option or Stock Appreciation Right and the issuance and delivery of such Shares shall comply with Applicable Laws and shall be further subject to the approval of counsel for the Company with respect to such compliance.

(b) *Investment Representations*. As a condition to the grant of any Stock Award or the exercise of any Option or Stock Appreciation Right, the Company may require the person receiving such Award or exercising such Option or Stock Appreciation Right to represent and warrant at the time of any such exercise or grant that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

(c) *Additional Conditions*. The Administrator shall have the authority to condition the grant of any Award in such other manner that the Administrator determines to be appropriate, provided that such condition is not inconsistent with the terms of the Plan.

(d) *Trading Policy Restrictions*. Option and or Stock Appreciation Right exercises and Shares issued in connection with any Stock Awards under the Plan shall be subject to the terms and conditions of any insider trading policy established by the Company or the Administrator.

21. **Inability to Obtain Authority**. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares 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.

22. **Withholding; Notice of Sale**. The Company shall be entitled to withhold from any amounts payable to an Employee or other Service Provider any amounts which the Company determines, in its discretion, are required to be withheld under any Applicable Law as a result of any action taken by a holder of an Award. Furthermore, prior to the delivery of any Shares in connection with any Award, the Company shall be entitled to require as a condition of delivery that the Participant shall pay or make adequate provision acceptable to the Company for the satisfaction of the statutory minimum prescribed amount of federal and state income tax and other withholding obligations of the Company, including, if permitted by the Administrator, by having the Company withhold from the number of Shares otherwise deliverable in connection with the Award, a number of Shares having a Fair Market Value equal to an amount sufficient to satisfy such tax withholding obligations.

23. **Recoupment of Awards**.

(a) Unless otherwise specifically provided in a Grant or Stock Award Agreement, and to the extent permitted by Applicable Law, the Administrator may, in its sole and absolute discretion, without obtaining the approval or consent of the Company's shareholders or of any Participant, require that any Participant forfeit or reimburse the Company for all or any portion of any previously-settled Awards granted under this Plan ("Reimbursement"), if and to the extent:

(i) the granting, vesting or payment of such Award was predicated upon the achievement of certain financial results that were subsequently the subject of a material financial restatement;

(ii) in the Administrator's view the Participant either benefited from a calculation that later proves to be materially inaccurate, or engaged in fraud or misconduct that caused or partially caused the need for a material financial restatement by the Company or any of its Subsidiaries and affiliates; and

(iii) a lower granting, vesting, or payment of such Award would have occurred based upon the conduct described in subsection (ii) above.

In each instance, the Administrator may, to the extent practicable and allowable or required under Applicable Law, require forfeiture or Reimbursement of any such Award granted to a Participant; provided that the Company will not seek forfeiture or Reimbursement of any such Awards that were paid or vested more than three years prior to the first date of the applicable restatement period.

(b) Notwithstanding any other provision of this Plan, all Awards will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any securities exchange, trading market or automated quotation system on which the Company's securities are listed, quoted or traded or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, including but not limited to Section 10D of the Exchange Act, or any other Applicable Law. In addition, the Administrator, in its sole and absolute discretion, may impose such other clawback, recovery or recoupment provisions in a Grant or Stock Award Agreement as the Administrator determines is necessary, advisable or appropriate, including but not limited to a reacquisition right in respect of previously acquired Shares or other cash or property upon the occurrence of a termination for Cause and/or violation of any post-employment covenants, including but not limited to ones relating to noncompetition, nonsolicitation, and trade secrets. No recovery of compensation under such a clawback

policy will be an event giving rise to a right to resign for "good reason" or "constructive termination" (or similar term) under any agreement with the Company or any of its Subsidiaries or affiliates.

24. **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 Section by and among, as applicable, the Company and its Subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing this Plan and Awards and the Participant's participation in this Plan. In furtherance of such implementation, administration, and management, 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, telephone number, date of birth, social insurance or security number or other identification number, salary, nationality, job title(s), information regarding any securities of the Company or any of its Subsidiaries or affiliates, and details of all Awards (the "Personal Data"). In addition to transferring the Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of this Plan and Awards and the Participant's participation in this Plan, the Company and its Subsidiaries and affiliates may each transfer the Personal Data to any third parties assisting the Company in the implementation, administration and management of this Plan and Awards and the Participant's participation in this Plan. Recipients of the Personal Data may be located in the Participant's country or elsewhere, and the Participant's country and any given recipient's country may have different data privacy laws and protections. By accepting an Award, each Participant authorizes such recipients to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of assisting the Company in the implementation, administration and management of this Plan and Awards and the Participant's participation in this Plan, including any requisite transfer of such Personal 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 capital stock of the Company. The Personal Data related to a Participant will be held only as long as is necessary to implement, administer and manage this Plan and Awards and the Participant's participation in this Plan. A Participant may, at any time, view the Personal Data held by the Company with respect to such Participant, request additional information about the storage and processing of the Personal Data with respect to such Participant, recommend any necessary corrections to the Personal Data with respect to the Participant, or refuse or withdraw the consents herein in writing, in any case without cost, by contacting the Participant's local human resources representative. The Company may cancel the Participant's eligibility to participate in this Plan, and in the Administrator's sole and absolute discretion, the Participant may forfeit any outstanding Awards if the Participant refuses or withdraws the consents described herein. For more information on the consequences of refusal to consent or withdrawal of consent, Participants may contact their local human resources representative.

25. **Relationship to other Benefits**. No Award, Share issuance, or other payment pursuant to this Plan shall be taken into account in determining any benefits under any pension, retirement, savings, profit sharing, group insurance, welfare or other benefit plan of the Company or any of its Subsidiaries except to the extent otherwise expressly provided in writing in such other plan or an agreement thereunder.

26. **Section 409A.** If a Participant is a "specified employee" as defined in Section 409A of the Code (and as applied according to procedures of the Company) as of his or her "separation from service" within the meaning of Treasury Regulations Section 1.409A-1(h) to the extent any payment under this Plan or pursuant to the grant of Restricted Stock Units or DSUs constitutes deferred compensation (after taking into account any applicable exemptions from Section 409A of the Code), and to the extent required by Section 409A of the Code, no payments due under this Plan or pursuant to such Award may be made until the earlier of: (i) the first day of the seventh month following the Participant's separation from service, or (ii) the Participant's date of death; provided, however, that any payments delayed during this six-month period shall be paid in the aggregate in a lump sum, without interest, on the first day of the seventh month following the Participant's separation from service.

The Administrator shall administer the Plan with a view toward ensuring that all Restricted Stock Units and DSUs issued under the Plan that are subject to Section 409A of the Code comply with the requirements thereof and that Options and Stock Appreciation Rights under the Plan be exempt from the requirements of Section 409A of the Code, but neither the Administrator nor any member of the Board, nor the Company nor any other person acting hereunder on behalf of the Company, the Administrator or the Board shall be liable to a Participant by reason of the acceleration of any income, or the imposition of any additional tax or penalty, with respect to an Award, whether by reason of a failure to satisfy the requirements of Section 409A of the Code or otherwise.

27. **Governing Law**. This Plan shall be governed by the laws of the State of Delaware, without regard to conflict of law principles.

EXHIBIT 10.5

CALADRIUS BIOSCIENCES, INC.

2017 EMPLOYEE STOCK PURCHASE PLAN

(formerly the NeoStem, Inc. 2012 Employee Stock Purchase Plan)

1. Purpose. The purpose of the Caladrius Biosciences, Inc. 2017 Employee Stock Purchase Plan (the "Plan") is to amend and restate the NeoStem, Inc. 2012 Employee Stock Purchase Plan in order to further promote the interest of Caladrius Biosciences, Inc., a Delaware corporation (the "Company") and its stockholders by providing employees of the Company and its Designated Subsidiaries with an opportunity to purchase Common Stock of the Company through accumulated payroll deductions. By encouraging stock ownership, the Company seeks to attract, retain and motivate employees and to encourage them to devote their best efforts to the business and financial success of the Company. It is the intention of the Company to have the Plan qualify as an "Employee Stock Purchase Plan" under Section 423 of the Code. The provisions of the Plan, accordingly, shall be construed in a manner consistent with the requirements of that section of the Code.

2. Definitions. For purposes of the Plan, the following capitalized terms shall have the following meanings:

2.1 "Account" means an account referred to in Section 6.2 of the Plan.

2.1 "Board of Directors" or "Board" means the Board of Directors of the Company.

2.2 "Code" means the Internal Revenue Code of 1986, as amended.

2.3 "Committee" means the Compensation Committee of the Board of Directors, or such other committee of members of the Board appointed by the Board, authorized under Section 14 to administer the Plan and to perform the functions assigned to the Committee under the Plan.

2.4 "Common Stock" means the common stock, $0.001 par value, of the Company.

2.5 "Company" means Caladrius Biosciences, Inc.

2.6 "Compensation" means, for any pay period, the gross cash compensation payable to an Employee for such period, including base salary, commissions, bonuses and incentive payments, but excluding severance and non-cash compensation. Any pre-tax contributions made to a Company 401(k) plan or "cafeteria plan" pursuant to Section 125 of the Code shall be treated as Compensation for purposes of the Plan.

2.7 "Designated Subsidiary" means any Subsidiary that has been designated by the Board from time to time in its sole discretion as eligible to participate in the Plan.

2.8 "Employee" means any individual who is an employee of the Employer; provided, however, Employees who have been employed less than ninety days by the Employer, Employees whose customary employment with the Employer is twenty (20) hours or less per week, and Employees whose customary employment with the Employer is for not more than five (5) months in any calendar year shall not be deemed Employees for the purposes of

this Plan. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Employer. Where the period of leave exceeds 90 days and the individual's right to reemployment is not guaranteed either by statute or by contract, the employment relationship shall be deemed to have terminated on the 91st day of such leave.

2.9 "Employer" means the Company and any Designated Subsidiary.

2.9 "Enrollment Date" means the first Trading Day of each Offering Period.

2.10 "Exercise Date" means the last Trading Day of each Offering Period.

2.11 "Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

2.11.1 If the principal market for the Common Stock is the New York Stock Exchange, The NASDAQ Global Market, the NYSE MKT or another national securities exchange (an "Exchange"), then the "Fair Market Value" as of that date shall be the closing price of a share of Common Stock on the Exchange on such date or, if no closing price is reported on such date, the closing price of a share of Common Stock on the nearest preceding date on which the Exchange is open for trading.

2.11.2 If the principal market for the Common Stock is not an Exchange, but the Common Stock is traded on an over-the-counter, bulletin board or comparable service, then the "Fair Market Value" as of that date shall be the closing price of a share of Common Stock for such day as reported by such service, or if no closing price is reported on such date, the closing price of a share of Common Stock on the nearest preceding date on which trades occurred.

2.11.3 If paragraphs 2.11.1 and 2.11.2 above are inapplicable, then the "Fair Market Value" of the Common Stock shall be as determined in good faith by the Committee.

2.12 "Highly Compensated Employee" has the same meaning as the term is used in Section 414(q) of the Code.

2.13 "Offering Periods" means the period of approximately six (6) months during which an Option shall be granted and may be exercised pursuant to the Plan, commencing on the first Trading Day on or after January 1st and July 1st of each year and terminating on the last Trading Day before the commencement of the next Offering Period. Subject to the approval of the Plan by the stockholders of the Company, the first Offering Period shall commence on January 1, 2017 and continue until June 30, 2017. The duration and timing of Offering Periods may be changed pursuant to Section 4 of this Plan.

2.15 "Option" means an Option to purchase shares of Common Stock under the Plan, as set forth in Section 7 of the Plan.

2.16 "Participant" means an eligible employee who becomes a participant of the Plan in accordance with Section 5.1 of the Plan.

2.14 "Plan" means this Caladrius Biosciences, Inc. 2017 Employee Stock Purchase Plan.

2.15 "Purchase Price" for each Offering Period means 85% of the Fair Market Value of a share of Common Stock on the Enrollment Date of such Offering Period or on the Exercise Date of such Offering Period, whichever is lower; provided , however , that the Purchase Price may be adjusted by the Board pursuant to Section 20.

2.16 "Reserves" means the number of shares of Common Stock covered by each Option under the

Plan that have not yet been exercised and the number of shares of Common Stock that have been authorized for issuance under the Plan but not yet placed under Option.

2.17 "Subsidiary" has the meaning set forth for "subsidiary corporation" in Section 424(f) of the Code, whereby a Subsidiary means any corporation (other than the employer corporation) in an unbroken chain of corporations beginning with the employer corporation if, at the time of the granting of the Option, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

2.18 "Trading Day" means a day on which the NYSE MKT is open for trading.

3. Eligibility.

3.1 Any Employee who shall be employed by the Company on a given Enrollment Date shall be eligible to participate in the Plan.

3.2 Notwithstanding any provision of the Plan to the contrary, no Employee shall be granted an Option under the Plan: (i) to the extent that, immediately after the grant, such Employee (or any other person whose stock would be attributed to such Employee pursuant to section 424(d) of the Code) would own stock of the Company and/or hold outstanding Options to purchase such stock possessing five percent (5%) or more of the total combined voting power or value of all classes of the stock of the Company or of any Subsidiary; (ii) to the extent that his or her rights to purchase stock under all employee stock purchase plans of the Company and its Subsidiaries accrues at a rate which exceeds Twenty-Five Thousand Dollars ($25,000) of fair market value of such stock (determined at the time such Option is granted) for each calendar year in which such Option is outstanding at any time; or (iii) if he or she has received a hardship withdrawal from the Company's 401(k) plan within the preceding six (6) months.

4. Offering Periods. The Plan shall be implemented by consecutive Offering Periods with a new Offering Period commencing and ending as set forth in Section 2.13, or on such other date as the Board shall determine, and continuing thereafter until terminated in accordance with Section 20 hereof. The Board shall have the power to change the duration of Offering Periods (including the commencement dates thereof) with respect to future offerings without shareholder approval if such change is announced at least five (5) days prior to the scheduled beginning of the first Offering Period to be affected thereafter.

5. Participation.

5.1 An eligible Employee may become a Participant in the Plan by completing a Subscription Agreement authorizing payroll deductions in the form of Exhibit A to this Plan and filing it with the Company's payroll office prior to the applicable Enrollment Date.

5.2 Payroll deductions for a Participant shall commence on the first payroll date following the Enrollment Date (provided that the Company has received the Participant's Subscription Agreement) and shall end on the last payroll in the Offering Period to which such Subscription Agreement is applicable, unless sooner terminated by the Participant as provided in Section 10 hereof.

6. Payroll Deductions.

6.1 At the time a Participant files his or her Subscription Agreement, he or she shall elect to have payroll deductions made on each payday during the Offering Period in an amount equal to any whole percentage (not exceeding fifteen percent (15%)) of the Compensation that he or she receives on each payday during the Offering Period.

6.2 All payroll deductions made for a Participant shall be credited to his or her Account under the Plan. A Participant may not make any additional payments into such Account. Accounts shall be mere bookkeeping entries on the Company's books and records. Amounts credited to Accounts shall not be trust funds and may be commingled with the Company's general assets and applied to general corporate purposes. No interest or other earnings

shall be paid or credited with respect to payroll deductions or any amounts accumulated in or credited to a Participant's Account.

6.3 A Participant may discontinue his or her participation in the Plan as provided in Section 10 hereof, or may increase or decrease the rate of his or her payroll deductions during the Offering Period by completing and filing with the Company a new Subscription Agreement authorizing a change in payroll deduction rate. The Committee may, in its discretion, limit the number of participation rate changes during any Offering Period. The change in rate shall be effective with the first full payroll period following five (5) business days after the Company's receipt of the new Subscription Agreement. A Participant's Subscription Agreement shall remain in effect for successive Offering Periods unless a new Subscription Agreement is filed by the Participant prior to the commencement of such Offering Period or the then existing Subscription Agreement is terminated as provided in Section 10 hereof.

6.4 Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3.2 hereof, a Participant's payroll deductions may be decreased to zero percent (0%) at any time during an Offering Period. Payroll deductions shall recommence at the rate provided in such Participant's Subscription Agreement at the beginning of the first Offering Period which is scheduled to end in the following calendar year, unless terminated by the Participant as provided in Section 10 hereof.

6.5 At the time the Option is exercised, in whole or in part, or at the time some or all of the Company's Common Stock issued under the Plan is disposed of, the Participant must make adequate provision for the Company's federal, state, or other tax withholding obligations, if any, which arise upon the exercise of the Option or the disposition of the Common Stock. At any time, the Company may, but shall not be obligated to, withhold from the Participant's Compensation or other remuneration payable to the Participant the amount necessary for the Company to meet applicable withholding obligations, including any withholding required to make available to the Company any tax deductions or benefits attributable to sale or early disposition of Common Stock by the Employee.

7. Grant of Option. On the Enrollment Date of each Offering Period, each eligible Employee participating in such Offering Period shall be granted an Option to purchase on the Exercise Date during such Offering Period (at the applicable Purchase Price) up to a number of shares of the Company's Common Stock determined by dividing such Participant's Account as of the Exercise Date by the applicable Purchase Price; provided that such purchase shall be subject to the limitations set forth in Sections 3.2 and 13 hereof. No fractional shares shall be purchased; any payroll deductions accumulated in a Participant's Account which are not sufficient to purchase a full share shall be retained in the Participant's Account for the subsequent Offering Period, subject to earlier withdrawal by the Participant as provided in Section 10 hereof. Exercise of the Option shall occur as provided in Section 8 hereof, unless the Participant has withdrawn pursuant to Section 10 hereof. The Option shall expire on the last day of the Offering Period.

8. Exercise of Option.

8.1 Unless a Participant withdraws from the Plan as provided in Section 10 hereof, his or her Option with respect to an Offering Period shall be exercised automatically on the Exercise Date of such Offering Period, and the maximum number of full shares subject to Option shall be purchased for such Participant at the applicable Purchase Price with the accumulated payroll deductions credited to his or her Account. No fractional shares shall be purchased; any payroll deductions accumulated in a Participant's Account which are not sufficient to purchase a full share shall be retained in the Participant's Account for the subsequent Offering Period, subject to earlier withdrawal by the Participant as provided in Section 10 hereof. Any other monies left over in a Participant's Account after the Exercise Date shall be returned to the Participant. During a Participant's lifetime, a Participant's Option to purchase shares hereunder is exercisable only by him or her.

8.2 If the Board or the Committee determines that, on a given Exercise Date, the number of shares with respect to which Options are to be exercised may exceed: (i) the number of shares of Common Stock that were available for sale under the Plan on the Enrollment Date of the applicable Offering Period; or (ii) the number of shares

available for sale under the Plan on such Exercise Date, the Board may in its sole discretion: (x) provide that the Company shall make a pro rata allocation of the shares of Common Stock available for purchase on such Enrollment Date or Exercise Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants, and continue all Offering Periods then in effect; or (y) provide that the Company shall make a pro rata allocation of the shares available for purchase on such Enrollment Date or Exercise Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants, and terminate any or all Offering Periods then in effect pursuant to Section 20 hereof. The Company may make a pro rata allocation of the shares available on the Enrollment Date of any applicable Offering Period pursuant to the preceding sentence, notwithstanding any authorization of additional shares for issuance under the Plan by the Company's shareholders subsequent to such Enrollment Date.

9. Delivery. Shares purchased under the Plan by a Participant will be credited to and held under a stock purchase account in the Participant's name maintained by such brokerage or other third-party firm as is designated by the Committee. Any and all stock dividends with respect to shares of Common Stock credited to a Participant's stock purchase account shall be paid directly to each Participant. A Participant may, by notice to the Company's applicable human resources location (or such other designee as established by the Committee) elect to have such cash dividends reinvested in shares of Common Stock. Any shares purchased with such dividend proceeds shall be purchased on the open market by such brokerage firm on the Participant's behalf (subject to applicable Company policies) and such shares shall not count in determining the maximum number of shares of Common Stock available for issuance under the Plan under Section 13, nor shall such shares count against the maximum number of shares that may be purchased by a Participant under Section 8. Subject to such restrictions, limitations and procedures as may be prescribed by the Committee, a Participant may withdraw shares in his or her stock purchase account from time to time. As soon as administratively practicable following termination of participation pursuant to Section 11, all shares credited to the Participant's stock purchase account shall be delivered to the Participant (or to the Participant's beneficiary or estate in the event of Participant's death), except to the extent that the Participant (or the Participant's beneficiary or estate in the event of Participant's death) elects to have such stock purchase account paid in cash.

10. Withdrawal.

10.1 A Participant may withdraw all but not less than all the payroll deductions credited to his or her Account and not yet used to exercise his or her Option under the Plan at any time by giving written notice to the Company in the form of Exhibit B to this Plan or in such other manner prescribed by the Committee. All of the Participant's payroll deductions credited to his or her Account shall be paid to such Participant promptly after receipt of notice of withdrawal and such Participant's Option for the Offering Period shall be automatically terminated, and no further payroll deductions for the purchase of shares shall be made for such Offering Period by such Participant. If a Participant withdraws from an Offering Period, payroll deductions shall not resume at the beginning of the succeeding Offering Period unless the Participant delivers to the Company a new Subscription Agreement.

10.2 A Participant's withdrawal from an Offering Period shall not have any effect upon his or her eligibility to participate in any similar plan which may hereafter be adopted by the Company or in succeeding Offering Periods which commence after the termination of the Offering Period from which the Participant withdraws.

11. Termination of Employment. Upon a Participant's ceasing to be an Employee, for any reason, he or she shall be deemed to have elected to withdraw from the Plan and the payroll deductions credited to such Participant's Account during the Offering Period but not yet used to exercise the Option shall be returned to such Participant or, in the case of his or her death, to the person or persons entitled thereto under Section 15 hereof, and such Participant's Option shall be automatically terminated.

12. Interest. No interest or other earnings shall accrue on the payroll deductions of a Participant in the Plan.

13. Stock.

13.1 Subject to adjustment upon changes in capitalization of the Company as provided in Section

19 hereof, the maximum number of shares of the Company's Common Stock which shall be made available for sale under the Plan shall be 100,000 shares.

13.2 A Participant shall have no ownership interest or voting right in shares covered by his or her Option until such Option has been exercised and the shares purchased as a result thereof have been delivered.

13.3 Shares to be delivered to a Participant under the Plan shall be registered in the name of the Participant or in the name of the Participant and his or her spouse jointly with the right of survivorship.

14. Administration.

14.1 The Plan shall be administered by the Committee. The Committee shall have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to determine eligibility and to adjudicate all disputed claims filed under the Plan. Every finding, decision and determination made by the Committee shall, to the full extent permitted by law, be final and binding upon all parties. The Committee may retain the services of an outside firm to serve as its agent in administering the Plan on a day-to-day basis. No member of the Board or the Committee shall be liable for any act done or omitted to be done by such member or by any other member of the Board or the Committee in connection with the Plan, except for such member's own willful misconduct or as expressly provided by statute.

14.2 Any Participant who believes he or she is being denied any benefit or right under this Plan may file a written claim with the Committee. Any claim must be delivered to the Committee (care of the Company's President and Chief Financial Officer) within forty-five (45) days of the specific event giving rise to the claim. Untimely claims will not be processed and shall be deemed denied. The Committee, or its designee, will notify the Participant of its decision in writing as soon as administratively practicable. Claims not responded to by the Committee in writing within one hundred and twenty (120) days of the date the written claim is delivered to the Committee shall be deemed denied. No lawsuit relating to this Plan may be filed before a written claim is filed with the Committee and is denied or deemed denied, and any lawsuit must be filed within one year of such denial or deemed denial or be forever barred.

15. Designation of Beneficiary.

15.1 A Participant, in its Subscription Agreement, may designate a beneficiary who is to receive any shares and cash, if any, from the Participant's Account under the Plan in the event of such Participant's death subsequent to an Exercise Date on which the Option is exercised but prior to delivery to such Participant of such shares and cash. In addition, a Participant may file a written designation of a beneficiary who is to receive any cash from the Participant's Account under the Plan in the event of such Participant's death prior to exercise of the Option. If a Participant is married and the designated beneficiary is not the spouse, spousal consent shall be required for such designation to be effective.

15.2 Such designation of beneficiary may be changed by the Participant at any time by written notice. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Company shall deliver such shares and/or cash to the executor or Committee of the estate of the Participant, or if no such executor or Committee has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

16. Transferability. Neither payroll deductions credited to a Participant's Account nor any rights with regard to the exercise of an Option or to receive shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution or as provided in Section 15 hereof) by the Participant. Any such attempt at assignment, transfer, pledge or other disposition shall be without effect, except that the Company may treat such act as an election to withdraw funds from an Offering Period in accordance with Section 10 hereof.

17. Use of Funds. All payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions.

18. Reports. Individual accounts shall be maintained for each Participant in the Plan. Statements of account shall be given to Participants at least annually, which statements shall set forth the amounts of payroll deductions, the Purchase Price, the number of shares purchased and the remaining cash balance, if any.

19. Adjustments Upon Changes in Capitalization, Dissolution, Liquidation, Merger or Asset Sale.

19.1 Changes in Capitalization. Subject to any required action by the shareholders of the Company, the Reserves, the maximum number of shares each Participant may purchase each Purchase Period (pursuant to Section 7), as well as the price per share and the number of shares of Common Stock covered by each Option under the Plan which has not yet been exercised shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of shares of Common Stock effected without receipt of consideration by the Company; provided , however , that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration". Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, 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 or price of shares of Common Stock subject to an Option.

19.2 Dissolution or Liquidation. Unless provided otherwise by the Board, in the event of the proposed dissolution or liquidation of the Company, the Offering Period then in progress shall terminate immediately prior to the consummation of such proposed dissolution or liquidation and a cash amount shall be paid to each Participant that is equal to the amount of his or her Account.

19.3 Merger or Asset Sale. In the event of a proposed sale of all or substantially all of the assets of the Company, or the merger of the Company with or into another corporation, each outstanding Option shall be assumed or an equivalent Option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event that the successor corporation refuses to assume or substitute for the Option, the Board may terminate any Offering Period then in progress by setting a new Exercise Date (the "New Exercise Date"). The New Exercise Date shall be before the date of the Company's proposed sale or merger. The Board shall notify each Participant in writing, at least ten (10) business days prior to the New Exercise Date, that the Exercise Date for the Participant's Option has been changed to the New Exercise Date and that the Participant's Option shall be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 10 hereof.

20. Amendment or Termination.

20.1 The Board may at any time and for any reason terminate or amend the Plan. Except as provided in Section 19 hereof, no such termination can affect Options previously granted, provided that an Offering Period may be terminated by the Board on any Exercise Date if the Board determines that the termination of the Offering Period or the Plan is in the best interests of the Company and its shareholders. Except as provided in Section 19 and this Section 20 hereof, no amendment may make any change in any Option theretofore granted which adversely affects the rights of any Participant. To the extent necessary to comply with Section 423 of the Code (or any successor rule or provision or

any other applicable law, regulation or stock exchange rule), the Company shall obtain shareholder approval in such a manner and to such a degree as required.

20.2 Without shareholder consent and without regard to whether any Participant rights may be considered to have been "adversely affected," the Board (or the Committee) shall be entitled to change the Offering Periods, limit the frequency and/or number of changes in the amount withheld during an Offering Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts withheld from the Participant's Compensation, and establish such other limitations or procedures as the Board (or its Committee) determines in its sole discretion advisable which are consistent with the Plan.

20.3 In the event the Board determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Board may, in its discretion and, to the extent necessary or desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

20.3.1 Altering the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in Purchase Price;

20.3.2 Shortening any Offering Period so that Offering Period ends on a new Exercise Date, including an Offering Period underway at the time of the Board action; and

20.3.3 Allocating shares.

Such modifications or amendments shall not require stockholder approval or the consent of any Plan Participants.

21. Conditions Upon Issuance of Shares. Shares shall not be issued with respect to an Option unless the exercise of such Option and the issuance and delivery of such shares pursuant thereto shall comply with all applicable provisions of law, domestic or foreign, including, without limitation, the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which the shares may then be listed, and shall be further subject to the approval of counsel for the Company with respect to such compliance. As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the shares are being purchased only for investment and without any present intention to sell or distribute such shares if, in the opinion of counsel for the Company, such a representation is required by any of the aforementioned applicable provisions of law.

22. Term of Plan. The Plan, as amended and restated hereby, shall become effective on January 1, 2017, subject to approval of the Plan by the stockholders of the Company. It shall continue in effect for a term of ten (10) years unless sooner terminated under Section 20 hereof. If the Company's stockholders do not approve the amended and restated Plan at their annual meeting in 2017, then the Plan and the Offering Period that commenced on January 1, 2017 shall automatically terminate without any issuance of any shares of Common Stock, and a cash amount shall be paid to each Participant that is equal to the amount of his or her Account.

23. No Employment Rights. The Plan does not, directly or indirectly, create any right for the benefit of any employee or class of employees to purchase any shares of Common Stock under the Plan, or create in any employee or class of employees any right with respect to continuation of employment by the Company, and it shall not be deemed to interfere in any way with the Company's right to terminate, or otherwise modify, an employee's employment at any time.

24. 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 Section by and among, as applicable, the Company and its Subsidiaries and affiliates for the exclusive purpose of implementing,

administering and managing this Plan and the Participant's participation in this Plan. In furtherance of such implementation, administration, and management, 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, telephone number, date of birth, social insurance or security number or other identification number, salary, nationality, job title(s), information regarding any securities of the Company or any of its Subsidiaries or affiliates, and details of all Awards (the "Personal Data"). In addition to transferring the Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of this Plan and the Participant's participation in this Plan, the Company and its Subsidiaries and affiliates may each transfer the Personal Data to any third parties assisting the Company in the implementation, administration and management of this Plan and Awards and the Participant's participation in this Plan. Recipients of the Personal Data may be located in the Participant's country or elsewhere, and the Participant's country and any given recipient's country may have different data privacy laws and protections. By enrolling in the Plan for any Offering Period, each Participant authorizes such recipients to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of assisting the Company in the implementation, administration and management of this Plan and the Participant's participation in this Plan, including any requisite transfer of such Personal 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 capital stock of the Company. The Personal Data related to a Participant will be held only as long as is necessary to implement, administer and manage this Plan and the Participant's participation in this Plan. A Participant may, at any time, view the Personal Data held by the Company with respect to such Participant, request additional information about the storage and processing of the Personal Data with respect to such Participant, recommend any necessary corrections to the Personal Data with respect to the Participant, or refuse or withdraw the consents herein in writing, in any case without cost, by contacting the Participant's local human resources representative. The Company may cancel the Participant's eligibility to participate in this Plan if the Participant refuses or withdraws the consents described herein. For more information on the consequences of refusal to consent or withdrawal of consent, Participants may contact their local human resources representative.

25. No Effect Upon Benefits. Neither the grant nor the exercise of any Option hereunder will affect the benefits under any benefit plan of the Employer, and no amount or benefit granted or received hereunder shall be considered compensation for any purposes of any other benefit plan or program of the Employer.

26. Trading Policy Restrictions. Option exercises under the Plan shall be subject to the terms and conditions of any insider trading policy established by the Company.

27. Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

28. Equal Rights and Privileges. All eligible employees shall have equal rights and privileges with respect to the Plan so that the Plan qualifies as an "employee stock purchase plan" within the meaning of Section 423 or any successor provision of the Code and the related regulations. Any provision of the Plan which is inconsistent with Section 423 or any successor provision of the Code shall, without further act or amendment by the Company or the Committee, be reformed to comply with the requirements of Section 423. This Section 27 shall take precedence over all other provisions in the Plan.

29. Governing Law. Without regard to conflict of law principles, the laws of the State of Delaware will govern all matters relating to this Plan except to the extent it is superseded by the laws of the United States.

Effective as of March 28, 2017

AMENDMENT #1

CALADRIUS BIOSCIENCES, INC.

2017 EMPLOYEE STOCK PURCHASE PLAN

(formerly the NeoStem, Inc. 2012 Employee Stock Purchase Plan)

(amended by stockholders as of June 20, 2018)

1. Purpose. The purpose of the Caladrius Biosciences, Inc. 2017 Employee Stock Purchase Plan (the "Plan") is to amend and restate the NeoStem, Inc. 2012 Employee Stock Purchase Plan in order to further promote the interest of Caladrius Biosciences, Inc., a Delaware corporation (the "Company") and its stockholders by providing employees of the Company and its Designated Subsidiaries with an opportunity to purchase Common Stock of the Company through accumulated payroll deductions. By encouraging stock ownership, the Company seeks to attract, retain and motivate employees and to encourage them to devote their best efforts to the business and financial success of the Company. It is the intention of the Company to have the Plan qualify as an "Employee Stock Purchase Plan" under Section 423 of the Code. The provisions of the Plan, accordingly, shall be construed in a manner consistent with the requirements of that section of the Code.

2. Definitions. For purposes of the Plan, the following capitalized terms shall have the following meanings:

2.1 "Account" means an account referred to in Section 6.2 of the Plan.

2.2 "Board of Directors" or "Board" means the Board of Directors of the Company.

2.3 "Code" means the Internal Revenue Code of 1986, as amended.

2.4 "Committee" means the Compensation Committee of the Board of Directors, or such other committee of members of the Board appointed by the Board, authorized under Section 14 to administer the Plan and to perform the functions assigned to the Committee under the Plan.

2.5 "Common Stock" means the common stock, $0.001 par value, of the Company.

2.6 "Company" means Caladrius Biosciences, Inc.

2.7 "Compensation" means, for any pay period, the gross cash compensation payable to an Employee for such period, including base salary, commissions, bonuses and incentive payments, but excluding severance and non-cash compensation. Any pre-tax contributions made to a Company 401(k) plan or "cafeteria plan" pursuant to Section 125 of the Code shall be treated as Compensation for purposes of the Plan.

2.8 "Designated Subsidiary" means any Subsidiary that has been designated by the Board from time to time in its sole discretion as eligible to participate in the Plan.

2.9 "Employee" means any individual who is an employee of the Employer; provided, however, Employees who have been employed less than ninety days by the Employer, Employees whose customary employment with the Employer is twenty (20) hours or less per week, and Employees whose customary employment with the Employer is for not more than five (5) months in any calendar year shall not be deemed Employees for the purposes of this Plan. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Employer. Where the period of leave exceeds 90 days and the individual's right to reemployment is not guaranteed either by statute or by contract, the employment relationship shall be deemed to have terminated on the 91st day of such leave.

2.10 "Employer" means the Company and any Designated Subsidiary.

2.11 "Enrollment Date" means the first Trading Day of each Offering Period.

2.12 "Exercise Date" means the last Trading Day of each Offering Period.

2.13 "Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

2.13.1 If the principal market for the Common Stock is the New York Stock Exchange, The Nasdaq Global Market, the NYSE MKT or another national securities exchange (an "Exchange"), then the "Fair Market Value" as of that date shall be the closing price of a share of Common Stock on the Exchange on such date or, if no closing price is reported on such date, the closing price of a share of Common Stock on the nearest preceding date on which the Exchange is open for trading.

2.13.2 If the principal market for the Common Stock is not an Exchange, but the Common Stock is traded on an over-the-counter, bulletin board or comparable service, then the "Fair Market Value" as of that date shall be the closing price of a share of Common Stock for such day as reported by such service, or if no closing price is reported on such date, the closing price of a share of Common Stock on the nearest preceding date on which trades occurred.

2.13.3 If paragraphs 2.13.1 and 2.13.2 above are inapplicable, then the "Fair Market Value" of the Common Stock shall be as determined in good faith by the Committee.

2.14 "Highly Compensated Employee" has the same meaning as the term is used in Section 414(q) of the Code.

2.15 "Offering Periods" means the period of approximately six (6) months during which an Option shall be granted and may be exercised pursuant to the Plan, commencing on the first Trading Day on or after January 1st and July 1st of each year and terminating on the last Trading Day before the commencement of the next Offering Period. Subject to the approval of the Plan by the stockholders of the Company, the first Offering Period shall commence on January 1, 2017 and continue until June 30, 2017. The duration and timing of Offering Periods may be changed pursuant to Section 4 of this Plan.

2.16 "Option" means an Option to purchase shares of Common Stock under the Plan, as set forth in Section 7 of the Plan.

2.17 "Participant" means an eligible employee who becomes a participant of the Plan in accordance with Section 5.1 of the Plan.

2.18 "Plan" means this Caladrius Biosciences, Inc. 2017 Employee Stock Purchase Plan.

2.19 "Purchase Price" for each Offering Period means 85% of the Fair Market Value of a share of Common Stock on the Enrollment Date of such Offering Period or on the Exercise Date of such Offering Period, whichever is lower; provided , however , that the Purchase Price may be adjusted by the Board pursuant to Section 20.

2.20 "Reserves" means the number of shares of Common Stock covered by each Option under the Plan that have not yet been exercised and the number of shares of Common Stock that have been authorized for issuance under the Plan but not yet placed under Option.

2.21 "Subsidiary" has the meaning set forth for "subsidiary corporation" in Section 424(f) of the Code, whereby a Subsidiary means any corporation (other than the employer corporation) in an unbroken chain of corporations beginning with the employer corporation if, at the time of the granting of the Option, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

2.22 "Trading Day" means a day on which the NYSE MKT is open for trading.

3. Eligibility.

3.1 Any Employee who shall be employed by the Company on a given Enrollment Date shall be eligible to participate in the Plan.

3.2 Notwithstanding any provision of the Plan to the contrary, no Employee shall be granted an Option under the Plan: (i) to the extent that, immediately after the grant, such Employee (or any other person whose stock would be attributed to such Employee pursuant to section 424(d) of the Code) would own stock of the Company and/or hold outstanding Options to purchase such stock possessing five percent (5%) or more of the total combined voting power or value of all classes of the stock of the Company or of any Subsidiary; (ii) to the extent that his or her rights to purchase stock under all employee stock purchase plans of the Company and its Subsidiaries accrues at a rate which exceeds Twenty-Five Thousand Dollars ($25,000) of fair market value of such stock (determined at the time such Option is granted) for each calendar year in which such Option is outstanding at any time; or (iii) if he or she has received a hardship withdrawal from the Company's 401(k) plan within the preceding six (6) months.

4. Offering Periods. The Plan shall be implemented by consecutive Offering Periods with a new Offering Period commencing and ending as set forth in Section 2.15, or on such other date as the Board shall determine, and continuing thereafter until terminated in accordance with Section 20 hereof. The Board shall have the power to change the duration of Offering Periods (including the commencement dates thereof) with respect to future offerings without shareholder approval if such change is announced at least five (5) days prior to the scheduled beginning of the first Offering Period to be affected thereafter.

5. Participation.

5.1 An eligible Employee may become a Participant in the Plan by completing a Subscription Agreement authorizing payroll deductions in the form of Exhibit A to this Plan and filing it with the Company's payroll office prior to the applicable Enrollment Date.

5.2 Payroll deductions for a Participant shall commence on the first payroll date following the Enrollment Date (provided that the Company has received the Participant's Subscription Agreement) and shall end on the last payroll in the Offering Period to which such Subscription Agreement is applicable, unless sooner terminated by the Participant as provided in Section 10 hereof.

6. Payroll Deductions.

6.1 At the time a Participant files his or her Subscription Agreement, he or she shall elect to have payroll deductions made on each payday during the Offering Period in an amount equal to any whole percentage (not exceeding fifteen percent (15%)) of the Compensation that he or she receives on each payday during the Offering Period.

6.2 All payroll deductions made for a Participant shall be credited to his or her Account under the Plan. A Participant may not make any additional payments into such Account. Accounts shall be mere bookkeeping entries on the Company's books and records. Amounts credited to Accounts shall not be trust funds and may be commingled with the Company's general assets and applied to general corporate purposes. No interest or other earnings shall be paid or credited with respect to payroll deductions or any amounts accumulated in or credited to a Participant's Account.

6.3 A Participant may discontinue his or her participation in the Plan as provided in Section 10 hereof, or may increase or decrease the rate of his or her payroll deductions during the Offering Period by completing and filing with the Company a new Subscription Agreement authorizing a change in payroll deduction rate. The Committee may, in its discretion, limit the number of participation rate changes during any Offering Period. The change in rate shall be effective with the first full payroll period following five (5) business days after the Company's receipt of the new Subscription Agreement. A Participant's Subscription Agreement shall remain in effect for successive Offering Periods unless a new Subscription Agreement is filed by the Participant prior to the commencement of such Offering Period or the then existing Subscription Agreement is terminated as provided in Section 10 hereof.

6.4 Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3.2 hereof, a Participant's payroll deductions may be decreased to zero percent (0%) at any time during an Offering Period. Payroll deductions shall recommence at the rate provided in such Participant's Subscription Agreement at the beginning of the first Offering Period which is scheduled to end in the following calendar year, unless terminated by the Participant as provided in Section 10 hereof.

6.5 At the time the Option is exercised, in whole or in part, or at the time some or all of the Company's Common Stock issued under the Plan is disposed of, the Participant must make adequate provision for the Company's federal, state, or other tax withholding obligations, if any, which arise upon the exercise of the Option or the disposition of the Common Stock. At any time, the Company may, but shall not be obligated to, withhold from the Participant's Compensation or other remuneration payable to the Participant the amount necessary for the Company to meet applicable withholding obligations, including any withholding required to make available to the Company any tax deductions or benefits attributable to sale or early disposition of Common Stock by the Employee.

7. Grant of Option. On the Enrollment Date of each Offering Period, each eligible Employee participating in such Offering Period shall be granted an Option to purchase on the Exercise Date during such Offering Period (at the applicable Purchase Price) up to a number of shares of the Company's Common Stock determined by dividing such Participant's Account as of the Exercise Date by the applicable Purchase Price; provided that such purchase shall be subject to the limitations set forth in Sections 3.2 and 13 hereof. No fractional shares shall be purchased; any

payroll deductions accumulated in a Participant's Account which are not sufficient to purchase a full share shall be retained in the Participant's Account for the subsequent Offering Period, subject to earlier withdrawal by the Participant as provided in Section 10 hereof. Exercise of the Option shall occur as provided in Section 8 hereof, unless the Participant has withdrawn pursuant to Section 10 hereof. The Option shall expire on the last day of the Offering Period.

8. Exercise of Option.

8.1 Unless a Participant withdraws from the Plan as provided in Section 10 hereof, his or her Option with respect to an Offering Period shall be exercised automatically on the Exercise Date of such Offering Period, and the maximum number of full shares subject to Option shall be purchased for such Participant at the applicable Purchase Price with the accumulated payroll deductions credited to his or her Account. No fractional shares shall be purchased; any payroll deductions accumulated in a Participant's Account which are not sufficient to purchase a full share shall be retained in the Participant's Account for the subsequent Offering Period, subject to earlier withdrawal by the Participant as provided in Section 10 hereof. Any other monies left over in a Participant's Account after the Exercise Date shall be returned to the Participant. During a Participant's lifetime, a Participant's Option to purchase shares hereunder is exercisable only by him or her.

8.2 If the Board or the Committee determines that, on a given Exercise Date, the number of shares with respect to which Options are to be exercised may exceed: (i) the number of shares of Common Stock that were available for sale under the Plan on the Enrollment Date of the applicable Offering Period; or (ii) the number of shares available for sale under the Plan on such Exercise Date, the Board may in its sole discretion: (x) provide that the Company shall make a pro rata allocation of the shares of Common Stock available for purchase on such Enrollment Date or Exercise Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants, and continue all Offering Periods then in effect; or (y) provide that the Company shall make a pro rata allocation of the shares available for purchase on such Enrollment Date or Exercise Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants, and terminate any or all Offering Periods then in effect pursuant to Section 20 hereof. The Company may make a pro rata allocation of the shares available on the Enrollment Date of any applicable Offering Period pursuant to the preceding sentence, notwithstanding any authorization of additional shares for issuance under the Plan by the Company's shareholders subsequent to such Enrollment Date.

9. Delivery. Shares purchased under the Plan by a Participant will be credited to and held under a stock purchase account in the Participant's name maintained by such brokerage or other third-party firm as is designated by the Committee. Any and all stock dividends with respect to shares of Common Stock credited to a Participant's stock purchase account shall be paid directly to each Participant. A Participant may, by notice to the Company's applicable human resources location (or such other designee as established by the Committee) elect to have such cash dividends reinvested in shares of Common Stock. Any shares purchased with such dividend proceeds shall be purchased on the open market by such brokerage firm on the Participant's behalf (subject to applicable Company policies) and such shares shall not count in determining the maximum number of shares of Common Stock available for issuance under the Plan under Section 13, nor shall such shares count against the maximum number of shares that may be purchased by a Participant under Section 8. Subject to such restrictions, limitations and procedures as may be prescribed by the Committee, a Participant may withdraw shares in his or her stock purchase account from time to time. As soon as administratively practicable following termination of participation pursuant to Section 11, all shares credited to the Participant's stock purchase account shall be delivered to the Participant (or to the Participant's beneficiary or estate in the event of Participant's death), except to the extent that the Participant (or the Participant's beneficiary or estate in the event of Participant's death) elects to have such stock purchase account paid in cash.

10. Withdrawal.

10.1 A Participant may withdraw all but not less than all the payroll deductions credited to his or her Account and not yet used to exercise his or her Option under the Plan at any time by giving written notice to the Company in the form of Exhibit B to this Plan or in such other manner prescribed by the Committee. All of the Participant's payroll deductions credited to his or her Account shall be paid to such Participant promptly after receipt of notice of withdrawal and such Participant's Option for the Offering Period shall be automatically terminated, and no further payroll deductions for the purchase of shares shall be made for such Offering Period by such Participant. If a Participant withdraws from an Offering Period, payroll deductions shall not resume at the beginning of the succeeding Offering Period unless the Participant delivers to the Company a new Subscription Agreement.

10.2 A Participant's withdrawal from an Offering Period shall not have any effect upon his or her eligibility to participate in any similar plan which may hereafter be adopted by the Company or in succeeding Offering Periods which commence after the termination of the Offering Period from which the Participant withdraws.

11. Termination of Employment. Upon a Participant's ceasing to be an Employee, for any reason, he or she shall be deemed to have elected to withdraw from the Plan and the payroll deductions credited to such Participant's Account during the Offering Period but not yet used to exercise the Option shall be returned to such Participant or, in the case of his or her death, to the person or persons entitled thereto under Section 15 hereof, and such Participant's Option shall be automatically terminated.

12. Interest. No interest or other earnings shall accrue on the payroll deductions of a Participant in the Plan.

13. Stock.

13.1 Subject to adjustment upon changes in capitalization of the Company as provided in Section 19 hereof, the maximum number of shares of the Company's Common Stock which shall be made available for sale under the Plan shall be 500,000 shares.

13.2 A Participant shall have no ownership interest or voting right in shares covered by his or her Option until such Option has been exercised and the shares purchased as a result thereof have been delivered.

13.3 Shares to be delivered to a Participant under the Plan shall be registered in the name of the Participant or in the name of the Participant and his or her spouse jointly with the right of survivorship.

14. Administration.

14.1 The Plan shall be administered by the Committee. The Committee shall have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to determine eligibility and to adjudicate all disputed claims filed under the Plan. Every finding, decision and determination made by the Committee shall, to the full extent permitted by law, be final and binding upon all parties. The Committee may retain the services of an outside firm to serve as its agent in administering the Plan on a day-to-day basis. No member of the Board or the Committee shall be liable for any act done or omitted to be done by such member or by any other member of the Board or the Committee in connection with the Plan, except for such member's own willful misconduct or as expressly provided by statute.

14.2 Any Participant who believes he or she is being denied any benefit or right under this Plan may file a written claim with the Committee. Any claim must be delivered to the Committee (care of the

Company's President and Chief Financial Officer) within forty-five (45) days of the specific event giving rise to the claim. Untimely claims will not be processed and shall be deemed denied. The Committee, or its designee, will notify the Participant of its decision in writing as soon as administratively practicable. Claims not responded to by the Committee in writing within one hundred and twenty (120) days of the date the written claim is delivered to the Committee shall be deemed denied. No lawsuit relating to this Plan may be filed before a written claim is filed with the Committee and is denied or deemed denied, and any lawsuit must be filed within one year of such denial or deemed denial or be forever barred.

15. Designation of Beneficiary.

15.1 A Participant, in its Subscription Agreement, may designate a beneficiary who is to receive any shares and cash, if any, from the Participant's Account under the Plan in the event of such Participant's death subsequent to an Exercise Date on which the Option is exercised but prior to delivery to such Participant of such shares and cash. In addition, a Participant may file a written designation of a beneficiary who is to receive any cash from the Participant's Account under the Plan in the event of such Participant's death prior to exercise of the Option. If a Participant is married and the designated beneficiary is not the spouse, spousal consent shall be required for such designation to be effective.

15.2 Such designation of beneficiary may be changed by the Participant at any time by written notice. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Company shall deliver such shares and/or cash to the executor or Committee of the estate of the Participant, or if no such executor or Committee has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

16. Transferability. Neither payroll deductions credited to a Participant's Account nor any rights with regard to the exercise of an Option or to receive shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution or as provided in Section 15 hereof) by the Participant. Any such attempt at assignment, transfer, pledge or other disposition shall be without effect, except that the Company may treat such act as an election to withdraw funds from an Offering Period in accordance with Section 10 hereof.

17. Use of Funds. All payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions.

18. Reports. Individual accounts shall be maintained for each Participant in the Plan. Statements of account shall be given to Participants at least annually, which statements shall set forth the amounts of payroll deductions, the Purchase Price, the number of shares purchased and the remaining cash balance, if any.

19. Adjustments Upon Changes in Capitalization, Dissolution, Liquidation, Merger or Asset Sale.

19.1 Changes in Capitalization. Subject to any required action by the shareholders of the Company, the Reserves, the maximum number of shares each Participant may purchase each Purchase Period (pursuant to Section 7), as well as the price per share and the number of shares of Common Stock covered by each Option under the Plan which has not yet been exercised shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of

shares of Common Stock effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration". Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, 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 or price of shares of Common Stock subject to an Option.

19.2 Dissolution or Liquidation. Unless provided otherwise by the Board, in the event of the proposed dissolution or liquidation of the Company, the Offering Period then in progress shall terminate immediately prior to the consummation of such proposed dissolution or liquidation and a cash amount shall be paid to each Participant that is equal to the amount of his or her Account.

19.3 Merger or Asset Sale. In the event of a proposed sale of all or substantially all of the assets of the Company, or the merger of the Company with or into another corporation, each outstanding Option shall be assumed or an equivalent Option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event that the successor corporation refuses to assume or substitute for the Option, the Board may terminate any Offering Period then in progress by setting a new Exercise Date (the "New Exercise Date"). The New Exercise Date shall be before the date of the Company's proposed sale or merger. The Board shall notify each Participant in writing, at least ten (10) business days prior to the New Exercise Date, that the Exercise Date for the Participant's Option has been changed to the New Exercise Date and that the Participant's Option shall be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 10 hereof.

20. Amendment or Termination.

20.1 The Board may at any time and for any reason terminate or amend the Plan. Except as provided in Section 19 hereof, no such termination can affect Options previously granted, provided that an Offering Period may be terminated by the Board on any Exercise Date if the Board determines that the termination of the Offering Period or the Plan is in the best interests of the Company and its shareholders. Except as provided in Section 19 and this Section 20 hereof, no amendment may make any change in any Option theretofore granted which adversely affects the rights of any Participant. To the extent necessary to comply with Section 423 of the Code (or any successor rule or provision or any other applicable law, regulation or stock exchange rule), the Company shall obtain shareholder approval in such a manner and to such a degree as required.

20.2 Without shareholder consent and without regard to whether any Participant rights may be considered to have been "adversely affected," the Board (or the Committee) shall be entitled to change the Offering Periods, limit the frequency and/or number of changes in the amount withheld during an Offering Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts withheld from the Participant's Compensation, and establish such other limitations or procedures as the Board (or its Committee) determines in its sole discretion advisable which are consistent with the Plan.

20.3 In the event the Board determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Board may, in its discretion and, to the extent necessary or

desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

20.3.1 Altering the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in Purchase Price;

20.3.2 Shortening any Offering Period so that Offering Period ends on a new Exercise Date, including an Offering Period underway at the time of the Board action; and

20.3.3 Allocating shares.

Such modifications or amendments shall not require stockholder approval or the consent of any Plan Participants.

21. Conditions Upon Issuance of Shares. Shares shall not be issued with respect to an Option unless the exercise of such Option and the issuance and delivery of such shares pursuant thereto shall comply with all applicable provisions of law, domestic or foreign, including, without limitation, the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which the shares may then be listed, and shall be further subject to the approval of counsel for the Company with respect to such compliance. As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the shares are being purchased only for investment and without any present intention to sell or distribute such shares if, in the opinion of counsel for the Company, such a representation is required by any of the aforementioned applicable provisions of law.

22. Term of Plan. The Plan, as amended and restated hereby, shall become effective on January 1, 2017, subject to approval of the Plan by the stockholders of the Company. It shall continue in effect for a term of ten (10) years unless sooner terminated under Section 20 hereof. If the Company's stockholders do not approve the amended and restated Plan at their annual meeting in 2017, then the Plan and the Offering Period that commenced on January 1, 2017 shall automatically terminate without any issuance of any shares of Common Stock, and a cash amount shall be paid to each Participant that is equal to the amount of his or her Account.

23. No Employment Rights. The Plan does not, directly or indirectly, create any right for the benefit of any employee or class of employees to purchase any shares of Common Stock under the Plan, or create in any employee or class of employees any right with respect to continuation of employment by the Company, and it shall not be deemed to interfere in any way with the Company's right to terminate, or otherwise modify, an employee's employment at any time.

24. 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 Section by and among, as applicable, the Company and its Subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing this Plan and the Participant's participation in this Plan. In furtherance of such implementation, administration, and management, 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, telephone number, date of birth, social insurance or security number or other identification number, salary, nationality, job title(s), information regarding any securities of the Company or any of its Subsidiaries or affiliates, and details of all Awards (the "Personal Data"). In addition to transferring the Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of this Plan and the Participant's

participation in this Plan, the Company and its Subsidiaries and affiliates may each transfer the Personal Data to any third parties assisting the Company in the implementation, administration and management of this Plan and Awards and the Participant's participation in this Plan. Recipients of the Personal Data may be located in the Participant's country or elsewhere, and the Participant's country and any given recipient's country may have different data privacy laws and protections. By enrolling in the Plan for any Offering Period, each Participant authorizes such recipients to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of assisting the Company in the implementation, administration and management of this Plan and the Participant's participation in this Plan, including any requisite transfer of such Personal 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 capital stock of the Company. The Personal Data related to a Participant will be held only as long as is necessary to implement, administer and manage this Plan and the Participant's participation in this Plan. A Participant may, at any time, view the Personal Data held by the Company with respect to such Participant, request additional information about the storage and processing of the Personal Data with respect to such Participant, recommend any necessary corrections to the Personal Data with respect to the Participant, or refuse or withdraw the consents herein in writing, in any case without cost, by contacting the Participant's local human resources representative. The Company may cancel the Participant's eligibility to participate in this Plan if the Participant refuses or withdraws the consents described herein. For more information on the consequences of refusal to consent or withdrawal of consent, Participants may contact their local human resources representative.

25. No Effect Upon Benefits. Neither the grant nor the exercise of any Option hereunder will affect the benefits under any benefit plan of the Employer, and no amount or benefit granted or received hereunder shall be considered compensation for any purposes of any other benefit plan or program of the Employer.

26. Trading Policy Restrictions. Option exercises under the Plan shall be subject to the terms and conditions of any insider trading policy established by the Company.

27. Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

28. Equal Rights and Privileges. All eligible employees shall have equal rights and privileges with respect to the Plan so that the Plan qualifies as an "employee stock purchase plan" within the meaning of Section 423 or any successor provision of the Code and the related regulations. Any provision of the Plan which is inconsistent with Section 423 or any successor provision of the Code shall, without further act or amendment by the Company or the Committee, be reformed to comply with the requirements of Section 423. This Section 27 shall take precedence over all other provisions in the Plan.

29. Governing Law. Without regard to conflict of law principles, the laws of the State of Delaware will govern all matters relating to this Plan except to the extent it is superseded by the laws of the United States.

AMENDMENT #2

LISATA THERAPEUTICS, INC.

2017 EMPLOYEE STOCK PURCHASE PLAN

(formerly the NeoStem, Inc. 2012 Employee Stock Purchase Plan)

(amended by stockholders as of June 14, 2023)

1. Purpose. The purpose of the Lisata Therapeutics, Inc. 2017 Employee Stock Purchase Plan (the "Plan") is to amend and restate the NeoStem, Inc. 2012 Employee Stock Purchase Plan in order to further promote the interest of Lisata Therapeutics, Inc., a Delaware corporation (the "Company") and its stockholders by providing employees of the Company and its Designated Subsidiaries with an opportunity to purchase Common Stock of the Company through accumulated payroll deductions. By encouraging stock ownership, the Company seeks to attract, retain and motivate employees and to encourage them to devote their best efforts to the business and financial success of the Company. It is the intention of the Company to have the Plan qualify as an "Employee Stock Purchase Plan" under Section 423 of the Code. The provisions of the Plan, accordingly, shall be construed in a manner consistent with the requirements of that section of the Code.

2. Definitions. For purposes of the Plan, the following capitalized terms shall have the following meanings:

2.1 "Account" means an account referred to in Section 6.2 of the Plan.

2.2 "Board of Directors" or "Board" means the Board of Directors of the Company.

2.3 "Code" means the Internal Revenue Code of 1986, as amended.

2.4 "Committee" means the Compensation Committee of the Board of Directors, or such other committee of members of the Board appointed by the Board, authorized under Section 14 to administer the Plan and to perform the functions assigned to the Committee under the Plan.

2.5 "Common Stock" means the common stock, $0.001 par value, of the Company.

2.6 "Company" means Lisata Therapeutics, Inc.

2.7 "Compensation" means, for any pay period, the gross cash compensation payable to an Employee for such period, including base salary, commissions, bonuses and incentive payments, but excluding severance and non-cash compensation. Any pre-tax contributions made to a Company 401(k) plan or "cafeteria plan" pursuant to Section 125 of the Code shall be treated as Compensation for purposes of the Plan.

2.8 "Designated Subsidiary" means any Subsidiary that has been designated by the Board from time to time in its sole discretion as eligible to participate in the Plan.

2.9 "Employee" means any individual who is an employee of the Employer; provided, however, Employees who have been employed less than ninety days by the Employer, Employees whose customary employment with the Employer is twenty (20) hours or less per week, and Employees whose customary employment with the Employer is for not more than five (5) months in any calendar year shall not be deemed Employees for the purposes of this Plan. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Employer. Where the period of leave exceeds 90 days and the individual's right to reemployment is not guaranteed either by statute or by contract, the employment relationship shall be deemed to have terminated on the 91st day of such leave.

2.10 "Employer" means the Company and any Designated Subsidiary.

2.11 "Enrollment Date" means the first Trading Day of each Offering Period.

2.12 "Exercise Date" means the last Trading Day of each Offering Period.

2.13 "Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

2.13.1 If the principal market for the Common Stock is the New York Stock Exchange, The Nasdaq Global Market, the NYSE MKT or another national securities exchange (an "Exchange"), then the "Fair Market Value" as of that date shall be the closing price of a share of Common Stock on the Exchange on such date or, if no closing price is reported on such date, the closing price of a share of Common Stock on the nearest preceding date on which the Exchange is open for trading.

2.13.2 If the principal market for the Common Stock is not an Exchange, but the Common Stock is traded on an over-the-counter, bulletin board or comparable service, then the "Fair Market Value" as of that date shall be the closing price of a share of Common Stock for such day as reported by such service, or if no closing price is reported on such date, the closing price of a share of Common Stock on the nearest preceding date on which trades occurred.

2.13.3 If paragraphs 2.13.1 and 2.13.2 above are inapplicable, then the "Fair Market Value" of the Common Stock shall be as determined in good faith by the Committee.

2.14 "Highly Compensated Employee" has the same meaning as the term is used in Section 414(q) of the Code.

2.15 "Offering Periods" means the period of approximately six (6) months during which an Option shall be granted and may be exercised pursuant to the Plan, commencing on the first Trading Day on or after January 1st and July 1st of each year and terminating on the last Trading Day before the commencement of the next Offering Period. Subject to the approval of the Plan by the stockholders of the Company, the first Offering Period shall commence on January 1, 2017 and continue until June 30, 2017. The duration and timing of Offering Periods may be changed pursuant to Section 4 of this Plan.

2.16 "Option" means an Option to purchase shares of Common Stock under the Plan, as set forth in Section 7 of the Plan.

2.17 "Participant" means an eligible employee who becomes a participant of the Plan in accordance with Section 5.1 of the Plan.

2.18 "Plan" means this Lisata Therapeutics, Inc. 2017 Employee Stock Purchase Plan.

2.19 "Purchase Price" for each Offering Period means 85% of the Fair Market Value of a share of Common Stock on the Enrollment Date of such Offering Period or on the Exercise Date of such Offering Period, whichever is lower; provided, however, that the Purchase Price may be adjusted by the Board pursuant to Section 20.

2.20 "Reserves" means the number of shares of Common Stock covered by each Option under the Plan that have not yet been exercised and the number of shares of Common Stock that have been authorized for issuance under the Plan but not yet placed under Option.

2.21 "Subsidiary" has the meaning set forth for "subsidiary corporation" in Section 424(f) of the Code, whereby a Subsidiary means any corporation (other than the employer corporation) in an unbroken chain of corporations beginning with the employer corporation if, at the time of the granting of the Option, each of the

corporations other than the last corporation in the unbroken chain owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

2.22 "Trading Day" means a day on which the NYSE MKT is open for trading.

3. Eligibility.

3.1 Any Employee who shall be employed by the Company on a given Enrollment Date shall be eligible to participate in the Plan.

3.2 Notwithstanding any provision of the Plan to the contrary, no Employee shall be granted an Option under the Plan: (i) to the extent that, immediately after the grant, such Employee (or any other person whose stock would be attributed to such Employee pursuant to section 424(d) of the Code) would own stock of the Company and/or hold outstanding Options to purchase such stock possessing five percent (5%) or more of the total combined voting power or value of all classes of the stock of the Company or of any Subsidiary; (ii) to the extent that his or her rights to purchase stock under all employee stock purchase plans of the Company and its Subsidiaries accrues at a rate which exceeds Twenty-Five Thousand Dollars ($25,000) of fair market value of such stock (determined at the time such Option is granted) for each calendar year in which such Option is outstanding at any time; or (iii) if he or she has received a hardship withdrawal from the Company's 401(k) plan within the preceding six (6) months.

4. Offering Periods. The Plan shall be implemented by consecutive Offering Periods with a new Offering Period commencing and ending as set forth in Section 2.15, or on such other date as the Board shall determine, and continuing thereafter until terminated in accordance with Section 20 hereof. The Board shall have the power to change the duration of Offering Periods (including the commencement dates thereof) with respect to future offerings without shareholder approval if such change is announced at least five (5) days prior to the scheduled beginning of the first Offering Period to be affected thereafter.

5. Participation.

5.1 An eligible Employee may become a Participant in the Plan by completing a Subscription Agreement authorizing payroll deductions in the form of Exhibit A to this Plan and filing it with the Company's payroll office prior to the applicable Enrollment Date.

5.2 Payroll deductions for a Participant shall commence on the first payroll date following the Enrollment Date (provided that the Company has received the Participant's Subscription Agreement) and shall end on the last payroll in the Offering Period to which such Subscription Agreement is applicable, unless sooner terminated by the Participant as provided in Section 10 hereof.

6. Payroll Deductions.

6.1 At the time a Participant files his or her Subscription Agreement, he or she shall elect to have payroll deductions made on each payday during the Offering Period in an amount equal to any whole percentage (not exceeding fifteen percent (15%)) of the Compensation that he or she receives on each payday during the Offering Period.

6.2 All payroll deductions made for a Participant shall be credited to his or her Account under the Plan. A Participant may not make any additional payments into such Account. Accounts shall be mere bookkeeping entries on the Company's books and records. Amounts credited to Accounts shall not be trust funds and may be commingled with the Company's general assets and applied to general corporate purposes. No interest or other earnings shall be paid or credited with respect to payroll deductions or any amounts accumulated in or credited to a Participant's Account.

6.3 A Participant may discontinue his or her participation in the Plan as provided in Section 10 hereof, or may increase or decrease the rate of his or her payroll deductions during the Offering Period by completing and filing with the Company a new Subscription Agreement authorizing a change in payroll deduction rate. The Committee may, in its discretion, limit the number of participation rate changes during any Offering Period. The change in rate shall be effective with the first full payroll period following five (5) business days after the Company's receipt of the new Subscription Agreement. A Participant's Subscription Agreement shall remain in effect for successive Offering Periods unless a new Subscription Agreement is filed by the Participant prior to the commencement of such Offering Period or the then existing Subscription Agreement is terminated as provided in Section 10 hereof.

6.4 Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3.2 hereof, a Participant's payroll deductions may be decreased to zero percent (0%) at any time during an Offering Period. Payroll deductions shall recommence at the rate provided in such Participant's Subscription Agreement at the beginning of the first Offering Period which is scheduled to end in the following calendar year, unless terminated by the Participant as provided in Section 10 hereof.

6.5 At the time the Option is exercised, in whole or in part, or at the time some or all of the Company's Common Stock issued under the Plan is disposed of, the Participant must make adequate provision for the Company's federal, state, or other tax withholding obligations, if any, which arise upon the exercise of the Option or the disposition of the Common Stock. At any time, the Company may, but shall not be obligated to, withhold from the Participant's Compensation or other remuneration payable to the Participant the amount necessary for the Company to meet applicable withholding obligations, including any withholding required to make available to the Company any tax deductions or benefits attributable to sale or early disposition of Common Stock by the Employee.

7. Grant of Option. On the Enrollment Date of each Offering Period, each eligible Employee participating in such Offering Period shall be granted an Option to purchase on the Exercise Date during such Offering Period (at the applicable Purchase Price) up to a number of shares of the Company's Common Stock determined by dividing such Participant's Account as of the Exercise Date by the applicable Purchase Price; provided that such purchase shall be subject to the limitations set forth in Sections 3.2 and 13 hereof. No fractional shares shall be purchased; any payroll deductions accumulated in a Participant's Account which are not sufficient to purchase a full share shall be retained in the Participant's Account for the subsequent Offering Period, subject to earlier withdrawal by the Participant as provided in Section 10 hereof. Exercise of the Option shall occur as provided in Section 8 hereof, unless the Participant has withdrawn pursuant to Section 10 hereof. The Option shall expire on the last day of the Offering Period.

8. Exercise of Option.

8.1 Unless a Participant withdraws from the Plan as provided in Section 10 hereof, his or her Option with respect to an Offering Period shall be exercised automatically on the Exercise Date of such Offering Period, and the maximum number of full shares subject to Option shall be purchased for such Participant at the applicable Purchase Price with the accumulated payroll deductions credited to his or her Account. No fractional shares shall be purchased; any payroll deductions accumulated in a Participant's Account which are not sufficient to purchase a full share shall be retained in the Participant's Account for the subsequent Offering Period, subject to earlier withdrawal by the Participant as provided in Section 10 hereof. Any other monies left over in a Participant's Account after the Exercise Date shall be returned to the Participant. During a Participant's lifetime, a Participant's Option to purchase shares hereunder is exercisable only by him or her.

8.2 If the Board or the Committee determines that, on a given Exercise Date, the number of shares with respect to which Options are to be exercised may exceed: (i) the number of shares of Common Stock that were available for sale under the Plan on the Enrollment Date of the applicable Offering Period; or (ii) the number of

shares available for sale under the Plan on such Exercise Date, the Board may in its sole discretion: (x) provide that the Company shall make a pro rata allocation of the shares of Common Stock available for purchase on such Enrollment Date or Exercise Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants, and continue all Offering Periods then in effect; or (y) provide that the Company shall make a pro rata allocation of the shares available for purchase on such Enrollment Date or Exercise Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants, and terminate any or all Offering Periods then in effect pursuant to Section 20 hereof. The Company may make a pro rata allocation of the shares available on the Enrollment Date of any applicable Offering Period pursuant to the preceding sentence, notwithstanding any authorization of additional shares for issuance under the Plan by the Company's shareholders subsequent to such Enrollment Date.

9. Delivery. Shares purchased under the Plan by a Participant will be credited to and held under a stock purchase account in the Participant's name maintained by such brokerage or other third-party firm as is designated by the Committee. Any and all stock dividends with respect to shares of Common Stock credited to a Participant's stock purchase account shall be paid directly to each Participant. A Participant may, by notice to the Company's applicable human resources location (or such other designee as established by the Committee) elect to have such cash dividends reinvested in shares of Common Stock. Any shares purchased with such dividend proceeds shall be purchased on the open market by such brokerage firm on the Participant's behalf (subject to applicable Company policies) and such shares shall not count in determining the maximum number of shares of Common Stock available for issuance under the Plan under Section 13, nor shall such shares count against the maximum number of shares that may be purchased by a Participant under Section 8. Subject to such restrictions, limitations and procedures as may be prescribed by the Committee, a Participant may withdraw shares in his or her stock purchase account from time to time. As soon as administratively practicable following termination of participation pursuant to Section 11, all shares credited to the Participant's stock purchase account shall be delivered to the Participant (or to the Participant's beneficiary or estate in the event of Participant's death), except to the extent that the Participant (or the Participant's beneficiary or estate in the event of Participant's death) elects to have such stock purchase account paid in cash.

10. Withdrawal.

10.1 A Participant may withdraw all but not less than all the payroll deductions credited to his or her Account and not yet used to exercise his or her Option under the Plan at any time by giving written notice to the Company in the form of Exhibit B to this Plan or in such other manner prescribed by the Committee. All of the Participant's payroll deductions credited to his or her Account shall be paid to such Participant promptly after receipt of notice of withdrawal and such Participant's Option for the Offering Period shall be automatically terminated, and no further payroll deductions for the purchase of shares shall be made for such Offering Period by such Participant. If a Participant withdraws from an Offering Period, payroll deductions shall not resume at the beginning of the succeeding Offering Period unless the Participant delivers to the Company a new Subscription Agreement.

10.2 A Participant's withdrawal from an Offering Period shall not have any effect upon his or her eligibility to participate in any similar plan which may hereafter be adopted by the Company or in succeeding Offering Periods which commence after the termination of the Offering Period from which the Participant withdraws.

11. Termination of Employment. Upon a Participant's ceasing to be an Employee, for any reason, he or she shall be deemed to have elected to withdraw from the Plan and the payroll deductions credited to such Participant's Account during the Offering Period but not yet used to exercise the Option shall be returned to such Participant or, in the case of his or her death, to the person or persons entitled thereto under Section 15 hereof, and such Participant's Option shall be automatically terminated.

12. Interest. No interest or other earnings shall accrue on the payroll deductions of a Participant in the Plan.

13. Stock.

13.1 Subject to adjustment upon changes in capitalization of the Company as provided in Section 19 hereof, the maximum number of shares of the Company's Common Stock which shall be made available for sale under the Plan shall be 68,333 shares.

13.2 A Participant shall have no ownership interest or voting right in shares covered by his or her Option until such Option has been exercised and the shares purchased as a result thereof have been delivered.

13.3 Shares to be delivered to a Participant under the Plan shall be registered in the name of the Participant or in the name of the Participant and his or her spouse jointly with the right of survivorship.

14. Administration.

14.1 The Plan shall be administered by the Committee. The Committee shall have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to determine eligibility and to adjudicate all disputed claims filed under the Plan. Every finding, decision and determination made by the Committee shall, to the full extent permitted by law, be final and binding upon all parties. The Committee may retain the services of an outside firm to serve as its agent in administering the Plan on a day-to-day basis. No member of the Board or the Committee shall be liable for any act done or omitted to be done by such member or by any other member of the Board or the Committee in connection with the Plan, except for such member's own willful misconduct or as expressly provided by statute.

14.2 Any Participant who believes he or she is being denied any benefit or right under this Plan may file a written claim with the Committee. Any claim must be delivered to the Committee (care of the Company's Chief Executive Officer and Vice President, Finance & Treasury) within forty-five (45) days of the specific event giving rise to the claim. Untimely claims will not be processed and shall be deemed denied. The Committee, or its designee, will notify the Participant of its decision in writing as soon as administratively practicable. Claims not responded to by the Committee in writing within one hundred and twenty (120) days of the date the written claim is delivered to the Committee shall be deemed denied. No lawsuit relating to this Plan may be filed before a written claim is filed with the Committee and is denied or deemed denied, and any lawsuit must be filed within one year of such denial or deemed denial or be forever barred.

15. Designation of Beneficiary.

15.1 A Participant, in its Subscription Agreement, may designate a beneficiary who is to receive any shares and cash, if any, from the Participant's Account under the Plan in the event of such Participant's death subsequent to an Exercise Date on which the Option is exercised but prior to delivery to such Participant of such shares and cash. In addition, a Participant may file a written designation of a beneficiary who is to receive any cash from the Participant's Account under the Plan in the event of such Participant's death prior to exercise of the Option. If a Participant is married and the designated beneficiary is not the spouse, spousal consent shall be required for such designation to be effective.

15.2 Such designation of beneficiary may be changed by the Participant at any time by written notice. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Company shall deliver such shares and/or cash to the executor or Committee of the estate of the Participant, or if no such executor or Committee has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such shares and/or cash to the spouse or to

any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

16. Transferability. Neither payroll deductions credited to a Participant's Account nor any rights with regard to the exercise of an Option or to receive shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution or as provided in Section 15 hereof) by the Participant. Any such attempt at assignment, transfer, pledge or other disposition shall be without effect, except that the Company may treat such act as an election to withdraw funds from an Offering Period in accordance with Section 10 hereof.

17. Use of Funds. All payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions.

18. Reports. Individual accounts shall be maintained for each Participant in the Plan. Statements of account shall be given to Participants at least annually, which statements shall set forth the amounts of payroll deductions, the Purchase Price, the number of shares purchased and the remaining cash balance, if any.

19. Adjustments Upon Changes in Capitalization, Dissolution, Liquidation, Merger or Asset Sale.

19.1 Changes in Capitalization. Subject to any required action by the shareholders of the Company, the Reserves, the maximum number of shares each Participant may purchase each Purchase Period (pursuant to Section 7), as well as the price per share and the number of shares of Common Stock covered by each Option under the Plan which has not yet been exercised shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of shares of Common Stock effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration". Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, 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 or price of shares of Common Stock subject to an Option.

19.2 Dissolution or Liquidation. Unless provided otherwise by the Board, in the event of the proposed dissolution or liquidation of the Company, the Offering Period then in progress shall terminate immediately prior to the consummation of such proposed dissolution or liquidation and a cash amount shall be paid to each Participant that is equal to the amount of his or her Account.

19.3 Merger or Asset Sale. In the event of a proposed sale of all or substantially all of the assets of the Company, or the merger of the Company with or into another corporation, each outstanding Option shall be assumed or an equivalent Option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event that the successor corporation refuses to assume or substitute for the Option, the Board may terminate any Offering Period then in progress by setting a new Exercise Date (the "New Exercise Date"). The New Exercise Date shall be before the date of the Company's proposed sale or merger. The Board shall notify each Participant in writing, at least ten (10) business days prior to the New Exercise Date, that the Exercise Date for the Participant's Option has been changed to the New Exercise Date and that the Participant's Option shall be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 10 hereof.

20. Amendment or Termination.

20.1 The Board may at any time and for any reason terminate or amend the Plan. Except as provided in Section 19 hereof, no such termination can affect Options previously granted, provided that an Offering Period may be terminated by the Board on any Exercise Date if the Board determines that the termination of the Offering Period or the Plan is in the best interests of the Company and its shareholders. Except as provided in Section 19 and this Section 20 hereof, no amendment may make any change in any Option theretofore granted which adversely affects the rights of any Participant. To the extent necessary to comply with Section 423 of the Code (or any successor rule or provision or any other applicable law, regulation or stock exchange rule), the Company shall obtain shareholder approval in such a manner and to such a degree as required.

20.2 Without shareholder consent and without regard to whether any Participant rights may be considered to have been "adversely affected," the Board (or the Committee) shall be entitled to change the Offering Periods, limit the frequency and/or number of changes in the amount withheld during an Offering Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts withheld from the Participant's Compensation, and establish such other limitations or procedures as the Board (or its Committee) determines in its sole discretion advisable which are consistent with the Plan.

20.3 In the event the Board determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Board may, in its discretion and, to the extent necessary or desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

20.3.1 Altering the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in Purchase Price;

20.3.2 Shortening any Offering Period so that Offering Period ends on a new Exercise Date, including an Offering Period underway at the time of the Board action; and

20.3.3 Allocating shares.

Such modifications or amendments shall not require stockholder approval or the consent of any Plan Participants.

21. Conditions Upon Issuance of Shares. Shares shall not be issued with respect to an Option unless the exercise of such Option and the issuance and delivery of such shares pursuant thereto shall comply with all applicable provisions of law, domestic or foreign, including, without limitation, the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which the shares may then be listed, and shall be further subject to the approval of counsel for the Company with respect to such compliance. As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the shares are being purchased only for investment and without any present intention to sell or distribute such shares if, in the opinion of counsel for the Company, such a representation is required by any of the aforementioned applicable provisions of law.

22. Term of Plan. The Plan, as amended and restated hereby, shall become effective on January 1, 2017, subject to approval of the Plan by the stockholders of the Company. It shall continue in effect for a term of ten (10) years unless sooner terminated under Section 20 hereof. If the Company's stockholders do not approve the amended and restated Plan at their annual meeting in 2017, then the Plan and the Offering Period that commenced on January

1, 2017 shall automatically terminate without any issuance of any shares of Common Stock, and a cash amount shall be paid to each Participant that is equal to the amount of his or her Account.

23. No Employment Rights. The Plan does not, directly or indirectly, create any right for the benefit of any employee or class of employees to purchase any shares of Common Stock under the Plan, or create in any employee or class of employees any right with respect to continuation of employment by the Company, and it shall not be deemed to interfere in any way with the Company's right to terminate, or otherwise modify, an employee's employment at any time.

24. 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 Section by and among, as applicable, the Company and its Subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing this Plan and the Participant's participation in this Plan. In furtherance of such implementation, administration, and management, 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, telephone number, date of birth, social insurance or security number or other identification number, salary, nationality, job title(s), information regarding any securities of the Company or any of its Subsidiaries or affiliates, and details of all Awards (the "Personal Data"). In addition to transferring the Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of this Plan and the Participant's participation in this Plan, the Company and its Subsidiaries and affiliates may each transfer the Personal Data to any third parties assisting the Company in the implementation, administration and management of this Plan and Awards and the Participant's participation in this Plan. Recipients of the Personal Data may be located in the Participant's country or elsewhere, and the Participant's country and any given recipient's country may have different data privacy laws and protections. By enrolling in the Plan for any Offering Period, each Participant authorizes such recipients to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of assisting the Company in the implementation, administration and management of this Plan and the Participant's participation in this Plan, including any requisite transfer of such Personal 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 capital stock of the Company. The Personal Data related to a Participant will be held only as long as is necessary to implement, administer and manage this Plan and the Participant's participation in this Plan. A Participant may, at any time, view the Personal Data held by the Company with respect to such Participant, request additional information about the storage and processing of the Personal Data with respect to such Participant, recommend any necessary corrections to the Personal Data with respect to the Participant, or refuse or withdraw the consents herein in writing, in any case without cost, by contacting the Participant's local human resources representative. The Company may cancel the Participant's eligibility to participate in this Plan if the Participant refuses or withdraws the consents described herein. For more information on the consequences of refusal to consent or withdrawal of consent, Participants may contact their local human resources representative.

25. No Effect Upon Benefits. Neither the grant nor the exercise of any Option hereunder will affect the benefits under any benefit plan of the Employer, and no amount or benefit granted or received hereunder shall be considered compensation for any purposes of any other benefit plan or program of the Employer.

26. Trading Policy Restrictions. Option exercises under the Plan shall be subject to the terms and conditions of any insider trading policy established by the Company.

27. Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

28. Equal Rights and Privileges. All eligible employees shall have equal rights and privileges with respect to the Plan so that the Plan qualifies as an "employee stock purchase plan" within the meaning of Section 423 or any successor provision of the Code and the related regulations. Any provision of the Plan which is inconsistent with Section 423 or any successor provision of the Code shall, without further act or amendment by the Company or the Committee, be reformed to comply with the requirements of Section 423. This Section 27 shall take precedence over all other provisions in the Plan.

29. Governing Law. Without regard to conflict of law principles, the laws of the State of Delaware will govern all matters relating to this Plan except to the extent it is superseded by the laws of the United States.

AMENDMENT #3

LISATA THERAPEUTICS, INC.

2017 EMPLOYEE STOCK PURCHASE PLAN

(formerly the NeoStem, Inc. 2012 Employee Stock Purchase Plan)

(amended by stockholders as of June 27, 2024)

1. Purpose. The purpose of the Lisata Therapeutics, Inc. 2017 Employee Stock Purchase Plan (the "Plan") is to amend and restate the NeoStem, Inc. 2012 Employee Stock Purchase Plan in order to further promote the interest of Lisata Therapeutics, Inc., a Delaware corporation (the "Company") and its stockholders by providing employees of the Company and its Designated Subsidiaries with an opportunity to purchase Common Stock of the Company through accumulated payroll deductions. By encouraging stock ownership, the Company seeks to attract, retain and motivate employees and to encourage them to devote their best efforts to the business and financial success of the Company. It is the intention of the Company to have the Plan qualify as an "Employee Stock Purchase Plan" under Section 423 of the Code. The provisions of the Plan, accordingly, shall be construed in a manner consistent with the requirements of that section of the Code.

2. Definitions. For purposes of the Plan, the following capitalized terms shall have the following meanings:

2.1 "Account" means an account referred to in Section 6.2 of the Plan.

2.2 "Board of Directors" or "Board" means the Board of Directors of the Company.

2.3 "Code" means the Internal Revenue Code of 1986, as amended.

2.4 "Committee" means the Compensation Committee of the Board of Directors, or such other committee of members of the Board appointed by the Board, authorized under Section 14 to administer the Plan and to perform the functions assigned to the Committee under the Plan.

2.5 "Common Stock" means the common stock, $0.001 par value, of the Company.

2.6 "Company" means Lisata Therapeutics, Inc.

2.7 "Compensation" means, for any pay period, the gross cash compensation payable to an Employee for such period, including base salary, commissions, bonuses and incentive payments, but excluding severance and non-cash compensation. Any pre-tax contributions made to a Company 401(k) plan or "cafeteria plan" pursuant to Section 125 of the Code shall be treated as Compensation for purposes of the Plan.

2.8 "Designated Subsidiary" means any Subsidiary that has been designated by the Board from time to time in its sole discretion as eligible to participate in the Plan.

2.9 "Employee" means any individual who is an employee of the Employer; provided, however, Employees who have been employed less than ninety days by the Employer, Employees whose customary employment with the Employer is twenty (20) hours or less per week, and Employees whose customary employment with the Employer is for not more than five (5) months in any calendar year shall not be deemed Employees for the purposes of this Plan. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on sick leave or other leave of absence approved by the Employer. Where the period of leave exceeds 90 days and the individual's right to reemployment is not guaranteed either by statute or by contract, the employment relationship shall be deemed to have terminated on the 91st day of such leave.

2.10 "Employer" means the Company and any Designated Subsidiary.

2.11 "Enrollment Date" means the first Trading Day of each Offering Period.

2.12 "Exercise Date" means the last Trading Day of each Offering Period.

2.13 "Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

2.13.1 If the principal market for the Common Stock is the New York Stock Exchange, The Nasdaq Global Market, the NYSE MKT or another national securities exchange (an "Exchange"), then the "Fair Market Value" as of that

date shall be the closing price of a share of Common Stock on the Exchange on such date or, if no closing price is reported on such date, the closing price of a share of Common Stock on the nearest preceding date on which the Exchange is open for trading.

2.13.2 If the principal market for the Common Stock is not an Exchange, but the Common Stock is traded on an over-the-counter, bulletin board or comparable service, then the "Fair Market Value" as of that date shall be the closing price of a share of Common Stock for such day as reported by such service, or if no closing price is reported on such date, the closing price of a share of Common Stock on the nearest preceding date on which trades occurred.

2.13.3 If paragraphs 2.13.1 and 2.13.2 above are inapplicable, then the "Fair Market Value" of the Common Stock shall be as determined in good faith by the Committee.

2.14 "Highly Compensated Employee" has the same meaning as the term is used in Section 414(q) of the Code.

2.15 "Offering Periods" means the period of approximately six (6) months during which an Option shall be granted and may be exercised pursuant to the Plan, commencing on the first Trading Day on or after January 1st and July 1st of each year and terminating on the last Trading Day before the commencement of the next Offering Period. Subject to the approval of the Plan by the stockholders of the Company, the first Offering Period shall commence on January 1, 2017 and continue until June 30, 2017. The duration and timing of Offering Periods may be changed pursuant to Section 4 of this Plan.

2.16 "Option" means an Option to purchase shares of Common Stock under the Plan, as set forth in Section 7 of the Plan.

2.17 "Participant" means an eligible employee who becomes a participant of the Plan in accordance with Section 5.1 of the Plan.

2.18 "Plan" means this Lisata Therapeutics, Inc. 2017 Employee Stock Purchase Plan.

2.19 "Purchase Price" for each Offering Period means 85% of the Fair Market Value of a share of Common Stock on the Enrollment Date of such Offering Period or on the Exercise Date of such Offering Period, whichever is lower; provided, however, that the Purchase Price may be adjusted by the Board pursuant to Section 20.

2.20 "Reserves" means the number of shares of Common Stock covered by each Option under the Plan that have not yet been exercised and the number of shares of Common Stock that have been authorized for issuance under the Plan but not yet placed under Option.

2.21 "Subsidiary" has the meaning set forth for "subsidiary corporation" in Section 424(f) of the Code, whereby a Subsidiary means any corporation (other than the employer corporation) in an unbroken chain of corporations beginning with the employer corporation if, at the time of the granting of the Option, each of the corporations other than the last corporation in the unbroken chain owns stock possessing 50 percent or more of the total combined voting power of all classes of stock in one of the other corporations in such chain.

2.22 "Trading Day" means a day on which the NYSE MKT is open for trading.

3. Eligibility.

3.1 Any Employee who shall be employed by the Company on a given Enrollment Date shall be eligible to participate in the Plan.

3.2 Notwithstanding any provision of the Plan to the contrary, no Employee shall be granted an Option under the Plan: (i) to the extent that, immediately after the grant, such Employee (or any other person whose stock would be attributed to such Employee pursuant to section 424(d) of the Code) would own stock of the Company and/or hold outstanding Options to purchase such stock possessing five percent (5%) or more of the total combined voting power or value of all classes of the stock of the Company or of any Subsidiary; (ii) to the extent that his or her rights to purchase stock under all employee stock purchase plans of the Company and its Subsidiaries accrues at a rate which exceeds Twenty-Five Thousand Dollars ($25,000) of fair market value of such stock (determined at the time such Option is granted) for each calendar year in which such

Option is outstanding at any time; or (iii) if he or she has received a hardship withdrawal from the Company's 401(k) plan within the preceding six (6) months.

4. Offering Periods. The Plan shall be implemented by consecutive Offering Periods with a new Offering Period commencing and ending as set forth in Section 2.15, or on such other date as the Board shall determine, and continuing thereafter until terminated in accordance with Section 20 hereof. The Board shall have the power to change the duration of Offering Periods (including the commencement dates thereof) with respect to future offerings without shareholder approval if such change is announced at least five (5) days prior to the scheduled beginning of the first Offering Period to be affected thereafter.

5. Participation.

5.1 An eligible Employee may become a Participant in the Plan by completing a Subscription Agreement authorizing payroll deductions in the form of Exhibit A to this Plan and filing it with the Company's payroll office prior to the applicable Enrollment Date.

5.2 Payroll deductions for a Participant shall commence on the first payroll date following the Enrollment Date (provided that the Company has received the Participant's Subscription Agreement) and shall end on the last payroll in the Offering Period to which such Subscription Agreement is applicable, unless sooner terminated by the Participant as provided in Section 10 hereof.

6. Payroll Deductions.

6.1 At the time a Participant files his or her Subscription Agreement, he or she shall elect to have payroll deductions made on each payday during the Offering Period in an amount equal to any whole percentage (not exceeding fifteen percent (15%)) of the Compensation that he or she receives on each payday during the Offering Period.

6.2 All payroll deductions made for a Participant shall be credited to his or her Account under the Plan. A Participant may not make any additional payments into such Account. Accounts shall be mere bookkeeping entries on the Company's books and records. Amounts credited to Accounts shall not be trust funds and may be commingled with the Company's general assets and applied to general corporate purposes. No interest or other earnings shall be paid or credited with respect to payroll deductions or any amounts accumulated in or credited to a Participant's Account.

6.3 A Participant may discontinue his or her participation in the Plan as provided in Section 10 hereof, or may increase or decrease the rate of his or her payroll deductions during the Offering Period by completing and filing with the Company a new Subscription Agreement authorizing a change in payroll deduction rate. The Committee may, in its discretion, limit the number of participation rate changes during any Offering Period. The change in rate shall be effective with the first full payroll period following five (5) business days after the Company's receipt of the new Subscription Agreement. A Participant's Subscription Agreement shall remain in effect for successive Offering Periods unless a new Subscription Agreement is filed by the Participant prior to the commencement of such Offering Period or the then existing Subscription Agreement is terminated as provided in Section 10 hereof.

6.4 Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3.2 hereof, a Participant's payroll deductions may be decreased to zero percent (0%) at any time during an Offering Period. Payroll deductions shall recommence at the rate provided in such Participant's Subscription Agreement at the beginning of the first Offering Period which is scheduled to end in the following calendar year, unless terminated by the Participant as provided in Section 10 hereof.

6.5 At the time the Option is exercised, in whole or in part, or at the time some or all of the Company's Common Stock issued under the Plan is disposed of, the Participant must make adequate provision for the Company's federal, state, or other tax withholding obligations, if any, which arise upon the exercise of the Option or the disposition of the Common Stock. At any time, the Company may, but shall not be obligated to, withhold from the Participant's Compensation or other remuneration payable to the Participant the amount necessary for the Company to meet applicable withholding obligations, including any withholding required to make available to the Company any tax deductions or benefits attributable to sale or early disposition of Common Stock by the Employee.

7. Grant of Option. On the Enrollment Date of each Offering Period, each eligible Employee participating in such Offering Period shall be granted an Option to purchase on the Exercise Date during such Offering Period (at the applicable Purchase Price) up to a number of shares of the Company's Common Stock determined by dividing such Participant's Account as of the Exercise Date by the applicable Purchase Price; provided that such purchase shall be subject to the limitations set forth in Sections 3.2 and 13 hereof. No fractional shares shall be purchased; any payroll deductions accumulated in a Participant's Account which are not sufficient to purchase a full share shall be retained in the Participant's Account for the subsequent Offering Period, subject to earlier withdrawal by the Participant as provided in Section 10 hereof. Exercise of the Option shall occur as provided in Section 8 hereof, unless the Participant has withdrawn pursuant to Section 10 hereof. The Option shall expire on the last day of the Offering Period.

8. Exercise of Option.

8.1 Unless a Participant withdraws from the Plan as provided in Section 10 hereof, his or her Option with respect to an Offering Period shall be exercised automatically on the Exercise Date of such Offering Period, and the maximum number of full shares subject to Option shall be purchased for such Participant at the applicable Purchase Price with the accumulated payroll deductions credited to his or her Account. No fractional shares shall be purchased; any payroll deductions accumulated in a Participant's Account which are not sufficient to purchase a full share shall be retained in the Participant's Account for the subsequent Offering Period, subject to earlier withdrawal by the Participant as provided in Section 10 hereof. Any other monies left over in a Participant's Account after the Exercise Date shall be returned to the Participant. During a Participant's lifetime, a Participant's Option to purchase shares hereunder is exercisable only by him or her.

8.2 If the Board or the Committee determines that, on a given Exercise Date, the number of shares with respect to which Options are to be exercised may exceed: (i) the number of shares of Common Stock that were available for sale under the Plan on the Enrollment Date of the applicable Offering Period; or (ii) the number of shares available for sale under the Plan on such Exercise Date, the Board may in its sole discretion: (x) provide that the Company shall make a pro rata allocation of the shares of Common Stock available for purchase on such Enrollment Date or Exercise Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants, and continue all Offering Periods then in effect; or (y) provide that the Company shall make a pro rata allocation of the shares available for purchase on such Enrollment Date or Exercise Date, as applicable, in as uniform a manner as shall be practicable and as it shall determine in its sole discretion to be equitable among all Participants, and terminate any or all Offering Periods then in effect pursuant to Section 20 hereof. The Company may make a pro rata allocation of the shares available on the Enrollment Date of any applicable Offering Period pursuant to the preceding sentence, notwithstanding any authorization of additional shares for issuance under the Plan by the Company's shareholders subsequent to such Enrollment Date.

9. Delivery. Shares purchased under the Plan by a Participant will be credited to and held under a stock purchase account in the Participant's name maintained by such brokerage or other third-party firm as is designated by the Committee. Any and all stock dividends with respect to shares of Common Stock credited to a Participant's stock purchase account shall be paid directly to each Participant. A Participant may, by notice to the Company's applicable human resources location (or such other designee as established by the Committee) elect to have such cash dividends reinvested in shares of Common Stock. Any shares purchased with such dividend proceeds shall be purchased on the open market by such brokerage firm on the Participant's behalf (subject to applicable Company policies) and such shares shall not count in determining the maximum number of shares of Common Stock available for issuance under the Plan under Section 13, nor shall such shares count against the maximum number of shares that may be purchased by a Participant under Section 8. Subject to such restrictions, limitations and procedures as may be prescribed by the Committee, a Participant may withdraw shares in his or her stock purchase account from time to time. As soon as administratively practicable following termination of participation pursuant to Section 11, all shares credited to the Participant's stock purchase account shall be delivered to the Participant (or to the Participant's beneficiary or estate in the event of Participant's death), except to the extent that the Participant (or the Participant's beneficiary or estate in the event of Participant's death) elects to have such stock purchase account paid in cash.

10. Withdrawal.

10.1 A Participant may withdraw all but not less than all the payroll deductions credited to his or her Account and not yet used to exercise his or her Option under the Plan at any time by giving written notice to the Company in the form of

Exhibit B to this Plan or in such other manner prescribed by the Committee. All of the Participant's payroll deductions credited to his or her Account shall be paid to such Participant promptly after receipt of notice of withdrawal and such Participant's Option for the Offering Period shall be automatically terminated, and no further payroll deductions for the purchase of shares shall be made for such Offering Period by such Participant. If a Participant withdraws from an Offering Period, payroll deductions shall not resume at the beginning of the succeeding Offering Period unless the Participant delivers to the Company a new Subscription Agreement.

10.2 A Participant's withdrawal from an Offering Period shall not have any effect upon his or her eligibility to participate in any similar plan which may hereafter be adopted by the Company or in succeeding Offering Periods which commence after the termination of the Offering Period from which the Participant withdraws.

11. Termination of Employment. Upon a Participant's ceasing to be an Employee, for any reason, he or she shall be deemed to have elected to withdraw from the Plan and the payroll deductions credited to such Participant's Account during the Offering Period but not yet used to exercise the Option shall be returned to such Participant or, in the case of his or her death, to the person or persons entitled thereto under Section 15 hereof, and such Participant's Option shall be automatically terminated.

12. Interest. No interest or other earnings shall accrue on the payroll deductions of a Participant in the Plan.

13. Stock.

13.1 Subject to adjustment upon changes in capitalization of the Company as provided in Section 19 hereof, the maximum number of shares of the Company's Common Stock which shall be made available for sale under the Plan shall be 68,333 shares.

13.2 A Participant shall have no ownership interest or voting right in shares covered by his or her Option until such Option has been exercised and the shares purchased as a result thereof have been delivered.

13.3 Shares to be delivered to a Participant under the Plan shall be registered in the name of the Participant or in the name of the Participant and his or her spouse jointly with the right of survivorship.

14. Administration.

14.1 The Plan shall be administered by the Committee. The Committee shall have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to determine eligibility and to adjudicate all disputed claims filed under the Plan. Every finding, decision and determination made by the Committee shall, to the full extent permitted by law, be final and binding upon all parties. The Committee may retain the services of an outside firm to serve as its agent in administering the Plan on a day-to-day basis. No member of the Board or the Committee shall be liable for any act done or omitted to be done by such member or by any other member of the Board or the Committee in connection with the Plan, except for such member's own willful misconduct or as expressly provided by statute.

14.2 Any Participant who believes he or she is being denied any benefit or right under this Plan may file a written claim with the Committee. Any claim must be delivered to the Committee (care of the Company's Chief Executive Officer and Vice President, Finance & Treasury) within forty-five (45) days of the specific event giving rise to the claim. Untimely claims will not be processed and shall be deemed denied. The Committee, or its designee, will notify the Participant of its decision in writing as soon as administratively practicable. Claims not responded to by the Committee in writing within one hundred and twenty (120) days of the date the written claim is delivered to the Committee shall be deemed denied. No lawsuit relating to this Plan may be filed before a written claim is filed with the Committee and is denied or deemed denied, and any lawsuit must be filed within one year of such denial or deemed denial or be forever barred.

15. Designation of Beneficiary.

15.1 A Participant, in its Subscription Agreement, may designate a beneficiary who is to receive any shares and cash, if any, from the Participant's Account under the Plan in the event of such Participant's death subsequent to an Exercise Date on which the Option is exercised but prior to delivery to such Participant of such shares and cash. In addition, a Participant may file a written designation of a beneficiary who is to receive any cash from the Participant's Account under the Plan in the

event of such Participant's death prior to exercise of the Option. If a Participant is married and the designated beneficiary is not the spouse, spousal consent shall be required for such designation to be effective.

15.2 Such designation of beneficiary may be changed by the Participant at any time by written notice. In the event of the death of a Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Company shall deliver such shares and/or cash to the executor or Committee of the estate of the Participant, or if no such executor or Committee has been appointed (to the knowledge of the Company), the Company, in its discretion, may deliver such shares and/or cash to the spouse or to any one or more dependents or relatives of the Participant, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

16. Transferability. Neither payroll deductions credited to a Participant's Account nor any rights with regard to the exercise of an Option or to receive shares under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution or as provided in Section 15 hereof) by the Participant. Any such attempt at assignment, transfer, pledge or other disposition shall be without effect, except that the Company may treat such act as an election to withdraw funds from an Offering Period in accordance with Section 10 hereof.

17. Use of Funds. All payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose, and the Company shall not be obligated to segregate such payroll deductions.

18. Reports. Individual accounts shall be maintained for each Participant in the Plan. Statements of account shall be given to Participants at least annually, which statements shall set forth the amounts of payroll deductions, the Purchase Price, the number of shares purchased and the remaining cash balance, if any.

19. Adjustments Upon Changes in Capitalization, Dissolution, Liquidation, Merger or Asset Sale.

19.1 Changes in Capitalization. Subject to any required action by the shareholders of the Company, the Reserves, the maximum number of shares each Participant may purchase each Purchase Period (pursuant to Section 7), as well as the price per share and the number of shares of Common Stock covered by each Option under the Plan which has not yet been exercised shall be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Common Stock, or any other increase or decrease in the number of shares of Common Stock effected without receipt of consideration by the Company; provided, however, that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration". Such adjustment shall be made by the Board, whose determination in that respect shall be final, binding and conclusive. Except as expressly provided herein, 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 or price of shares of Common Stock subject to an Option.

19.2 Dissolution or Liquidation. Unless provided otherwise by the Board, in the event of the proposed dissolution or liquidation of the Company, the Offering Period then in progress shall terminate immediately prior to the consummation of such proposed dissolution or liquidation and a cash amount shall be paid to each Participant that is equal to the amount of his or her Account.

19.3 Merger or Asset Sale. In the event of a proposed sale of all or substantially all of the assets of the Company, or the merger of the Company with or into another corporation, each outstanding Option shall be assumed or an equivalent Option substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event that the successor corporation refuses to assume or substitute for the Option, the Board may terminate any Offering Period then in progress by setting a new Exercise Date (the "New Exercise Date"). The New Exercise Date shall be before the date of the Company's proposed sale or merger. The Board shall notify each Participant in writing, at least ten (10) business days prior to the New Exercise Date, that the Exercise Date for the Participant's Option has been changed to the New Exercise Date and that the Participant's Option shall be exercised automatically on the New Exercise Date, unless prior to such date the Participant has withdrawn from the Offering Period as provided in Section 10 hereof.

20. Amendment or Termination.

20.1 The Board may at any time and for any reason terminate or amend the Plan. Except as provided in Section 19 hereof, no such termination can affect Options previously granted, provided that an Offering Period may be terminated by the Board on any Exercise Date if the Board determines that the termination of the Offering Period or the Plan is in the best interests of the Company and its shareholders. Except as provided in Section 19 and this Section 20 hereof, no amendment may make any change in any Option theretofore granted which adversely affects the rights of any Participant. To the extent necessary to comply with Section 423 of the Code (or any successor rule or provision or any other applicable law, regulation or stock exchange rule), the Company shall obtain shareholder approval in such a manner and to such a degree as required.

20.2 Without shareholder consent and without regard to whether any Participant rights may be considered to have been "adversely affected," the Board (or the Committee) shall be entitled to change the Offering Periods, limit the frequency and/or number of changes in the amount withheld during an Offering Period, establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars, permit payroll withholding in excess of the amount designated by a Participant in order to adjust for delays or mistakes in the Company's processing of properly completed withholding elections, establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts withheld from the Participant's Compensation, and establish such other limitations or procedures as the Board (or its Committee) determines in its sole discretion advisable which are consistent with the Plan.

20.3 In the event the Board determines that the ongoing operation of the Plan may result in unfavorable financial accounting consequences, the Board may, in its discretion and, to the extent necessary or desirable, modify or amend the Plan to reduce or eliminate such accounting consequence including, but not limited to:

20.3.1 Altering the Purchase Price for any Offering Period including an Offering Period underway at the time of the change in Purchase Price;

20.3.2 Shortening any Offering Period so that Offering Period ends on a new Exercise Date, including an Offering Period underway at the time of the Board action; and

20.3.3 Allocating shares.

Such modifications or amendments shall not require stockholder approval or the consent of any Plan Participants.

21. Conditions Upon Issuance of Shares. Shares shall not be issued with respect to an Option unless the exercise of such Option and the issuance and delivery of such shares pursuant thereto shall comply with all applicable provisions of law, domestic or foreign, including, without limitation, the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, the rules and regulations promulgated thereunder, and the requirements of any stock exchange upon which the shares may then be listed, and shall be further subject to the approval of counsel for the Company with respect to such compliance. As a condition to the exercise of an Option, the Company may require the person exercising such Option to represent and warrant at the time of any such exercise that the shares are being purchased only for investment and without any present intention to sell or distribute such shares if, in the opinion of counsel for the Company, such a representation is required by any of the aforementioned applicable provisions of law.

22. Term of Plan. The Plan, as amended and restated hereby, shall become effective on January 1, 2017, subject to approval of the Plan by the stockholders of the Company. It shall continue in effect for a term of ten (10) years unless sooner terminated under Section 20 hereof. If the Company's stockholders do not approve the amended and restated Plan at their annual meeting in 2017, then the Plan and the Offering Period that commenced on January 1, 2017 shall automatically terminate without any issuance of any shares of Common Stock, and a cash amount shall be paid to each Participant that is equal to the amount of his or her Account.

23. No Employment Rights. The Plan does not, directly or indirectly, create any right for the benefit of any employee or class of employees to purchase any shares of Common Stock under the Plan, or create in any employee or class of employees any right with respect to continuation of employment by the Company, and it shall not be deemed to interfere in any way with the Company's right to terminate, or otherwise modify, an employee's employment at any time.

24. 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 Section by and among, as applicable, the Company and its Subsidiaries and affiliates for the exclusive purpose of implementing, administering and managing this Plan and the Participant's participation in this Plan. In furtherance of such implementation, administration, and management, 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, telephone number, date of birth, social insurance or security number or other identification number, salary, nationality, job title(s), information regarding any securities of the Company or any of its Subsidiaries or affiliates, and details of all Awards (the "Personal Data"). In addition to transferring the Personal Data amongst themselves as necessary for the purpose of implementation, administration and management of this Plan and the Participant's participation in this Plan, the Company and its Subsidiaries and affiliates may each transfer the Personal Data to any third parties assisting the Company in the implementation, administration and management of this Plan and Awards and the Participant's participation in this Plan. Recipients of the Personal Data may be located in the Participant's country or elsewhere, and the Participant's country and any given recipient's country may have different data privacy laws and protections. By enrolling in the Plan for any Offering Period, each Participant authorizes such recipients to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of assisting the Company in the implementation, administration and management of this Plan and the Participant's participation in this Plan, including any requisite transfer of such Personal 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 capital stock of the Company. The Personal Data related to a Participant will be held only as long as is necessary to implement, administer and manage this Plan and the Participant's participation in this Plan. A Participant may, at any time, view the Personal Data held by the Company with respect to such Participant, request additional information about the storage and processing of the Personal Data with respect to such Participant, recommend any necessary corrections to the Personal Data with respect to the Participant, or refuse or withdraw the consents herein in writing, in any case without cost, by contacting the Participant's local human resources representative. The Company may cancel the Participant's eligibility to participate in this Plan if the Participant refuses or withdraws the consents described herein. For more information on the consequences of refusal to consent or withdrawal of consent, Participants may contact their local human resources representative.

25. No Effect Upon Benefits. Neither the grant nor the exercise of any Option hereunder will affect the benefits under any benefit plan of the Employer, and no amount or benefit granted or received hereunder shall be considered compensation for any purposes of any other benefit plan or program of the Employer.

26. Trading Policy Restrictions. Option exercises under the Plan shall be subject to the terms and conditions of any insider trading policy established by the Company.

27. Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan shall be deemed to have been duly given when received in the form specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

28. Equal Rights and Privileges. All eligible employees shall have equal rights and privileges with respect to the Plan so that the Plan qualifies as an "employee stock purchase plan" within the meaning of Section 423 or any successor provision of the Code and the related regulations. Any provision of the Plan which is inconsistent with Section 423 or any successor provision of the Code shall, without further act or amendment by the Company or the Committee, be reformed to comply with the requirements of Section 423. This Section 27 shall take precedence over all other provisions in the Plan.

29. Governing Law. Without regard to conflict of law principles, the laws of the State of Delaware will govern all matters relating to this Plan except to the extent it is superseded by the laws of the United States.

EXCLUSIVE LICENSE AND COLLABORATION AGREEMENT

This Exclusive License and Collaboration Agreement (the **"Agreement"**) is entered into as of the 30th day of November, 2024 (hereinafter **"Effective Date"**), by and between Lisata Therapeutics, Inc., a Delaware corporation, with an address of 110 Allen Road, 2nd Floor, Basking Ridge, NJ 07920 (**"Licensor"**) and Kuva Labs, Inc. a wholly-owned subsidiary of Mi2 Holdings, LLC, with an address of 1700 Post Oak Blvd, Suite 600, Houston, TX 77056 (**"Licensee"**). Licensor and Licensee may hereinafter be individually referred to as a **"Party"** or collectively as **"Parties."**

RECITALS

WHEREAS, Licensor is a company engaged in the research and development of therapeutics for the treatment of advanced solid tumors and other major diseases, and is the owner of or has control of the Licensed Patents (as defined below) and Licensed Know-How (as defined below);

WHEREAS, Licensee desires to obtain a royalty bearing exclusive license under the Licensed Patents and the Licensor Know-How (as defined below);

WHEREAS, Licensor is willing to grant a royalty bearing, exclusive license to the Licensed Patents and the Licensed Know-How to Licensee on the terms and subject to the conditions set forth herein; and

NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties (as defined below) hereto hereby expressly agree as set forth below.

ARTICLE 1 – DEFINITIONS

1.1 **"Affiliates"** means any Person of which (a) more than fifty percent (50%) of the voting stock or other equity ownership thereof, whether directly or indirectly, is owned or controlled by, or under common control with, Licensee. or which owns or controls more than fifty percent (50%) of the voting stock or other equity ownership of Licensee, provided that, in either of the foregoing, if less than fifty percent (50%), the maximum percentage permitted by law, or (b) has other comparable ownership interest with respect to any Person other than a corporation, or (c) has the power, whether pursuant to contract, ownership of securities or otherwise, to direct the management and policies of such Person.

1.2 **"Applicable Law"** means, with respect to a given country or region, the applicable Laws that may be in effect from time to time in such region and that relate to a Party's activities under this Agreement, including any Laws of the Regulatory Authorities of such country or region.

1.3 **"Background IP"** means any and all data, results, discovery, finding, process improvement, method, composition of matter, article of manufacture, patentable or

otherwise, that are developed, invented, reduced to practice, generated, owned, or otherwise controlled by either Party outside of this License Agreement.

1.4 **"Bankruptcy Code"** means Title 11, U.S. Code or foreign equivalent laws.

1.5 **"Business Day"** means a day on which banking institutions in the United States are open for business.

1.6 **"Certepetide (aka LSTA1 or CEND-1)"** means Licensor's proprietary compound, as defined further under **"Licensed Product"**

1.7 **"Change of Control"** means with respect to either Party:

(i) the acquisition by a Third Party, in one transaction or a series of related transactions, of direct or indirect beneficial ownership of more than fifty percent (50%) of the outstanding voting equity securities of such Party;

(ii) a merger or consolidation involving such Party, as a result of which a Third Party acquires direct or indirect beneficial ownership of more than fifty percent (50%) of the voting power of the surviving entity immediately after such merger, reorganization or consolidation; or

(iii) a sale of all or substantially all of the assets of such Party in one transaction or a series of related transactions to a Third Party.

The acquiring or combining Third Party in any of (i), (ii) or (iii), and any of such Third Party's Affiliates (whether in existence as of or at any time following the applicable transaction, but other than the acquired Party and its Affiliates as in existence prior to the applicable transaction) are referred to collectively herein as the **"Acquirer"**

1.8 **"Clinical Supply Agreement"** means the schedule, terms and conditions set forth in **Exhibit A** attached hereto.

1.9 **"CMC Information"** means information related to the chemistry, manufacturing and controls ("CMC") of the Licensed Products, as specified by applicable Regulatory Authorities.

1.10 **"Commercially Reasonable Efforts"** means efforts and resources consistent with product or compound owned by it or to which it has rights, which is of similar market potential at a similar stage in its development or product life, taking into account issues of safety or efficacy, product profile, the competitiveness of the marketplace, the proprietary position of the compound or product, the regulatory structure involved, the profitability of the applicable products, and other relevant factors.

1.11 **"Confidential Information"** means any non-public information of a Party relating to any use, process, method, compound, research project, work in process, future development, scientific, engineering, manufacturing, marketing, business plan, financial or personnel matter relating to the disclosing Party, its present or future products, sales, suppliers, customers, employees, licensees, sublicensees, investors or business, whether in oral, written, graphic, electronic, or any other form, which is marked confidential or designated by the disclosing party as being confidential prior to disclosure or which is marked confidential and provided to the other Party within thirty (30) days of such disclosure. To avoid any doubt, the

existence of and any terms and conditions of any Sublicense provided hereunder shall be considered as Confidential Information.

1.12 **"Control," "Controls," or "Controlled"** when used in reference to any particular subject matter including Patents, Know-How, tangible materials or other Intellectual Property Rights, means the legal authority or right of a Party to grant a license or sub license to such subject matter to another Party, or to otherwise provide such other Party the right to access and use such subject matter, whether arising by ownership, license, or other authorization, without breaching the terms of any written agreement with a Third Party under which such Party first acquired rights to such subject matter, or misappropriating the proprietary or trade secret information of a Third Party.

1.13 **"Cover(ed)"** shall mean, with respect to any Licensed Patent and the subject matter at issue, that, but for an ownership right or license granted under a Valid Claim of such Licensed Patent, the development, manufacture, use, sale, offer for sale, importation, or other commercialization of the subject matter at issue would infringe such Valid Claim.

1.14 **"Data"** means all data, including CMC data, experimental data, non-clinical data, preclinical data and clinical data, generated by or on behalf of a Party or its Affiliates or their respective sublicensees pursuant to activities conducted under this Agreement.

1.15 **"Development"** means all development activities necessary or useful to obtain or maintain Regulatory Approval for the Licensed Product, including all non-clinical studies and clinical trials of the Licensed Product, distribution of the Licensed Product for use in clinical trials, statistical analyses, and the preparation and submission of Regulatory Materials for, and all regulatory affairs, related to the Licensed Product.

1.16 **"FDA"** means the United States Food and Drug Administration or any successor agency thereto.

1.17 **"Field" or "Licensed Indications"** means the evaluation, use and commercial sale of Certepetide as a targeting agent and/or to enable the delivery and MR direct imaging of Licensee's NanoMark™ technology in tumors.

1.18 **"First Commercial Sale"** means with respect to any Licensed Product and any Region in the Territory, the first sale of such Licensed Product, for use in the Field, to a third party in such Region, after such Licensed Product has been granted Regulatory Approval for use in the Field by the competent Regulatory Authorities in such Region.

1.19 **"Foreground IP"** means any and all data, results, discovery, finding, process improvement, method, composition of matter, article of manufacture, patentable or otherwise, that are developed, invented, reduced to practice, or otherwise generated by either Party exercising its rights or carrying out its obligations under this Agreement, whether directly or via its Affiliates, agents, contractors or Sub licensees, including all right, title and interest in and to the corresponding Intellectual Property Rights therein.

1.20 **"Governmental Authority"** means any national, international, federal, state, provincial or local government, or political subdivision thereof, or any multinational organization or any authority, agency or commission entitled to exercise any administrative, executive, judicial,

legislative, police, regulatory or taxing authority or power, and any court or tribunal (or any department, bureau or division thereof, or any governmental arbitrator or arbitral body).

1.21 **"IND"** means an investigational new drug application filed with the FDA, or any similar application filed with a Regulatory Authority in a country outside the U.S. required to commence Clinical Trials of a pharmaceutical product.

1.22 **"Intellectual Property Rights"** means any and all proprietary rights provided under: (a) patent law, including any Patents; (b) copyright law; (c) trademark law, or (d) any other applicable statutory provision or common law principle, including trade secret law, that may provide a right in ideas, formulae, algorithms, concepts, inventions (whether or not patentable), or Know-How, or the expression or use thereof.

1.23 **"Know-How"** means any proprietary scientific or technical information, inventions, discoveries, results and data of any type whatsoever, in any tangible or intangible form, including inventions, discoveries, databases, safety information, practices, methods, instructions, techniques, processes, drawings, documentation, specifications, formulations, formulae, knowledge, know-how, trade secrets, materials, skill, experience, test data and other information and technology applicable to formulations, compositions or products or to their manufacture, development, registration, use, marketing or sale or to methods of assaying or testing them, including pharmacological, pharmaceutical, medicinal chemistry, biological, chemical, biochemical, toxicological and clinical test data, physical and analytical, safety, quality control data, manufacturing, and stability data, studies and procedures, and manufacturing process and development information, results and data and other technologies or subject matters of any kind in each case that are generally not publicly known relating to Certepetide or the Licensed Patents.

1.24 **"License Fee or Upfront Payment"** means the one-time, non-creditable, non-refundable amount of USD $1,000,000.

1.25 **"Licensed Know-How"** means the Licensed Licensor Know-How.

1.26 **"Licensed Patents"** means any and all Patents that are Controlled by Licensor or its Affiliates, as of the Effective Date or after the Effective Date during the term of the Agreement, that claim or cover the making, having made, using, selling, offering for sale, importation or exportation (as between the relevant Regions) of Certepetide or Licensed Products in the Field in the Territory. The Licensed Patents in existence as of the Effective Date are set forth on **Exhibit B** hereto, which shall be updated as needed from time to time during the Term.

1.27 **"Licensed Product"** shall mean, subject to the below limitation, any pharmaceutical preparation in the Field (i) the manufacture, use or sale of which would infringe any Valid Claim but for an ownership right or license granted thereto; or (ii) which otherwise contains Certepetide and all derivatives and modifications thereof, the manufacture, use or sale of which would infringe the trade secret rights of the Licensed Know-How transferred to Licensee under this Agreement. Subject to the foregoing, "Licensed Product" shall also be deemed to include all expansions, improvements and modifications thereon made and

covered under a Valid Claim by or on behalf of Licensee or an Affiliate or otherwise owned or controlled by Licensee or an Affiliate.

1.28 **"Licensed Technology"** means the Licensed Patents and Licensed Know-How.

1.29 **"NanoMark™ technology"** means the direct MR imaging of nanopolymers and their derivatives

1.30 **"Net Sales"** means the gross amount invoiced and/or received by Licensee or any Affiliate or Sublicensee for or in connection with sales of the Licensed Product(s) to any person, entity or party that is not an Affiliate or Sublicensee, after deduction of all the following to the extent applicable to such sales:

(i) all customary trade, case and quantity credits, discounts, refunds or rebates reflected in written documentation;

(ii) actual allowances or credits for returns, including without limitation amounts received for sales which become the subject of a subsequent temporary or partial recall by a regulatory agency for safety or efficacy reasons outside the control of Licensee to the extent that each is included in Licensee's, an Affiliate's and/or a Sublicensee's billings, provided, however, that amounts set aside for temporary recalls are added back to Net Sales should the temporary recall be cancelled;

(iii) cost of freight, postage, and freight insurance, (if paid by seller) to the extent that each is included in Licensee' s, an Affiliate 's and/or a Sublicensee's billings; and

(iv) sales taxes, value added taxes, excise taxes, and customs duties directly imposed and with reference to particular sales.

A sale or transfer to an Affiliate or a Sublicensee for re-sale by such Affiliate or Sublicensee shall not be considered a sale for the purpose of this provision but the resale by such Affiliate or Sublicensee shall be a sale for such purposes. Any amounts received by Licensee, its Affiliates and/or Sublicensees in exchange for Licensed Products transferred or provided to any person or entity for use in testing, clinical trials, or as marketing samples to develop or promote the Licensed Products are included in the definition of Net Sales.

Net Sales amounts shall be determined from the books and records of the Licensee or any Affiliate or Sublicensee and maintained in accordance with **U.S. GAAP**. Further, in determining such amounts, Licensor will use its then-current standard procedures and methodology, including Licensor's then-current standard exchange rate methodology for the translation of foreign currency sales into U.S. Dollars or, in the case of Licensee or any Affiliate or Sublicensee, such similar methodology, consistently applied.

1.31 **"Patent(s)"** means: (a) patents and patent applications; (b) any and all divisionals, continuations, continuations-in-part, reissues, renewals, substitutions, registrations, re-examinations, revalidations, extensions, supplementary protection certificates and the like of any such patents and patent applications; and (c) any and all foreign equivalents of the foregoing.

1.32 **"Person"** means any corporation, limited or general partnership, limited liability company, joint venture, trust, unincorporated association, governmental body, authority, bureau or agency, any other entity or body, or an individual.

1.33 **"Phase I Clinical Trial"** means a clinical trial of a Product generally consistent with 21 C.F.R. § 312.21(a) (or the non-United States equivalent thereof).

1.34 **"Phase II Clinical Trial"** means a clinical trial of a Product generally consistent with 21 C.F.R. § 312.21(a) (or the non-United States equivalent thereof).

1.35 **"Phase III Clinical Trial"** means a clinical trial of a Product generally consistent with 21 C.F.R. § 312.21(a) (or the non-United States equivalent thereof).

1.36 **"Product"** means Certepetide, an iRGD peptide that triggers the CendR active transport mechanism to selectively target and deliver anti-cancer drugs to solid tumors. For the avoidance of doubt, Product shall also include any and all analogs of Certepetide covered under Licensor's Intellectual Property Rights.

1.37 **"Regulatory Approval"** means, with respect to a particular region, any approval, product, or establishment license, registration, or authorization of any Regulatory Authority necessary for the commercial sale of a Licensed Product in such region.

1.38 **"Regulatory Authority"** means, in a particular region, any applicable Governmental Authority involved in granting Regulatory Approval in such region.

1.39 **"Regulatory Materials"** means regulatory applications, submissions, notifications, communications, correspondence, registrations, Regulatory Approvals and/or other filings made to, received from or otherwise conducted with a Regulatory Authority in order to Develop, manufacture and commercialize Licensed Product in a relevant region.

1.40 **"Royalty Period or Term"** means the period commencing upon the First Commercial Sale in the Territory and will continue, on a Region-by-Region basis, until the later of: (i) the expiration of the last Valid Claim, (ii) expiration of any form of regulatory exclusivity covering such Product, or (iii) fifteen (15) years from the date of first commercial sale of such Product for the Field.

1.41 **"Sales"** means, the sale, lease or other transfer for monetary value of Products to any Third Party (including, for the avoidance of doubt, any distributor). For the purposes of this Agreement, a "Sale" shall be deemed to occur upon the earlier of (a) the date of an invoice for a Product, and (b) the date on which a Product is shipped for delivery to any Third Party.

1.42 **"SBP"** means Sanford Burnham Prebys Medical Discovery Institute, a California 50l(c)(3) corporation, having an address at 10901 North Torrey Pines Road, La Jolla, CA 92037.

1.43 **"SBP License Agreement"** means the exclusive license agreement entered into by SBP and Licensor dated December 1, 20l5 and its subsequent amendment agreements.

1.44 **"Sublicense"** means an agreement into which Licensee enters with a third party for the purpose of (i) granting certain rights under and to use the Licensed Technology to make, use or sell Licensed Product; (ii) granting an option to exercise such rights; or (iii) forbearing the exercise of any rights, granted to Licensee under this Agreement.

1.45 **"Sublicensee"** shall mean, with respect to any Licensed Product, a third party that obtains a Sublicense.

1.46 **"Sublicensing Revenue"** means consideration of any kind and in any form received by Licensee or its Affiliates in consideration of Sublicenses granted pursuant to this Agreement, except for the following exclusions: (i) payment or reimbursement for direct research costs applied to Licensed Technology and conducted by or for Licensee, including costs of materials, equipment, or clinical testing, provided: a) such payments or reimbursements are at fair-market value for the research performed; and b) the costs to be reimbursed or paid for, are incurred after the effective date of an agreement with a Sublicensee: and c) Licensee is obligated to perform such research under the agreement with Sublicensee; and d) such payments are characterized as reimbursement or payment as the case may be, in all accounting practices performed by or on behalf of Licensee and the Sub licensee, (ii) an equity investment in or debt financing of Licensee (except to the extent such payments exceed the fair market value of such securities on the date of receipt); (iii) as payment of or reimbursement for Patent prosecution or maintenance expenses actually incurred by Licensee, provided such payments are characterized as such payment in all accounting practices performed by or on behalf of Licensee; (iv) royalties and other payments received by Licensee from Sublicensees associated with sales of Licensed Products by the Sublicensees for which Licensee is obligated to pay a royalty to Licensor pursuant to Section 7 .2 of this Agreement; and (v) milestone payments received by Licensee from Sublicensees for any of the milestones for which Licensee is obligated to pay a milestone payment to Licensor pursuant to Section 7.2.1 and Section 7.2.2 of this Agreement.

1.47 **"Territory"** means worldwide, and specific geographies governed by a uniform Regulatory Authority shall be referred to herein as a **"Region"**).

1.48 **"U.S. GAAP"** means United States Generally Accepted Accounting Principles

1.49 **"Valid Claim"** means a claim of (i) a pending patent application included within the Licensed Patents, which claim is pending in good faith; or (ii) an issued patent included within the Licensed Patents, which claim has not lapsed, been canceled or become abandoned and has not been declared invalid or unenforceable by an unreversed and unappealable decision or judgment of a court or other appropriate body of competent jurisdiction, and which has not been admitted to be invalid or unenforceable through reissue, disclaimer or otherwise, provided that, with respect to claims of a pending patent application, if any such pending claim has not issued as a claim of an issued patent within five (5) years after the filing date from which such patent application takes priority, such pending claim shall not be a Valid Claim for purposes of this Agreement, unless and until, subsequent to such five (5) year period, such pending claim is issued as a claim of an issued and unexpired patent.

ARTICLE 2 – GRANT OF LICENSE

2.1 **License Grant.** Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee and its Affiliates:

2.1.1 an exclusive license in the Territory, with the right to grant and authorize sublicenses, under the Licensed Patents and Licensed Know-How to research, make, have made, use, sell, offer for sale, import and otherwise exploit Licensed Products in the Field in the Territory during the Term.

2.1.2 a non-exclusive license in the Territory to use the Licensed SBP Patents and Licensed SBP Know-How to research, make, have made, use, sell, offer for sale. import and otherwise exploit Licensed Products in the Field in the Territory during the Term.

2.2 **Sublicensing.** The Licensee shall have a right to sublicense the Licensed Technology in accordance with this Section 2.2 and the terms of this Agreement.

2.2.1 For so long as Licensee is in full compliance with all of its obligations under this Agreement, Licensee may grant sublicenses under the Licensed Technology, but only to the extent necessary to develop, make, have made, use, sell, offer for sale, have sold and import Licensed Products in the Territory for use in the Field. Prior to the granting of any Sublicense, Licensee will provide Licensor with written notification of the name of the intended Sublicensee, a brief description of the company, as well as a detailed term sheet containing the financial terms, the territory and all the relevant legal terms of the Sublicense. Licensee agrees to forward to Licensor a copy of each fully executed Sublicense either postmarked or sent via email within thirty (30) days of execution of such agreement. Any such sublicense sent by email will be deemed to have been received at the time shown in a delivery confirmation report generated by the sender's email system.

2.2.2 Licensee will be responsible for its Sublicensees' compliance with the terms of this Agreement, and Licensee will not grant any rights which are inconsistent with the rights granted to and obligations imposed on Licensee under this Agreement. Any act or omission of a Sublicensee, which would be a breach of this Agreement if undertaken or omitted by the Licensee, will be deemed to be a breach by Licensee of this Agreement. With respect to Sublicense, Licensee shall:

(i) not receive, or agree to receive, anything of value in lieu of cash as consideration for the grant of the Sub license from a third party without the express written consent of Licensor;
(ii) grant any Sublicensee the right to further sublicense;
(iii) include an audit right by Licensor of the same scope as provided in

Section 7.10.;

(iv) to the extent applicable, include the relevant rights of and obligations due to Licensor (and if applicable, SBP's rights) and contained in this Agreement;

(v) in the event of a breach by a Sublicensee, either
   a. cure such breach in accordance this Agreement; or
   b. enforce its rights by terminating such Sub license in accordance
   c. with the terms thereof;

(vi) require its Sublicensees to keep records and submit reports to Licensee of the same type and at the same time as required of Licensee under Section 4.5; and

(vii) collect and guarantee payment of all payments due, directly or indirectly, to Licensor from Sublicensees and summarize and deliver all reports due, directly or indirectly, to Licensor from Sublicensees.

2.2.3 Termination of the license granted to Licensee under any of the provisions of Section 12 of this Agreement will terminate all Sublicenses that may have been granted by Licensee, unless any Sublicensee elects to continue its Sublicense by advising Licensor in writing, within thirty (30) days of the Sublicensee's receipt of written notice of such termination, of its election, and of its agreement to assume with respect to Licensor all of the obligations (including obligations for payment) of Licensee contained in this Agreement. Any Sublicense granted by Licensee will contain provisions corresponding to those of this paragraph respecting termination and the conditions of continuance of Sublicenses.

2.3 **Reserved Rights.** The license grant set forth in Section 2.1 will be further subject to, restricted by and non-exclusive with respect to:

2.3.1 the use of inventions described or claimed in the Licensed SBP Patents by SBP for academic institutions or other third parties for non-commercial research, teaching and other educational purposes only; such non-commercial research use of the Licensed SBP Patents by third parties in the Field shall be subject to the terms of SBP's standard Material Transfer Agreement, which is at least as restrictive as the Uniform Biological Material Transfer Agreement (UBMTA). Licensor shall inform Licensee of any executed SBP Material Transfer Agreement in the Field. The terms "Material Transfer Agreement" and "UBMTA" as noted in this provision shall have the same meanings with these terms as included in the SBP License.

2.3.2 the use of inventions described or claimed in the Licensed SBP Patents by the

inventors thereof for non-commercial research purposes at academic or not-for-profit research institutions; and

2.3.3 any license of inventions described or claimed in the Licensed SBP Patents that SBP is required by Applicable Law to grant to the United States of America or to a foreign country or agency thereof, pursuant to an existing or future treaty between the United States of America and any foreign country.

2.4 **No Other Rights.** The license granted hereunder shall not be construed to confer any rights, other than those affirmatively granted as set forth in Section 2.1, to Licensee by implication, estoppel or otherwise as to any technology not specifically set forth in this Agreement.

2.5 **Exclusivity.** During the Term, Licensor shall not, directly or indirectly, either by itself or with or through any of its Affiliates or any third party (including via any arrangement or series of arrangements with a third Party), Develop, manufacture or commercialize any Licensed Product in the Territory.

ARTICLE 3 – GOVERNMENTAL COMPLIANCE

3.1 **Compliance with Laws.** Licensee shall at all times during the Term and for so long as it sells imports, exports, manufactures, uses, develops, distributes, markets or otherwise commercially exploits Licensed Products and/or Licensed Technology comply and require its Affiliates and Sublicensees to comply with all Applicable Laws that control the impo1t, export, manufacture, use, development, sale, marketing, distribution and other commercial exploitation of Licensed Products and/or Licensed Technology or any other activity undertaken pursuant to this Agreement.

3.2 **Governmental Approval or Registration.**

3.2.1 If this Agreement is required by the Laws of any Region in the Territory to be either approved or registered with any Governmental Authority, Licensee shall assume all legal obligations to do so, and Licensor shall provide all reasonable assistance and cooperation in connection therewith. Licensee shall make all necessary filings and pay all costs including fees, penalties, and all other out-of-pocket costs associated with such reporting or approval process and shall additionally reimburse Licensor all of Licensor's reasonable out-of-pocket costs associated with Licensor's reasonable assistance and cooperation as required hereunder.

3.2.2 In the event that this Agreement is required to be filed or approved by the U.S.

government prior to execution, and Licensor fails to obtain such approval, or the transaction contemplated by this Agreement is prohibited by U.S. laws and regulations (including but not limited to the Export Administration Act of the United States of America and any related Laws) in effect on the Effective Date, then the Parties shall terminate this Agreement and the provisions of Section 12. 7 shall apply. In the event that following the Effective Date U.S. laws and regulations (including but not limited to the Export Administration Act of the United States of America and any related Laws) are amended to prohibit the transaction contemplated by this Agreement, then Section 13.8 shall apply.

ARTICLE 4 – DEVELOPMENT

4.1 **Commercially Reasonable Efforts.** Subject to the terms and conditions of this Agreement (including the diligence obligations set forth below), Licensee shall be solely responsible for the development of Licensed Products in the Field in the Territory, at its own cost and expense, including all pre-clinical, non-clinical and clinical studies and collection of CMC Information, as necessary to obtain Regulatory Approval for Licensed Products in the Territory. Licensee shall use its Commercially Reasonable Efforts to develop and commercialize Licensed Products on a schedule that is consistent with sound and reasonable business practices and judgment. Such efforts include, but are not limited to:

4.1.1 maintaining a continuous effort for development, manufacture and sale of Licensed Products;
4.1.2 reasonably filling the market demand for Licensed Products following commencement of marketing at any time during the term of the Licensed Agreement; and
4.1.3 obtain all necessary governmental approvals for the use and sale of Licensed Products in the Territory.

4.2 **Specific Milestones.** In addition to the efforts described in Section 4.1, Licensee shall meet the following specific milestones:

4.2.1 file an IND for a Licensed Product within eighteen (18) months of date of the Effective Date; and
4.2.2 dose first patient in a Phase I Clinical Trial in the Territory using the Licensed Product within nine (9) months after approval of the corresponding IND filed by Licensee.

Each of the events specified above will be referred to herein as a **"Milestone Event"**, and Licensee will use its Commercially Reasonable Efforts to achieve each of the Milestone Events

prior to the time deadlines specified above. The efforts of Affiliates and Sublicensees shall be deemed efforts of Licensee for the purpose of determining Licensee's compliance with this Section 4.2.

4.3 **Failure to Achieve Milestone Events.**

4.3.1 If Licensee is unable to meet any of Milestone Events set forth in Section 4.2 above, Licensee shall be entitled to two six (6) month extensions of the delayed, and any other subsequent, milestone upon payment to Licensor of USD $75,000 in each case. If Licensee does not make such payment(s) or, if after the extension(s), on a milestone-by-milestone basis, Licensee fails to achieve the milestone, Licensor shall have the option, in its sole discretion, to modify the Milestone Events or to terminate this Agreement.

4.3.2 Notwithstanding the above, should Licensee fail to meet a Milestone Event as required above due to the failure of Licensor to perform an obligation (including, for example, the Clinical Supply Agreement has not been completed within the agreed timeframe; or Licensor's Data and Regulatory Materials are not shared timely or entirely) under this Agreement, then the time for Licensee to achieve such Milestone Event delayed by Licensor's failure, shall be extended, on a day-by-day basis, by the period commencing with the failure of Licensor to perform its obligation under this Agreement (including failure to meet agreed timeline) following written notice by Licensee of such failure, and ending on the earlier of; (i) Licensor's performance of its obligation under this Agreement noted in Licensee's written notice; or (ii) Licensee's performance of Licensor's obligation under this Agreement noted in Licensee' written notice.

4.4 **Development Records.** Licensee shall maintain complete, current and accurate records of all Data and other information resulting from Licensed Product Development activities conducted by Licensee, its Affiliates and Sublicensees. Such records shall fully and properly reflect all work done and results achieved in the performance of the Development activities in good scientific manner appropriate for regulatory and patent purposes, if applicable. Licensee shall document all non-clinical studies and clinical trials in formal written study records in accordance with all Applicable Law and in accordance with applicable national and international guidelines. Licensor shall have the right to review and copy such Development records at reasonable times and to obtain access to review the original to the extent necessary or useful for regulatory or patent purposes upon reasonable notice to Licensee and at a time and location mutually acceptable to Licensee. Notwithstanding anything to the contrary herein, Licensee shall furnish key Development records to Licensor upon Licensor's reasonable request to facilitate Licensor's use of Data and other information therein for regulatory or patent purposes or as otherwise permitted

herein. Licensor shall have exclusive rights, title and interests to all such Development records comprised of the Licensed Patents and Licensed Products and shall have the right to retain copies of all records therewith. All Development records disclosed hereunder are Confidential Information and subject to Section 9 of the Agreement. The ownership of all such Development records vests exclusively in Licensee provided that Licensor shall be entitled to use the same as set forth herein.

4.5 **Reporting.**

4.5.1 Within ninety (90) days of the Effective Date, Licensee shall provide to Licensor a written research and development plan under which Licensee intends to research and develop the subject matter of the license granted hereunder. It is understood and agreed that such plan may be amended by Licensee in view of the results of its research and development activities. Such plan and all amendments thereto shall be Licensee's Confidential Information, and Licensor agrees to hold same in confidence in accordance with Section 9 below.

4.5.2 No later than sixty (60) days after June 30 of each calendar year, Licensee shall provide to Licensor a written annual progress report describing progress on research and development, Regulatory Approvals, manufacturing, marketing and sales during the preceding twelve (12) month period and plans for the forthcoming year (**"Progress Reports"**). Licensee shall also provide any reasonable additional data Licensor requires to evaluate Licensee's performance. All such Progress Reports and additional data shall be Licensee's Confidential Information and held by Licensor in confidence in accordance with Section 9.

4.5.3 If Licensee at any time defaults in providing the written research and development plan or Progress Report when due hereunder and/or fails to provide the written research and development plan or Progress Report within sixty (60) days after Licensee's receipt of written request therefor from Licensor, Licensor may, at its option, terminate this Agreement and all licenses granted herein upon written notice to Licensee.

4.6 **Data Exchange.** Each Party shall, at its sole cost and expense, promptly provide the other Party with copies of all Data and access to Regulatory Materials related to all Licensed Products generated by or on behalf of such Party or its Affiliates, their licensees or sublicensees, in the performance of Development activities of the Licensed Products in their respective territories. For the avoidance of doubt, as between the Parties, each Party owns all Data and Regulatory Materials related to all Licensed Products generated by or on behalf of such Party, its Affiliates, their licensees or sub licensees in their respective territories.

ARTICLE 5 – REGULATORY

5.1 **Regulatory Responsibilities.**

5.1.1 Licensee will be responsible, at its sole cost and expense, for the conduct of all regulatory activities required to obtain and maintain Regulatory Approval of Licensed Products in the Field in the Territory, including the preparation and submission of all Regulatory Materials and all communications and interactions with any one or more Regulatory Authorities as necessary to obtain Regulatory Approval for Licensed Products in the Territory, and with the maintenance of any and all Regulatory Approvals.

5.1.2 Licensor shall provide all reasonable assistance and cooperation to Licensee (subject to Licensee's reimbursement of Licensor's reasonable out-of-pocket expenses related thereto), including providing assistance and cooperation for preparation of regulatory application dossiers, if necessary. In order to address specific questions Licensee may receive from a Regulatory Authority in the Territory, Licensor will assist in the preparation of responses based on information that would be found in technical reports, notebooks, executed batch records, master batch records, SOPs, validation protocols and reports, vendor certificates, and third party study reports and other CMC related documents not otherwise already provided to Licensee. Any such transfer of CMC Information as set forth in this Section 5.1.2 is conditioned on Licensee establishing appropriate measures or equivalent means to ensure that such CMC Information is protected from unauthorized disclosure and is used only for legal and regulatory compliance purposes and not for any other purpose. In furtherance of the foregoing, Licensee shall ensure that any CMC Information provided by or on behalf of Licensor pursuant to this Section 5.1.2 shall only be disclosed to those identified personnel of Licensee (or a designated agreed third party) who (a) have a need to know the same to comply with the above obligations, and (b) have been fully informed of and acknowledge the highly sensitive and proprietary nature of such information and the need to maintain its secrecy and avoid inappropriate usage or disclosure, by using such measures or equivalent means.

5.2 **Regulatory Information Sharing.** Licensee shall keep Licensor reasonably informed of any material regulatory developments related to Licensed Products in the Field in the Territory. Upon Licensor’s reasonable request, Licensee shall (a) provide Licensor with the original documents (in the electronic format in which it has been prepared by Licensee), for Licensor's review and comment, of all material Regulatory Materials prepared in connection with obtaining or maintaining any approvals for Licensed Products in the Field in the Territory, reasonably in advance of the submission of such documents to the Regulatory

Authority in the Territory. Licensee shall consider in good faith Licensor's reasonable comments; provided that: (i) such comments are provided sufficiently in advance of Licensee's required submission date; and (ii) nothing herein shall obligate Licensee to adopt or follow such comments except to the extent that failure to adopt or follow such comments would have a material safety concern for the Licensed Products; and (b) shall keep Licensor informed of any material written communication or questions relating to Licensed Products received by Licensee from the Regulatory Authority in the Territory.

5.3 **Regulatory Meetings.** Licensee shall lead all interactions with Regulatory Authorities in the Territory with respect to Licensed Products. Licensee shall keep Licensor reasonably informed of any material regulatory developments related to Licensed Products in the Field in the Territory.

5.4 **Adverse Event Reporting.** Licensor shall hold and maintain the global safety database for Product with respect to information on adverse events concerning the Product, as and to the extent required by Applicable Law. Therefore, Licensee shall, before and during Development of Licensed Products, promptly provide the Licensor with all information that in the reasonable knowledge of Licensee and relevant to the quality, safe and proper handling, storage and use of the Product, or any other information which might reasonably have a bearing on the safety or efficient performance in Development of Licensed Products, including: (i) any actual or suspected problem with, or defect in the Product; and (ii) serious adverse events and adverse reactions relating to the Product.

ARTICLE 6 – PRODUCT SUPPLY AND MANUFACTURING

6.1 **Clinical Supply Agreement.** Licensor will manufacture and supply Product for Licensee to conduct clinical trials via a Clinical Supply Agreement, under which Licensor shall supply Product for clinical use to Licensee at Manufacturing Cost plus carriage, insurance and freight costs incurred by Licensor, with insurance coverage obtained by Licensor exceeding the total amount of the Manufacturing Cost plus carriage, insurance and freight costs for said goods. All Product supplied therein shall be handled in a commercially reasonable manner from source to destination. **"Manufacturing Costs"** means (a) if Licensor or its Affiliate manufactures Product, the actual manufacturing cost of such Product (as determined in accordance with U.S. GAAP consistently applied with its other products); or (b) if a third party manufactures Product for Licensor, the actual transfer price paid by Licensor or its Affiliate to such third party for the manufacture of such Licensed Product with a ten percent (10%) markup, thereby ensuring that carriage, insurance and freight costs incurred by Licensor shall be properly accounted for. The schedule, terms and conditions of such Clinical Supply Agreement are set forth in Exhibit A attached hereto.

6.2 **Commercial Supply Agreement.** Within sixty (60) days of Regulatory Approval of the Licensed Product, the Parties shall negotiate in good faith and enter into a commercial supply agreement of Licensed Product to set forth the terms and conditions under which Licensor shall manufacture and supply Product for Licensee for commercial use. For the avoidance of doubt, terms of such commercial supply agreement shall not be materially different from those set forth in the Clinical Supply Agreement provided in Section 6.1. Notwithstanding the foregoing, if Licensor and Licensee fail to agree on a Commercial Supply Agreement or should Licensor be in default of its material obligations under such agreement, then Licensor shall initiate a technology transfer agreement, to set forth the terms and conditions under which Licensor shall transfer to Licensee all documentation of the Licensed Technology that is reasonably necessary or useful for the manufacturing of Licensed Products, and provide technical assistance and support for Licensee to manufacture or have manufactured by a third party contractor engaged by Licensee.

6.3 **General Obligations.** Pursuant to Licensor's obligations set forth in this Section, Licensor shall provide reasonable technical assistance, including on-site training, consulting and access to Licensor's (and its contractors') technical personnel involved in the Development and manufacture of the Licensed Products (subject to Licensee's reimbursement of Licensor's reasonable out-of-pocket costs in rendering such assistance).

ARTICLE 7 – FEES, PAYMENTS, ROYALTIES & REPORTS

7.1 **Upfront Payment.** As partial consideration for the rights granted by Licensor to Licensee pursuant to the terms of this Agreement, Licensee shall pay to Licensor a non-refundable, non-creditable payment equal to One Million Dollars ($1,000,000) within twelve (12) months following the Effective Date, payable in the following schedule:

Amount	Percentage (%) of Upfront Payment	Timing
One Hundred Thousand Dollars ($100,000)	10%	Thirty (30) days following the Effective Date
One Hundred and Fifty Thousand Dollars ($150,000)	15%	Ninety (90) days following the Effective Date
Two Hundred and Fifty Thousand Dollars ($250,000)	25%	One hundred and eighty (180) days following the Effective Date
Five Hundred Thousand Dollars ($500,000)	50%	Three hundred and sixty(360) days following the Effective Date

7.2 **Milestone Events and Milestone Payments.** Licensee shall pay to Licensor the one-time, non-refundable, non-creditable payments set forth in the tables below with respect to the first achievement by Licensed Product of the applicable milestone event:

7.2.1 **Development Milestone Payments.**

Development Milestone Event	Milestone Payment
Regulatory Approval in the United States for the Licensed Indications	One Million Dollars ($1,000,000)
Regulatory Approval in the European Union (or other geography) for the Licensed Indications	Five Hundred Thousand Dollars ($500,000)

7.2.2 **Commercial Milestone Payments.**

Commercial Milestone Event	Milestone Payment
First commercial sale in the United States for the Licensed Indications	One Million Dollars ($1,000,000)
First commercial sale in the European Union (or other geography) for the Licensed Indications	Five Hundred Thousand Dollars ($500,000)
Net Sales exceeding One Hundred Million Dollars ($100,000,000)	One Million Dollars ($1,000,000)
Net Sales exceeding Five Hundred Million Dollars ($500,000,000)	Five Million Dollars ($5,000,000)
Net Sales exceeding One Billion Dollars ($1,000,000,000)	Ten Million Dollars ($10,000,000)

7.2.3 Licensee shall promptly, but not later than fifteen (15) days following achievement, notify Licensor in writing of the achievement of each milestone set forth above.

7.2.4 For the avoidance of doubt, each milestone payment set forth above shall be made only once, regardless of the number of times such milestone is achieved or the number of Licensed Products that achieve such milestone.

7.3 **Royalties.** In addition to the consideration described in Section 7 .1 and Section 7.2,

Licensee shall pay Licensor a flat rate of five percent (5%) of Net Sales of Licensed Products by Licensee and its Affiliates and Sublicensee on a Licensed Product-by-Licensed Product, Region-by-Region (the **"Royalty"**) basis during the Royalty Period. Notwithstanding the Royalty, all Royalties payable pursuant to this Section 7.3 are subject to reduction as further described in Sections 7.3.1 - 7.3.2 below or as expressly stated elsewhere in this Agreement.

7.3.1 **Sublicensing Revenue.** In the event Licensee sublicenses its rights herein, then Licensee shall pay Licensor fifty percent (50%) of any Sublicensing Revenue received by Licensee and its Affiliates during the term of this Agreement.

7.3.2 **Step-Downs.** In any Territory during the Royalty Period for a Licensed Product for which there is no longer a Valid Claim that covers such Licensed Product, the Royalty rates provided in Section 7.3 for the Licensed Product will be reduced in such Territory, on a Region-by-Region basis, by fifty percent (50%) for such Licensed Product (in addition to any reductions in Section 7.3.1 and thereafter for the remainder of the Royalty Period.

7.4 **Reports and Payments.**

7.4.1 Within ten (10) days of each calendar quarter after the earlier of the following events:

(i) First Commercial Sale in the Territory; or

(ii) the first quarter in which Sublicensing Revenues are received by Licensee, and following termination for so long as Net Sales of Licensed Products take place as permitted, and within thirty (30) days of expiration of this Agreement, Licensee shall provide Licensor a report of Net Sales of Licensed Products and Sublicensing Revenues, as applicable, in sufficient detail to permit Licensor issue an invoice for the royalties due to Licensor and Licensor's portion of Sublicense Revenue for such quarter, including:

(a) the amount of gross sales and Net Sales of Licensed Products, as applicable, on a Region by Region basis in the Territory,

(b) an itemized calculation showing the deductions from gross sales (by each major category as set forth in the definition of Net Sales herein) to determine Net Sales,

(c) a calculation of any reduction to the royalties as permitted hereunder,

(d) a calculation of the amount of royalties due to Licensor in U.S. Dollars, including the application of any exchange rate used,

(e) the Sublicensing Revenues received by Licensee and its Affiliates in such quarter, and

(f) a calculation of the amount due for Licensor's portion of Sublicensing Revenues due to Licensor in U.S. Dollars, including the application of any exchange rate used.

7.4.2 Payment of the royalties specified in Section 7.3 and Licensor's portion of any Sublicense Revenue specified in Section 7.3.1 shall be made by Licensee to Licensor on a quarterly basis after First Commercial Sale in the Territory or after the first Sublicensing Revenues are received by Licensee, if earlier, within thirty (30) days after receipt of Licensor's invoice, but no later than forty five (45) days following the end of each calendar quarter except in the event that Licensor fails to issue and send the invoices to Licensee within fifteen (15) days following the end of the applicable calendar quarter, and in each case will cover the quantity of Licensed Products sold by Licensee and/or its Affiliates or Sublicensee, as appropriate, and Sublicensing Revenue received by Licensee and its Affiliates, during the preceding calendar quarter. After termination or expiration of this Agreement, a final payment shall be made by Licensee covering the whole or partial calendar quarter.

7.5 **Failure to Make Payments**. ln the event Licensee fails to make any payment due and payable to Licensor hereunder, including but not limited to royalties and milestone payments, Licensor may, at its sole option, terminate this Agreement, in accordance with the procedures and cure provisions of Section 12.3.1.

7.6 **Form of Payment.** All payments due hereunder are expressed in and shall be paid by wire transfer or check payable in United States Dollars, without deduction of exchange, collection or other charges, to Licensor, or to the account of Licensor at such other bank as Licensor may from time to time designate by written notice to Licensee. As of the Effective Date of this Agreement, the designated bank account for receiving all payments due hereunder by Licensor is as follows:

Bank Name: CHASE BANK

Account Number: 555080691

Bank Routing Number: 021000021

SWIFT Code: CHASUS33

For any changes to the designated bank account above during the Term, Licensor will be immediately notify Licensee by a written notice.

7.7 **Interest.** If any payment properly due under this Agreement and not subject to a good faith dispute is not paid when due in accordance with the applicable provisions of this Agreement, the payment shall accrue interest from the date due at the rate of 0.05% per day (as reported in The Wall Street Journal (Eastern U.S. edition)) or the maximum rate allowable by Applicable Law, whichever is less, until the late payment is fully paid. Each such late payment when made shall be accompanied by all interest so accrued. Notwithstanding the foregoing, the interest set forth in this Section 7.7 shall not apply if the payment is delayed due to government restriction on currency conversion or transfer of funds out of the Territory. Said interest and the payment and acceptance thereof shall not negate or waive the right of Licensor to seek any other remedy, legal or equitable, to which it may be entitled because of the delinquency of any payment.

7.8 **Exchange Rate.** Conversion of payments from any foreign currency shall be made at the rate of exchange reported in The Wall Street Journal (on website: https://www.wsj.com/market-data/currencies/exchangerates or such successor URL as may be used by The Wall Street Journal during the term of this Agreement) on the last business day of the applicable calendar quarter.

7.9 **Taxes.**

7.9.1 All payments due to Licensor shall be paid free and clear of any and all taxes arising, assessed or payable with respect to such payments except for any withholding taxes required by Applicable Law. Except as provided in this Section 7.9.1, Licensor shall be solely responsible for paying any and all taxes (other than withholding taxes required by Applicable Law to be deducted from payments and remitted by Licensee) levied on account of or measured in whole or in part by reference to, any Payments it receives.

7.9.2 If any payment by Licensee to Licensor is subject to any withholding or similar taxes collected at the source, which Licensor or Licensee is required to pay, or Licensee is required to withhold, Licensee shall:

(i) pay Licensor a sum as to yield to Licensor, after payment of such taxes, the full net amount due under other provisions of this Agreement; and

(ii) pay such taxes and file returns regarding such taxes under the relevant rules and legislation to the applicable Governmental Authority in the Territory. Licensor will issue the corresponding invoices reflecting the full net amount due under other provisions of this Agreement and any such withholding or similar taxes collected at the source as separate line items

in the notes section of the said invoices, following the format designed and provided by Licensee for such invoices, provided that such format does not violate Applicable Laws governing the issuance of such invoices and would not impose on Licensor any additional tax burden or additional costs.

7.10 Records And Inspection.

7.10.1 Licensee shall maintain or cause to be maintained a true and correct set of records pertaining to the Net Sales of Licensed Products by Licensee and/or its Affiliates or Sublicensee under this Agreement. Such records shall be kept at Licensee's principal place of business or the appropriate principal place of business of the appropriate Affiliate or Sublicensee to which this Agreement relates.

7.10.2 During the term of this Agreement and for a period of three (3) years thereafter, Licensee agrees to permit an independent certified public accountant or other independent agent selected and paid by Licensor, and reasonably acceptable to Licensee, to have access during ordinary business hours to such records as are maintained by Licensee, or its Affiliates or Sublicensee, as may be necessary, in the opinion of such party, to determine the correctness of any report and/or payment made under this Agreement. For clarity, such audit shall be conducted pursuant to GAAP accounting principles or standards. Such party shall not report to Licensor any information other than as to the correctness of any such report or payment. Such audits may be exercised no more than once in any twelve (12) month period upon at least thirty (30) days prior written notice to Licensee. Any and all information learned or acquired by Licensor's agent or accountant pursuant to any such inspection shall be treated the same as Confidential Information of Licensee, in accordance with the provisions of Section 9 below. Before undertaking any such inspection, Licensor's agent or accountant shall agree in writing to be bound by the terms of this Section 7.10 and Section 9. Licensor shall bear the full cost of such audit unless the audit reveals an underpayment of royalty by more than five percent (5%). The cost of the audit shall be paid by Licensee if the discrepancy is an underpayment of royalty by more than five percent (5%); if the discrepancy is an overpayment, Licensor shall refund to Licensee the amount of such overpayment within fifteen (15) days after the audit; If the discrepancy is an underpayment, Licensee shall pay any unpaid amount due to Licensor within thirty (30) Business Days of the completion of the audit plus a simple interest at the rate set forth in Section 7.7 on the amount due to Licensor.

7.11 **Responsibility for Upstream Licenses.** For the avoidance of doubt, as between the

Parties, Licensor will be solely responsible for any payments under the upstream licenses resulting from the Development, manufacture, or commercialization of the Licensed Products in the Field in the Territory under this Agreement.

ARTICLE 8 – INTELLECTUAL PROPERTY

8.1 **Inventorship.** Inventorship as between the Parties will be determined in accordance with U.S. patent laws. All such determinations shall be documented to ensure that the Patent claims in any divisional or continuation patent applications reflect appropriate inventorship.

8.2 **Ownership of Intellectual Property Rights.**

8.2.1 **Background Intellectual Property.** Each Party shall own and retain all rights, title and interest in and to any and all information, inventions, patents and other Intellectual Property Rights owned or otherwise controlled by such Party outside of this License Agreement. If any Third Party becomes an Acquirer of Licensor after the Effective Date pursuant to a Change of Control, any Intellectual Property Rights Controlled by the Acquirer before the relevant Change of Control transaction or thereafter during the term of this Agreement will not be considered part of the Licensor Background IP; provided, however, that any Intellectual Property Rights that would otherwise constitute Licensor Background IP and are discovered, created or acquired by or on behalf of the Acquirer after the relevant Change of Control transaction by using any Licensor Product or technology relating to the Agreement will be considered part of the Licensor Background IP.

8.3 **Patent Prosecution and Maintenance.**

8.3.1 During the term of this Agreement, Licensor shall prosecute and maintain Licensed Patents in the Territory using counsel to be chosen by Licensor and to which Licensee shall have no reasonable objection. Upon reasonable request, Licensee shall be provided with copies of all documents relating to the filing, prosecution, and maintenance of Licensed Patents in the Territory with sufficient time ahead of deadline to allow Licensee to review such documents and comment thereon, Licensor shall consider Licensee's comments in good faith prior to filing, provided, however, that if Licensee has not commented on such documents prior to the deadline for filing a response with the relevant government patent office, Licensor shall be free to respond without consideration of Licensee's comments. Licensee shall keep this documentation confidential in accordance with Section 9 herein.

8.3.2 Licensor may cease prosecution or maintenance of any Licensed Patent on a Region-by-Region basis by providing Licensee written notice at least sixty (60) days in advance of any filing or payment due date. If Licensor elects to cease prosecution or maintenance of the relevant Licensed Patent in a Region in the Territory, Licensee shall have the right, but not the obligation, at its sole discretion and cost, to continue prosecution or maintenance of such Licensed Patent and in such Region. If Licensee elects to continue prosecution or maintenance or elects to file additional applications following Licensor's election to cease prosecution or maintenance pursuant to this Section 8.3, Licensor shall transfer or cause to transfer the applicable patent files to Licensee or its designee and execute such documents and perform such acts at Licensee's expense as may be reasonably necessary to allow Licensee to initiate or continue such filing, prosecution or maintenance at Licensee's sole expense. Notwithstanding such filing, prosecution or maintenance of Licensed Patents at Licensee's sole expense, such Licensed Patents shall remain the property of Licensor and subject to the license granted herein.

8.4 **Foreground IP.**

8.4.1 Ownership of all Foreground IP shall follow inventorship. Each Party shall own all Foreground IP generated solely by or on behalf of such Party, including its and its Affiliate's employees, contractors and/or agents.

8.4.2 As between the Parties, any Foreground IP generated, developed, conceived or reduced to practice (constructively or actually) solely by or on behalf of Licensor and its Affiliates, including their employees, agents and contractors pursuant to activities conducted under this Agreement or in connection with the Development, manufacture, or commercialization of any Licensed Product outside of the Territory (**"Licensor Foreground IP"**) shall be solely and exclusively owned by Licensor. For clarity, Licensor Foreground IP shall be included in the Licensed Technology. Licensor shall promptly disclose all such Licensor Foreground IP to Licensee in writing. Notwithstanding the foregoing, Licensee shall have the right to refuse any such Licensor Foreground IP as it may deem necessary or relevant to this Agreement.

8.4.3 As between the Parties, any Foreground IP generated, developed, conceived or reduced to practice (constructively or actually) solely by or on behalf of Licensee, its Affiliates and any Sublicensees, including their employees, agents and contractors pursuant to activities conducted under this Agreement or in connection with the Development, manufacture, or commercialization of any

Licensed Product (**"Licensee Foreground IP"**) shall be solely and exclusively owned by Licensee. Licensee shall promptly disclose all such License Foreground IP to Licensor in writing.

8.4.4 Any Foreground IP generated, developed, conceived or reduced to practice (constructively or actually) jointly by or on behalf of Licensor and Licensee, their Affiliates and respective sublicensees, including their employees, agents and contractors shall be owned by the Parties. For the avoidance of doubt, any Foreground IP pursuant to this Section 8.4.4 shall be excluded from the Licensed Technology.

8.5 **Affiliates, Sublicensees and Subcontractors.** Each Party shall ensure that each of its Affiliates, sublicensees and subcontractors under this Agreement has a contractual obligation to disclose to such Party all Data and Foreground IP generated, invented, discovered, developed, made or otherwise created by them or their employees, agents or independent contractors, and to provide sufficient rights with respect thereto, so that such Party can comply with its obligations under this Section 8.

8.6 **Patent Infringement.**

8.6.1 In the event that Licensor or Licensee learns of infringement of potential commercial significance of any Licensed Patent in the Territory, the knowledgeable Party will provide the other:

(i) with written notice of such infringement and

(ii) with any evidence of such infringement available to it (the **"Infringement Notice"**).

During the Term, neither Licensor nor Licensee will notify a possible infringer in the Territory of infringement or put such infringer on notice of the existence of any Licensed Patents without first obtaining consent of the other, which consent shall not be unreasonably rejected or withheld. If Licensee puts such infringer on notice of the existence of any Licensed Patents with respect to such infringement without first obtaining the written consent of Licensor and if a declaratory judgment action is filed by such infringer against Licensor as a result of such notice, then Licensee's right to initiate a suit against such infringer for infringement under Section 8.6.2 below will terminate immediately without the obligation of Licensor to provide notice to Licensee. Both Licensor and Licensee will use their diligent efforts to cooperate with each other to terminate such infringement without litigation.

8.6.2 If infringing activity of potential commercial significance of any Licensed Patent

is in the Field in the Territory and has not been abated within thirty (30) days following the date the Infringement Notice takes effect, to the extent permitted by Applicable Law, Licensee shall have the first right to institute suit for patent infringement against the infringer. Licensor or its licensors, including, but not limited to, SBP, may voluntarily join such suit, at Licensor's or such other party's cost, as may be agreed by such parties, but may not thereafter commence suit against the infringer for the acts of infringement that are the subject of Licensee's suit or any judgment rendered in that suit. Licensee may not join Licensor, or its licensors, including, but not limited to, SBP, as a party in a suit initiated by Licensee without their express respective prior written consent. If Licensor, or its licensors, including, but not limited to, SBP, joins Licensor in a suit initiated by Licensee upon the request of Licensee, then, notwithstanding the above, Licensee will pay any costs incurred by Licensor, and its licensors, arising out of such suit, including but not limited to, any reasonable legal fees of counsel that Licensor, or its licensors, respectively select and retain as a representative in the suit. If Licensee shall have no right to institute suit for patent infringement against the infringer under Applicable Laws of a given Region, upon request by Licensee, Licensor shall institute such suit, using a counsel chosen by Licensee, and Licensee shall be the controlling party of the suit and shall pay any costs incurred arising from such suit, including, but not limited to, Licensor's and its licensors, including, but not limited to, SBP's, reasonable out-of-pocket costs, provided Licensor shall obtain Licensee's written consent prior to incurrence of any such costs. Neither Party shall not take any position with respect to such suit in any way that is reasonably likely to directly and adversely affect the scope, validity or enforceability of the Licensed Patents, or compromise or settle any such suit, without the prior consent of the other Party.

8.6.3 If (i) the infringement of the Licensed Patents in the Territory takes place outside of the Field, or, (ii) if the infringement the Licensed Patents in the Territory takes place within the Field, and within sixty (60) days following the date the Infringement Notice takes effect, the infringing activity of potential commercial significance by the infringer has not been abated and if Licensee has not brought suit against the infringer or begun negotiations regarding the terms under which Licensee would grant a Sublicense to the infringer, then, in each case, Licensor may institute suit for patent infringement against the infringer. If Licensor or any of its licensors institutes such suit, Licensee may not join such suit without Licensor's consent and may not thereafter commence suit against the infringer for the acts of infringement that are the subject of Licensor's or its licensors' suit or any judgment rendered in that suit. Licensor and its licensors may not join Licensee in a suit initiated by Licensor or its licensors, as applicable, without

Licensee's prior written consent. Any suit initiated by Licensor or its licensor under this Section, may be settled as determined by Licensor or its licensor, as the case may be, provided any such settlement shall not be inconsistent with or conflicting any rights granted hereunder, including exclusivity provided in Section 2. Further, either Party shall not take any position with respect to such suit in any way that is reasonably likely to directly and adversely affect the scope, validity or enforceability of the Licensed Patents without the prior consent of the other Party.

8.6.4 Except as otherwise provided, the costs and expenses of the Party joining the suit under this Section shall be borne by such Party. Any recovery or settlement received in connection with any suit filed under this Section will first be applied to the out-of-pocket costs of each Party in connection with such suit. In any suit initiated by Licensee, any recovery in excess of litigation costs shall be deemed to be Net Sales and subject to the payment of royalties in accordance with Section 7. Licensor and Licensee agree to be bound by all determinations of patent infringement, validity, and enforceability (but no other issue) resolved by any adjudicated judgment in a suit brought in compliance with this Section.

8.6.5 No agreement may be made by Licensee for purposes of settling litigation or other dispute that will involve any Sublicense in violation of Section 2.2.

8.6.6 Each Party will cooperate with the other in litigation proceedings instituted hereunder but at the expense of the Party who initiated the suit (unless such suit is being jointly prosecuted by the Parties). The Party controlling the litigation proceedings shall keep the non-controlling Party reasonably informed of the progress of such action.

8.6.7 Any litigation proceedings will be controlled by the Party bringing the suit, except that Licensor's licensors may be represented by counsel of their choice in any suit brought by Licensee. In no event may a Party admit liability or wrongdoing on behalf of the other Party without the respective party's prior written consent.

8.6.8 If a claim is brought by a third party alleging infringement of any Patent or misappropriation of any Know-How of such third party by the Development, manufacture or commercialization of the Licensed Products in the Territory, the Party first having notice of the claim or assertion shall promptly notify the other Party, the Parties shall agree on and enter into a "common interest agreement" wherein the Parties agree to their shared, mutual interest in the outcome of such potential dispute, and thereafter, the Parties shall promptly meet to consider the

claim or assertion and the appropriate course of action. If any such third party claim is in connection with Licensee's use of the Licensed Technology, Licensor may, at its option and expense, either: (i) procure for Licensees the right to continue using such allegedly infringing item; or (ii) replace or modify such allegedly infringing item so that such item becomes non-infringing. Licensee shall make commercially reasonable efforts to cooperate with Licensor's aforementioned endeavors to overcome any such alleged infringement. Where neither option (i) and (ii) is reasonably available, Section 10 shall apply with respect to allocations of risks associated with such claims.

ARTICLE 9 – CONFIDENTIALITY

9.1 **Treatment of Confidential Information.** During the term of this Agreement, and for a period of five (5) years after this Agreement expires or terminates, a Party receiving Confidential Information of the other Party shall (a) maintain in confidence such Confidential Information to the same extent such receiving Party maintains its own proprietary information (but at a minimum each Party shall use reasonable efforts); (b) not disclose such Confidential Information to any third party without prior written consent of the other Party to this Agreement; and (c) not use such Confidential Information for any purpose except those permitted by this Agreement. A Party shall have no such obligation with respect to any portion of such Confidential Information which:

(i) is publicly disclosed by the disclosing Party, or is otherwise publicly disclosed without the fault of the receiving Party, either before or after it becomes known to the receiving Party; or

(ii) was known to the receiving Party prior to when it was received from the disclosing Party, as evidenced by contemporaneous written records; or

(iii) is subsequently disclosed to the receiving Party in good faith by a third party who has a right to make such a disclosure; or

(iv) has been published by a third party which had a right to do so; or

(v) has been independently developed by the receiving Party without the aid, application or use of Confidential Information from the disclosing Party, such independent development being performed solely by persons not having access whatsoever to the disclosing Party's Confidential Information, as evidenced by contemporaneous written evidence of same; or

(vi) is required by law to be disclosed, but then only to the limited extent of such legally required disclosure; provided, however, that the other Party shall be given prompt notice of any such legally required disclosure.

Notwithstanding the foregoing, Licensee may disclose Licensor's Confidential Information to

the extent that such disclosure is reasonably necessary, in accordance with the term and conditions of this Agreement, to (a) prosecute patent applications within the Licensed Patents which Licensee is prosecuting as permitted under Section 8.3 , (b) pursue or defend litigation relating to the Licensed Patents, (c) seek or maintain Regulatory Approval for Licensed Products in the Territory, or (d) for compliance with applicable governmental regulations; provided that, if Licensee intends to make any such disclosure, it shall give reasonable advance written notice to Licensor of such intention. Furthermore, nothing in this Section 9.1 shall be construed to preclude Licensee from disclosing Licensor's Confidential Information to third parties in connection with the development and commercialization of Licensed Products including, without limitation, co-development, comarketing and co-promotion in connection therewith, or in the process of obtaining private or public financing, as long as such third party(ies) agrees in writing to be bound by confidentiality provisions no less strict than those set forth in this Section 9 .1.

9.2 **Publicity.** Any publication, news release or other public announcement relating to this Agreement, including without limitation, entering to into this Agreement, or to the performance hereunder, shall first be reviewed and approved by both Parties, which approval shall not be unreasonably withheld. The Parties shall issue a mutually acceptable press release regarding the execution of this Agreement as soon as practicable following the Effective Date. The Parties shall work together in good faith to finalize the text of such release and the mechanism for its distribution. Either Party shall be entitled to disclose the substance of this Agreement to its shareholders (and to prospective shareholders to whom its stock is offered for purchase) under a confidentiality agreement consistent with this Agreement. Each Party shall also be entitled to provide a copy of this Agreement to applicable Governmental Authorities as expressly required under Applicable Law.

ARTICLE 10 – INDEMNITY AND INSURANCE

10.1 **Licensor Indemnification.** Licensor hereby agrees to indemnify and hold harmless Licensee and its Affiliates and their respective directors, officers, researchers, scientists, employees and agents (collectively, the "Licensee lndemnitees") from and against any losses, claims, damages, costs, and expenses (including attorneys' fees) (collectively, "Losses") to which any Licensee lndemnitee may become subject as a result of any claim, demand, action, or other proceeding (each, a "Claim") by any third party to the extent such Losses arise out of or are incurred in connection with: (i) a breach of any of the warranties given by Licensor pursuant to this Agreement; (ii) the development, manufacture, use or sale of Licensed Products outside of the Territory; (iii) the willful misconduct or negligent acts of or violation of Applicable Law by Licensor or its Affiliates; and (iv) a Claim that is based upon the infringement or misappropriation of third party Patents or Know-How solely as a result of Licensee's use or practice of the Licensed Technology itself as permitted in this Agreement

for the development, manufacture and commercialization of a Licensed Product in the Territory, excluding any such Claim as a result of Licensee's use or practice of any other technology that is not licensed to Licensee under this Agreement; but excluding Losses arising from or relating to the breach of this Agreement by Licensee or the gross negligence or willful misconduct of any Licensee Indemnitees.

10.2 **Licensee Indemnification.** Licensee hereby agrees to indemnify and hold harmless Licensor and its Affiliates and their respective directors, officers, researchers, scientists, employees and agents (collectively, the "Licensor lndemnitees") from and against any Losses to which any Licensor lndernnitee may become subject as a result of any Claim by any third party to the extent such Losses arise out of or are incurred in connection with: (i) a breach of any of the warranties given by Licensee pursuant to this Agreement; (ii) the development, manufacture, use or sale of Licensed Products in the Territory; and (iii) the willful misconduct or negligent acts of or violation of Applicable Law by Licensee or its Affiliates; but excluding Losses arising from or relating to the breach of this Agreement by Licensor or the gross negligence or willful misconduct of any Licensor Indemnitees. Without limiting the generality of the foregoing, such indemnity obligation shall apply to any product liability or other claims, including without limitation, personal injury, death or property damage, made by employees, subcontractors, or agents of Licensee, as well as by any customer, patient, hospital, doctor, or member of the general public who buys or uses a Licensed Product. Licensee shall monitor customer complaints and shall be responsible for corrections, withdrawal or alert notices.

10.3 **Indemnification Process.** The Party that intends to claim indemnification under this Section shall promptly notify the indemnifying Party in writing of any Claim in respect of which the indemnified Party intends to claim such indemnification, and the indemnifying Party shall have sole control of the defense and/or settlement thereof, using counsel selected by the indemnifying Party. The indemnity obligations under this Section 10 shall not apply to amounts paid in settlement of any action with respect to a Claim if such settlement is effected without the prior express written consent of the indemnifying Party, which consent shall not be unreasonably withheld or delayed. The indemnifying Party may not settle or otherwise consent to an adverse judgment in any action with respect to a Claim that diminishes the rights or interests of the indemnified Pa1ty without the prior express written consent of the indemnified Party, which consent shall not be unreasonably withheld or delayed. The failure to deliver notice to the indemnifying Party within a reasonable time after notice of any such Claim, or the commencement of any action with respect to such Claim, to the extent prejudicial to the indemnifying Party's ability to defend such Claim, shall relieve such indemnifying Party of any liability to the indemnifying Party under this Section with respect thereto. The indemnified Party, its employees and agents, shall at the indemnifying Party's expense, reasonably cooperate with the indemnifying Party and its legal representatives in

the investigation and defense of any Claim.

10.4 **Insurance.** To the extent compelled by the Applicable Laws in a given Region, Licensee shall for so long as Licensee manufactures, uses or sells any Licensed Product, maintain in full force and effect policies of general liability insurance (with broad form general liability endorsement) with limits of not less than one million dollars ($1,000,000) per occurrence and a ten million dollar ($10,000,000) annual aggregate. From and after the time that Licensee or any of its Affiliates begin human clinical trials on any Licensed Product, Licensee shall use reasonable commercial efforts to obtain and maintain comprehensive general liability insurance, including products liability insurance, with reputable and financially secure insurance carriers in an amount which is customarily carried by companies at a comparable stage of development of new pharmaceutical and/or diagnostic products. Such coverage(s) shall be purchased from a carrier or carriers deemed reasonably acceptable to Licensor and shall name Licensor and SBP as additional insureds. Upon request by Licensor, Licensee shall provide to Licensor copies of said policies of insurance.

ARTICLE 11 – WARRANTIES

11.1 **Mutual Representations and Warranties.** Each Party hereby represents and warrants to the other Party, as follows:

11.1.1 It is a company or corporation duly organized, validly existing, and in good standing under the Laws of the jurisdiction in which it is incorporated;

11.1.2 (i) it has the corporate power and authority and the legal right to enter into this Agreement and perform its obligations hereunder; (ii) it has taken all necessary corporate action on its part required to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder; and (iii) this Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, and binding obligation of such Party that is enforceable against it in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar Laws affecting creditors' rights and remedies generally;

11.1.3 The execution and delivery of this Agreement, and the license granted pursuant to this Agreement (i) do not and will not conflict with or violate any requirement of Applicable Law existing as of the Effective Date; (ii) do not and will not conflict with or violate the certificate of incorporation or by-laws (or other constitutional documents) of such Party; and (iii) do not and will not conflict with, violate, breach or constitute a default under any contractual obligations of such Party or

any of its Affiliates existing as of the Effective Date;

11.1.4 Neither such Party nor any of its Affiliates is under any obligation to any Person, contractual or otherwise, that is in violation of the terms of this Agreement or that would impede the fulfillment of such Party's obligations hereunder;

11.1.5 Neither such Party nor any of its Affiliates is debarred or disqualified under any Applicable Laws; and

11.1.6 No authorization, consent, approval of a third party, nor any license, permit, exemption of or filing or registration with or notification to any court or Governmental Authority is or will be necessary for the (i) valid execution and delivery of this Agreement by such Party; or (ii) the consummation by such Party of the transactions contemplated hereby.

11.2 **Additional Representations and Warranties of Licensor.** Licensor represents and warrants to Licensee as follows:

11.2.1 As of Effective Date, it has the full right and power to grant the license to Licensee as set forth in this Agreement;

11.2.2 to Licensor's knowledge, as of Effective Date, the Licensed Technology is free and clear from any mortgages, pledges, liens, security interests, conditional and installment sale agreement, encumbrances, charges or claim of any kind except as may be set forth under the SBP License or in effect under Applicable Laws,

11.2.3 As of Effective Date, there is no pending litigation against Licensor or, to Licensor’s knowledge, against any upstream licensors (including SBP) or any of their respective Affiliates, that asserts or alleges that the Development, manufacture or commercialization of Product or any Licensed Product in the Field in the Territory infringed or misappropriated the Intellectual Property Rights of a third party; and neither Licensor nor, to Licensor's knowledge, any upstream licensor or their respective Affiliates, has received any written notice threatening any such litigation or claim;

11.2.4 As of Effective Date and thereafter for the duration of the term of this Agreement, Licensor shall not, and shall cause its Affiliates not to grant any third party rights that conflict with the rights granted to Licensee, its Affiliates and Sublicensees under this Agreement;

11.2.5 all maintenance and other fees have been timely and duly paid by Licensor for the Licensed Patents as of Effective Date;

11.2.6 To Licensor's knowledge, the Licensed Patents Listed on Exhibit B constitute all Patent Controlled by Licensor as of the Effective Date that are directly related to, or are necessary or useful to Develop, manufacture, use or commercialize Licensed Product in the Field in the Territory;

11.2.7 To Licensor's knowledge, any necessary documents intended to be transferred constitute all Know-How Controlled by Licensor as of the Effective Date that are directly related to, or are necessary or useful to Develop, manufacture, use or commercialize Licensed Product in the Field in the Territory;

11.2.8 To Licensor's knowledge, Licensor had made available to Licensee, via access to electronic data room, all available material information in its possession or Control concerning the quality, toxicity, safety and/or efficacy concerns existing as of the Effective Date that may materially impair the utility and/or safety of Product in the Field.

11.2.9 Neither Licensor nor any of its Affiliates or its or their respective licensees or sublicensees will employ or use the services of any Person who is debarred or disqualified under any Applicable Laws, in connection with activities relating to any Licensed Product; and in the event that Licensor becomes aware of the debarment or disqualification or threatened debarment or disqualification of any Person providing services to Licensor or any of its Affiliates or its or their respective licensees or sublicensees with respect to any activities relating to any Licensed Product, Licensor will immediately notify Licensee in writing and Licensor will cease, or cause its Affiliates or its or their respective sublicensee to cease (as applicable), employing, contracting with, or retaining any such Person to perform any services relating to any Licensed Product; and

11.2.10 Throughout the term of this Agreement, Licensor and its Affiliates

(i) shall remain in material compliance with all terms and conditions of each upstream license in connection with this Agreement, including SBP License;

(ii) shall provide prompt notice to Licensee of its receipt of any written notice that alleges (A) material breach or default by Licensor of, (B) requests a material amendment of, and/or (C) terminates, any upstream license; and

(iii) shall provide to Licensee a copy of each of the foregoing, in all cases,

solely in the event that such material breach, default, amendment and/or termination would have a material impact on Licensee's rights granted under this Agreement.

11.3 **Additional Representations and Warranties of Licensee.** Licensee represents and warrants to Licensor, as of the Effective Date, as follows:

11.3.1 it shall use the Licensed Technology in compliance with all Applicable Laws and guidelines promulgated by Regulatory Authorities in the Territory and with all terms of this Agreement;

11.3.2 Licensee shall make no representations, warranties, guaranties, commitments, statements or covenants to any third party on behalf of Licensor or SBP with respect to any Licensed Technology, and shall not seek to make any third party a third party beneficiary under this Agreement or represent to any third party the existence of any such third party beneficiary rights; and

11.3.3 Neither Licensee nor any of its Affiliates or its or their respective licensees or sublicensees will employ or use the services of any Person who is debarred or disqualified under any Applicable Laws, in connection with activities relating to any Licensed Product; and in the event that Licensee becomes aware of the debarment or disqualification or threatened debarment or disqualification of any Person providing services to Licensee or any of its Affiliates or its or their respective licensees or sublicensees with respect to any activities relating to any Licensed Product, Licensee will immediately notify Licensor in writing and Licensee will cease, or cause its Affiliates or its or their respective sublicensee to cease (as applicable), employing, contracting with, or retaining any such Person to perform any services relating to any Licensed Product.

11.4 **Disclaimer of Warranties.**

11.4.1 EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, LICENSOR MAKES NO WARRANTIES OR REPRESENTATIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY, REGARDING OR WITH RESPECT TO THE LICENSED TECHNOLOGY OR LICENSED PRODUCTS.

11.4.2 EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, LICENSOR MAKES NO WARRANTIES OR REPRESENT A TTONS, EXPRESSED OR

IMPLIED, OF THE PATENTABILTTY OF THE LICENSED PATENTS OR OF THE ENFORCEABILITY OF ANY PATENTS ISSUING THEREUPON, IF ANY, OR THAT THE LICENSED TECHNOLOGY OR LICENSED PRODUCTS ARE OR WILL BE FREE FROM INFRINGEMENT OF ANY PATENT OR OTHER INTELLECTUAL PROPERTY RIGHTS OF THIRD PARTIES.

11.5 **Limitation of Liability.** NEITHER PARTY SHALL BE ENTITLED TO RECOVER FROM THE OTHER PARTY ANY SPECIAL, INCIDENTAL, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES IN CONNECTION WITH THIS AGREEMENT OR ANY LICENSE GRANTED HEREUNDER EXCEPT FOR DAMAGES ARISING FROM A BREACH OF A PARTY'S CONFIDENTIALITY OBLIGATIONS UNDER ARTICLE 9 OR A BREACH OF THE LICENSE GRANT OR RESTRICTIONS AS SET FORTH UNDER ARTICLE 2. FOR THE AVOIDANCE OF DOUBT ANY DAMAGE AWARD AWARDED AGAINST A PARTY HEREUNDER WHICH IS INDEMNIFIABLE UNDER THE PROVISIONS OF ARTICLE 10 SHALL BE CONSIDERED DIRECT DAMAGES OF THE INDEMNIFIED PARTY EVEN IF SUCH DAMAGE AWARD INCLUDED THE SPECIAL, INCIDENTAL, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES AWARDED TO THE THIRD PARTY PLAINTIFF IN THE UNDERLYING ACTION.

11.6 **Cap on Damages.**

11.6.1 NOTWITHSTANDING ANYTHING ELSE TO THE CONTRARY HEREIN, BUT EXCLUDING ANY AMOUNTS DUE AND PAYABLE BY LICENSEE TO LICENSOR UNDER ARTICLE 7 OF THIS AGREEMENT AS CONSIDERATION OF LICENSE RIGHTS GRANTED TO LICENSEE HEREUNDER AND REIMBURSABLE COSTS PAYABLE UNDER SECTIONS 3.2, 5.1, AND 6.3, AND EITHER PARTY'S INDEMNIFICATION OBLIGATION UNDER SECTION 10 WHICH IS SUBJECT TO THE CAP SET FORTH IN SECTION 11.6.2 BELOW, THE MAXIMUM LIABILITY OF EITHER PARTY UNDER THIS AGREEMENT SHALL NOT EXCEED THE AGGREGATE AMOUNT OF PAYMENTS RECEIVED OR PAID UNDER THIS AGREEMENT.

11.6.2 THE MAXIMUM LIABILITY OF EITHER PARTY UNDER ITS INDEMNIFICATION OBLIGATION UNDER SECTION 10 SHALL NOT EXCEED TWICE THE AGGREGATE AMOUNT OF PAYMENTS RECEIVED OR PAID UNDER THIS AGREEMENT.

ARTICLE 12 – TERM AND TERMINATION

12.1 **Term.** The term of this Agreement ("Term") shall begin on the Effective Date and, unless earlier terminated, shall continue on a Licensed Product-by-Licensed Product and Region by Region basis until the expiration of all of Licensee's payment obligations to Licensor upon the lapse of the Royalty Period.

12.2 **Termination by Notice.** Notwithstanding any provision herein, Licensee may terminate this Agreement in its entirety, at any time by giving Licensor at least sixty (60) days' prior written notice. All rights and obligations of Licensee with respect to such patent(s) and patent application(s) shall terminate.

12.3 **Default Remedies.**

12.3.1 If Licensee at any time defaults in the payment of any sum when due hereunder and fails to make such payment within thirty (30) days after receipt of written notice thereof by Licensor, Licensor may, at its option, terminate this Agreement and all licenses granted herein upon written notice.

12.3.2 If either Party at any time commits a material breach of a material obligation of this Agreement (other than Licensee's payment obligations), including but not limited to, in the case of Licensee, its failure to achieve a Milestone Event in Section 4.2 and subject to Section 4.3, and such breaching Party fails to cure any such material breach within sixty (60) days after receipt of written notice thereof by the non-breaching Party, the nonbreaching Party may, at its option, terminate this Agreement upon written notice.

12.4 **Default for Bankruptcy.** Each Party shall have the right, at its option, to terminate this Agreement in the event that the other Party shall;

(i) file in court or agency pursuant to any applicable state or federal petition in bankruptcy (other than dissolution or winding up for the purposes of reconstruction or amalgamation) or if such party is served with an involuntary petition in bankruptcy, or
(ii) make an assignment of all or substantially all of its assets for the benefit of creditors, or
(iii) in the event that a receiver or trustee is appointed for the other Party and such Party shall, after the expiration of thirty (30) days following any of the events enumerated above, be unable to secure a dismissal, stay or other suspension of such proceedings.

12.5 **Effect of Termination or Expiration.**

12.5.1 Upon termination of this Agreement by Licensee pursuant to Section 12.2 hereof or by Licensor pursuant to Section 12.3 hereof for material breach by Licensee or Section 12.4 hereof in the event of bankruptcy, insolvency, dissolution, or receivership proceedings by Licensee, as of the date of termination set forth in Licensee's termination notice (in the case of termination under Section 12.2) or receipt by Licensee of notice of such termination (in the case of a termination under Section 12.3 or 12.4), or upon a termination under Section 13.8.1 , Licensee and its Affiliates shall immediately cease exploiting any of the Licensed Patents and return all copies of the same to Licensor and cease production of all Licensed Products; provided, however, that Licensee, its Affiliates and each Sublicensee may dispose of any Licensed Products manufactured as of the date of termination, and may complete manufacture of Licensed Products then in the process of manufacture, and sell them, provided that Licensee shall pay to Licensor running royalties in accordance with Sections 7.2 with respect thereto and otherwise complies with the terms of this Agreement.

12.5.2 Upon Licensee's termination of this Agreement pursuant to Section 12.3.2 for material breach by Licensor, as of the date of receipt by Licensor of notice of such termination, the following shall apply: (1) the license granted to Licensee under Section 2.1, but only with respect to Licensed Licensor Know-How and Licensed Patents that are not Licensed SBP Patents, shall become a fully paid-up, royalty-free, perpetual, transferrable and non-exclusive license, with the right to grant sublicense through all tiers, in the Field in the Territory; (2) any grant back license shall be terminated and all rights of Licensor under Licensee Foreground IP shall revert to Licensee, provided, that upon the written request of Licensor, Licensee shall negotiate in good faith a continuing license to such Licensee Foreground IP on commercially reasonable terms. As the holder and owner of the Regulatory Approvals in the Territory, Licensee shall be solely entitled to any right, title and interest in and to any and all Regulatory Materials, Regulatory Approvals of the Licensed Products in the Field in the Territory. Not later than ten (10) Business Days after the effective date of termination or expiration date of this Agreement, Licensor shall return to Licensee (or, at Licensee's request, shall destroy) all of the Licensee's Confidential Information (including any Licensee Foreground IP) that are in Licensor's possession.

12.5.3 All rights and licenses granted under or pursuant to any section of this Agreement are, and shall otherwise be deemed to be, for purposes of 11 U.S. Code § 365,

licenses of rights to "intellectual property" as defined under 11 U.S. Code § 101 (35A). Each Party shall retain and may fully exercise all of its rights and elections under the Bankruptcy Code or subsequently equivalent legislation in United States. Upon the commencement of a bankruptcy or other insolvency proceeding of either Party, the other Party shall further be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, and such, if not already in its possession, shall be promptly delivered to such other Party, unless the Party in bankruptcy or other insolvency proceeding elects to continue, and continues, to perform all of its obligations under this Agreement. If not delivered pursuant to the previous sentence, such intellectual property and such embodiments thereof shall be delivered upon the rejection of this Agreement by or on behalf of the non-bankrupt Party upon written request therefor.

12.5.4 The Parties agree that the Agreement shall be treated as if it were terminated by Licensee pursuant to Section 12.3.2 where: (i) Licensor ceases to exist without any successor in law; and (ii) 11 U.S. Code § 365 does not apply to govern the rights and licenses granted hereunder.

12.5.5 Upon expiration of this Agreement, subject to any limitations and restrictions under the Licensor's agreement with SBP covering the Licensed Technology, the licenses of the Licensed Technology granted under Section 2.1 shall become fully paid-up, royalty-free, perpetual, irrevocable, freely transferable, and with the right to grant sublicenses through all tiers.

12.6 **Termination of the license granted to Licensor by SBP.** Under any of the provisions of Section 11 (Term and Termination) of the SBP License will terminate the license of Licensed SBP Know-How and Licensed SBP Patents granted by Licensor under Section 2. I, unless Licensee elects to continue such license by advising SBP in writing, within thirty (30) days of the Licensee's receipt of written notice of such termination from SBP or Licensor, of Licensee's election, and of Licensee's agreement to assume with respect to SBP all of the obligations (including obligations for payment) of Licensor contained in the SBP License Agreement.

12.7 **Effect of Compelled Termination due to Compliance with Applicable Laws.** In the event that this Agreement is terminated as required under Section 3.2.2, the Parties shall negotiate in good faith the specific amount to be returned to Licensee by Licensor with respect to payments made to Licensor, based on fair principle of returning to Licensee amounts paid for which Licensee did not receive the corresponding rights. Should the Parties not be able to agree to such amount to be paid to Licensee by Licensor pursuant to a

termination under Section 3.2.2 within ninety (90) days of such termination, such amount shall be determined by arbitration conducted pursuant to Section 13.11. Payment by Licensor of the amount determined by the Parties under this Section or under Section 13.11, as applicable, shall be Licensor' s sole liability and Licensee's sole remedy with respect to a compelled termination pursuant to Section 3.2.2.

12.8 **No Waiver; Survival.**

12.8.1 No termination of this Agreement shall constitute a termination or a waiver of any rights of either Party against the other Party accruing at or prior to the time of such termination.

12.8.2 In addition to the provisions of this Agreement that continue in effect in accordance with their terms, the obligations and rights of the Parties under Sections 1, 2, 3, 7 (for the duration of permitted Net Sales following termination under Section 12.5.1), 8.1, 8.7, 8.9 (unless termination was by Licensee pursuant to Section 12.3.2), 9.1, 10.1, 10.2, 10.3, 11.5, 11.6, 12.5.1, 12.5.2 (but only if termination was by Licensee pursuant to Section 12.3.2), 12.5.3, 12.5.4, 12.5.5, 12.7 (but only if termination was compelled under Section 3.2.4), 12.8.2 and 13 shall survive termination of this Agreement.

12.8.3 In addition to the provisions of this Agreement that continue in effect in accordance with their terms, the obligations and rights of the Parties under Sections 1, 2.1 (subject to Section 12.5.2), 2.4, 2.5 (subject to Section 12.5 .5), 3. l, 7 .9, 7 .11 , 7 .12, 7 .13, 7.14, 7.15, 8.1, 8.7, 8.9, 9.1 , 10.1, 10.2, 10.3, I 1.5, 11.6, 12.5.2, 12.5.5, 12.8.3 and 13 shall survive expiration of this Agreement.

ARTICLE 13 – GENERAL PROVISIONS

13.1 **Use of SBP Names.** Licensee agrees that it shall not use in any way the name "Sanford Burnham Prebys Medical Discovery Institute" or any logotypes or symbols associated with SBP or the names of any of the scientists or other researchers at SBP without the prior written consent of Licensor.

13.2 **Independent Contractors.** The Parties hereby acknowledge and agree that each is an independent contractor and that neither Party shall be considered to be the agent, representative, master or servant of the other Party for any purpose whatsoever, and that neither Party has any authority to enter into a contract, to assume any obligation or to give warranties or representations on behalf of the other Party without the prior written consent of the other Party. Nothing in this relationship shall be construed to create a joint venture,

agency, partnership, fiduciary or other similar relationship between the Parties.

13.3 **Entire Agreement.** The terms and conditions herein constitute the entire agreement between the Parties and shall supersede all previous agreements, either oral or written, between the Parties hereto with respect to the subject matter hereof, including, but not limited to the Non-Binding Term Sheet For Agreement For License To Certepetide (AKA LSTA1 or CEND-1) entered into by the Parties and dated the 7th day of October 2024.

13.4 **Non-Waiver.** The Parties covenant and agree that if a Party fails or neglects for any reason to take advantage of any of the terms provided for the termination of this Agreement or if a Party, having the right to declare this Agreement terminated, shall fail to do so, any such failure or neglect by such Party shall not be a waiver or be deemed or be construed to be a waiver of any cause for the termination of this Agreement subsequently arising, or as a waiver of any of the terms, covenants or conditions of this Agreement or of the performance thereof. None of the terms, covenants and conditions of this Agreement may be waived by a Party except by its written consent.

13.5 **Reformation.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability shall not invalidate or render unenforceable such provision in any other jurisdiction. Should any provision of this Agreement be so held to be unenforceable, such provision, if permitted by law, shall be considered to have been superseded by a legally permissible and enforceable clause which corresponds most closely to the intent of the Parties as evidenced by the provision held to be unenforceable.

13.6 **Modification.** No amendment or modification of this Agreement shall be effective unless in writing signed by the Parties hereto and it expressly refers to this Agreement. No provision of this Agreement shall be varied, contradicted or explained by any oral agreement, course of dealing or performance or any other matter not set forth in an agreement in writing and signed by the Parties.

13.7 **Assignability.** Each Party shall not assign the license granted hereunder or this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld, except that each Party may, without such consent, assign this Agreement and the rights, obligations and interests of such Party to any of its Affiliates, to any purchaser of all or substantially all of its assets to which the subject matter of this Agreement relates, or to any successor corporation resulting from any merger or consolidation of such Party with or into such corporation; provided, in each case, that the assignee agrees in writing to be bound by the terms of this Agreement. Any attempted

assignment in violation of this Section 13. 7 shall be null and void.

13.8 Force Majeure.

13.8.1 Except with respect to payment obligations due to Licensor, no liability hereunder shall result to a Party by reason of delay in performance to the extent caused by circumstances beyond the reasonable control of the Party, including, without limitation, acts of God, fire, flood, war, civil unrest, labor unrest, acts of Governmental Authorities including any closures due to pandemics, or terrorism. If a force majeure persists for more than ninety (90) days, then the Parties will discuss in good faith the modification of the Parties' obligations under this Agreement in order to mitigate the delays caused by such force majeure.

13.8.2 In the event that following the Effective Date, U.S. laws and regulations (including but not limited to the Export Administration Act of the United States of America and any related Laws) are amended to prohibit the transaction contemplated by this Agreement, then the following shall apply: (i) the Parties shall discuss the matter and method for the fulfillment of this Agreement, and if appropriate attempt in good faith to reach mutual agreement on any amendment to this Agreement to allow performance to go forward to the extent possible notwithstanding such force majeure event; and (ii) if the Parties are unable to amend this Agreement within five (5) Business Days to allow performance to go forward without violating U.S. laws and regulations (including but not limited to the Export Administration Act of the United States of America and any related Laws), then this Agreement shall be automatically terminated.

13.9 **Notices.**

13.9.1 Any payment, notice or other communication pursuant to this Agreement shall be mailed by certified or registered mail, postage prepaid, or delivered by overnight delivery service addressed as follows or to such other address designated by written notice given to the other Party or faxed to the other party if the sender has evidence of successful transmission:

If to Licensor:
Lisata Therapeutics Inc.
110 Allen Road, Second Floor
Basking Ridge, NJ 07920
Attn: Tariq Imam
legal@lisata.com

If to Licensee:
Kuva Labs Inc.
1700 Post Oak Blvd, Ste 600
Houston, TX 77056
Attn: Andrew Hopkins
andrew.hopkins@mi2holdingsllc.com

13.9.2 Any such payment, notice or other communication shall be effective upon confirmed receipt.

13.10 **Governing Law**. This Agreement shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of New York without regard to its conflict of laws rules. This Agreement is expressly acknowledged to be subject to all federal laws, including, but not limited to, the Export Administration Act of the United States of America. No conflict-of laws rule or laws that might refer such construction and interpretation to the laws of another state, republic, country or region shall be considered.

13.11 **Dispute Resolution.**

13.11.1 All claims, disputes or controversies arising out of, in connection with or in relation to this Agreement, including any and all issues of arbitrability of any such claim, dispute or controversy, and regardless of whether any such claim, dispute or controversy is based or claimed to be based in whole or in part on a claim by either Party of breach of this Agreement by the other Party shall be exclusively decided by resort to arbitration utilizing three (3) neutral arbitrators, administered by the American Arbitration Association in accordance with its Commercial Rules. The arbitration shall be held in New York City.

13.11.2 The decision of the arbitrators shall be final, binding and enforceable in any court of competent jurisdiction and the Parties agree that there shall be no appeal from the arbitrators' decision except as allowed by the laws of the State of New York. All statutes of limitation that would otherwise be applicable shall apply to any arbitration proceeding. The right to arbitrate shall survive the termination of the Agreement.

13.11.3 The arbitrators shall apply the choice of law as set forth in Section 13. l 0 exclusive of its principles of conflicts of laws for determination of the rights and remedies under the Agreement and for all aspects of the award hereunder.

13.11.4 The arbitrators shall have the power to award attorney 's fees, costs and expenses to the prevailing Party in any such arbitration proceeding.

13.12 **Headings.** The headings for each Section in this Agreement have been inserted for convenience of reference only and are not intended to limit or expand on the meaning of the language contained in the particular Section.

13.13 **Counterparts.** This Agreement may be executed by an original, facsimile or electronic signature from a duly authorized person of the respective Parties and be in multiple counterparts, with such counterparts constituting one instrument.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the Parties hereto have executed and delivered this Agreement by their duly authorized officers effective as of the Effective Date.

LISATA THERAPEUTICS, INC.

By:

Name: David J. Mazzo, PhD

Title: President & CEO

KUVA LABS, INC.

By:

Name: Mark Land

Title: CEO

EXHIBIT A: CLINICAL SUPPLY AGREEMENT

Between Lisata Therapeutics, Inc. and Kuva Labs, Inc.

The following Clinical Supply Agreement serves as the basis for the distribution of Lisata Therapeutics, Inc.'s (**"Lisata"** or the **"Company"**) proprietary agent, Certepetide (the **"Agent"**), for Kuva Labs, Inc.'s (**"Kuva"** or the **"Collaborator"**) supported clinical trials and will be effective as of the last date of signature below (**"Effective Date"**), and upon execution will be incorporated into the Exclusive License and Collaboration Agreement by and between Company and Kuva dated on November 30, 2024 (the **"Agreement"**). This Clinical Supply Agreement describes certain deliverables to be provided by the Company pursuant to the Agreement.

In the event of any conflict between the Agreement and any provision of this Clinical Supply Agreement, the Agreement will control unless the parties' intent to alter the terms of the Agreement is expressly set forth in such provision, and such alteration shall only apply to this Clinical Supply Agreement and shall not be construed as an amendment to the terms of the Agreement. Capitalized terms used in this Clinical Supply Agreement will have the same meaning as set forth in the Agreement.

ARTICLE 1 – ADVERSE EVENTS

Collaborator shall report all serious or unexpected Grade 4 and Grade 5 adverse events that emerge during clinical studies, as described in the protocol(s), to Company as soon as practicable. In the event that Collaborator informs the FDA or equivalent regulatory agency of any serious or unexpected adverse events, Collaborator must notify the Company at the same time.

ARTICLE 2 – DRUG INFORMATION AND SUPPLY

Company agrees to provide to Collaborator, at a rate of cost plus ten percent (10%), appropriately labeled Agent in accordance with Collaborator's clinical protocol, a sufficient quantity to complete the Collaborator's clinical studies, as attached hereto in Attachment A. The Agent shall have a minimum shelf life of two years. The Company shall provide the Agent to the Collaborator only to be used solely for the treatment of patients registered to Collaborator's clinical studies, pursuant to the clinical protocol of such studies. For the avoidance of doubt, upon Collaborator's request, Company shall furnish to Collaborator, any all services, invoices and deliverables as they relate to the procurement, handling, freight, and logistics costs of the Agent.

The Company requires the Collaborator and any study participating investigators to store the Agent properly in a secure location with limited access to prevent theft or misuse. Once the

study is completed or closed to accrual and treatment, participating investigators will be required to return to the Collaborator any undispensed quantities of Agent. Previously dispensed Agent, whether partially or in full, will not be returned to the Collaborator and must be destroyed locally in accordance with the participating investigator's institutional disposal policy. The Collaborator will destroy all expired or unused Agent remaining at the end of Collaborator's clinical studies in accordance with Federal or State regulations, unless requested by Company to return the Agent to Company, at the Company's expense.

ARTICLE 3 – PUBLICATIONS AND COMMERCIALIZATION

The Collaborator and its investigators maintain the full right to present and publish the data at such time and place as they see fit. Manuscripts from all clinical trials involving Agent or those to which Company has specifically committed resources should have advisory review and comment by Company prior to submission for publication. The amount of time required for the review shall not exceed thirty (30) days. The publication or other disclosure shall be delayed for up to an additional thirty (30) days upon written request by either party to this agreement as necessary to preserve U.S. or foreign patent or other intellectual property rights.

ARTICLE 4 – USE OF NAME

Company may use, refer to, and disseminate reprints of scientific, medical, and other published articles which disclose the name of Collaborator consistent with U.S. copyright laws, provided such use does not constitute an endorsement of any commercial product or service by Collaborator. Company shall take every step possible to ensure that references to the articles are accurate, and shall explicitly state that any such reference does not claim, infer, or imply an endorsement or recommendation of the product by the Collaborator or its investigators. Company shall not use the name of Collaborator in any advertising, packaging, or promotional material in connection with Agent except with the written permission of Collaborator, or as may be required by law.

ARTICLE 5 – LIABILITY

No indemnification for any loss, claim, damage, or liability is intended or provided by either party under this Clinical Supply Agreement. Each party shall be liable for any loss, claim, damage, or liability that said party incurs as a result of said party's activities under this Clinical Supply Agreement

ARTICLE 6 – GOVERNING LAW

This Agreement shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of New York without regard to its conflict of laws rules. This Agreement is expressly acknowledged to be subject to all federal laws, including, but not limited to, the Export Administration Act of the United States of America. No conflict-of laws rule or laws that might

refer such construction and interpretation to the laws of another state, republic, country or region shall be considered.

ARTICLE 7 – SEVERABILITY

The terms of this Clinical Supply Agreement are severable. If any item or provision of this Clinical Supply Agreement shall to any extent be invalid or unenforceable, the remainder of this Clinical Supply Agreement shall not be affected, and each remaining item and provision of this Clinical Supply Agreement and the governing Agreement shall be valid and shall be enforceable to the fullest extent permitted by law.

ARTICLE 8 – SURVIVABILITY

The provisions of this Agreement as they relate to confidentiality and Agent supply shall survive the expiration or earlier termination of this Agreement.

ARTICLE 9 – COMPLIANCE

Collaborator agrees to comply with all Department of Health and Human Services regulations relating to Human Subject use.

ARTICLE 10 – TERMINATION

i. This Agreement expires on the earlier to occur of the completion of the clinical research or five (5) years from the date of execution of this Clinical Supply Agreement. Said expiration date may be changed by mutual agreement and written amendment of this Clinical Supply Agreement.
ii. This Clinical Supply Agreement may be terminated at any time by the mutual written consent of the parties.
iii. Either party may unilaterally terminate the Clinical Supply Agreement at any time by giving written notice to the other Party at least sixty (60) days prior to the desired termination date.
iv. On expiration or earlier termination of this Clinical Supply Agreement, Collaborator will supply enough of each Agent to complete the clinical study(ies) ongoing or approved, pursuant to the provisions of Article 2.

ARTICLE 11 – AMENDMENTS

Upon mutual agreement of both parties, this Clinical Supply Agreement may be amended as necessary to ensure the agreement accurately reflects the terms and scope of the Collaborator's clinical studies. The Amendment shall be in writing signed by both the authorized representative of Company and the Collaborator.

By executing this Agreement, each of the undersigned represents and confirms that he or she is fully authorized to bind the identified entity to its terms.

LISATA THERAPEUTICS, INC.

By:

Name: David J. Mazzo, PhD

Title: President & CEO

KUVA LABS, INC.

By:

Name: Mark Land

Title: CEO

ATTACHMENT A

Summary - Estimated Needs*

Period	Use/Application	Est. Doses	Amount
2024/5	GLP Manufacturing/Stability		79.2 grams
2025	Australia Dosing and Phase 1 PDAC	45	13.2 grams
2025	Australia - All comers** - Phase 1/2	200	58.9 grams
2026	USA Phase 2/3 - All comers**	400	117.8 grams
Total			**269.1 grams**

** Dependent on regulatory approvals/permissions*

*** Multiple indications*

Estimated Volumes by Quarter*

Period		LSTA1(g)	Use
2024	December	26.4	Round 1 Manufacturing
2025	Q1	59.4	Rounds 2/3 Manuf. and half Dosing/P1 (Aus)
	Q2	26.3	Rest Dosing/P1 (Aus) plus one third of P1/2 (Aus)
	Q3	19.6	One third of P1/2 (Aus)
	Q4	19.6	One third of P1/2 (Aus)
2026	Q1	23.6	One fifth of P2/3 (USA)
	Q2	31.4	One third of remaining P2/3 (USA)
	Q3	31.4	One third of remaining P2/3 (USA)
	Q4	31.4	One third of remaining P2/3 (USA)
Total		**269.1**	

** Dependent on regulatory approvals/permissions*

EXHIBIT B: LICENSED PATENTS

Pursuant to an Exclusive License and Collaboration Agreement executed by and between Lisata Therapeutics, Inc. (**"Lisata"**) and Qilu Pharmaceutical Co., Ltd. (**"Qilu"**) dated February 14, 2021, Qilu was granted certain exclusive rights in the Greater Area of China (including China, Macau, Hong Kong and Taiwan (the **"Qilu Territory"**). As such, the below table denotes which patent families shall be excluded from worldwide rights as they are withing the Qilu Territory.

GRANTED PATENTS		
REGION	**TITLE**	**APPLICATION NO.**
WORLDWIDE EX. THE QILU TERRITORY	METHODS AND COMPOSITIONS RELATED TO INTERNALIZING RGD PEPTIDES	WO2009/126349
WORLDWIDE	METHODS AND COMPOSITIONS RELATED TO PEPTIDES AND PROTEINS WITH C-TERMINAL ELEMENTS	WO2009/105671
WORLDWIDE EX. THE QILU TERRITORY	METHODS AND COMPOSITIONS USING PEPTIDES AND PROTEINS WITH C-TERMINAL ELEMENTS	WO2011/005540

PATENT APPLICATIONS			
REGION	**TITLE**	**DATE FILED**	**APPLICATION NO.**
AUSTRALIA	LOW-DOSE CYTOKINE CO-ADMINISTERED WITH IRGD FOR TREATING CANCER	MAR 6, 2020	2020235864
BRAZIL	LOW-DOSE CYTOKINE CO-ADMINISTERED WITH IRGD FOR TREATING CANCER	MAR 6, 2020	BR112021017774-4
CANADA	LOW-DOSE CYTOKINE CO-ADMINISTERED WITH IRGD FOR TREATING CANCER	MAR 6, 2020	3,132,813
CHINA	LOW-DOSE CYTOKINE CO-ADMINISTERED WITH IRGD FOR TREATING CANCER	MAR 6, 2020	2020800334862
EUROPEAN PATENT OFFICE	LOW-DOSE CYTOKINE CO-ADMINISTERED WITH IRGD FOR TREATING CANCER	MAR 6, 2020	20770764.7
HONG KONG	LOW-DOSE CYTOKINE CO-ADMINISTERED WITH IRGD FOR TREATING CANCER	MAR 6, 2020	62022056549.8
JAPAN	LOW-DOSE CYTOKINE CO-ADMINISTERED WITH IRGD FOR TREATING CANCER	MAR 6, 2020	2021-552755
REPUBLIC OF KOREA	LOW-DOSE CYTOKINE CO-ADMINISTERED WITH IRGD FOR TREATING CANCER	MAR 6, 2020	10-2021-7032407
UNITED STATES OF AMERICA	LOW-DOSE IL-2 CO-ADMINISTERED WITH IRGD CAUSES IMMUNE STIMULATION IN TUMORS	MAR 8, 2019	62/815,917

PATENT APPLICATIONS (CONT'D)			
REGION	**TITLE**	**DATE FILED**	**APPLICATION NO.**
UNITED STATES OF AMERICA	LOW-DOSE CYTOKINE CO-ADMINISTERED WITH IRGD FOR TREATING CANCER	MAR 6, 2020	16/812,107
PCT	LOW-DOSE CYTOKINE CO-ADMINISTERED WITH IRGD FOR TREATING CANCER	MAR 6, 2020	PCT/US2020/021570
UNITED STATES OF AMERICA	METHODS FOR TREATING PANCREATIC CANCER AND OTHER SOLID TUMORS	MAY 4, 2021	17/923,408
UNITED STATES OF AMERICA	IRGD-ANALOGS AND RELATED THERAPEUTIC METHODS	MAY 4, 2022	17/737,008
PCT	IRGD-ANALOGS AND RELATED THERAPEUTIC METHODS	MAY 4, 2022	PCT/US2022/027735
EUROPEAN PATENT OFFICE	IRGD-ANALOGS AND RELATED THERAPEUTIC METHODS	MAY 4, 2022	22799544.6
AUSTRALIA	IRGD-ANALOGS AND RELATED THERAPEUTIC METHODS	MAY 4, 2022	2022270659
CANADA	IRGD-ANALOGS AND RELATED THERAPEUTIC METHODS	MAY 4, 2022	3217749
JAPAN	IRGD-ANALOGS AND RELATED THERAPEUTIC METHODS	MAY 4, 2022	JP2024517221A

PATENT APPLICATIONS (CONT'D)			
REGION	**TITLE**	**DATE FILED**	**APPLICATION NO.**
REPUBLIC OF KOREA	IRGD-ANALOGS AND RELATED THERAPEUTIC METHODS	MAY 4, 2022	10-2023-7041651
UNITED STATES OF AMERICA	IRGD-ANALOGS AND RELATED THERAPEUTIC METHODS	APR 8, 2022	63/329,321
AUSTRALIA	METHODS FOR TREATING PANCREATIC CANCER AND OTHER SOLID TUMORS	MAY 4, 2021	AU2021266721A1
REPUBLIC OF KOREA	METHODS FOR TREATING PANCREATIC CANCER AND OTHER SOLID TUMORS	MAY 4, 2021	KR20230006540A
EUROPEAN PATENT OFFICE	METHODS FOR TREATING PANCREATIC CANCER AND OTHER SOLID TUMORS	MAY 4, 2021	EP4146274A4
CANADA	METHODS FOR TREATING PANCREATIC CANCER AND OTHER SOLID TUMORS	MAY 4, 2021	CA3182546A1
PCT	METHODS FOR TREATING PANCREATIC CANCER AND OTHER SOLID TUMORS	MAY 4, 2021	PCT/US2021/030740

NON-EXCLUSIVE LICENSE AGREEMENT

THIS NON-EXCLUSIVE LICENSE AGREEMENT (this "**Agreement**") is entered into effective as of October ___7___, 2025 (the "**Effective Date**") by and between **Lisata Therapeutics, Inc.**, a Delaware corporation ("**Lisata**") and **Redwood Bioscience, Inc.**, a Delaware corporation ("**Catalent**"). Lisata and Catalent are referred to in this Agreement individually as a "**Party**" and collectively as the "**Parties**." Capitalized terms used in this Agreement have the meanings assigned to them in Section 1 below or where otherwise defined in this Agreement.

WHEREAS, Lisata is a biotechnology company and has developed Certepetide and owns the Licensed Technology;

WHEREAS, Catalent is a biotechnology company and has developed proprietary technology platforms related to the identification, assembly and generation of bioconjugate therapeutic products; and

WHEREAS, subject to the terms and conditions of this Agreement, Lisata wishes to grant Catalent, and Catalent wishes to obtain from Lisata, a non-exclusive license under the Licensed Technology for the Field in the Territory.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS

The following definitions will control the construction of each of the following items wherever they appear in this Agreement.

1.1 "**Act**" means the United States Federal Food, Drug, and Cosmetic Act, as amended to date and as may be further amended from time to time during the Term, and the regulations promulgated with respect thereto.

1.2 "**Affiliate**" means: (a) with respect to Lisata or any Third Party, any corporation, firm, partnership or other entity that controls, is controlled by or is under common control with such entity; and (b) with respect to Catalent, Redwood Bioscience, Inc. and any corporation, firm, partnership or other entity controlled by it. For the purposes of this definition, "control" means possession, directly or indirectly, of the power to direct the management and policies of such corporation, firm, partnership or other entity, whether through the ownership of 50% or more of the voting interests, through contract, or otherwise.

1.3 "**Applicable Laws**" means all laws, rules, regulations and guidelines within the Territory (including, the Act and all regulations promulgated thereunder), as existing as of the applicable time, in each case to the extent applicable and relevant to a Party or its performance under this Agreement.

1.4 "**Business Day**" means any day other than a Saturday, Sunday or other day on which banks in New York, New York are permitted or required to close by law or regulation.

1.5 "**Catalent Business Sale**" means: (a) any Change of Control of Catalent or (b) any transaction (other than a Licensed Product Sale) pursuant to which Catalent or any of its Affiliates assigns or otherwise transfers to a Third Party its rights to any assets of Catalent and/or Catalent Emeryville.

1.6 "**Catalent Emeryville**" means the business conducted by Catalent and/or its Affiliates at their Emeryville, California facility.

1.7 "**Catalent-Introduced Partner**" means any Sublicensee or other Party to a Licensed Product Transaction that is not a Lisata-Introduced Partner.

1.8 "**Catalent Net Sales**" means, solely with respect to any Licensed Product that is commercialized by Catalent or any of its Affiliates (each, a "**Catalent Selling Party**") (as opposed to being commercialized by a Sublicensee), the gross amounts invoiced for sales or other dispositions of such Licensed Product by or on behalf of such Catalent Selling Party to Third Parties, less the following deductions to the extent actually incurred, allowed, paid or accrued by the Catalent Selling Party, as determined in each case in compliance with generally accepted accounting principles in the United States ("**GAAP**"):

(a) normal and customary trade, quantity, cash, or other discounts actually allowed and properly taken directly with respect to sales of such Licensed Product;

(b) credits or allowances given or made for rejection or return of previously sold Licensed Products or for retroactive price reductions and billing errors;

(c) rebates and chargeback payments granted to managed health care organizations, pharmacy benefit managers (or equivalents thereof), national, state/provincial, local, and other governments, their agencies and purchasers and reimbursers, or to trade customers;

(d) fees paid to wholesalers, distributors, group purchasing organizations and Third Party payors, in each case with respect to Licensed Products;

(e) costs of freight, carrier insurance, and other transportation charges directly related to the distribution of such Licensed Product;

(f) that portion of the annual fee on branded prescription drug manufacturers imposed by the Patient Protection and Affordable Care Act, Pub. L. No. 111-148 (as amended), or similar sales-based taxes adopted in the future, in each case to the extent reasonably allocable to sales of such Licensed Product;

(g) taxes, duties, or other governmental charges (including any tax such as a value added or similar tax, other than any taxes based on income) directly levied on or measured by the billing amount for such Licensed Product, as adjusted for rebates and refunds, reimbursements and credits;

(h) any invoiced amounts that are written off by a Catalent Selling Party as uncollectable amounts; and

(i) any other deductions taken by a Catalent Selling Party in calculating net sales in the ordinary course of its business, consistent with GAAP.

In no event shall any particular amount identified above be deducted more than once in calculating Catalent Net Sales (i.e., no "double counting" of deductions). Sales of a Licensed Product between Catalent and its Affiliates for resale will be excluded from the computation of Catalent Net Sales, but the subsequent resale of such Licensed Product to a Third Party will be included within the computation of Catalent Net Sales. For clarity, Catalent Net Sales does not include any manufacturing fees or other amounts invoiced by Catalent or any of its Affiliates in connection with the supply of Licensed Product by Catalent or its Affiliate to a Third Party.

In the event a Licensed Product is commercialized by a Catalent Selling Party as part of a Combination Product in a country, the Catalent Net Sales with respect to the Combination Product in such country shall be determined by multiplying the Catalent Net Sales amount for the Combination Product

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during the applicable reporting period, calculated as set forth above, by the fraction A/(A+B), where A is the list price of the Licensed Product in such country when sold separately, and B is the list price of the other active ingredient(s) in the Combination Product in such country when sold separately, in each case in the same dosage and dosage form and in the same country as the Combination Product during the applicable reporting period. If the Licensed Product or other active ingredient(s) in the Combination Product is sold separately in such country, but not at an equivalent dosage as contained in the Combination Product, then the price when sold separately shall be adjusted proportionally based on dosage to determine the imputed price of a product containing the relevant dosage of the relevant active ingredient when sold separately, which dosage is equivalent to that of the Combination Product. If neither the Licensed Product nor the other active ingredient(s) were sold separately in such country during the applicable reporting period at any dosage strength, then A shall equal the Licensed Product's fair market value contribution to the Combination Product's selling price, and B shall equal the fair market value of the contribution to the Combination Product's selling price of the other active ingredient(s) in the Combination Product.

1.9 "**Catalent Representatives**" means Catalent, its Affiliates and each of their respective employees and contractors.

1.10 "**Certepetide**" means that certain investigational drug known as certepetide that is under clinical development by Lisata as of the Effective Date, the chemical structure of which is depicted on **Appendix A**.

1.11 **"Change of Control"** means, with respect to a Party: (a) a merger, reorganization, consolidation, or other transaction or series of related transactions involving such Party (or involving any Affiliate that directly or indirectly controls such Party) in which the voting securities of such Party or such Affiliate outstanding immediately prior thereto cease to represent at least fifty percent (50%) of the combined voting power of the surviving entity immediately after such merger, reorganization, consolidation, or other transaction or series of related transactions; (b) any Person, or group of Persons acting in concert, acquires more than fifty percent (50%) of the voting equity securities or management control of such Party (or of any Affiliate that directly or indirectly controls such Party) or (c) the assignment or transfer to a Third Party of all or substantially all of the assets of such Party; provided, however, that an initial listing of a Party or any such Affiliate on a securities exchange shall not, by itself, constitute a Change of Control.

1.12 "**Combination Product**" means any pharmaceutical product containing (a) a Licensed Product and (b) at least one other active pharmaceutical ingredient, either co-formulated or packaged together and sold as a single unit for a single price.

1.13 "**Compound**" means: (a) Certepetide and (b) any other iRGD Peptide.

1.14 "**Control**" or "**Controlled**" means, with respect to any Know-How, Patents, or other intellectual property rights, the legal authority or right (whether by ownership, license, or otherwise but without taking into account any rights granted by one Party to the other Party pursuant to this Agreement) of a Party or any of its Affiliates to grant access, a license, or a sublicense of or under such Know-How, Patents, or other intellectual property rights to the other Party, or to otherwise disclose proprietary or trade secret information to such other Party, without breaching the terms of any agreement with a Third Party, or misappropriating the proprietary or trade secret information of a Third Party.

1.15 "**Confidential Information**" means any proprietary, nonpublic information related to the business, technology, finances, products, processes, customers, licensors or suppliers of a Party that is disclosed by such Party ("**Disclosing Party**") to the other Party ("**Receiving Party**") in connection with this Agreement. Confidential Information may include, without limitation, any and all nonpublic information, know how, data, designs, plans, specifications, structures, documents, trade secrets, ideas,

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concepts, products, processes, prototypes, formulas, works in progress, systems, technologies, manufacturing or marketing techniques, business or financial information and other proprietary and nonpublic information of the Disclosing Party, as well as any information with respect to which the Disclosing Party has a confidentiality obligation to a Third Party. Confidential Information may be written, recorded or otherwise fixed in a tangible medium, electronically communicated, or orally or visually communicated, furnished, provided or disclosed by a Disclosing Party, or acquired by a Receiving Party, directly or indirectly, from the Disclosing Party. The terms and conditions of this Agreement shall be deemed to be Confidential Information of both Parties.

1.16 "**Cover**," "**Covering**" or "**Covers**" means (a) as to a method, compound or product and a Patent, that, in the absence of a license granted under, or ownership of, such Patent, the making, using, selling, offering for sale or importation of such method, compound or product would infringe any Valid Claim of such Patent or, as to a pending claim included in such Patent, the making, using, selling, offering for sale or importation of such method, compound or product would infringe such Patent if such pending claim were to issue in an issued patent without modification, and (b) as to Know-How and a Patent, that, in the absence of a license granted under, or ownership of, such Patent, the use or practice of such Know-How would infringe such Patent or, as to a pending claim included in such Patent, the use or practice of such Know-How would infringe such Patent if such pending claim were to issue in an issued patent without modification.

1.17 "**FDA**" means the United States Food and Drug Administration and any successor agency or authority having substantially the same function.

1.18 "**Field**" means the prevention, treatment, diagnosis, detection, monitoring or pre-disposition treatment or control of any disease, disorder or condition in humans.

1.19 "**First Commercial Sale**" means, on a country-by-country basis, the first sale by Catalent or any of its Affiliates to a Third Party for end use of the Licensed Product in such country after all Regulatory Approvals have been granted with respect to the sale of the Licensed Product in such country.

1.20 "**IND**" means an investigational new drug application or equivalent application filed with the applicable Regulatory Authority, which application is required to commence human clinical trials in the applicable country.

1.21 "**Initiation**" means, with respect to a clinical trial of a Licensed Product, the first dosing of the first human subject pursuant to the protocol for such clinical trial.

1.22 "**iRGD Peptide**" means any internalizing peptide that (a) contains 9 amino acids and (b) includes an Arginine-Glycine-Aspartic acid sequence.

1.23 "**Know-How**" means any tangible and intangible information, techniques, technology, practices, inventions (whether patentable or not), discoveries, methods, knowledge, know-how, trade secrets, data, specifications, instructions, processes, formulae, compositions of matter, cells, cell lines, assays, animal models and other physical, biological, or chemical materials and expertise, and further including all biological, chemical, pharmacological, biochemical, toxicological, pharmaceutical, physical, analytical, quality control, safety, manufacturing, development, nonclinical and clinical data, regulatory documents, data and filings, instructions, processes, formulae, expertise and information. For the avoidance of doubt, Know-How excludes Patents.

1.24 **"Licensed Know-How"** means any Know-How that is (a) Controlled by Lisata or any of its Affiliates as of the Effective Date or at any time during the Term and (b) necessary or reasonably useful for the research, development, manufacture or commercialization of the Licensed Products in the Field.

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1.25 "**Licensed Patents**" means any Patents that are (a) Controlled by Lisata or any of its Affiliates as of the Effective Date or at any time during the Term and (b) necessary or reasonably useful for the research, development, manufacture or commercialization of the Licensed Products in the Field. A list of the Licensed Patents as of the Effective Date is attached to this Agreement as **Appendix B**.

1.26 "**Licensed Product**" means any bioconjugate therapeutic product or product candidate (in all forms, presentations, formulations and dosage forms) that is developed by Catalent or any of its Affiliates, or by a Sublicensee pursuant to a Sublicense, that contains and/or is enabled by a Compound.

1.27 "**Licensed Product Sale**" means any transaction pursuant to which Catalent assigns or otherwise transfers to a Third Party its rights to any one or more Licensed Products, other than as part of a larger transaction that also includes the assignment or other transfer of any assets that do not consist of rights to a Licensed Product.

1.28 "**Licensed Product Transaction**" means any (i) Sublicense or (ii) Licensed Product Sale.

1.29 "**Licensed Product Transaction Revenue**" means any payments (including up-front fees, development and commercial milestone payments and royalties) that Catalent or any of its Affiliates receives from a Third Party during the Royalty Term in consideration for a Licensed Product Transaction, minus any transaction costs incurred in connection with such Licensed Product Transaction; *provided, however,* that if Catalent or any of its Affiliates receives any such payment on account of achievement of any Milestone Event (a "**Third Party Milestone Payment**"), then only that portion of such Third Party Milestone Payment that is in excess of that amount that is payable by Catalent under Section 5.1 for the corresponding Milestone Event shall be counted as Licensed Product Transaction Revenue. For clarity, Licensed Product Transaction Revenue shall exclude any amounts received by Catalent or any of its Affiliates for research and development or manufacturing services performed by Catalent or any of its Affiliates for any Third Party.

1.30 "**Licensed Technology**" means the Licensed Know-How together with the Licensed Patents.

1.31 "**Lisata-Introduced Partner**" means any Sublicensee or other Party to a Licensed Product Transaction that is first introduced to Catalent by Lisata, as demonstrated via bona fide, contemporaneous documentation; provided, however, that if Catalent or any of its Affiliates enters into a Licensed Product Transaction with a Lisata-Introduced Partner or any of its Affiliates (an "**Initial Transaction Partner**"), then such Initial Transaction Partner (and any of its Affiliates and any of its or their respective successors or assigns) shall be deemed to be Catalent-Introduced Partners (and not Lisata-Introduced Partners) with respect to any subsequent Licensed Product Transaction entered into with Catalent or any of its Affiliates.

1.32 "**Lisata Representatives**" means Lisata, its Affiliates and each of their respective employees and contractors.

1.33 "**Patents**" means (a) all patents, certificates of invention, applications for certificates of invention, priority patent filings, and patent applications, and (b) any renewals, divisions, continuations (in whole or in part), or requests for continued examination of any of such patents, certificates of invention and patent applications, and any and all patents or certificates of invention issuing thereon, and any and all reissues, reexaminations, extensions, supplementary protection certificates, divisions, renewals, substitutions, confirmations, registrations, revalidations, revisions, and additions of or to any of the foregoing.

1.34 "**Phase 1 Clinical Trial**" means a human clinical trial of a Licensed Product in patients and/or healthy volunteers with the primary objective of characterizing its safety, tolerability, and pharmacokinetics and identifying a recommended dose and regimen for future studies as described in US

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21 CFR § 312.21(a) or a comparable clinical trial prescribed by the relevant Regulatory Authority in a country other than the United States.

1.35 "**Phase 2 Clinical Trial**" means a human clinical trial of a Licensed Product that is intended to initially evaluate the effectiveness of a Licensed Product for a particular indication or indications in patients with the disease or indication under study or would otherwise satisfy requirements of U.S 21 CFR § 312.21(b) or its foreign equivalent. The phase 2 portion of a Phase 1/2 clinical trial shall be deemed to be a Phase 2 Clinical Trial.

1.36 "**Phase 3 Clinical Trial**" means a human clinical trial in any country, the results of which could be used to establish safety and efficacy of a Licensed Product as a basis for a BLA or would otherwise satisfy requirements of U.S 21 CFR § 312.21(c), or its foreign equivalent.

1.37 "**Regulatory Approval**" means any and all approvals (including, where required, pricing and reimbursement approval), licenses, registrations, permits, notifications, and authorizations (or waivers), establishment license, registration or authorization of any Regulatory Authority that are necessary for the manufacture, use, storage, import, transport, promotion, marketing, distribution, offer for sale, sale, or other commercialization of any Licensed Product for use in the Field in any country or jurisdiction in the Territory.

1.38 "**Regulatory Authority**" means any national, international, regional, state or local regulatory agency, department, bureau, commission, council or other governmental entity with authority over the distribution, importation, exportation, manufacture, production, use, storage, transport, clinical testing, pricing, sale or reimbursement of any Licensed Product for use in the Field in any country or jurisdiction in the Territory.

1.39 "**Right of Reference**" means as that term is defined in US 21 CFR §314.3(b) or any analogous Applicable Laws recognized outside of the United States.

1.40 "**Royalty Term**" means, on a country-by-country and Licensed Product-by-Licensed Product basis, the period that begins on the First Commercial Sale of a given Licensed Product in such country by Catalent or any of its Affiliates and ends on the expiration of the last-to-expire Valid Claim of any Licensed Patent that Covers such Licensed Product in such country.

1.41 "**Sublicensee**" means any Third Party that is granted a sublicense under any of the rights granted under the License (in each case, subject to the requirements of Section 2.2), whether such sublicense is granted by Catalent or by any sublicensee of any of the rights granted under the License, through multiple tiers.

1.42 "**Territory**" means worldwide.

1.43 "**Third Party**" mean any person or entity other than Catalent, Lisata or any of their respective Affiliates.

1.44 "**Upstream License Agreement**" means that certain Exclusive License Agreement between Lisata (formerly Cend Therapeutics, Inc.) and The Sanford Burnham Prebys Medical Discovery Institute ("**Burnham Institute**") dated December 1, 2015, amended with a First Amendment dated March 8, 2016, later amended with a Second Amendment dated May 10, 2019, and further amended with a Third Amendment dated October 6, 2020.

1.45 "**Valid Claim**" means (a) a claim of an issued and unexpired patent that has not been revoked or held unenforceable, unpatentable, or invalid by a decision of a court or other governmental agency of competent jurisdiction that is not appealable or has not been appealed within the time allowed

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for appeal, and that has not been abandoned, disclaimed, denied, or admitted to be invalid or unenforceable through reissue, re-examination, disclaimer, or otherwise, or (b) a claim of a pending patent application that has not been cancelled, withdrawn, abandoned, or finally rejected by an administrative agency action from which no appeal can be taken and that has not been pending for more than seven (7) years from the date of filing of the earliest priority patent application to which such pending patent application is entitled to claim benefit, excluding, however, any pending application that does not have a reasonable bona fide basis for patentability (such reasonable bona fide basis to be determined by an outside counsel selected in good faith by the Parties, in the event that the Parties disagree as to whether there is a reasonable bona fide basis for patentability for such a claim).

1.46 Additional Definitions. Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Agreement	Preamble
Assigned Licensed Products	13.5.2
Catalent	Preamble
Catalent Indemnitees	11.2
Catalent Selling Party	1.5
Effective Date	Preamble
Indemnitee	11.3.1
Indemnitor	11.3.1
Intellectual Property	7.1
JSC	4.6.1
Liabilities	11.1
License	2.1
Licensed Product Assignment	13.5.2
Lisata	Preamble
Lisata Indemnitees	11.1
Milestone Event	5.1
Milestone Payment	5.1
Out-Licensing Process	3.1
Pharmacovigilance Agreement	4.4
Parties	Preamble
Party	Preamble
Payments	5.5
Revenue Share Payments	5.2
Revenue Statement	5.4
ROFN	3.1
ROFN Notice	3.1
ROFN Period	3.1
Royalty Payments	5.3
Sublicense	2.2
Term	6.1
US GAAP	1.5

2. LICENSE

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2.1 License Grant. Lisata hereby grants to Catalent a non-exclusive, royalty-bearing, non-transferable (except as permitted under Section 13.5) license under the Licensed Technology, with the right to grant sublicenses through multiple tiers (subject to Section 2.2 below), to use, research, develop, make, have made, offer for sale, sell, have sold, import, export and otherwise commercialize and exploit the Licensed Products for use in the Field in the Territory during the Term (the "**License**").

2.2 Sublicenses. Catalent may grant sublicenses, through multiple tiers of Sublicensees, under the License (each, a "**Sublicense**") to its Affiliates and Third Parties; provided, however, that Catalent will continue to be responsible and liable vis-à-vis Lisata for the performance of its obligations under this Agreement (including remaining responsible for all payments due to Lisata hereunder) and for all acts and omissions of any Sublicensee with respect to such obligations. Catalent will provide Lisata with copy of any such sublicense agreement within thirty (30) days following execution of such sublicense agreement.

3. RIGHT OF FIRST NEGOTIATION

3.1 Grant of ROFN. If Catalent initiates a specific, organized process to out-license a Licensed Product (including, without limitation, by engaging an investment bank, consultant, or other adviser to solicit offers, or otherwise creating a bespoke process for soliciting offers to license such Licensed Product) (an "**Out-Licensing Process**"), Catalent shall first offer Lisata the right to negotiate in good faith for the license of such Licensed Product, subject to the terms set forth in this Section 3 (the "**ROFN**"). The ROFN for a given Licensed Product shall commence upon written notice from Catalent to Lisata identifying the applicable Licensed Product (the "**ROFN Notice"**) and shall continue for up to sixty (60) days from the date of such ROFN Notice, unless terminated earlier by written notice to Catalent from Lisata that it elects to discontinue negotiations (the "**ROFN Period**"). Catalent shall have sole discretion in determining the structure, timeline, and terms of the out-licensing process with respect to each Licensed Product, and nothing herein shall require Catalent to alter such process to accommodate Lisata. Upon expiration or earlier termination of the ROFN Period, Catalent shall have no further obligation to Lisata under this Section 3.1 with respect to the Licensed Product that is the subject of the applicable ROFN Notice.

3.2 Non-Exclusive Negotiations Outside ROFN Process. If a Third Party expresses interest in licensing a Licensed Product outside of the Out-Licensing Process described in Section 3.1, Catalent may, but is not obligated to, inform Lisata. Any discussions in such circumstances shall be on a non-exclusive basis and shall not preclude Catalent from engaging in concurrent or preferential negotiations with Third Parties. No exclusive negotiation period shall apply in such circumstances.

3.3 Reservation of Rights. Nothing in this Section 3 shall restrict or limit Catalent's right to (i) publicly disclose information regarding Licensed Products in its pipeline, (ii) engage in its general business model of out-licensing pipeline assets, or (iii) respond to or pursue unsolicited inquiries from Third Parties at any time, including during the ROFN Period (provided that Catalent has not at the time entered into a binding agreement to license the applicable Licensed Product to Lisata).

3.4 No Obligation to Agree. The Parties acknowledge that the ROFN does not obligate either Party to enter into any definitive agreement related to the applicable Licensed Product, and no such agreement shall be binding unless and until executed by both Parties.

3.5 Not Binding Following Catalent Business Sale. In the event of any Catalent Business Sale, Catalent's obligations under this Section 3 shall terminate and shall not be binding on Catalent or the acquiring entity in such Catalent Business Sale, unless otherwise agreed in writing following the closing of such Catalent Business Sale.

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4. DEVELOPMENT AND COMMERCIALIZATION OF LICENSED PRODUCTS

4.1 Diligence. Catalent, in its sole discretion, shall use commercially reasonable efforts to develop, obtain Regulatory Approval for one or more Licensed Products, and commercialize any Licensed Product for which Regulatory Approval has been obtained. Catalent can either itself perform these activities and/or work with Affiliates and/or Third Parties to perform such activities.

4.2 Development and Commercialization of Licensed Products.

4.2.1 Catalent Responsibilities. As between the Parties, Catalent will have sole responsibility for and discretion over all decisions related to the pre-clinical and clinical development, manufacture and commercialization of any Licensed Product, including, but not limited to, with respect to selection of any specific indication to develop, regulatory strategy, launch, marketing, pricing and all other matters. Catalent shall, in its sole discretion, be permitted to pursue and/or enter into any agreements within Third Parties related to the ownership and/or development and commercialization rights for any Licensed Product.

4.2.2 Lisata Responsibilities. Lisata will (a) provide Catalent and/or its designee with copies of all data, records, reports and other information in the possession or control of Lisata or its Affiliates as of the Effective Date or at any time during the Term that relate to any Compound and are relevant to, or may be useful for, the development of Licensed Products and (b) upon Catalent's request, provide Catalent and/or its designee with reasonable access to persons knowledgeable about the Compounds, for the purpose of answering Catalent's questions and providing other technical assistance related to the Compounds for the purpose of developing Licensed Products. Without limiting the foregoing, promptly following the creation or receipt of such data, records, reports or other information, Lisata will promptly provide Catalent with: (i) all clinical trial design information related to any clinical trial involving a Compound, (ii) all data, records and reports generated pursuant to any such clinical trial and (iii) all CMC information and other information related to the manufacture of any Compounds; in each case to the extent such data, records, reports or other information are the possession or control of Lisata or its Affiliates and may be disclosed to Catalent without violating any confidentiality obligations to Third Parties. For clarity, all data, records, reports and other information provided by Lisata will be deemed to be included in the Licensed Know-How that is licensed to Catalent pursuant to this Agreement.

4.3 Right of Reference. Lisata (on behalf of itself and its Affiliates) hereby grants to Catalent an irrevocable, permanent, royalty-free, transferable, sublicensable Right of Reference and right to use all submissions for Regulatory Approval submitted by or on behalf of Lisata or any of its Affiliates (and all resulting Regulatory Approvals) pertaining any Compound worldwide, for the purpose of seeking, obtaining, and maintaining Regulatory Approvals of Licensed Products for the Territory.

4.4 Adverse Events. Prior to commencement of any clinical studies related to a Licensed Product by or on behalf of Catalent, any of its Affiliates or any Sublicensee, the Parties shall negotiate in good faith and enter into a pharmacovigilance agreement on such reasonable and customary terms as are agreed upon by the Parties (the "**Pharmacovigilance Agreement**") with respect to the Parties' exchange of information regarding Compounds and Licensed Product-related adverse events and the reporting of such information to the appropriate Regulatory Authorities.

4.5 Provision of Initial Licensed Product Data to Lisata. Solely with respect to the first three (3) Licensed Products under development by Catalent (the "**Initial Licensed Products**"), Catalent will provide Lisata with data generated by Catalent and its Affiliates related to the Initial Licensed Products, solely to the extent Catalent is able to do so without violating any confidentiality obligations to Third Parties. Lisata may: (a) use any such data that is provided to Lisata by Catalent with respect to the Initial Licensed Products (the "**Initial Licensed Product Data**") internally at Lisata for the purpose of exploring

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potential licensing opportunities for the Compounds and (b) disclose the Initial Licensed Product Data to Third Parties in connection with such licensing opportunities, provided that: (i) such disclosures are limited to a subset of the Initial Licensed Product Data that Catalent and Lisata agree may be shared with Third Parties by Lisata, (ii) each such Third Party is approved by Catalent in writing (such approval not to be unreasonably withheld, conditioned, or delayed) and (iii) each such Third Party agrees to maintain the confidentiality of such Initial Licensed Product Data on terms that are at least as protective of such Initial Licensed Product Data as those set forth in Section 8. For clarity, Catalent shall remain the owner of all rights to any Initial Licensed Product Data and may use and disclose the Initial Licensed Product Data without restriction.

4.6 Joint Steering Committee.

4.6.1 Formation and Role. Within thirty (30) days after the Effective Date, the Parties shall establish a joint steering committee (the "**JSC**") to coordinate, review and discuss the Parties' activities related to this Agreement. For that purpose and to the extent reasonably necessary, the JSC shall (by itself or through discharging its responsibilities through one (1) or more subcommittees):

(a) align on anticipated timelines for activities under this Agreement;

(b) discuss the status, progress, and results of pre-clinical and clinical development activities conducted by or on behalf of either Party with respect to Compounds and/or Licensed Products;

(c) facilitate communications and discussions between the Parties with respect to Licensed Products development; and

(d) perform such other functions as appropriate to further the purposes of this Agreement, as agreed by the Parties in writing.

In no event shall the JSC or any subcommittee of the JSC have any authority to: (i) amend, modify, or waive compliance with this Agreement; (ii) determine that a breach has occurred under this Agreement; or (iii) make any decision that is specified elsewhere in this Agreement as being made by one or both Parties.

4.6.2 JSC Members. The JSC shall have four (4) members, with one (1) representative from each Party appointed as a co-chairperson. Catalent shall appoint two (2) representatives to the JSC, and Lisata shall appoint two (2) representatives to the JSC. Each JSC representative may be an officer, employee, consultant or other representative of the applicable Party having sufficient experience and knowledge of matters arising within the scope of the JSC's responsibilities to make decisions with respect thereto. The role of each co-chairperson shall be to convene and preside at the meetings of the JSC and to ensure the preparation of meeting minutes, but, except as set forth herein, each co-chairperson shall have no additional powers or rights beyond those held by other JSC representatives. The JSC may change its size from time to time; provided that the JSC shall consist at all times of an equal number of representatives of each Party. Each Party may replace any of its JSC representatives with a qualified employee of such Party at any time upon written notice to the other Party.

4.6.3 Meetings. Unless the Parties agree otherwise, the JSC shall meet on a periodic basis as is agreed upon by the JSC. The JSC may conduct such meetings in-person, by videoconference or by teleconference, as the Parties agree. Each Party may invite a reasonable number of participants, in addition to its representatives, to attend JSC meetings; provided that if either Party wishes to have any Third Party (including any consultant) attend such a meeting, such Party shall (a) obtain the other Party's prior, written consent before permitting such Third Party to attend any JSC

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meeting and (b) ensure that such Third Party is bound by confidentiality and non-use obligations consistent with the terms of this Agreement. Each Party is responsible for its own expenses incurred in connection with participating in and attending all such meetings.

4.6.4 Decision Making. Each Party shall have a single vote in the JSC regardless of the number of representatives appointed to the JSC or present at the meeting. There must be a minimum of two (2) representatives from each Party at any meeting of the JSC in order for any action taken at such meeting to be valid. The JSC shall act by unanimous consent of both Parties. If after reasonable discussion and good faith consideration of each Party's view on a particular matter before the JSC, the JSC cannot reach a unanimous decision as to such matter within five (5) Business Days after such matter was first brought to the JSC for resolution, then Catalent shall have the final decision-making authority with respect to such matter.

5. FINANCIAL TERMS

5.1 Milestone Payments. Catalent will pay the one-time, non-refundable, non-creditable milestone payments set forth in the below table (each, a "**Milestone Payment**") to Lisata within thirty (30) days after the first occurrence of each event set forth in the below table, provided that such event occurs during the Royalty Term (each, a "**Milestone Event**").

Milestone Event	Milestone Payment
Initiation of the first Phase 1 Clinical Trial for the first Licensed Product	$0
Initiation of the first Phase 1 Clinical Trial for the second Licensed Product	$2,250,000
Initiation of the first Phase 1 Clinical Trial for the third Licensed Product	$2,500,000
Initiation of the first Phase 1 Clinical Trial for the fourth Licensed Product	$2,750,000
Initiation of the first Phase 1 Clinical Trial for the fifth and each subsequent Licensed Product	$3,000,000

5.2 Revenue Share Payments. Catalent will pay Lisata a portion of Licensed Product Transaction Revenue as set forth in Section 5.2.1 or Section 5.2.2 below (in each case, subject to Section 5.2.3) (as applicable, "**Revenue Share Payments**"), depending on whether such Licensed Product Transaction Revenue is received from a Catalent-Introduced Partner or a Lisata-Introduced Partner.

5.2.1 Catalent-Introduced Partners. Subject to Section 5.2.3, within forty-five (45) days following receipt of any Licensed Product Transaction Revenue by Catalent or any of its Affiliates from any Catalent-Introduced Partner, Catalent shall pay Lisata the applicable percentage of such Licensed Product Transaction Revenue set forth in the following table (with such percentage determined in accordance with the following table, based on the status of the appliable Licensed Product immediately before the closing of the applicable Licensed Product Transaction):

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Status of Licensed Product	Lisata's Share of Licensed Product Transaction Revenue
Prior to Initiation of Phase 1 Clinical Trial	15%
After Initiation of Phase 1 Clinical Trial, but prior to Initiation of Phase 2 Clinical Trial	8%
After Initiation of Phase 2 Clinical Trial	4%

5.2.2 Lisata-Introduced Partners. Subject to Section 5.2.3, within forty-five (45) days following receipt of any Licensed Product Transaction Revenue by Catalent or any of its Affiliates from any Lisata-Introduced Partner, Catalent shall pay Lisata the applicable percentage of such Licensed Product Transaction Revenue set forth in the following table (with such percentage determined in accordance with the following table, based on the status of the appliable Licensed Product immediately before the closing of the applicable Licensed Product Transaction):

Status of Licensed Product	Lisata's Share of Licensed Product Transaction Revenue
Prior to Initiation of Phase 1 Clinical Trial	20%
After Initiation of Phase 1 Clinical Trial, but prior to Initiation of Phase 2 Clinical Trial	13%
After Initiation of Phase 2 Clinical Trial	8%

5.2.3 Excluded Transactions. Notwithstanding anything to the contrary, Catalent will have no obligation to make any Revenue-Sharing Payment to Lisata with respect to: (a) any Catalent Business Sale or (b) any Licensed Product Transaction related to a given Licensed Product after the first Licensed Product Transaction occurs with respect to such Licensed Product.

5.3 Royalties on Catalent Net Sales. Subject to Section 5.3.1, solely with respect to any Licensed Product that is commercialized by a Catalent Selling Party (as opposed to being commercialized by a Sublicensee), Catalent will make quarterly royalty payments to Lisata equal to four percent (4%) of Catalent Net Sales of Licensed Products sold during the Royalty Term (excluding, for clarity, any Licensed Product sold in a country for which the Royalty Term has ended for such Licensed Product in such country) (the "**Royalty Payments**"); provided, however, that notwithstanding anything to the contrary, Catalent will not have any obligation to make any Royalty Payment to Lisata with respect to a given Licensed Product following any Licensed Product Transaction with respect to such Licensed Product.

5.3.1 Royalty Reductions. The Royalty Payments payable to Lisata during the Royalty Term will be subject to the following reductions (in each case, subject to Section 5.3.1(b)):

(a) If Catalent or any of its Affiliates or any Sublicensee enters into an agreement with a Third Party in order to obtain a license or other right under a Third Party's intellectual property rights related to the manufacture, composition, administration or use of a Licensed Product in one (1) or more countries in the Territory, Catalent shall be entitled to deduct from the Royalty Payments payable under Section 5.3 with respect to such Licensed

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Product in such country(ies) fifty percent (50%) of all amounts paid to such Third Party pursuant to the terms of such agreement, in each case to the extent reasonably allocable to such Third Party right in such country. Catalent may carry forward to subsequent calendar quarters any amounts that it was not able to credit under this Section 5.3.1(a) on account of the royalty floor set forth in Section 5.3.1(b), and credit such carried forward amounts towards any future milestone or royalty payment hereunder.

(b) Notwithstanding anything to the contrary, with respect to any Licensed Product in any calendar quarter, the operation of Section 5.3.1(a) will not reduce by more than fifty percent (50%) the Royalty Payment that would otherwise have been due under Section 5.3 with respect to such Licensed Product in the applicable country(ies) during a given calendar quarter.

5.4 Revenue Statements. Within forty-five (45) days after the end of each calendar quarter during which any Licensed Product Transaction Revenue or Catalent Net Sales are earned for which Lisata is entitled to receive a Revenue Share Payment or Royalty Payment under this Agreement, Catalent will deliver to Lisata a complete and accurate report, giving such particulars of the business conducted during the preceding quarter under this Agreement as are pertinent to an accounting of Revenue Share Payments and Royalty Payments that may be due to Lisata under this Agreement (the "**Revenue Statement**"). Each Revenue Statement will include the following information, broken down by country and Licensed Product:

(a) in the case where Catalent or its Affiliates are commercializing a Licensed Product: (i) gross sales for such Licensed Product by Catalent and its Affiliates for such calendar quarter, (ii) deductions taken from such gross sales amounts and the calculation of Catalent Net Sales for such calendar quarter and (iii) calculation of Royalty Payments due based on such Catalent Net Sales; and

(b) any Licensed Product Transaction Revenue received during such calendar quarter, broken down by source, and calculation of any applicable Revenue Share Payments.

5.5 Records and Audits. Catalent and its Affiliates shall keep true and accurate books and records in relation to the calculation of Revenue Share Payments and Royalty Payments under this Agreement (collectively, "**Payments**"). Catalent and its Affiliates shall keep such books and records for at least two (2) years following the calendar year to which they pertain. During the Term and for two (2) years thereafter, Catalent and its Affiliates will make such books of account available (no more than once per year upon at least thirty (30) days' prior, written notice) for examination and audit by Lisata and/or its designated accounting firm during normal business hours. Lisata will be responsible for the cost of any such inspection; provided, however, that if an inspection shows for any year an underpayment in excess of five percent (5%) of the Payments payable with respect to any calendar year, then Catalent will reimburse Lisata for the reasonable, documented out-of-pocket expenses incurred to conduct the inspection, within thirty (30) days of receipt of notice from Lisata setting forth such costs. In the event that any such inspection reveals an underpayment in the amount of Payments that should have been paid by Catalent to Lisata, then the underpaid amount will be paid by Catalent within thirty (30) days after Lisata makes a demand therefor. Lisata will require its accounting firm to retain all information subject to review under this Section in strict confidence, and will treat all such information as Catalent's Confidential Information.

5.6 Form of Payment; Currency Conversions. All Payments under this Agreement will be paid in United States dollars by wire transfer or electronic funds transfer to such bank account as Lisata may from time-to-time designate by notice. For the purposes of determining any Royalty Payments, Catalent Net Sales will first be determined in the currency in which such Catalent Net Sales are earned and then converted to its equivalent in United States currency. The buying rates of exchange for the currencies involved into the currency of the United States quoted by Citibank (or its successor in interest) in New

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York, New York at the close of business on the last business day of the quarterly period in which the Catalent Net Sales were earned will be used to determine any such conversion.

5.7 Taxes. The amounts payable by Catalent to Lisata pursuant to this Agreement will not be reduced on account of any taxes unless required by Applicable Laws. Any taxes, duties, or other levies which Catalent is required by Applicable Laws to withhold on remittance of any payment(s) due under this Agreement will be deducted from such payment(s) to Lisata and timely paid to the appropriate taxing authority. Catalent will secure and send to Lisata proof of any such taxes, duties or other levies withheld and paid by Catalent for the benefit of Lisata, and cooperate, at Lisata's expense, with any reasonable request to help ensure that amounts withheld and/or paid are reduced and/or recovered to the extent permitted by the relevant jurisdiction.

6. TERM AND TERMINATION

6.1 Term. The term of this Agreement will commence on the Effective Date and will remain in effect at all times thereafter, unless terminated earlier pursuant to Section 6.2 (the "**Term**").

6.2 Termination.

6.2.1 Termination for Material Breach. Each Party shall have the right to terminate this Agreement immediately in its entirety upon written notice to the other Party if such other Party commits a material breach of this Agreement and has not cured such breach within ninety (90) days after notice of such breach from the non-breaching Party; provided, however, that if the breach is capable of being cured, but cure of such breach cannot reasonably be effected within such ninety (90)-day period, the breaching Party shall deliver to the non-breaching Party a plan reasonably calculated to cure such breach within a reasonable timeframe, but in any event within one hundred eighty (180) days from the date of the notice from the non-breaching Party of such material breach. So long as the breaching Party is diligently carrying out such plan, the non-breaching Party shall not have the right to terminate this Agreement prior to expiration of such one-hundred eighty (180) day period. If the alleged breaching Party disputes in good faith the existence or materiality of a breach specified in a notice provided by the other Party, and such alleged breaching Party provides the other Party notice of such dispute within thirty (30) days, then the other Party shall not have the right to terminate this Agreement under this Section 6.2.1 unless and until a court of competent jurisdiction, in accordance with Section 13.4, has determined that the alleged breaching Party has materially breached the Agreement and, if the breach is then curable, such Party fails to cure such breach within the applicable cure period set forth above following such decision.

(a) Rights In Lieu of Termination for Material Breach. Notwithstanding anything to the contrary in the foregoing, if Catalent would otherwise have the right to terminate this Agreement pursuant to Section 6.2.1, then in lieu of such termination Catalent may, upon written notice to Lisata, elect to continue this Agreement in full force and effect, except that: (a) Catalent's diligence obligations under Section 4.1 shall be deemed fully satisfied and (b) any consideration that would have been due to Lisata under Section 5 by Catalent accruing after such termination shall be reduced by fifty percent (50%). Notwithstanding the above, if Lisata disputes in good faith the existence or materiality of such breach, and provides Catalent notice of such dispute within thirty (30) days after receipt of Catalent's notice, then the preceding subclauses (a) and (b) will not apply unless and until a court of competent jurisdiction, in accordance with Section 13.4, has determined that Lisata has committed such material breach and has not ceased the activities giving rise to such material breach or has otherwise failed to cure such breach within the applicable cure period set forth in Section 6.2.1.

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6.2.2 Termination for Bankruptcy Events. Either Party may terminate this Agreement immediately upon written notice to the other Party if the other Party seeks protection under any bankruptcy, receivership or comparable proceeding, or if any such proceeding is instituted against the other Party and not dismissed within ninety (90) days.

6.2.3 Termination for Convenience by Catalent. Catalent may terminate this Agreement for convenience (either in its entirety, or in part with respect to any one or more countries in the Territory) at any time upon thirty (30) days prior written notice to Lisata.

6.2.4 Termination By Mutual Agreement. This Agreement may be terminated at any time if such termination is agreed upon by both Parties in writing.

6.3 Effect of Termination.

6.3.1 In the event of any termination of this Agreement, the License will immediately terminate; provided, however, that notwithstanding anything to the contrary, any Sublicenses granted prior to the effective date of any termination of this Agreement shall survive such termination and remain in effect in accordance with their terms.

6.3.2 In the event of any termination of this Agreement, each Party shall promptly return to the other Party, or delete or destroy, all relevant records and materials in such Party's possession or control containing Confidential Information of the other Party; provided, however, that a Party may keep reasonable number of copies of such materials for archival purposes subject to continuing confidentiality obligations.

6.4 Survival. The following provisions will survive any termination of this Agreement: Section 1 ("Definitions"), Section 4.3 ("Right of Reference"), Section 5.5 ("Records and Audits"), Section 6.3 ("Effect of Termination"), this Section 6.4 ("Survival"), Section 7 ("Intellectual Property"), Section 8 ("Confidentiality"), Section 10 ("Representations, Warranties and Covenants; Disclaimer"), Section 11 ("Indemnification"), Section 12 ("Liability") and Section 13 ("Miscellaneous Provisions").

7. INTELLECTUAL PROPERTY

7.1 Definitions. For purposes hereof:

A. "**Catalent Invention**" means any invention, work of authorship, Know-How or other item developed by either Party or any of their respective Representatives in connection with this Agreement (other than any Lisata Invention) that relates to any Licensed Product and/or any of Catalent's bioconjugation technologies.

B. "**Lisata Invention**" means any invention, work of authorship, Know-How or other item developed by either Party or any of their respective Representatives in connection with this Agreement that exclusively relates to Certepetide.

7.2 Ownership of Intellectual Property.

7.2.1 Generally. Except as expressly provided in Section 7.2.2 and Section 7.2.3, each Party shall retain ownership of all Patents and other intellectual property rights with respect to any invention, work of authorship, Know-How and other item that such Party owned prior to the Effective Date, or develops or acquires after the Effective Date outside of the scope of this Agreement.

7.2.2 Catalent Inventions. All Catalent Inventions shall be owned solely by Catalent and no right therein is granted to Lisata under this Agreement. Lisata hereby assigns (and shall cause each other Lisata Representative to assign) to Catalent all of Lisata's and each other Lisata Representatives'

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right, title, and interest in and to any Catalent Inventions. Lisata shall assist Catalent, at Catalent's request and expense, in securing for Catalent any Patents to such Catalent Inventions, and performing all acts that may be reasonably required to vest in Catalent all right, title, and interest in such Catalent Inventions.

7.2.3 Lisata Inventions. All Lisata Inventions shall be owned solely by Lisata and no right therein is granted to Catalent under this Agreement (other than the rights granted to Catalent pursuant to the License). Catalent hereby assigns (and shall cause each other Catalent Representative to assign) to Lisata all of Catalent's and each other Catalent Representatives' right, title, and interest in and to any Lisata Inventions. Catalent shall assist Lisata, at Lisata's request and expense, in securing for Lisata any Patents to such Lisata Inventions, and performing all acts that may be reasonably required to vest in Lisata all right, title, and interest in such Lisata Inventions.

7.2.4 Each Party shall be solely responsible for the costs associated with the protection of its respective intellectual property.

8. CONFIDENTIALITY

8.1 Confidential Information. The Receiving Party agrees that it shall not, without the prior written consent of the Disclosing Party: (a) disclose to any person the Disclosing Party's Confidential Information, except to those of the Receiving Party's and its Affiliates' employees, representatives, consultants, service providers and contractors (and: (i) in the case of Catalent, any Sublicensees and (ii) in the case of Lisata, disclosure of a certain subset of Initial Licensed Product Data to Third Parties, if and to the extent permitted under Section 4.5) who need to know such information in connection with the Receiving Party's exploitation of its rights or fulfillment of its obligations under this Agreement (and then only to the extent that such persons are under an obligation to maintain the confidentiality of the Confidential Information consistent with this Agreement) or (b) use any of the Disclosing Party's Confidential Information for any reason other than in connection with the Receiving Party's exploitation of its rights or fulfillment of its obligations under this Agreement. In addition, either Party may disclose the terms and conditions of this Agreement and other Confidential Information of the Disclosing Party on a confidential basis to existing and potential investors, Sublicensees, business partners, lenders and acquirers and their respective attorneys and advisors, in connection with licensing, financing and acquisition activities, and due diligence processes related to such activities.

8.2 Exceptions. The obligations under Section 8.1 will not apply to any information that the Receiving Party can show: (a) is now, or hereafter becomes, through no act or failure to act on the part of the Receiving Party, generally known or available to the public; (b) is known by the Receiving Party at the time of receiving such information, other than by previous disclosure of the Disclosing Party, or its Affiliates, employees, agents, consultants, or contractors; (c) is hereafter furnished to the Receiving Party without restriction by a Third Party who has no obligation of confidentiality with respect thereto; or (d) is independently discovered or developed by the Receiving Party without the use of the Disclosing Party's Confidential Information.

8.3 Disclosures Required by Law. The Receiving Party may disclose the Disclosing Party's Confidential Information to the limited extent required in order to comply with a subpoena or the order of a court or other governmental body, or as otherwise necessary to comply with applicable law; provided that the Receiving Party gives the Disclosing Party reasonable notice and the opportunity to seek confidential treatment, a protective order or similar remedies or relief prior to disclosure.

9. COMPLIANCE WITH APPLICABLE LAWS

9.1 Compliance with Applicable Laws. Each Party agrees that it will comply with all Applicable Laws in carrying out its responsibilities under this Agreement.

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10. REPRESENTATIONS, WARRANTIES AND COVENANTS; DISCLAIMER

10.1 Mutual Representations and Warranties. Each Party makes the following representations and warranties to the other Party:

10.1.1 Organization. Such Party (i) is a corporation duly incorporated, validly existing and in good standing under the laws of the jurisdiction where such corporation was incorporated, and (ii) has all necessary corporate power and authority to own its properties and to conduct its business, as currently conducted.

10.1.2 Authorization. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby are within the company power of such Party, have been duly authorized by all necessary company proceedings of such Party, and this Agreement has been duly executed and delivered by such Party.

10.1.3 No Conflict. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby do not: (i) conflict with or result in a breach of any provision of such Party's organizational documents; (ii) result in a material breach of any material agreement to which such Party is bound; (iii) result in a violation of any order to which such Party is subject; (iv) require such Party to obtain any material approval or consent from any governmental authority or other Third Party other than those consents and approvals which have been obtained prior to the date hereof; or (v) violate any Applicable Laws applicable to such Party in any material respect.

10.1.4 Enforceability. This Agreement constitutes the valid and binding obligation of such Party, enforceable against such Party in accordance with its terms, subject to bankruptcy, reorganization, insolvency and other similar laws affecting the enforcement of creditors' rights in general and to general principles of equity (regardless of whether considered in a proceeding in equity or an action at law).

10.1.5 No Debarment. Neither Party nor its personnel involved in any manner with the development of any Compound or any Licensed Product have been debarred pursuant to the Act or excluded from any health care program sponsored by the United States Federal Government, including, but not limited to, Medicare or Medicaid, and it will notify the other Party immediately if it or any such personnel is debarred under the Act or excluded under any such health care program.

10.2 Additional Lisata Representations, Warranties and Covenants. Lisata represents, warrants and covenants to Catalent that, as of the Effective Date and at all times thereafter during the Term:

10.2.1 except for the Licensed Technology that is licensed to Lisata pursuant to the Upstream License Agreement, Lisata solely and exclusively owns, and at all times during the Term shall solely and exclusively own, all of the Licensed Technology that exists as of the Effective Date, free and clear of all liens and encumbrances;

10.2.2 Lisata has, and at all times shall maintain, the right to grant the License and all other rights and licenses it purports to grant to Catalent under this Agreement without conflict with the rights of any Third Party;

10.2.3 a list of all of the Licensed Patents as of the Effective Date is attached to this Agreement as **Appendix B**;

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10.2.4 all issued Patents included in the Licensed Patents are, to Lisata's knowledge, valid and enforceable;

10.2.5 there are no claims or assertions in writing received by Lisata or any of its Affiliates, or to Lisata's knowledge, alleged or threatened: (a) alleging that any of the Licensed Patents are invalid or unenforceable; (b) regarding the inventorship of any of the Licensed Patents or alleging that additional or alternative inventors should be listed; or (c) alleging that the use of the Licensed Technology as contemplated by the License infringes or misappropriates, or would infringe or misappropriate, any Intellectual Property of any Third Party;

10.2.6 there are no pending or, to Lisata's knowledge, alleged or threatened, inter partes reviews, post-grant reviews, interferences, re-examinations, or oppositions involving any of the Licensed Patents that are in or before any patent authority (or other governmental authority performing similar functions);

10.2.7 to Lisata's knowledge: (a) the use of the Licensed Technology as contemplated by the License will not infringe or misappropriate any Intellectual Property of any Third Party IP and (b) no Third Party is infringing or misappropriating or has infringed or misappropriated or is threatening to infringe or misappropriate the Licensed Technology;

10.2.8 all Licensed Patents are filed and maintained properly and correctly and all applicable fees have been paid on or before the due date for payment or during any extension thereof;

10.2.9 none of the inventions included in Licensed Technology: (a) was conceived, discovered, developed, or otherwise made in connection with any research activities funded, in whole or in part, by any governmental agency, including, but not limited to, the federal government of the United States or any agency thereof, (b) is a "subject invention" as that term is described in 35 U.S.C. Section 201(e), or (c) is otherwise subject to the provisions of the Patent and Trademark Law Amendments Act of 1980, as amended, codified at 35 U.S.C. §§ 200-212, as amended, or any regulations promulgated pursuant thereto, including in 37 C.F.R. part 401; and

10.2.10 All activities conducted by or on behalf of Lisata or any of its Affiliates in connection with the development of any Compound have been conducted in accordance with Applicable Law.

10.3 Lisata Representations, Warranties and Covenants Regarding the Upstream License Agreement. Lisata represents, warrants and covenants to Catalent that, as of the Effective Date and at all times thereafter during the Term:

10.3.1 a true, complete and correct copy of the Upstream License Agreement has been provided or made available to Catalent prior to the Effective Date;

10.3.2 the Upstream License Agreement is valid, binding, enforceable, and in full force and effect;

10.3.3 (a) Lisata is in compliance in all material respects with the Upstream License Agreement, and, to Lisata's knowledge, Burnham Institute is not in breach of the Upstream License Agreement; (b) no notice of breach, default, or termination has been received or given under the Upstream License Agreement and (c) no circumstances or grounds exist (including, but not limited to, the execution, delivery and performance of this Agreement) that would reasonably be expected to give rise to a claim by Burnham Institute of breach of, or a right of rescission, termination, revision or amendment of, the Upstream License Agreement;

10.3.4 Lisata has obtained all approvals and consents and will provide all notices required to be provided under the Upstream License Agreement in connection with the execution and delivery of this Agreement and the performance by Lisata of Lisata's obligations hereunder;

10.3.5 Lisata shall at all times maintain in good standing the Upstream License Agreement and shall timely perform all obligations arising thereunder, including by making any payments required to be made under the Upstream License Agreement;

10.3.6 Lisata shall not agree to any amendment to the Upstream License Agreement that would adversely affect the rights sublicensed to Catalent under this Agreement without Catalent's prior, written consent; and

10.3.7 (a) in the event that Lisata receives a notice or other communication alleging it is in breach (including a notice or other communication threatening termination) of the Upstream License Agreement, Lisata shall promptly provide Catalent with a copy of such notice and (b) without limiting any other right or remedy of Catalent under this Agreement and in order to prevent, ameliorate, mitigate, or cure a breach of the Upstream License Agreement, in the event that Lisata fails to perform any of its obligations under the Upstream License Agreement, Catalent may perform such obligation on behalf of Lisata, provided that Catalent shall be entitled to credit any out-of-pocket costs it incurs in performing any such obligation against any future payments otherwise owed to Lisata under this Agreement.

10.4 Disclaimer. EXCEPT AS SET FORTH IN SECTION 10.1, SECTION 10.2 AND SECTION 10.3, NEITHER PARTY MAKES, AND EACH HEREBY EXPRESSLY DISCLAIMS, ANY AND ALL REPRESENTATIONS AND WARRANTIES OF ANY KIND ARISING FROM OR RELATING TO THIS AGREEMENT OR SUCH PARTY'S PERFORMANCE HEREUNDER, THE LICENSED TECHNOLOGY, OR ANY LICENSED PRODUCT, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT AND ANY REPRESENTATIONS OR WARRANTIES ARISING FROM A COURSE OF DEALING, COURSE OF PERFORMANCE OR USAGE OF TRADE.

11. INDEMNIFICATION

11.1 Indemnification by Catalent. Subject to and except to the extent of any indemnification from Lisata pursuant to Section 11.2 below, Catalent will indemnify, defend and hold Lisata, its Affiliates, and its and their respective directors, officers, employees and agents ("**Lisata Indemnitees**") harmless from and against all losses, damages, liabilities, settlements, penalties, fines, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses), (collectively, the "**Liabilities**") to the extent such Liabilities arise out of or result from any claim, lawsuit or other action or threat by a Third Party arising out of: (a) any breach of this Agreement by Catalent or (b) any grossly negligent act or omission or willful misconduct by or on behalf of any of the Catalent Indemnitees; in each case, except to the extent that any of the foregoing arises out of or results from any Lisata Indemnitee's negligence, willful misconduct or breach of this Agreement.

11.2 Indemnification by Lisata. Subject to and except to the extent of any indemnification from Catalent pursuant to Section 11.1 above, Lisata will indemnify, defend and hold Catalent, its Affiliates, and its and their respective directors, officers, employees and agents ("**Catalent Indemnitees**") harmless from and against all Liabilities to the extent such Liabilities arise out of or result from any claim, lawsuit or other action or threat by a Third Party arising out of (a) any breach of this Agreement by Lisata or (b) any grossly negligent act or omission or willful misconduct by or on behalf of any of the Lisata

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Indemnitees; in each case, except to the extent that any of the foregoing arises out of or results from any Catalent Indemnitee's negligence, willful misconduct or breach of this Agreement.

11.3 Indemnification Procedures.

11.3.1 Identification of Indemnitor and Indemnitee. An "**Indemnitor**" means the indemnifying Party. An "**Indemnitee"** means the indemnified Party, its Affiliates, and their respective directors, officers, employees and agents.

11.3.2 Indemnification Procedures. An Indemnitee which intends to claim indemnification under Section 11.1 or Section 11.2 hereof will promptly notify the Indemnitor in writing of any claim, lawsuit or other action in respect of which the Indemnitee, its Affiliates, or any of their respective directors, officers, employees and agents intend to claim such indemnification; provided, that failure to provide such notice within a reasonable period of time will not relieve the Indemnitor of any of its obligations hereunder except to the extent the Indemnitee is prejudiced by such failure. The Indemnitee will permit, and will cause its Affiliates and their respective directors, officers, employees and agents to permit, the Indemnitor, at its discretion, to settle any such claim, lawsuit or other action and agrees to the complete control of such defense or settlement by the Indemnitor; provided, however, that in order for the Indemnitor to exercise such rights, such settlement will not adversely affect the Indemnitee's rights under this Agreement or impose any obligations on the Indemnitee in addition to those set forth herein, including an admittance of fault. No such claim, lawsuit or other action will be settled without the prior written consent of the Indemnitor, which consent will not be unreasonably withheld, conditioned or delayed, and the Indemnitor will not be responsible for any legal fees or other costs incurred other than as provided herein. The Indemnitee, its Affiliates and their respective directors, officers, employees and agents will cooperate fully with the Indemnitor and its legal representatives in the investigation and defense of any claim, lawsuit or other action covered by this indemnification, all at the reasonable expense of the Indemnitor. The Indemnitee will have the right, but not the obligation, to be represented by counsel of its own selection and expense.

11.4 Insurance. In the event that any Licensed Product is commercialized, Catalent will procure and maintain (or will cause each Sublicensee to procure and maintain) from the date of first commercial sale of a Licensed Product until the date that is three (3) years after any expiration or termination of this Agreement, a products liability insurance policy with coverage of at least $5 million dollars per occurrence. Lisata and its Affiliates will be named as additional insureds within such products liability insurance policy. Catalent will provide to Lisata upon request, a copy of its insurance certificate evidencing such insurance.

12. LIABILITY

12.1 Liability Exclusion. NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES OR ANY DAMAGES FOR LOSS OF BUSINESS, LOSS OF PROFITS OR THE LIKE, ARISING OUT OF OR RELATING TO THIS AGREEMENT OR SUCH PARTY'S PERFORMANCE HEREUNDER, THE LICENSED TECHNOLOGY, OR ANY LICENSED PRODUCT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF THE CAUSE OF ACTION (WHETHER IN CONTRACT, TORT, BREACH OF WARRANTY OR OTHERWISE), AND NOTWITHSTANDING ANY FAILURE OF THE ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN.

12.2 Exceptions. Notwithstanding anything to the contrary, the liability exclusions set forth in Section 12.1 will not apply: (a) to damages arising from a Party's fraud or willful misconduct or (b) the Parties' respective indemnity and defense obligations under Section 11.

Document Name: Lisata - 2025.10.6 - Catalent Non-Exclusive License Agreement PDF EXECUTION.pdf Transaction ID: CBJCHBCAABAAqH9NaMB-JZ7yXY5JDKvoJCcmIeZTwtYs

13. MISCELLANEOUS PROVISIONS

13.1 Rights in Bankruptcy. All rights and licenses granted under or pursuant to this Agreement by one Party to the other Party are, and otherwise will be deemed to be, for purposes of Section 365(n) of the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws, licenses of right to "intellectual property" as defined under Section 101 of the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws. The Parties agree that a Party that is a licensee of such rights under this Agreement will retain and may fully exercise all of its rights and elections under the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws. The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against a Party to this Agreement under the U.S. Bankruptcy Code or comparable provision of applicable bankruptcy or insolvency laws, the other Party will be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, and same, if not already in its possession, will be promptly delivered to it (a) upon any such commencement of a bankruptcy or insolvency proceeding upon its written request therefor, unless the bankrupt Party elects to continue to perform all of its obligations under this Agreement, or (b) if not delivered under (a) above, following the rejection of this Agreement by or on behalf of the bankrupt Party upon written request therefor by the other Party.

13.2 Publicity. Neither Party nor any of their respective Affiliates, will, without the prior, written consent of the other Party, issue any press release or make any other public announcement concerning the existence of the Agreement, publicly disclose the terms of this Agreement, or use the other Party's (or its Affiliate's) name, trade name, trademark or other designation in a manner that could be construed as an endorsement of its products or services; provided, however, that notwithstanding the foregoing: (a) promptly after the Effective Date, the Parties will issue a joint press release substantially in the form attached to this Agreement as **Appendix C** and (b) either Party may publicly disclose the terms of this Agreement to the extent required by Applicable Laws or exchange rules.

13.3 Notices. Any notice or other communication required or permitted to be given hereunder (a) shall be in writing (email being sufficient) and (b) shall be deemed to have been received by the other Party (i) if personally delivered, (ii) one (1) Business Days after it is sent, if sent by overnight delivery using a nationally-recognized express courier service and providing proof of delivery, or (iii) upon sending, if sent by email with delivery receipt; in each case, to the other Party at the address set forth below; provided, however, that either Party, by written notice given in accordance with this Section to the other Party, may designate another address or person for receipt of notices hereunder, provided that notice of such a change shall be effective upon receipt:

If to Catalent:
Redwood Bioscience, Inc.
c/o Catalent Pharma Solutions
5959 Horton Street
Suite 400 Emeryville, CA 94608
Attn: Robyn Barfield
Email: robyn.barfield@catalent.com
with a copy to: mike.blank@catalent.com

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Catalent Pharma Solutions, LLC
200 Crossing Blvd., 7th Floor,
Bridgewater, NJ 08807
Attn: General Counsel (Legal Department)
Email: GenCouns@catalent.com

If to Lisata:

Lisata Therapeutics, Inc.
110 Allen Road, 2nd Floor
Basking Ridge, NJ 07920
Attn: General Counsel (Legal Department)
Email: legal@lisata.com

With a copy (which shall not constitute notice) to:

Lisata Therapeutics, Inc.
110 Allen Road, 2nd Floor
Basking Ridge, NJ 07920
Attn: Amy Jackson Ayala
Email: aayala@lisata.com

13.4 Applicable Laws; Exclusive Forum. This Agreement, and all questions regarding the existence, validity, interpretation, breach, or performance of this Agreement, will be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without reference to its conflicts of law principles. The Parties hereby consent and agree to the exclusive jurisdiction of the state and federal courts located in Delaware, for all suits, actions or proceedings directly or indirectly arising out of or relating to this Agreement, and waive any and all objections to such courts, including but not limited to objections based on improper venue or inconvenient forum, and each Party hereby irrevocably submits to the jurisdiction of such courts in any suits, actions or proceedings arising out of or relating to this Agreement.

13.5 Assignment.

13.5.1 Neither Party may assign or transfer its interest under this Agreement without the prior, written consent of the other Party, such consent not to be unreasonably withheld, conditioned or delayed; provided, however, that notwithstanding the foregoing: (a) either Party may assign or transfer its interest under this Agreement, upon prior, written notice to the other Party but without any requirement to obtain the other Party's consent: (i) to any of its Affiliates, (ii) pursuant to any merger involving such Party, (iii) pursuant to a sale of all or substantially all assets of such Party or its line of business to which this Agreement relates or (iv) in connection with any sale of equity interests or Change of Control transaction involving such Party and (b) Catalent may assign or transfer its interest under this Agreement, in whole or in part, pursuant to any Licensed Product Assignment, upon prior, written notice to Lisata but without any requirement to obtain Lisata's consent.

13.5.2 "**Licensed Product Assignment**" means any assignment or transfer by Catalent to an Affiliate of Catalent or a Third Party of Catalent's interest under this Agreement related to one or more Licensed Product(s) (whether as part of a Licensed Product Sale or as part of a Catalent Business Sale). "**Assigned Licensed Products**" means the Licensed Product(s) that are the subject of a Licensed Product Assignment. In the event of a Licensed Product Assignment that does not involve the assignment or transfer by Catalent of all of its interest under this Agreement:

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(a) a new agreement shall be deemed to be formed between Lisata and the assignee or transferee in such Licensed Product Assignment (the "**Acquiring Party**") which consists of all of the terms of this Agreement solely to the extent related to the applicable Assigned Licensed Product(s) (except that: (i) in the case where such Licensed Product Assignment is part of a Licensed Product Sale, such assignee or transferee will have no obligation to pay Lisata any applicable Revenue-Share Payments with respect to any Licensed Product Transaction Revenue from such Licensed Product Sale, (ii) such new agreement shall not include any of the terms set forth in Section 4.5 or Section 4.6 of this Agreement and (iii) for clarity, such new agreement shall not provide the Acquiring Party rights with respect to any product other than the applicable Assigned Licensed Product(s)) (the "**Assigned Agreement**");

(b) all references to "Catalent" in the Assigned Agreement shall be deemed to refer to the Acquiring Party, and all references to any "Licensed Product" in the Assigned Agreement shall be deemed to refer to the applicable Assigned Licensed Product(s);

(c) this Agreement shall be remain in effect between Lisata and Catalent, provided that this Agreement will be deemed to be amended to provide that Catalent shall have no obligations to Lisata, and Lisata shall have no obligations to Catalent, with respect to the applicable Assigned Licensed Products, in each case to the extent such obligations arise after the effective date of the assignment or transfer of such Assigned Licensed Products to the Acquiring Party (except that, in the case where such Licensed Product Assignment is part of a Licensed Product Sale, Catalent will remain obligated to pay Lisata any applicable Revenue-Share Payments with respect to any Licensed Product Transaction Revenue from such Licensed Product Sale) (the "**Retained Agreement**");

(d) the Assigned Agreement and the Retained Agreement shall be deemed to be separate and independent agreements;

(e) Catalent shall have no obligations or liabilities to Lisata, and Lisata shall have no obligations or liabilities to Catalent, under the Assigned Agreement;

(f) the Acquiring Party shall have no obligations or liabilities to Lisata, and Lisata shall have no obligations or liabilities to the Acquiring Party, under the Retained Agreement;

(g) no breach, termination or other acts or omissions of Lisata or the Acquiring Party under the Assigned Agreement shall have any effect on the Retained Agreement; and

(h) no breach, termination or other acts or omissions of Lisata or Catalent under the Retained Agreement shall have any effect on the Assigned Agreement.

13.5.3 Any permitted assignment or transfer of this Agreement by either Party will be conditioned upon that Party's permitted assignee or transferee agreeing in writing to comply with all the applicable terms and conditions contained in this Agreement (subject to Section 13.5.2, where applicable). Any purported assignment or transfer of this Agreement without a required consent will be void. No assignment or transfer of this Agreement will relieve any Party of responsibility for the performance of any obligation that accrued prior to the effective date of such assignment or transfer. This Agreement is binding on and inures to the benefit of the Parties and their respective permitted successors and assigns and transferees.

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13.6 Further Assurances. The Parties agree to execute, acknowledge and deliver such further instruments and to take all such other incidental acts as may be reasonably necessary or appropriate to carry out the purpose and intent of this Agreement.

13.7 No Third-Party Beneficiaries. This Agreement will not confer any rights or remedies upon any person or entity other than the Parties named herein and their respective successors and permitted assigns.

13.8 Severability. If any part of this Agreement will be found to be invalid or unenforceable under applicable law in any jurisdiction, such part will be ineffective only to the extent of such invalidity or unenforceability in such jurisdiction, without in any way affecting the remaining parts of this Agreement in that jurisdiction or the validity or enforceability of the Agreement as a whole in any other jurisdiction. In addition, the part that is ineffective will be reformed in a mutually agreeable manner so as to as nearly approximate the intent of the Parties as possible.

13.9 Independent Contractors. Each of the Parties is an independent contractor and nothing herein contained will be deemed to constitute the relationship of partners, joint venturers, nor of principal and agent between the Parties. Neither Party will at any time enter into, incur, or hold itself out to Third Parties as having authority to enter into or incur, on behalf of the other Party, any commitment, expense, or liability whatsoever.

13.10 Waiver. No waiver of any term, provision or condition of this Agreement whether by conduct or otherwise in any one or more instances will be deemed to be or construed as a further or continuing waiver of any such term, provision or condition or of any other term, provision or condition of this Agreement.

13.11 Entirety; Amendments. This Agreement, including the Appendices attached hereto, constitutes the full understanding of the Parties and a complete and exclusive statement of the terms of their agreement with respect to the specific subject matter hereof and supersedes all prior written or oral agreements, arrangements, term sheets and understandings related to the specific subject matter hereof, including, but not limited to, that certain Binding Term Sheet between Catalent and Lisata dated August 25, 2025). No terms, conditions, understandings or agreements purporting to modify or vary the terms thereof will be binding unless hereafter made in a written instrument referencing amendment of this Agreement and signed by each of the Parties.

13.12 Interpretation. The captions and headings to this Agreement are for convenience only and are to be of no force or effect in construing or interpreting any of the provisions of this Agreement. Unless specified to the contrary, references to Articles, Sections or Appendices mean the particular Articles, Sections or Appendices to this Agreement and references to this Agreement include all Appendices hereto. Unless context otherwise clearly requires, whenever used in this Agreement: (a) the words "include" or "including" will be construed as incorporating, also, "but not limited to" or "without limitation;" (b) the word "day" or "year" means a calendar day or year unless otherwise specified; (c) the word "notice" will mean notice in writing (whether or not specifically stated) and will include notices, consents, approvals and other written communications contemplated under this Agreement; (d) the words "hereof," "herein," "hereby" and derivative or similar words refer to this Agreement (including any Appendices); (e) the word "or" will be construed as the inclusive meaning identified with the phrase "and/or"; (f) provisions that require that a Party, the Parties or a committee hereunder "agree," "consent" or "approve" or the like will require that such agreement, consent or approval be specific and in writing, whether by written agreement, letter, approved minutes or otherwise; (g) words of any gender include the other gender; (h) words using the singular or plural number also include the plural or singular number, respectively; (i) references to any Applicable Laws, or article, section or other division thereof, will be deemed to include the then-current

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amendments thereto or any replacement Applicable Laws thereto; and (j) neither Party or its Affiliates will be deemed to be acting "on behalf of" or "under authority of" the other Party under this Agreement.

13.13 Headings. All headings in this Agreement are for convenience of reference only and will not affect the interpretation of this Agreement.

13.14 Counterparts. This Agreement and any amendment hereto may be executed in any number of counterparts (which may be exchanged by emails of .PDF copies, DocuSign or other electronic means), each of which will for all purposes be deemed an original and all of which will constitute the same instrument.

(signature page follows)

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IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives.

LISATA THERAPEUTICS, INC.

By: David J. Mazzo
David J. Mazzo (Oct 7, 2025 07:14:19 EDT)
Name: David J. Mazzo, PhD
Title: President and Chief Executive Officer

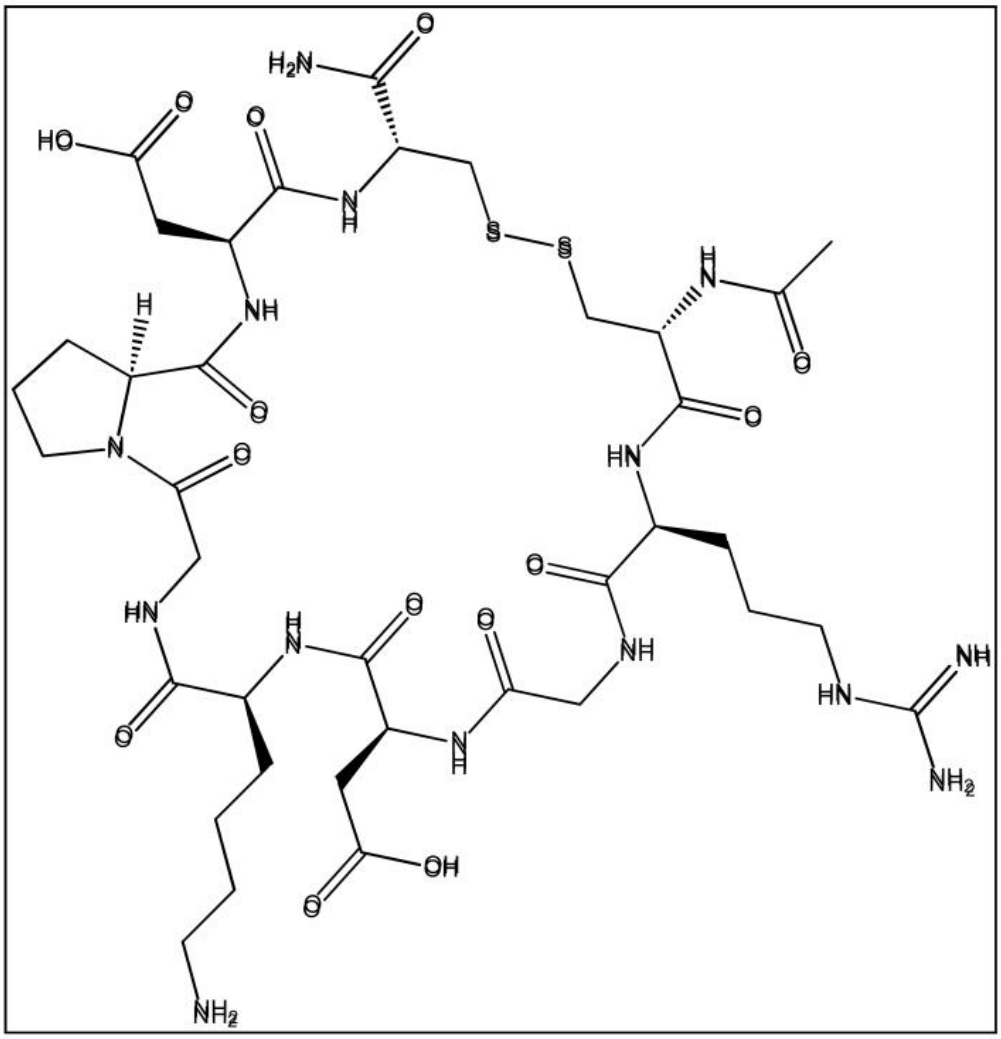
REDWOOD BIOSCIENCE, INC.

By: David McErlane (Oct 8, 2025 07:06:48 EDT)
Name: David McErlane
Title: Group President, Biologics

[signature page to Non-Exclusive License Agreement]

Appendix A

Depiction of Chemical Structure of Certepetide



2,2'-((3*S*,6*R*,11*R*,14*S*,20*S*,23*S*,31a*S*)-11-acetamido-23-(4-aminobutyl)-6-carbamoyl-14-(3-guanidinopropyl)-1,4,12,15,18,21,24,27-octaoxooctacosahydro-1*H*-pyrrolo[2,1-*j*][1,2]dithia[5,8,11,14,17,20,23,26]octaazacyclononacosine-3,20-diyl)diacetic acid

Chemical Formula: $C_{37}H_{60}N_{14}O_{14}S_2$

Exact Mass: 988.39

Molecular Weight: 989.09

m/z: 988.39 (100.0%), 989.39 (41.2%), 990.39 (13.6%), 990.38 (9.2%), 989.38 (6.7%), 991.38 (4.2%), 991.39 (2.1%), 992.39 (1.2%), 991.40 (1.1%)

Elemental Analysis: C, 44.93; H, 6.11; N, 19.83; O, 22.65; S, 6.48

Appendix B

Licensed Patents
(as of the Effective Date)

METHODS AND COMPOSITIONS RELATED TO INTERNALIZING RGD PEPTIDES – LICENSED FROM SANFORD BURNHAM PREBYS					
COUNTRY	**STATUS**	**APPLICATION NO.**	**APPLICATION DATE**	**PATENT NUMBER**	**GRANT DATE**
United States of America	Issued	**13/754,105**	Jan 30, 2013	9,115,170	Aug 25, 2015
United States of America	Issued	**12/355,672**	Jan 16, 2009	8,367,621	Feb 5, 2013
PCT	Completed	**PCT/US2009/031305**	Jan 16, 2009		
China	Issued	**200980102487.1**	Jan 16, 2009	101951938	Apr 13, 2016
Germany	Issued	**09730977.7**	Jan 16, 2009	60 2009 037 246.7	Mar 30, 2016
France	Issued	**09730977.7**	Jan 16, 2009		Mar 30, 2016
United Kingdom	Issued	**09730977.7**	Jan 16, 2009		Mar 30, 2016
Australia	Issued	**2009234338**	Jan 16, 2009	2009234338	Nov 6, 2014
European Patent Office	Issued	**09730977.7**	Jan 16, 2009	2242764	Mar 30, 2016
Japan	Issued	**2010-543285**	Jan 16, 2009	5985152	Aug 12, 2016

METHODS AND COMPOSITIONS RELATED TO PEPTIDES AND PROTEINS WITH C-TERMINAL ELEMENTS - LICENSED FROM SANFORD BURNHAM PREBYS					
COUNTRY	**STATUS**	**APPLICATION NO.**	**APPLICATION DATE**	**PATENT NUMBER**	**GRANT DATE**
Australia	Issued	**2009215426**	Feb 20, 2009	2009215426	Sep 24, 2015
United States of America	Issued	**12/390,061**	Feb 20, 2009	11,260,133	Mar 1, 2022
United States of America	Pending	**17/681,380**	Feb 25, 2022		
PCT	Completed	**PCT/US2009/034713**	Feb 20, 2009		
Germany	Issued	**09711840.0**	Feb 20, 2009	60 2009 064 799.7	Apr 5, 2023
Spain	Issued	**09711840.0**	Feb 20, 2009	2250278	Apr 5, 2023
France	Issued	**09711840.0**	Feb 20, 2009	2250278	Apr 5, 2023
United Kingdom	Issued	**9711840**	Feb 20, 2009	2250278	Apr 5, 2023

Italy	Issued	**09711840.0**	Feb 20, 2009	502023000044172	Apr 5, 2023
European Patent Office	Issued	**09711840.0**	Feb 20, 2009	2250278	Apr 5, 2023

METHODS AND COMPOSITIONS USING PEPTIDES AND PROTEINS WITH C-TERMINAL ELEMENTS - LICENSED FROM SANFORD BURNHAM PREBYS					
COUNTRY	**STATUS**	**APPLICATION NO.**	**APPLICATION DATE**	**PATENT NUMBER**	**GRANT DATE**
United States of America	Issued	**16/524,869**	Jul 29, 2019	11,059,718	Jul 13, 2021
United States of America	Allowed	**17/373,496**	Jul 12, 2021		
United States of America	Issued	**12/821,050**	Jun 22, 2010	10,370,245	Aug 6, 2019
PCT	Completed	**PCT/US2010/039539**	Jun 22, 2010		
Germany	Issued	**10727320.3**	Jun 22, 2010	602010033927.0	Jun 8, 2016
France	Issued	**10727320.3**	Jun 22, 2010	2445536	Jun 8, 2016
United Kingdom	Issued	**10727320.3**	Jun 22, 2010	2445536	Jun 8, 2016
Brazil	Issued	**PI1015424-8**	Jun 22, 2010	PI 1015424-8	Jan 18, 2022
China	Issued	**2010800372080**	Jun 22, 2010	2010800372080	Jan 13, 2016
European Patent Office	Issued	**10727320.3**	Jun 22, 2010	2445536	Jun 8, 2016
Japan	Issued	**2012-517663**	Jun 22, 2010	5906184	Mar 25, 2016

LOW-DOSE CYTOKINE CO-ADMINISTERED WITH IRGD FOR TREATING CANCER – LISATA-OWNED PATENTS					
COUNTRY	**STATUS**	**APPLICATION NO.**	**APPLICATION DATE**	**PATENT NUMBER**	**GRANT DATE**
Australia	Pending	2020235864	Mar 6, 2020		
Brazil	Pending	BR112021017774-4	Mar 6, 2020		
Canada	Allowed	3,132,813	Mar 6, 2020		
China	Published	CN113795271A	Mar 6, 2020		
European Patent Office	Published	20770764.7	Mar 6, 2020		
Hong Kong	Pending	62022056550	Mar 6, 2020		
Japan	Pending	2021-552755	Mar 6, 2020		
Republic of Korea	Pending	10-2021-7032407	Mar 6, 2020		

United States of America	Published	16/812,107	Mar 6, 2020		

METHODS FOR TREATING PANCREATIC CANCER AND OTHER SOLID TUMORS – LISATA-OWNED PATENTS					
COUNTRY	**STATUS**	**APPLICATION NO.**	**APPLICATION DATE**	**PATENT NUMBER**	**GRANT DATE**
Australia	Pending	2021266721	May 4, 2021		
Canada	Pending	3,182,546	May 4, 2021		
China	Published	202180046526 1	May 4, 2021		
European Patent Office	Published	21800516.3	May 4, 2021		
Japan	Published	2022-567526	May 4, 2021		
Republic of Korea	Pending	10-2022-7041792	May 4, 2021		
United States of America	Published	17/923,408	May 4, 2021		

iRGD-ANALOGS AND RELATED THERAPEUTIC METHODS – LISATA-OWNED PATENTS					
COUNTRY	**STATUS**	**APPLICATION NO.**	**APPLICATION DATE**	**PATENT NUMBER**	**GRANT DATE**
Australia	Pending	2022270659	May 4, 2022		
Canada	Pending	3,217,749	May 4, 2022		
China	Published	2.0228E+11	May 4, 2022		
European Patent Office	Published	22799544.6	May 4, 2022		
Japan	Pending	2023-567209	May 4, 2022		
Republic of Korea	Pending	10-2023-7041651	May 4, 2022		
United States of America	Pending	19/018,888	January 13, 2025		

PHARMACEUTICAL COMPOSITIONS COMPRISING NOVEL CYCLIC PEPTIDES – LISATA-OWNED PATENTS					
COUNTRY	**STATUS**	**APPLICATION NO.**	**APPLICATION DATE**	**PATENT NUMBER**	**GRANT DATE**
United States of America	Issued	19/023,048	January 15, 2025	12,351,653	July 8, 2025

COMBINATIONS FOR USE IN CANCER THERAPY – LISATA-OWNED PATENTS					
COUNTRY	**STATUS**	**APPLICATION NO.**	**APPLICATION DATE**	**PATENT NUMBER**	**GRANT DATE**
United States of America	Pending	63/694,679	13-Sep-24		

Appendix C

Form of Joint Press Release

Lisata Therapeutics and Catalent Announce Global Antibody-Drug Conjugate (ADC) License Agreement

Catalent gains global rights to evaluate certepetide and its analogs for use as SMARTag® payloads across multiple ADCs designed to address difficult-to-treat-diseases

Catalent's preclinical study results provide proof-of-concept support for leveraging certepetide-related biology through its use as an ADC payload

BASKING RIDGE, N.J. and TAMPA, Fla. (October 8, 2025) – Lisata Therapeutics, Inc. (Nasdaq: LSTA) ("Lisata" or the "Company"), a clinical-stage pharmaceutical company developing innovative therapies for the treatment of advanced solid tumors and other serious diseases, and Catalent, Inc. ("Catalent"), a leader in enabling the development and supply of better treatments for patients worldwide, today announced a global product license agreement that allows Catalent to incorporate Lisata's certepetide into antibody-drug conjugates ("ADCs") developed using Catalent's SMARTag® technology platform. Certepetide, a proprietary, *internalizing* RGD (arginyl-glycyl-aspartic acid) or "iRGD" cyclic peptide, is being tested by Lisata as a cancer therapeutic to be used in combination with other anti-cancer agents to enhance tumor targeting and penetration and improve treatment outcomes.

Under the licensing agreement, Catalent gains worldwide, non-exclusive rights to develop and commercialize bioconjugate products containing certepetide and its analogs, including the ability to partner with third parties. As part of this collaboration, Catalent will have the right to evaluate certepetide and its analogs as SMARTag® payloads in clinical studies across multiple ADCs targeting difficult-to-treat diseases, with the goal of creating a new class of targeted bioconjugate therapies. Lisata is eligible to receive over $10 million in tiered study initiation milestone payments plus revenue sharing on future sales and partnerships.

"This collaboration is based on positive preclinical results generated by Catalent's use of an iRGD peptide as part of its SMARTag® ADC platform," stated Kristen K. Buck, M.D., Executive Vice President of Research and Development and Chief Medical Officer of Lisata. "It underscores our mutual belief in certepetide's broad potential and is another significant step forward in Lisata's mission to bring transformative therapies to patients. Catalent's technology and innovative approach are a perfect complement to certepetide's biology." Preclinical work supporting incorporation of iRGD peptides into the SMARTag® ADC platform will be highlighted at this November's World ADC conference in San Diego.

"We are excited about the opportunity to explore iRGD biology as it relates to ADC delivery to the tumor microenvironment. Early data suggest that incorporating iRGD peptides into ADCs improves efficacy and pharmacokinetics, leading us to be optimistic about the potential of iRGD as a novel payload class," said Penelope Drake, Head of R&D, Bioconjugates at Catalent.

About Lisata Therapeutics

Lisata Therapeutics is a clinical-stage pharmaceutical company dedicated to the discovery, development and commercialization of innovative therapies for the treatment of advanced solid tumors and other major diseases. Lisata's cyclic peptide product candidate, certepetide, is an investigational drug designed to activate a novel uptake pathway that allows co-administered or tethered anti-cancer drugs

to selectively target and penetrate solid tumors more effectively. Lisata has already established noteworthy commercial and R&D partnerships based on its CendR Platform® technology. The Company expects to announce numerous milestones over the next 1.5 years and believes that its projected capital will fund operations through the fourth quarter of 2026, encompassing anticipated data milestones from its ongoing and planned clinical trials. For a comprehensive overview of certepetide's mechanism of action, please view our informative short film. For more information on the Company, please visit www.lisata.com.

About Certepetide

Certepetide (formerly LSTA1), an *internalizing* RGD (arginyl-glycyl-aspartic acid or iRGD), cyclic peptide product candidate, is an investigational drug designed to activate a novel uptake pathway that allows co-administered or tethered anti-cancer drugs to target and penetrate solid tumors more effectively. Certepetide actuates this active transport system in a tumor-specific manner, resulting in systemically co-administered anti-cancer drugs more efficiently penetrating and accumulating in the tumor. Certepetide also has been shown to modify the tumor microenvironment resulting in tumors which are more susceptible to immunotherapies. We and our collaborators have amassed significant non-clinical data demonstrating enhanced delivery of a range of emerging anti-cancer therapies, including immunotherapies and RNA-based therapeutics. To date, certepetide has also demonstrated favorable safety, tolerability, and clinical activity in completed and ongoing clinical trials designed to test its ability to enhance the effectiveness of standard-of-care chemotherapy for pancreatic cancer. Lisata is exploring the potential of certepetide to enable a variety of treatment modalities to treat a range of solid tumors more effectively. Certepetide has been awarded Fast Track designation (U.S.) and Orphan Drug Designation for pancreatic cancer (U.S. and E.U.) as well as Orphan Drug Designation for glioma (U.S.) and osteosarcoma (U.S.). Additionally, certepetide has received Rare Pediatric Disease Designation for osteosarcoma (U.S.).

About Catalent

Catalent, Inc. is a leading global contract development and manufacturing organization (CDMO) whose mission is to develop, manufacture, and supply products that help people live better and healthier lives. Catalent is dedicated to delivering unparalleled service to pharma, biotech, and consumer health customers, supporting product development, launch, and full life-cycle supply. With time-tested experience in development sciences, delivery technologies, and multi-modality manufacturing, Catalent supports the acceleration of development programs and the launch of more than a hundred new products every year. Powered by thousands of scientists and technicians and the latest technology platforms at more than 40 global sites, Catalent supplies billions of doses of life-enhancing and life-saving treatments for patients annually. For more information, visit www.catalent.com.

Forward-Looking Statements

This communication contains “forward-looking statements” that involve substantial risks and uncertainties for purposes of the safe harbor provided by the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this communication regarding the Company’s clinical development programs are forward-looking statements. In addition, when or if used in this communication, the words “may,” “could,” “should,” “anticipate,” “believe,” “estimate,” “expect,” “intend,” “plan,” “predict” and similar expressions and their variants, as they relate to Lisata or

its management, may identify forward-looking statements. Examples of forward-looking statements include, but are not limited to, the potential efficacy of certepetide as a treatment for patients with solid tumors; our beliefs about the potential uses and benefits of certepetide; the potential of the collaboration with Catalent to develop new treatment options; the expected expiration of our patents for certepetide; our ability to obtain patent term extension on our U.S. composition of matter patent; statements relating to Lisata's continued listing on the Nasdaq Capital Market; expectations regarding the capitalization, resources and ownership structure of Lisata; the approach Lisata is taking to discover and develop novel therapeutics; the adequacy of Lisata's capital to support its future operations and its ability to successfully initiate and complete clinical trials; and the difficulty in predicting the time and cost of development of Lisata's product candidates. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors, including, without limitation: results observed from preliminary data are not necessarily indicative of final results and one or more of the clinical outcomes may materially change following more comprehensive reviews of the data and as more patient data becomes available, including the risk that unconfirmed responses may not ultimately result in confirmed responses to treatment after follow-up evaluations; the risk that product candidates that appeared promising in early research and clinical trials do not demonstrate safety and/or efficacy in larger-scale or later clinical trials; the safety and efficacy of Lisata's product candidates, decisions of regulatory authorities and the timing thereof, the duration and impact of regulatory delays in Lisata's clinical programs, Lisata's ability to finance its operations, the likelihood and timing of the receipt of future milestone and licensing fees, the future success of Lisata's scientific studies, Lisata's ability to successfully develop and commercialize drug candidates, the timing for starting and completing clinical trials, rapid technological change in Lisata's markets, the ability of Lisata to protect its intellectual property rights; and legislative, regulatory, political and economic developments. The foregoing review of important factors that could cause actual events to differ from expectations should not be construed as exhaustive and should be read in conjunction with statements that are included herein and elsewhere, including the risk factors included in Lisata's Annual Report on Form 10-K filed with the SEC on February 27, 2025, and in other documents filed by Lisata with the Securities and Exchange Commission. Except as required by applicable law, Lisata undertakes no obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events, or otherwise.

Lisata Therapeutics Contact:

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Catalent Contact:

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Exhibit 21.1

Subsidiaries of Lisata Therapeutics, Inc.

Entity [1]	Percentage of Ownership	Location
Athelos Corporation [2]	99%	United States of America
Lisata Therapeutics Australia Pty Ltd	100%	Australia
Lisata Therapeutics Ireland Limited	100%	Ireland
Lisata Therapeutics KK	100%	Japan
Lisata Therapeutics (U.K.) Limited	100%	United Kingdom
Lisata Therapeutics AI LLC	100%	United States of America

[1] Subsidiaries listed are as of the Company's filing date of March 12, 2026.
[2] As of December 31, 2025, Becton Dickinson's ownership interest in Athelos Corporation was 1.0%.

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our report dated March 12, 2026, with respect to the consolidated financial statements included in the Annual Report of Lisata Therapeutics, Inc. on Form 10-K for the year ended December 31, 2025. We consent to the incorporation by reference of said report in the Registration Statements of Lisata Therapeutics, Inc. on Form S-1 (File No 333-239302), Forms S-3 (File No. 333- 210664, File No. 333-214607, File No. 333-220354, File No. 333-248100, File No. 333-252560, and File No. 333-279034) and on Forms S-8 (File No. 333-159282, File No. 333-162733, File No. 333-173854, File No. 333-181365, File No. 333- 184927, File No. 333-191572, File No. 333-205662, File No. 333-212202, File No. 333-215455, File No. 333-218642, File No. 333-222410, File No. 333-225743, File No. 333-225744, File No. 333-248101, File No. 333-257560, File No. 333-267909, File No. 333-273229, File No. 333-280812, and File No. 333-292615).

/s/GRANT THORNTON LLP

New York, New York

March 12, 2026

Exhibit 31.1

CERTIFICATIONS UNDER SECTION 302

I, David J. Mazzo, certify that:

1. I have reviewed this annual report on Form 10-K of Lisata Therapeutics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2026

/s/ David J. Mazzo
Name: David J. Mazzo, PhD
Title: President & Chief Executive Officer
(*Principal Executive Officer*)

Exhibit 31.2

CERTIFICATIONS UNDER SECTION 302

I, James Nisco, certify that:

1. I have reviewed this annual report on Form 10-K of Lisata Therapeutics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 12, 2026

/s/ James Nisco
Name: James Nisco
Title: Senior Vice President, Finance and Treasury and Chief Accounting Officer
(*Principal Financial Officer and Principal Accounting Officer*)

Exhibit 32.1

CERTIFICATIONS UNDER SECTION 906

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), I, David J. Mazzo, PhD, President and Chief Executive Officer of Lisata Therapeutics, Inc., a Delaware corporation (the "Company"), do hereby certify, to my knowledge, that:

The Annual Report for the year ended December 31, 2025 (the "Form 10-K") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 12, 2026

/s/ David J. Mazzo
David J. Mazzo, PhD
President & Chief Executive Officer
(*Principal Executive Officer*)

Exhibit 32.2

CERTIFICATIONS UNDER SECTION 906

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), I, James Nisco, Senior Vice President, Finance and Treasury and Chief Accounting Officer of Lisata Therapeutics, Inc., a Delaware corporation (the "Company"), do hereby certify, to my knowledge, that:

The Annual Report for the year ended December 31, 2025 (the "Form 10-K") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 12, 2026

/s/ James Nisco
James Nisco
Senior Vice President, Finance and Treasury and Chief Accounting Officer
(*Principal Financial Officer and Principal Accounting Officer*)