As filed with the Securities and Exchange Commission on December 8, 2020

Registration No. 333-250093

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

Amendment No. 1
to
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

BioAtla, Inc.

(Exact name of registrant as specified in its charter)

Delaware	2836	85-1922320
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

11085 Torreyana Road
San Diego, California 92121
(858) 558-0708
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Jay M. Short, Ph.D.
Chairman and Chief Executive Officer
BioAtla, Inc.
11085 Torreyana Road
San Diego, California 92121
(858) 558-0708
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

David Schulman, Esq. David Rosenthal, Esq. Dechert LLP 1900 K Street, N.W. Washington, D.C 20006-1110 (202) 261-3300	William Fogg, Esq. Michael Mariani, Esq. Cravath, Swaine & Moore LLP Worldwide Plaza 825 Eighth Avenue New York, NY 10019 (212) 474-1000

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

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

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

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

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

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

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

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

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Proposed maximum aggregate offering price(1)	Amount of registration fee(1)
Common Stock, $0.0001 par value per share	$100,000,000	$10,910[(2)]

(1) Estimated solely for the purpose of calculating the amount of the registration fee in accordance with Rule 457(o) under the Securities Act. Includes the offering price of shares that the underwriters have the option to purchase.
(2) Previously paid.

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

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

Subject to completion, dated December 8, 2020

Preliminary Prospectus

shares

Common stock

This is an initial public offering of shares of common stock by BioAtla, Inc. We are offering shares of our common stock. We estimate that the initial public offering price of our common stock will be between $ and $ per share.

Prior to this offering, there has been no public market for our common stock. We have applied to list our common stock on The Nasdaq Global Market under the symbol "BCAB."

We are an "emerging growth" company as that term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, have elected to comply with certain reduced public company reporting requirements.

Following the completion of this offering, we will have two classes of common stock: common stock and Class B common stock. The rights of the holders of common stock and Class B common stock are identical, except with respect to voting and conversion. Each share of common stock will be entitled to one vote and will not be convertible into any other class of our share capital. Shares of Class B common stock will be non-voting, except as may be required by law. Each share of Class B common stock may be converted at any time into one share of common stock at the option of its holder, subject to the ownership limitations provided for in our amended and restated certificate of incorporation to become effective upon the completion of this offering. See "Description of capital stock" for more information on the rights of the holders of our common stock and Class B common stock.

	Per share	Total
Initial public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds to BioAtla, Inc., before expenses	$	$

(1) See "Underwriting" for a description of the compensation payable to the underwriters.

We have granted the underwriters an option for a period of 30 days to purchase up to an additional shares of common stock from us at the public offering price, less underwriting discounts and commissions.

Investing in our common stock involves a high degree of risk. See "Risk factors" beginning on page 15 of this prospectus.

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

The underwriters expect to deliver the shares of common stock to purchasers on or about , 2020

J.P. Morgan **Jefferies** **Credit Suisse**

BTIG

, 2020

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Neither we nor any of the underwriters have authorized anyone to provide you with information different from, or in addition to, that contained in this prospectus, any amendment or supplement to this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we may have referred you in connection with this offering. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. Neither we nor any of the underwriters is making an offer to sell or seeking offers to buy these securities in any jurisdiction where or to any person to whom the offer or sale is not permitted. The information contained in this prospectus is accurate only as of the date on the front cover page of this prospectus, regardless of the time of delivery of this prospectus or of any sale of shares of our common stock, and the information in any free writing prospectus that we may provide you in connection with this offering is accurate only as of the date of that free writing prospectus. Our business, financial condition, results of operations and prospects may have changed since those dates.

For investors outside the United States, neither we nor any of the underwriters has done anything that would permit this offering or possession or distribution of this prospectus or any free writing prospectus we may provide to you in connection with this offering in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus and any free writing prospectus outside of the United States.

Prospectus summary

This summary highlights information contained in other parts of this prospectus. Because it is only a summary, it does not contain all of the information that you should consider before investing in shares of our common stock and it is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this prospectus. You should read the entire prospectus carefully, especially "Risk factors," "Management's discussion and analysis of financial condition and results of operations" and our consolidated financial statements and related notes, before deciding to buy shares of our common stock. Unless the context requires otherwise, references in this prospectus to "BioAtla," "we," "us" and "our" refer, prior to the LLC conversion discussed below, to BioAtla, LLC and, after the conversion, to BioAtla, Inc.

Overview

We are a clinical-stage biopharmaceutical company developing our novel class of highly specific and selective antibody-based therapeutics for the treatment of solid tumor cancer. Our conditionally active biologics, or CABs, capitalize on our proprietary discoveries with respect to tumor biology, enabling us to target known and widely validated tumor antigens that have previously been difficult or impossible to target. Our novel CAB therapeutic candidates exploit characteristic pH differences between the tumor microenvironment and healthy tissue. Unlike healthy tissue, the tumor microenvironment is acidic, and we have designed our antibodies to selectively bind to their targets on tumor cells under acidic pH conditions but not on targets in normal tissues. Our approach is to identify the necessary targeting and potency required for cancer cell destruction, while aiming to eliminate or greatly reduce on-target, off-tumor toxicity—one of the fundamental challenges of existing cancer therapies.

The broad applicability of our CAB technology allows us to develop a wide array of product candidate modalities, such as monoclonal antibodies, antibody-drug conjugates, or ADCs, T cell-engaging bispecific antibodies and chimeric antigen receptor T cells, or CAR-T cells. A key advantage of our application of the CAB technology to antibodies is that it allows us to selectively target antigens on tumor cells and minimizes or eliminates binding to these antigens on normal cells, which reduces the toxicity associated with traditional approaches. We have initiated Phase 2 trials for our two latest stage ADC product candidates BA3011 (targeting AXL) and BA3021 (targeting ROR2) in multiple cancer indications, including sarcoma, NSCLC and melanoma. We are also supporting investigator-initiated trials for both BA3011 and BA3021 in platinum-resistant ovarian cancer. We have observed encouraging initial clinical signs of response to treatment and a wide therapeutic window, or range of dosage and duration. BA3011 and BA3021 have the potential to address large unmet medical needs in indications that together account for more than 350,000 new cases of solid tumor cancers and 150,000 deaths per year, in the United States alone. Additionally, we plan to work with our partner BeiGene Ltd., or BeiGene, to initiate Phase 1 trials in multiple cancer indications in 2021 for our immuno-oncology antibody, BA3071 (targeting CTLA-4), which is designed to overcome the toxicity limitations of the currently approved anti-CTLA-4 antibody, to improve patient outcomes. We also have several candidates in our preclinical pipeline that include CAB bispecific antibodies targeting unmet medical needs in multiple types of solid tumors.

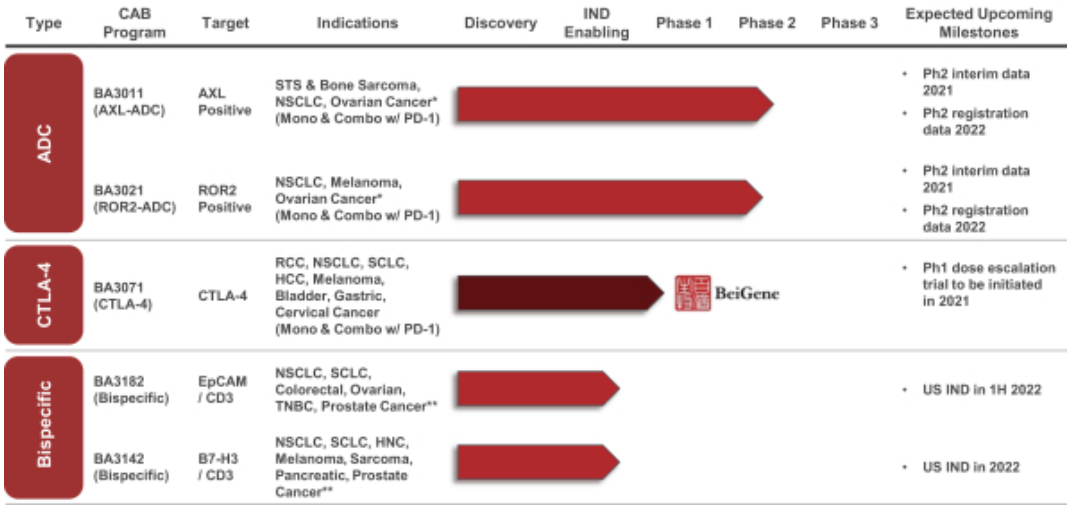
Our goal is to develop well-tolerated, novel cancer therapies that provide cures or extended survival to ensure patients' improved quality of life. Studies have shown that, as a drug class, antibodies have transformed oncology treatment and include some of the best-selling therapies on the biopharmaceutical market. While therapeutic antibodies have emerged as one of the most successful strategies for both solid and blood-based, or hematologic, malignancies, toxicity has narrowed the therapeutic window and ultimate potential of

impacting disease, as many of the key targets on tumor cells are also prevalent on normal cells. By exploiting our novel understanding of tumor biology, including unique characteristics of pH in the tumor microenvironment, we believe that our CAB technology has the potential to transform antibody-based cancer therapy. We have created and patented our CAB technology to enable the development of antibodies that are active in the tumor microenvironment, but inactive under normal physiological conditions, while maintaining target-specific binding. The biology of tumor formation, or tumorigenesis, yields a unique microenvironment consisting of a complex mixture of tumor cells, stromal fibroblasts, endothelial cells and immune cells like microglia, macrophages and lymphocytes and the non-cellular components of extracellular matrix such as collagen, fibronectin, hyaluronan and laminin, among others. The process of tumor formation creates an altered, unique microenvironment in and around the tumor that is also physically and chemically distinct from healthy tissue, with regard to temperature, pressure, chemical composition and especially the acidity or pH. The tumorigenesis-driven shifts in microenvironment conditions further weaken the immune response and promote tumor growth. Our CAB technology aims to uniquely exploit the fundamental pH differences between the tumor and healthy tissue, increasing antibody binding selectivity and thereby potentially eliminating or greatly reducing healthy cell on-target, off-tumor toxicity. This enhanced selectivity has the potential to greatly improve the benefit-risk ratio for the patient and allows us to deliver desired drug levels either as monotherapy or utilizing unique multi-targeted or combination therapies that are currently difficult or impossible to develop. Additionally, the combination of reversible binding with the selective, precision capability of our CAB technology enables both increased antibody potency and reduced toxicity.

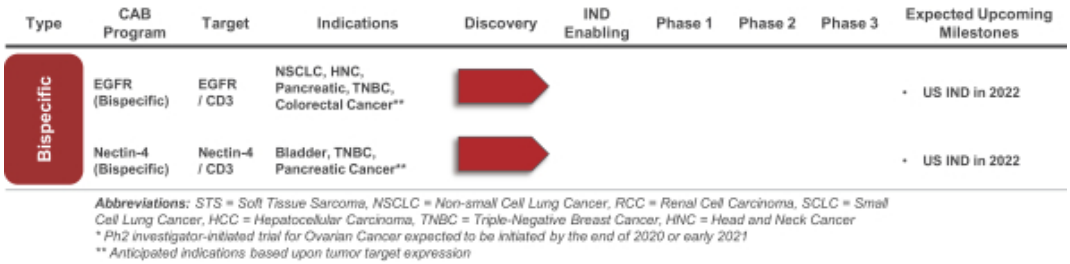
Initially, we applied the reversible binding and precision capability of our CAB technology to develop next-generation ADC therapies. Traditional ADCs are a class of biologic drugs that are designed by attaching a toxic small molecule payload to an antibody, which then targets a specific antigen expressed on the target cell, but unfortunately, in most cases, this target is also present on normal tissue. Binding to the target on normal tissue leads to high on-target, off-tumor toxicity, which reduces the utility of traditional ADCs. Our CAB ADCs are designed to selectively bind to the antigens found in acidic pH conditions found in the tumor microenvironment, which has the potential to reduce off-tumor toxicity and related consequences. In addition, we developed CAB antibodies to immuno-oncology targets such as CTLA-4 for antitumor activity. We believe that our CAB technology can reduce the limitations resulting from systemic toxicities and expand the utility of this immuno-oncology therapy. We are also creating bispecific, T cell engaging, CAB antibodies that are comprised of two different binding specificities, which allows the antibody to bind to two specific targets at the same time, generally one target on the tumor cell and one target on an immune system cell. This is a powerful approach to harness cytotoxic T cells to directly kill tumor cells with reduced toxicity.

Our pipeline

We believe that there is significant potential to improve therapeutics for our patients with our proprietary CAB antibody technology across well-validated oncology targets activated in solid tumors. The following table summarizes our current product candidate pipeline.



The following table summarizes our most advanced research and discovery product candidates.



Abbreviations: *STS = Soft Tissue Sarcoma, NSCLC = Non-small Cell Lung Cancer, RCC = Renal Cell Carcinoma, SCLC = Small Cell Lung Cancer, HCC = Hepatocellular Carcinoma, TNBC = Triple-Negative Breast Cancer, HNC = Head and Neck Cancer*

** Ph2 investigator-initiated trial for Ovarian Cancer expected to be initiated by the end of 2020 or early 2021*

*** Anticipated indications based upon tumor target expression*

BA3011: Our lead product candidate, BA3011, is a CAB ADC that targets AXL, a protein that is highly expressed on the surface of many tumors, including soft tissue and bone sarcomas and NSCLC, as well as other tumor types. In preclinical studies, we have observed that BA3011 binds to AXL under conditions that reflect those in tumors. We have developed a quantitative biomarker assay that is called the AXL Tumor membrane Percent Score, or TmPS. The TmPS measures the level of target expression on the tumor membrane which, consistent with industry standards, we use to identify those patients who we believe will be the most likely to respond to our product candidates. We believe that the higher the level of target expression on the tumor membrane, the more likely it is that our product candidates may have the potential to produce a response. We have completed the Phase 1 dose escalation trial in advanced cancer patients, established a recommended Phase 2 dose and initiated dosing in a Phase 2 clinical trial in soft tissue and bone sarcoma. We have also initiated a Phase 2 clinical trial in PD-1 refractory NSCLC patients. Interim analysis for both trials is anticipated in 2021 and the complete registrational data set expected in 2022. Additionally, we expect a multi-center investigator-initiated trial in platinum-resistant ovarian cancer will commence by the end of 2020 or early 2021.

BA3021: We are developing our second product candidate, BA3021, a CAB ADC targeting ROR2, a tumor target associated with tumor progression, metastasis and the development of resistance to conventional therapies

and immuno-oncology agents. Employing a similar approach as with BA3011, we developed a TmPS quantitative assay based on ROR2 tumor membrane expression that we use to identify those patients who we believe will be the most likely to respond to our product candidates. We have completed the dose escalation part of a Phase 1 clinical trial in patients with locally advanced unresectable or metastatic solid tumors who were refractory or resistant to standard therapies, established a recommended Phase 2 dose and initiated a Phase 2 clinical trial in PD-1 refractory melanoma and NSCLC with interim analysis anticipated in the second half of 2021 and the complete data set expected in 2022. Additionally, we expect a multi-center investigator-initiated trial in platinum-resistant ovarian cancer will commence by the end of 2020 or early 2021.

BA3071: Our third product candidate, BA3071, is a CAB anti-CTLA-4 antibody, which our preclinical studies have shown to maintain the function of the checkpoint inhibitor ipilimumab, but with greatly reduced systemic toxicities. We have a global collaboration with BeiGene on this program through which we will receive development milestones and tiered royalties on sales worldwide. We expect to work with our partner BeiGene to support the initiation of a Phase 1 dose-escalation trial of BA3071 as monotherapy and in combination with tislelizumab, an anti-PD-1 antibody in late stage development by BeiGene, in 2021.

Bispecific antibody programs: We have also leveraged our CAB technology to develop bispecific antibodies, which bind both a tumor-specific antigen and a T cell receptor using CAB antigen-binding domains. A bispecific antibody is a type of engineered antibody that can simultaneously bind two separate and unique antigens, unlike conventional monospecific antibodies that only bind to one type of target. We have shown in preclinical experiments that our CAB bispecific molecules meet or exceed the activity of conventional bispecifics and reduce systemic activation of potentially fatal immune responses. We advanced two CAB bispecific antibody product candidates into investigational new drug, or IND, enabling studies in the second half of 2020. We expect to submit multiple US INDs in the second half of 2021 or sometime in 2022.

Our CAB technology

We believe that our novel approach to increase the selectivity of antibody-based therapeutics while maintaining their potency may have the potential to fundamentally transform the development of anti-cancer therapeutics and expand the universe of targets for antibody-based therapies.

Our CABs are based on our patented protein discovery and engineering technology. We invented, developed and refined this technology which we believe selectively activates proteins and antibodies in diseased tissue based on differences in local conditions such as temperature, pressure, chemical composition and pH compared to normal healthy tissue. One of the most profound physicochemical differences between the tumor microenvironment and normal cellular environment is an increase in lactic acid and an associated decrease in pH in the tumor microenvironment from the normal physiological pH of about 7.4 or higher. Our technology allows us to exploit the differences between the tumor microenvironment and healthy tissue to focus binding on cancer cells. In addition, unlike other technologies, we have shown that activation of our CABs is reversible; not only are they activated due to the pH levels of the tumor microenvironment, but also, unlike prodrugs, they are reversibly inactivated when they leave the diseased tissue and are in a normal physiological environment.

Our CAB technology allows us to select antibodies that preferentially bind to the target under the conditions of interest, such as high local acidity. CAB antibodies have human or humanized antibody sequences, a characteristic that reduces the risk of immunogenicity compared to emerging technologies in the field, which is supported by both our preclinical and clinical data. Most importantly, CABs enable the possibility for higher or more frequent dosing as well as a longer course of therapy, all resulting in the potential for improved patient outcomes.

Low pH-dependent CAB antibodies are far less likely to bind to targets outside of tumors, resulting in antibodies generated by our CAB platform having a number of potential advantages over traditional antibodies:

- **Wide therapeutic window**
- **Opportunity to increase tumor-specific killing**
- **Increased drug exposure to tumors and improved pharmacokinetics**
- **Broader universe of tumor-specific antigens that can be targeted**

Through the use of our proprietary technology we have developed CAB antibodies, which we believe have specificity for tumors, while avoiding binding to the same antigen target expressed on many normal tissues. This allows us to develop therapeutics against targets that are expressed at high levels on tumors cells but are also present on normal cells and tissues, without the toxicities associated with traditional antibodies.

Our strengths

Our novel CAB technology is underpinned by the following competitive strengths and is driven by the expertise and vision of our management team:

- **Our CAB technology has been studied in robust Phase 1 clinical trials for our two leading clinical programs.**
- **Our CAB antibodies showcase strong drug-like characteristics, such as optimal exposure levels and low immunogenicity.**
- **We have demonstrated a proven ability to generate drug candidates for challenging or currently undruggable targets.**
- **Our diverse pipeline addresses areas of high unmet need, with several near-term value inflection points, including two programs in Phase 2 for multiple indications.**
- **Our proprietary CAB technology is covered by multiple patents and patent applications applicable to a wide range of modalities.**
- **Our talented and experienced management team drives the successful application of our novel CAB technology.**

Our strategy

Our mission is to develop and commercialize innovative antibody-based therapeutics for the treatment of solid tumors that depend on the physical and chemical properties of tumors and their microenvironment. We believe that our proprietary technology and approach have the potential to transform cancer therapy by decreasing systemic toxicities and improving efficacy. Our strategy to achieve this mission is as follows:

- **Advance BA3011 through regulatory approval and commercialization.**
- **Develop BA3021 in PD-1/L1 refractory tumors through regulatory approval and commercialization.**
- **Continue to capitalize on our unique technology to address areas of high unmet need in treating cancer.**
- **Maintain and strengthen our intellectual property portfolio.**

- **Selectively enter into collaborations to maximize the value of our platform and pipeline, including the existing collaboration involving BA3071.**

Our team

We are led by a team of protein and antibody engineering experts, immunologists, and experienced antibody clinical developers. Jay Short, Ph.D., our co-founder, Chairman, and Chief Executive Officer, is an inventor of our CAB technology, has been issued more than 500 patents and has authored over 100 peer-reviewed publications. Dr. Short previously founded Diversa Corporation (now part of BASF), serving as its CEO, President and Chief Technology Officer, and he led its initial public offering and has over 35 years of experience in the biotechnology and biopharmaceutical industry. Scott Smith, our President, has over 30 years of biotechnology and biopharmaceutical industry experience and previously served as President and Chief Operating Officer at Celgene. At Celgene, he oversaw the clinical development and commercialization of Otezla®. Eric Sievers, MD, our Chief Medical Officer, was previously at Seattle Genetics where he led late stage clinical development and regulatory approval of Adcetris®, an ADC approved for a variety of lymphomas. Richard Waldron, our Chief Financial Officer, has more than 35 years of experience in financing biotechnology and biopharmaceutical companies. He started the healthcare investment banking practice at Cowen & Company and raised the early equity and R&D structured financing for Genzyme Corporation.

Since inception, we have raised $166 million from the issuance of debt and equity securities, including from leading biopharmaceutical investors such as Soleus Capital, HBM Healthcare Investments, Cormorant Asset Management, Farallon Capital, Pappas Capital, funds managed by Janus Henderson, Boxer Capital and Pfizer.

Risks associated with our business

Our business is subject to numerous risks, as more fully described in “Risk factors” immediately following this prospectus summary. You should read these risks before you invest in our common stock. We may be unable, for many reasons, including those that are beyond our control, to implement our business strategy. In particular, risks associated with our business include:

- We are a clinical-stage biopharmaceutical company with a limited operating history and no products approved for commercial sale. We have a history of significant losses and we expect to continue to incur significant losses for the foreseeable future, which together with our limited operating history, makes it difficult to assess our future viability.
- Even if this offering is successful, we will require substantial additional capital to finance our operations. If we are unable to raise such capital when needed, or on acceptable terms, we may be forced to delay, reduce or eliminate one or more of our research and drug development programs or future commercialization efforts.
- Our current product candidates are in various stages of development. Our product candidates may fail in development or suffer delays that adversely affect their commercial viability. If we or our existing or future collaborators are unable to complete development of, obtain regulatory approval for or commercialize our product candidates or experience significant delays in doing so, our business will be materially harmed.
- The market may not be receptive to our product candidates because they are based on our novel therapeutic modality, and we may not generate any future revenue from the sale or licensing of product candidates
- Results from early-stage clinical trials may not be predictive of results from late-stage or other clinical trials, and the results of our clinical trials may not satisfy the requirements of the United States Food and Drug

Administration, or FDA, the European Medicines Agency, or EMA, or other comparable foreign regulatory authorities.

- Delays in the commencement and completion of clinical trials could increase costs and delay or prevent regulatory approval and commercialization of our product candidates.
- We may be unable to obtain U.S. or foreign regulatory approval and, as a result, unable to commercialize our product candidates.
- We face risks related to health epidemics and outbreaks, including the SARS-Cov-2, or COVID-19, pandemic, which could significantly disrupt our preclinical studies and clinical trials, and therefore our receipt of necessary regulatory approvals could be delayed or prevented.
- If safe and effective use of any of our product candidates, such as BA3011 and BA3021, depends on a companion diagnostic test, then the FDA generally will require approval or clearance of that companion diagnostic at the same time that the FDA approves our product candidates, if at all. If we are unable to successfully develop companion diagnostic tests for our product candidates, experience significant delays in doing so, rely on third parties in the development of such companion diagnostic tests, or do not obtain or face delays in obtaining FDA approval of a companion diagnostic test, the full commercial potential of our product candidates and our ability to generate revenue will be materially impaired.
- We face competition from entities that have developed or may develop product candidates for cancer, including companies developing novel treatments and technology platforms. If these companies develop technologies or product candidates more rapidly than we do or their technologies are more effective, our ability to develop and successfully commercialize product candidates may be adversely affected.
- If we fail to attract and retain qualified senior management and key scientific personnel, our business may be materially and adversely affected.
- We currently have no sales organization. If we are unable to establish sales, marketing and distribution capabilities on our own or through third parties, we may not be able to market and sell our product candidates, if approved, effectively in the United States and foreign jurisdictions or generate product revenue.
- We have entered, and may in the future seek to enter, into collaborations with third parties for the development and commercialization of certain of our product candidates. If we fail to enter into such collaborations, or such collaborations are not successful, we may not be able to capitalize on the market potential of our patented technology platform and resulting product candidates.
- We rely on third parties for the manufacture of our product candidates for preclinical studies and our ongoing clinical trials, and we expect to continue to do so for additional clinical trials and ultimately commercialization. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or products, if approved, or such quantities at an acceptable cost, which could delay, prevent or impair our development or commercialization efforts.
- If we are not able to obtain, maintain and protect our intellectual property rights in any product candidates or technologies we develop, or if the scope of the intellectual property protection obtained is not sufficiently broad, third parties could develop and commercialize products and technology similar or identical to ours, and we may not be able to compete effectively in our market.

Series D preferred stock financing and conversion from LLC

In July 2020, we raised an aggregate of $72.5 million in gross proceeds from the issuance of our Series D preferred stock, led by Soleus Capital and HBM Healthcare Investments, as co-leads, with participation from multiple other dedicated life sciences investors. In connection with the Series D preferred stock financing, we converted from a limited liability company into a Delaware corporation pursuant to a statutory conversion and changed our name from BioAtla, LLC to BioAtla, Inc. In connection with the conversion, all of the then-outstanding units of BioAtla, LLC were converted into shares of our common stock and our then-outstanding warrants were converted into warrants to purchase shares of common stock of BioAtla, Inc. Prior to the LLC Conversion, certain equity holders of BioAtla, LLC received equity in a newly-formed holding company, Himalaya Parent LLC, which holding company is a stockholder of us. In this prospectus, we refer to all of the transactions related to our conversion into a corporation and the equity conversions described above as the "LLC Conversion." See "LLC conversion" for more information regarding the terms of the conversion and the resulting impact on our outstanding shares and capitalization.

While our outstanding equity as a limited liability company prior to the LLC Conversion is called "units," unless otherwise indicated in this prospectus, we refer to such units in this prospectus as "shares" for the periods prior to the LLC Conversion for ease of comparison.

Corporate information

Our business was founded in March 2007 and originally operated as a Delaware limited liability company, BioAtla, LLC. In July 2020, we converted from a limited liability company into a Delaware corporation pursuant to a statutory conversion and changed our name from BioAtla, LLC to BioAtla, Inc. pursuant to the LLC Conversion described above. Our principal executive offices are located at 11085 Torreyana Road, San Diego, California 92121, and our telephone number is (858) 558-0708. Our corporate website address is www.bioatla.com. Information contained on or accessible through our website is not a part of this prospectus, and the inclusion of our website address in this prospectus is an inactive textual reference only.

We have obtained a registered trademark for BioAtla® in the United States. This prospectus contains references to our trademarks and to trademarks belonging to other entities. Solely for convenience, trademarks and trade names referred to in this prospectus, including logos, artwork and other visual displays, may appear without the ® or TM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other companies' trade names or trademarks to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

Implications of being an emerging growth company and a smaller reporting company

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012. We will remain an emerging growth company until the earlier of (i) the last day of the fiscal year (a) following the fifth anniversary of the completion of this offering, (b) in which we have total annual gross revenue of at least $1.07 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeded $700.0 million as of the prior June 30th and (ii) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period. We refer to the Jumpstart Our Business Startups Act of 2012 in this prospectus as the JOBS Act, and references in this prospectus to "emerging growth company" shall have the meaning associated with it in the JOBS Act.

An emerging growth company may take advantage of specified reduced reporting requirements and other burdens that are otherwise applicable generally to public companies. These provisions include:

- being permitted to present only two years of audited financial statements and only two years of related Management's discussion and analysis of financial condition and results of operations in this prospectus;
- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as amended, or Sarbanes-Oxley Act;
- an exemption from compliance with any new requirements adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotations;
- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and
- exemptions from the requirement to hold a nonbinding advisory vote on executive compensation and to obtain stockholder approval of any golden parachute payments not previously approved.

We have elected to take advantage of certain of the reduced disclosure obligations in the registration statement of which this prospectus is a part and may elect to take advantage of other reduced reporting requirements in future filings. As a result, the information that we provide to our investors may be different from the information you might receive from other public reporting companies that are not emerging growth companies in which you hold equity interests. The JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards applicable to public companies until those standards would otherwise apply to private companies. We have elected to take advantage of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we will adopt the new or revised standard at the time private companies adopt the new or revised standard and will do so until such time that we either irrevocably elect to "opt out" of such extended transition period or no longer qualify as an emerging growth company. We may choose to early adopt any new or revised accounting standards whenever such early adoption is permitted for private companies.

We are also a "smaller reporting company," meaning that the market value of our shares held by non-affiliates plus the proposed aggregate amount of gross proceeds to us as a result of this offering is less than $700 million and our annual revenue was less than $100 million during the most recently completed fiscal year. We may continue to be a smaller reporting company after this offering if either (i) the market value of our shares held by non-affiliates is less than $250 million or (ii) our annual revenue was less than $100 million during the most recently completed fiscal year and the market value of our shares held by non-affiliates is less than $700 million. If we are a smaller reporting company at the time we cease to be an emerging growth company, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company, we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and have reduced disclosure obligations regarding executive compensation, and, similar to emerging growth companies, if we are a smaller reporting company with less than $100 million in annual revenue, we would not be required to obtain an attestation report on internal control over financial reporting issued by our independent registered public accounting firm.

The offering

Common stock offered by us	shares.
Option to purchase additional shares of common stock	We have granted to the underwriters an option for a period of 30 days to purchase up to additional shares of our common stock at the initial public offering price, less underwriting discounts and commissions.
Common stock to be outstanding after this offering	shares (or shares if the underwriters' option to purchase additional shares is exercised in full).
Class B common stock outstanding before this offering	0 shares.
Class B common stock to be outstanding after this offering	shares.
Total common stock and Class B common stock to be outstanding after this offering	shares.
Use of proceeds	We estimate that we will receive net proceeds of approximately $ million (or approximately $ million if the underwriters' option to purchase additional shares is exercised in full) from the sale of the shares of common stock offered by us in this offering, based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. We anticipate that we will use the net proceeds from this offering, together with our existing cash and cash equivalents, as follows: (i) to fund the clinical development of BA3011 for the treatment of soft tissue and bone sarcoma patients through a Phase 2 clinical trial and for the treatment of NSCLC patients through a Phase 2 clinical trial; (ii) to fund the clinical development of BA3021 for the treatment of NSCLC and for the treatment of melanoma, each through a Phase 2 clinical trial; (iii) to fund IND-enabling studies and initial Phase 1 clinical supply of our first two CAB bispecific candidates; (iv) to fund our ongoing efforts to develop additional clinical product candidates from our CAB platform; and (v) the remaining proceeds for working capital and other general corporate purposes. See "Use of proceeds."
Voting rights	Following this offering, we will have two classes of common stock: common stock and Class B common stock. The rights of the holders of common stock and Class B common stock are identical, except with respect to voting and conversion.

	Each share of common stock will be entitled to one vote and will not be convertible into any other class of our share capital. Shares of Class B common stock will be non-voting, except as may be required by law. Each share of Class B common stock may be converted into one share of common stock at the option of its holder, subject to the ownership limitations provided for in our amended and restated certificate of incorporation to become effective upon the completion of this offering. See "Description of capital stock" for additional information.
Risk factors	You should read the "Risk factors" section of this prospectus for a discussion of certain of the factors to consider carefully before deciding to purchase any shares of our common stock.
Directed share program	At our request, the underwriters have reserved for sale, at the initial public offering price, up to 5% of the shares offered hereby for certain persons with relationships with us. If purchased by these persons, these shares will not be subject to a lock-up restriction. The number of shares of common stock available for sale to the general public will be reduced to the extent these individuals purchase such reserved shares. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus. The underwriters will receive the same underwriting discount on any shares purchased pursuant to this program as they will on any other shares sold to the public in this offering. See "Underwriting—Directed share program" for more information.
Proposed Nasdaq Global Market symbol	"BCAB"

The number of shares of our common stock to be outstanding after this offering is based on 21,588,619 shares of common stock outstanding as of September 30, 2020, after giving effect to the (i) automatic conversion of shares of Series D preferred stock into shares of voting common stock upon the completion of this offering and (ii) automatic conversion of shares of Series D preferred stock into shares of non-voting Class B common stock upon the completion of this offering, and excludes:

- 717,674 shares of common stock issuable upon the exercise of outstanding warrants as of September 30, 2020, at a weighted-average exercise price of $97.54 per share;
- 1,920,037 shares of common stock issuable upon the vesting of restricted stock units granted to certain of our executive officers, directors, employees and consultants under our 2020 Equity Incentive Plan, or the 2020 Plan;
- 615,106 shares of our common stock issuable upon the exercise of stock options to be granted in connection with this offering, with an exercise price equal to the initial public offering price per share.

- 2,404,535 shares of common stock reserved for future issuance under the 2020 Plan, as well as any shares of our common stock that become available pursuant to provisions in the 2020 Plan that automatically increase the share reserve under our 2020 Plan or the other provisions of the 2020 Plan pursuant to which additional shares may become available for issuance under the 2020 Plan; and
- 464,829 shares of our common stock that will become available for future issuance under our 2020 Employee Stock Purchase Plan, or the ESPP, and shares of our common stock that become available pursuant to provisions in the ESPP that automatically increase the share reserve under the ESPP.

Unless otherwise indicated and except with respect to historical financial information, all information contained in this prospectus:

- assumes a 1- for -13 reverse stock split effected on December 2, 2020 (no adjustments were made to any period for the units outstanding prior to the LLC Conversion);
- assumes no exercise by the underwriters of their option to purchase up to an additional shares of our common stock;
- gives effect to the automatic conversion upon the completion of this offering of all of our outstanding shares of Series D preferred stock into an aggregate of 15,368,569 shares of common stock;
- gives effect to the filing and effectiveness of the second amendment to our existing certificate of incorporation on December 7, 2020 which amendment provided our Series D stockholders the right to elect to receive non-voting common stock, instead of common stock, in respect of such stockholder's Series D preferred stock that automatically converts upon the closing of a public offering; and
- gives effect to the filing and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws immediately prior to the completion of this offering.

Summary consolidated financial data

The following summary consolidated financial data should be read together with our consolidated financial statements and related notes, "Selected consolidated financial data" and "Management's discussion and analysis of financial condition and results of operations" appearing elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future. We derived the summary consolidated statement of operations data for the years ended December 31, 2018 and 2019 and the summary consolidated balance sheet data as of December 31, 2019 from our audited consolidated financial statements and related notes appearing elsewhere in this prospectus. We derived the summary consolidated statements of operations data for the nine months ended September 30, 2019 and 2020 and the summary balance sheet data as of September 30, 2020 from our unaudited interim consolidated financial statements included elsewhere in this prospectus. In our opinion, these unaudited consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements and contain all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of such financial data.

	Years ended December 31,		Nine months ended September 30,	
(in thousands, except unit/share and per unit/share amounts)	**2018**	**2019**	**2019**	**2020**
			(unaudited)	
Consolidated statements of operations data:				
Collaboration revenue (includes related party amounts of $10,458, $0, $0 and $0, respectively)	$ 10,627	$ 5,200	$ 2,998	$ 429
Operating expenses:				
Research and development expense (includes related party amounts of $2,440, $1,885, $1,483 and $0, respectively)	26,305	25,919	22,583	9,448
General and administrative expense (includes related party amounts of $77, $15, $15 and $0, respectively)	12,556	7,549	7,891	4,625
Total operating expenses	38,861	33,468	30,474	14,073
Loss from operations	(28,234)	(28,268)	(27,476)	(13,644)
Other income (expense):				
Interest income	209	128	119	37
Interest expense (includes related party amounts of $0, $52, $8 and $147, respectively)	(949)	(1,630)	(1,117)	(1,387)
Change in fair value of derivative liability	—	(63)	(11)	(1,581)
Extinguishment of convertible debt			—	(2,883)
Other income (expense)	(5)	(22)	(12)	—
Total other income (expense)	(745)	(1,587)	(1,021)	(5,814)
Consolidated net loss and comprehensive loss	(28,979)	(29,855)	(28,497)	(19,458)
Net loss attributable to noncontrolling interests	—	61	64	—
Net loss attributable to BioAtla, LLC/BioAtla, Inc.	(28,979)	(29,794)	(28,433)	$ (19,458)
Net loss allocable to Class C preferred unit holders	8,840	9,089	8,674	
Class C preferred return	(8,025)	(8,026)	(6,003)	
Net loss attributable to Class A unit holders	$ (28,164)	$ (28,731)	$ (25,762)	
Net loss per unit attributable to Class A unit holders, basic and diluted	$ (0.52)	$ (0.53)	$ (0.47)	
Weighted-average Class A units outstanding, basic and diluted	54,600,000	54,600,000	54,600,000	
Net loss attributable to common stockholders[1]				$ (10,482)
Net loss per common share, basic and diluted[1]				$ (1.69)
Weighted-average shares of common stock outstanding, basic and diluted[1]				6,220,050
Pro forma net loss per common share, basic and diluted (unaudited)[2]		$ (1.30)		$ (0.64)
Pro forma weighted-average shares of common stock outstanding, basic and diluted (unaudited)[2]		21,588,619		21,588,619

(1) The net loss attributable to common stockholders and related per share amounts are based on the period from July 10, 2020 to September 30, 2020, the period where we had common stock outstanding. See Note 1 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the method used to calculate the historical net loss per share, basic and diluted.
(2) See "Unaudited pro forma condensed consolidated financial information" included elsewhere in this prospectus for an explanation of the method used to calculate the pro forma net loss per share, basic and diluted.

	As of September 30, 2020		
	Actual	Pro forma[1]	Pro forma as adjusted[2][3]
	(unaudited, in thousands)		
Balance sheet data:			
Cash and cash equivalents	$ 56,757	$ 56,757	$
Working capital[4]	21,774	21,774	
Total assets	62,773	62,773	
Other debt	682	682	
Series D convertible preferred stock	98,777	—	
Total stockholders' equity (deficit)	(74,521)	24,256	

(1) Pro forma amounts reflect (i) the conversion of all outstanding Series D preferred stock upon the completion of this offering into 15,368,569 shares of common stock, (ii) no issuances of shares of non-voting Class B common stock upon the completion of this offering and (iii) the related reclassification of the carrying value to permanent equity.
(2) The pro forma as adjusted amounts give effect to (i) the pro forma adjustments set forth in footnote (1) above and (ii) the issuance and sale by us of shares of our common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated expenses payable by us.
(3) A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, would increase (decrease) each of cash and cash equivalents, total assets and total members'/stockholders' deficit by $ million, assuming that the number of shares offered by us as set forth on the cover page of this prospectus remains the same, and after deducting the estimated underwriting discounts and commissions and estimated expenses payable by us. An increase (decrease) of 1.0 million shares in the number of shares of common stock offered by us would increase (decrease) each of cash and cash equivalents, total assets and total members'/stockholders' deficit by approximately $ million, assuming an initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated expenses payable by us. The pro forma as adjusted information discussed above is illustrative only and will be adjusted based on the actual public offering price and other terms of this offering determined at pricing.
(4) We define working capital as our current assets minus current liabilities.

Risk factors

Investing in our common stock involves a high degree of risk. You should carefully consider the following risk factors and all other information contained in this prospectus, including our consolidated financial statements and related notes appearing elsewhere in this prospectus and "Management's discussion and analysis of financial condition and results of operations," before purchasing our common stock. If any of the following risks, as well as other risks and uncertainties, occur, our business, financial condition, results of operations and prospects could be materially and adversely affected. In that case, the market price of our common stock could decline and you could lose some or all of your investment.

Risks related to our financial position and need for additional capital

We are a clinical-stage biopharmaceutical company with a limited operating history and no products approved for commercial sale. We have a history of significant losses and we expect to continue to incur significant losses for the foreseeable future, which together with our limited operating history, makes it difficult to assess our future viability.

We are a clinical-stage biopharmaceutical company with a limited operating history upon which you can evaluate our business and prospects. We have no products approved for commercial sale and have not generated any revenue from product sales. Since the commencement of our operations, we have focused substantially all of our resources on conducting research and development activities, including drug discovery, preclinical studies and clinical trials of our product candidates, including the ongoing Phase 2 clinical trials of BA3011 and BA3021, establishing and maintaining our intellectual property portfolio, manufacturing clinical and research material through third parties, hiring personnel, establishing product development and commercialization collaborations with third parties, raising capital and providing general and administrative support for these operations. We have not yet demonstrated our ability to successfully obtain marketing approvals, manufacture a commercial-scale product or arrange for a third party to do so on our behalf or conduct sales and marketing activities necessary for successful product commercialization. As a result, it may be more difficult for you to assess our future viability than it could be if we had a longer operating history.

We have incurred significant losses to date. Our ability to generate product revenue sufficient to achieve profitability will depend on the successful development and eventual commercialization of one or more of our current and future product candidates. Our net losses were $29.0 million and $29.8 million for the years ended December 31, 2018 and 2019, respectively and $28.4 million and $19.5 million for the nine months ended September 30, 2019 and 2020, respectively. As of September 30, 2020, we had an accumulated deficit of $74.5 million. These losses have resulted primarily from costs incurred in connection with research and development activities and general and administrative costs associated with our operations. We do not expect to generate meaningful revenue from product sales for the foreseeable future, and we expect to continue to incur significant operating expenses for the foreseeable future due to the cost of research and development, including identifying and designing product candidates and conducting preclinical studies and clinical trials, and the regulatory approval process for our product candidates. We expect our expenses, and the potential for losses, to increase substantially as we conduct clinical trials of our lead product candidates and seek to expand our pipeline.

However, the amount of our future expenses and potential losses is uncertain. Our ability to achieve profitability, if ever, will depend on, among other things, our successfully developing product candidates, obtaining regulatory approvals to market and commercialize product candidates, manufacturing any approved products on commercially reasonable terms and potentially establishing a sales and marketing organization or

suitable third-party alternatives to commercialize any approved product. If we, or our existing or future collaborators, are unable to develop and commercialize one or more of our product candidates or if sales revenue from any product candidate that receives approval is insufficient, we will not achieve profitability, which could have a material and adverse effect on our business, financial condition, results of operations and prospects.

Even if this offering is successful, we will require substantial additional capital to finance our operations. If we are unable to raise such capital when needed, or on acceptable terms, we may be forced to delay, reduce or eliminate one or more of our research and drug development programs or future commercialization efforts.

The development of biopharmaceutical products, including conducting preclinical studies and clinical trials, is a very time-consuming, expensive and uncertain process that takes years to complete. Our operations have consumed substantial amounts of cash since inception, and we expect our expenses to increase in connection with our ongoing activities, particularly as we conduct clinical trials of, and seek marketing approval for, BA3011 and BA3021 and advance our other programs. Even if one or more of the product candidates that we develop is approved for commercial sale, we anticipate incurring significant costs associated with sales, marketing, manufacturing and distribution activities. Our expenses could increase beyond expectations if we are required by the FDA, the EMA or other comparable foreign regulatory agencies to perform clinical trials or preclinical studies in addition to those that we currently anticipate. Other unanticipated costs may also arise. Because the design and outcome of our planned and anticipated clinical trials are highly uncertain, we cannot reasonably estimate the actual amount of resources and funding that will be necessary to successfully complete the development and commercialization of any product candidate we develop. In addition, upon the completion of this offering, we expect to incur additional costs associated with operating as a public company. Accordingly, we will need to obtain substantial additional funding in order to continue our operations.

As of September 30, 2020, we had approximately $56.8 million in cash and cash equivalents. Based on our current operating plan, our current cash and cash equivalents, together with the anticipated proceeds from this offering, are expected to be sufficient to fund our ongoing operations at least through . Our estimate as to how long we expect the net proceeds from this offering, together with our existing cash and cash equivalents, to be able to continue to fund our operations is based on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect. Changing circumstances, some of which may be beyond our control, could cause us to consume capital significantly faster than we currently anticipate, and we may need to seek additional funds sooner than planned.

We plan to use the net proceeds to us from this offering to fund the research and development of our product candidates and development programs, and to fund working capital and other general corporate purposes. Advancing the development of our product candidates will require a significant amount of capital. The net proceeds from this offering, together with our existing cash and cash equivalents, will not be sufficient to fund any of our product candidates through regulatory approval. Because the length of time and activities associated with successful research and development of any individual product candidate are highly uncertain, we are unable to estimate the actual funds we will require for development, marketing approval and commercialization activities. The timing and amount of our operating expenditures will depend largely on:

- the timing and progress of our ongoing clinical trials for BA3011 and BA3021;
- the number and scope of preclinical and clinical programs we decide to pursue;
- the progress of the development efforts of our current collaborator, BeiGene, for BA3071 or collaborators with whom we may in the future enter into collaborations and research and development agreements;

- the timing and amount of target specific indication and milestone payments we may receive under our collaboration agreements;
- our ability to maintain our current licenses, collaboration and research and development programs or possibly establish new collaboration arrangements;
- the costs involved in prosecuting and enforcing patent and other intellectual property claims;
- the cost and timing of regulatory approvals; and
- our efforts to enhance operational systems and hire additional personnel, including personnel to support development of our product candidates and satisfy our obligations as a public company.

If we are unable to obtain funding on a timely basis, including under our current or future collaborations, or on acceptable terms, we may have to delay, reduce or terminate our research and development programs and preclinical studies or clinical trials, limit strategic opportunities or undergo reductions in our workforce or other corporate restructuring activities. We may seek to raise any necessary additional capital through a combination of public or private equity offerings, debt financings, collaborations, strategic alliances, licensing arrangements and other marketing and distribution arrangements. We cannot assure you that such financing will be available at acceptable terms to us, if at all. Failure to generate sufficient cash flows from operations, raise additional capital, and reduce discretionary spending should additional capital not become available could have a material adverse effect on our ability to achieve our intended business objectives. To the extent that we raise additional capital through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our product candidates. We may also have to forego future revenue streams of research programs at an earlier stage of development or on less favorable terms than we would otherwise choose or have to grant licenses on terms that may not be favorable to us. Our ability to raise additional funds will depend on financial, economic and other factors, many of which are beyond our control. For example, market volatility resulting from the COVID-19 pandemic could adversely impact our ability to access capital as and when needed. If we do raise additional capital through public or private equity or convertible debt offerings, the ownership interest of our existing stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect our stockholders' rights. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, acquiring other businesses, products or technology or declaring dividends. If we are unable to obtain additional funding from these or other sources, it may be necessary to significantly reduce our rate of spending through reductions in staff and delay, scale back or stop certain research and development programs.

Risks related to the discovery, development and commercialization of our product candidates

Our current product candidates are in various stages of development. Our product candidates may fail in development or suffer delays that adversely affect their commercial viability. If we or our existing or future collaborators are unable to complete development of, obtain regulatory approval for or commercialize our product candidates or experience significant delays in doing so, our business will be materially harmed.

We have no products on the market and our product candidates are in various stages of development. We are currently conducting Phase 2 clinical trials of BA3011 and BA3021, and we plan to work with our partner BeiGene to initiate Phase 1 trials of BA3071 in 2021 with various other product candidates in earlier stages of development. Our ability to achieve and sustain profitability depends on obtaining regulatory approvals for and, if approved, successfully commercializing our product candidates, either alone or with third parties. Before

obtaining regulatory approval for the commercial distribution of our product candidates, we or an existing or future collaborator must conduct extensive preclinical tests and clinical trials to demonstrate the safety, efficacy, purity and potency of our product candidates. In addition, the FDA may not agree with our clinical trial plans. For example, we have initiated potentially registration-enabling Phase 2 trials for BA3011 in treatment-refractory sarcoma patients and and PD-1 refractory NSCLC patients. The FDA has reviewed the trial designs, but has not opined on whether the Phase 2 clinical trials will in fact be sufficient to support regulatory approval. However, the FDA is expected to consider this further at the interim data review point. We cannot assure you that the FDA will agree that such data will be sufficient to support approval. Any product candidate can unexpectedly fail at any stage of preclinical or clinical development and the historical failure rate for product candidates is high. The results from preclinical testing of a product candidate may not predict the results that will be obtained in later clinical trials of the product candidate. We or our existing or future collaborators may experience issues that delay or prevent clinical testing and regulatory approval of, or our ability to commercialize, product candidates, including:

- delays in our clinical trials resulting from factors related to the COVID-19 pandemic;
- negative or inconclusive results from preclinical testing or clinical trials leading to a decision or requirement to conduct additional preclinical testing or clinical trials or abandon a program;
- product-related side effects experienced by participants in clinical trials or by individuals using therapeutic biologics that share characteristics with our product candidates;
- delays in submitting INDs or comparable foreign applications or delays or failure in obtaining the necessary approvals from regulators or institutional review boards, or IRBs, to commence a clinical trial, or a suspension or termination of a clinical trial once commenced;
- conditions imposed by the FDA or comparable foreign authorities, including the EMA, regarding the scope or design of clinical trials;
- delays in enrolling patients in clinical trials;
- high drop-out rates of patients;
- inadequate drug materials or other supplies necessary for the conduct of our clinical trials;
- greater than anticipated clinical trial costs;
- poor effectiveness of our product candidates during clinical trials;
- unfavorable FDA or other regulatory agency inspection and review of a clinical trial site;
- deficiencies in our third-party manufacturers' manufacturing processes or facilities;
- success or further approval of competitor products approved in indications in which we undertake development of our product candidates, which may change the standard of care or change the standard for approval of our product candidates in our proposed indications;
- failure of any third-party contractors, investigators or contract research organizations, or CROs, to comply with regulatory requirements or otherwise meet their contractual obligations in a timely manner, or at all;
- delays and changes in regulatory requirements, policy and guidelines, including the imposition of additional regulatory oversight around clinical testing generally or with respect to our technology or product candidates in particular; or
- varying interpretations of data by the FDA and similar foreign regulatory agencies, including the EMA.

Because CABs represent a new generation of antibodies, a delay or failure in development of any CAB product candidate could represent a major set-back for our patented technology platform and for our company generally.

We are substantially dependent on the success of our patented CAB technology platform, and our future success depends heavily on the successful development of this platform.

We use our CAB technology platform to develop product candidates for cancer therapies. Any failures or setbacks involving our CAB technology platform, including adverse events, could have a detrimental impact on all of our product candidates and our research pipeline. For example, we may uncover a previously unknown risk associated with CABs or other issues that may be more problematic than we currently believe, which may prolong the period of observation required for obtaining, necessitate additional clinical testing or result in the failure to obtain, regulatory approval. If our CAB technology is not safe in certain product candidates, we would be required to abandon or redesign all of our current product candidates, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may not be successful in our efforts to use and expand our patented CAB technology platform to continue to build a pipeline of product candidates and develop marketable products.

We are using our patented technology platform to develop CABs in oncology indications with our lead product candidates BA3011 and BA3021, as well as continuing to build our pipeline of product candidates. Our business depends not only on our ability to successfully develop, obtain regulatory approval for, and commercialize the product candidates we currently have in clinical and preclinical development, but to continue to generate new product candidates through our platform. Even if we are successful in continuing to build our pipeline and further progress the clinical development of our current product candidates, any additional product candidates may not be suitable for clinical development, including as a result of harmful side effects, manufacturing issues, limited efficacy or other characteristics that indicate that they are unlikely to be products that will succeed in clinical development, receive marketing approval or achieve market acceptance. If we cannot validate our technology platform by successfully commercializing CAB product candidates, we may not be able to obtain product, licensing or collaboration revenue in future periods, which would adversely affect our business, financial condition, results of operations and prospects.

We may expend our resources to pursue particular product candidates and fail to capitalize on product candidates that may be more profitable or for which there is a greater likelihood of success.

As a result of our limited financial and managerial resources, we must make strategic decisions as to which targets and product candidates to pursue and may forego or delay pursuit of opportunities with other targets or product candidates or for other indications 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. Failure to properly assess potential product candidates could result in our focus on product candidates with low market potential, which would harm our business, financial condition, results of operations and prospects. Our spending on current and future research and development programs and product candidates for specific targets or indications may not yield any commercially viable products. Our understanding and evaluation of biological targets for the discovery and development of new CAB product candidates may fail to identify challenges encountered in subsequent preclinical and clinical development. If we do not accurately evaluate the likelihood of clinical trial success, commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate 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.

If the market opportunities for any product that we develop are smaller than we believe they are, our revenue may be adversely affected and our business may suffer.

We focus our product candidate development on therapeutic CAB antibodies for the treatment of various oncology indications, such as soft tissue and bone sarcoma, NSCLC, melanoma and ovarian cancer, among others. Our projections of addressable patient populations that may benefit from treatment with our product candidates are based on our estimates. These estimates, which have been derived from a variety of sources, including scientific literature, surveys of clinics, physician interviews, patient foundations and market research, may prove to be incorrect. Further, new studies may change the estimated incidence or prevalence of these cancers. Additionally, the potentially addressable patient population for our product candidates may not ultimately be amenable to treatment with our product candidates. In addition, the subset of patients that are likely to respond to our product candidates, as identified by our quantitative biomarker assay/TmPS, may not correspond with and may be smaller than what market data may indicate. Our market opportunity may also be limited by future competitor treatments that enter the market. If any of our estimates prove to be inaccurate, the market opportunity for any product candidate that we or our strategic partners develop could be significantly diminished and have an adverse material impact on our business.

The market may not be receptive to our product candidates because they are based on our novel therapeutic modality, and we may not generate any future revenue from the sale or licensing of product candidates

The product candidates that we are developing are primarily based on our patented CAB technology platform, which uses new technologies to create our novel therapeutic approach. Market participants with significant influence over acceptance of new treatments, such as physicians and third-party payors, may not adopt a product or treatment based on our patented technology platform, and we may not be able to convince patients, the medical community and third-party payors to accept and use, or to provide favorable reimbursement for, any product candidates developed by us or our existing or future collaborators. Market acceptance of our product candidates will depend on, among other factors:

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

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

Results from early-stage clinical trials may not be predictive of results from late-stage or other clinical trials, and the results of our clinical trials may not satisfy the requirements of the FDA, EMA or other comparable foreign regulatory authorities.

Positive and promising results from preclinical studies and early-stage clinical trials may not be predictive of results from late-stage clinical trials or from clinical trials of the same product candidates for the treatment of other indications. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and initial clinical trials. Late-stage clinical trials could differ in significant ways from early-stage clinical trials, including changes to inclusion and exclusion criteria, efficacy endpoints, dosing regimen and statistical design. Moreover, success in clinical trials in a particular indication does not guarantee that a product candidate will be successful for the treatment of other indications. Many companies in the biopharmaceutical industry have suffered significant setbacks in late-stage clinical trials after achieving encouraging or positive results in early-stage development. We cannot assure you that we will not face similar setbacks in our ongoing or planned clinical trials, including in our Phase 2 clinical trials of BA3011 for the treatment of soft tissue and bone sarcoma and PD-1 refractory NSCLC, our Phase 2 clinical trial of BA3021 for the treatment of PD-1 refractory melanoma and NSCLC and any subsequent or post-marketing confirmatory clinical trials.

Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses and many companies that believed their product candidates performed satisfactorily in preclinical studies and clinical trials nonetheless failed to obtain FDA, EMA or comparable foreign regulatory authority approval. We cannot guarantee that the FDA will agree with our clinical trial plans. For example, we have initiated potentially registration-enabling Phase 2 trials for BA3011 in treatment-refractory sarcoma patients and PD-1 refractory NSCLC. The FDA has reviewed the trial designs, but has not opined on whether the Phase 2 clinical trials will in fact be sufficient to support regulatory approval. However, the FDA is expected to consider this further at the interim data review point. We cannot assure you that the FDA will agree that such data will be sufficient to support 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. Even if regulatory approval is secured for any of our product candidates, the terms of such approval may limit the scope and use of our product candidate, which may also limit its commercial potential. Furthermore, the approval policies or regulations of the FDA, EMA or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval, which may lead to the FDA, EMA or comparable foreign regulatory authorities delaying, limiting or denying approval of our product candidates.

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

From time to time, we may publicly disclose preliminary, interim or topline data from our clinical trials, such as the interim data from our ongoing Phase 2 clinical trials of BA3011 and BA3021. These interim updates are based on a preliminary analysis of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. For example, we may report tumor responses in certain patients that are unconfirmed at the time and which do not ultimately result in confirmed responses to treatment after follow-up evaluations. We also make assumptions, estimations, calculations and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the topline results that we report may differ from future results of the same studies, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Topline data also remain subject to audit and

verification procedures that may result in the final data being materially different from the preliminary data we previously published. As a result, topline data should be viewed with caution until the final data are available. In addition, we may report interim analyses of only certain endpoints rather than all endpoints. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Adverse changes between interim data and final data could significantly harm our business and prospects. Further, additional disclosure of interim data by us or by our competitors in the future could result in volatility in the price of our common stock.

In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is typically selected from a more extensive amount of available information. You or others may not agree with what we determine is the material or otherwise appropriate information to include in our disclosure, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular product candidate or our business. If the preliminary or topline data that we report differ from late, final or actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, our product candidates may be harmed, which could harm our business, financial condition, results of operations and prospects.

Delays in the commencement and completion of clinical trials could increase costs and delay or prevent regulatory approval and commercialization of our product candidates.

We cannot guarantee that clinical trials of our product candidates will be conducted as planned or completed on schedule, if at all. A failure of one or more clinical trials can occur at any stage of the clinical trial process, and other events may cause us to temporarily or permanently stop a clinical trial. Events that may prevent successful or timely commencement and completion of clinical development include:

- negative preclinical data;
- delays in receiving the required regulatory clearance from the appropriate regulatory authorities to commence clinical trials or amend clinical trial protocols, including any objections to our INDs or protocol amendments from the FDA;
- delays in reaching, or a failure to reach, a consensus with regulatory authorities on study design;
- delays in reaching, or failure to reach, agreement on acceptable terms with prospective CROs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- difficulties in obtaining IRB approval at each site;
- challenges in recruiting suitable patients to participate in a trial;
- the inability to enroll a sufficient number of patients in clinical trials to ensure adequate statistical power to detect statistically significant treatment effects;
- difficulties in having patients complete a trial or return for post-treatment follow-up;
- our CROs or clinical trial sites failing to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all, deviating from the protocol or dropping out of a clinical trial;
- unforeseen safety issues, including occurrence of treatment emergent adverse events, or TEAEs, associated with the product candidate that are viewed to outweigh the product candidate’s potential benefits;

- difficulties in adding new clinical trial sites;
- ambiguous or negative interim results;
- lack of adequate funding to continue the clinical trial;
- difficulties in manufacturing sufficient quantities of acceptable product candidate for use in clinical trials in a timely manner, or at all; or
- the COVID-19 pandemic, which may result in clinical site closures, delays to patient enrollment, patients discontinuing their treatment or follow up visits or changes to trial protocols.

We could encounter delays if a clinical trial is suspended or terminated by us, by the IRBs of the institutions in which such trials are being conducted, by a Data Safety Monitoring Board, or DSMB, for such trial or by the FDA or other regulatory authorities. Such authorities may impose such a suspension or termination due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the FDA or other regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. If we experience delays in the completion of, or termination of, any clinical trial of our product candidates, the commercial prospects of our product candidates will be harmed, and our ability to generate product revenues from any of these product candidates will be delayed. In addition, any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process and jeopardize our ability to commence product sales and generate revenues. Any of these occurrences may harm our business, financial condition, results of operations and prospects significantly. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates.

In addition, data obtained from trials and studies are susceptible to varying interpretations, and regulators may not interpret our data as favorably as we do, which may delay, limit or prevent regulatory approval. Our clinical trial results may not be successful, or even if successful, may not lead to regulatory approval.

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

We may encounter delays or difficulties in enrolling, or be unable to enroll, a sufficient number of patients to complete any of our clinical trials on our current timelines, or at all, and even once enrolled, we may be unable to retain a sufficient number of patients to complete any of our trials. Enrollment in our clinical trials may be slower than we anticipate, leading to delays in our development timelines. For example, we may face difficulty enrolling a sufficient number of patients in a timely manner in our clinical trials for BA3011 and BA3021 due to the limited number of suitable patients meeting the required AXL or ROR2 tumor membrane expression levels.

Patient enrollment and retention in clinical trials depends on many factors, including the size and nature of the patient population, the nature of the trial protocol, our ability to recruit clinical trial investigators with the appropriate competencies and experience, delays in enrollment due to travel or quarantine policies, or other factors, related to the COVID-19 pandemic or other epidemics or pandemics, the existing body of safety and efficacy data with respect to the study drug, the number and nature of competing treatments and ongoing clinical trials of competing drugs for the same indication, the proximity of patients to clinical sites, the eligibility criteria for the trial and the proportion of patients screened that meets those criteria, our ability to obtain and maintain patient consents and our ability to successfully complete prerequisite studies before enrolling certain

patient populations. Furthermore, any negative results or new safety signals we may report in clinical trials of our product candidates may make it difficult or impossible to recruit and retain patients in other clinical trials we are conducting. Similarly, negative results reported by our competitors about their drug candidates may negatively affect patient recruitment in our clinical trials. Also, marketing authorization of competitors in this same class of drugs may impair our ability to enroll patients into our clinical trials, delaying or potentially preventing us from completing recruitment of one or more of our trials.

Delays or failures in planned patient enrollment or retention may result in increased costs, program delays or both, which could have a harmful effect on our ability to develop our product candidates, or could render further development impossible. In addition, we rely on clinical trial sites to ensure timely conduct of our clinical trials and, while we have entered into agreements governing their services, we are limited in our ability to compel their actual performance.

Our product candidates may cause undesirable and unforeseen side effects or have other properties impacting safety that could halt their clinical development, delay or prevent their regulatory approval, limit their commercial potential or result in significant negative consequences.

Undesirable side effects caused by our product candidates could cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other regulatory authorities and potential product liability claims. Such side effects could also affect patient recruitment or the ability of enrolled patients to complete the trial. Many compounds developed in the biopharmaceutical industry that initially showed promise in early-stage testing for treating cancer have later been found to cause side effects that prevented their further development. Any of these occurrences may materially and adversely affect our business, financial condition, results of operations and prospects.

In our clinical trials for BA3011 and BA3021, we have observed adverse events such as reversible myelosuppression, transient liver enzyme elevations, pyrexia, or fever, metabolic disturbances and peripheral neuropathy.

For our current and future clinical trials, we have contracted with and expect to continue to contract with CROs experienced in the assessment and management of toxicities arising during clinical trials. Nonetheless, they may have difficulty observing patients and treating toxicities, which may be more challenging due to personnel changes, shift changes, house staff coverage or related issues. This could lead to more severe or prolonged toxicities or even patient deaths, which could result in us or the FDA delaying, suspending or terminating one or more of our clinical trials and which could jeopardize regulatory approval.

Further, clinical trials by their nature test product candidates in only samples of the potential patient populations. With a limited number of patients and limited duration of exposure in such trials, rare and severe side effects of our product candidates may not be uncovered until a significantly larger number of patients are exposed to the product candidate. For example, while we believe that BA3011 and BA3021 have demonstrated manageable tolerability profiles thus far, we cannot assure you that these and our other product candidates will not cause more severe side effects in a greater proportion of patients.

In addition, BA3011 and BA3021 are being studied in combination with other therapies, which may exacerbate adverse events associated with the therapy. Patients treated with BA3011, BA3021 or our other product candidates may also be undergoing surgical, radiation or chemotherapy treatments, which can cause side effects or adverse events that are unrelated to our product candidate but may still impact the success of our clinical trials.

The inclusion of critically ill patients in our clinical trials may result in deaths or other adverse medical events due to other therapies or medications that such patients may be using or due to the gravity of such patients' illnesses. For example, some of the late-stage patients enrolled in our BA3011 and BA3021 clinical trials may die or experience major clinical events either during the course of our clinical trials or after participating in such trials due mainly to the gravity of their illness, which has occurred in the past.

In the event that any of our product candidates receive regulatory approval, and we or others later identify undesirable and unforeseen side effects caused by such product, any of the following negative consequences could occur, including:

- regulatory authorities may suspend, limit or withdraw their approval of such product, or seek an injunction against its manufacture or distribution;
- we may be required to conduct additional clinical trials or post-approval studies;
- we may be required to recall a product or change the way such product is administered to patients;
- additional restrictions may be imposed on the marketing of the particular product or the manufacturing processes for the product or any component thereof;
- regulatory authorities may require the addition of labeling statements, such as a boxed warning or a contraindication, or issue safety alerts, Dear Healthcare Provider letters, press releases or other communications containing warnings or other safety information about the product;
- we may be required to implement a Risk Evaluation and Mitigation Strategy, or REMS, and/or create a Medication Guide outlining the risks of such side effects for distribution to patients, a communication plan for healthcare providers and/or other elements to assure safe use;
- we could be sued and held liable for harm caused to patients;
- we may be subject to fines, injunctions or the imposition of civil or criminal penalties;
- the product may become less competitive; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the particular product candidate, if approved, and result in the loss of significant revenues to us, which would materially and adversely affect our results of operations and business. In addition, if one or more of our product candidates prove to be unsafe, our business, financial condition, results of operations and prospects may be materially and adversely affected.

We or our collaborator BeiGene are developing certain of our product candidates in combination with other therapies, and regulatory approval, safety or supply issues with these other therapies may delay or prevent the development and approval of our product candidates.

Currently, we are evaluating the use of each of BA3011 and BA3021 in combination with an anti-PD-1 inhibitor and plan to evaluate the use of BA3071, which is being developed by our collaborator BeiGene, in combination with an anti-PD-1 inhibitor. In the future, we may explore the use of these or our other product candidates in combination with other therapies. If we choose to develop a product candidate for use in combination with an approved therapy, we are subject to the risk that the FDA, EMA or comparable foreign regulatory authorities in other jurisdictions could revoke approval of, or that safety, efficacy, manufacturing or supply issues could arise with, the therapy used in combination with our product candidate. If the therapies we use in combination with

our product candidates are replaced as the standard of care, the FDA, EMA or comparable foreign regulatory authorities in other jurisdictions may require us to conduct additional clinical trials. The occurrence of any of these risks could result in our product candidates, if approved, being removed from the market or being less successful commercially.

Where we develop a product candidate for use in combination with a therapy that has not been approved by the FDA, EMA or comparable foreign regulatory authorities in other jurisdictions, we will not be able to market our product candidate for use in combination with such an unapproved therapy, unless and until the unapproved therapy receives regulatory approval. Currently, our collaborator BeiGene is evaluating the use of BA3071 in combination with tislelizumab, an anti-PD-1 antibody in late stage development for solid tumor patients. However, tislelizumab has not been approved by the FDA for the treatment of solid tumors. These unapproved therapies face the same risks described with respect to our product candidates currently in development, including serious adverse effects and delays in their clinical trials. In addition, other companies may also develop their products or product candidates in combination with the unapproved therapies with which we are developing our product candidates for use in combination. Any setbacks in these companies' clinical trials, including the emergence of serious adverse effects, may delay or prevent the development and approval of our product candidates.

If the FDA, EMA or comparable foreign regulatory authorities in other jurisdictions do not approve or revoke their approval of, or if safety, efficacy, manufacturing, or supply issues arise with, therapies we choose to evaluate in combination with any of our product candidates, we may be unable to obtain regulatory approval of or to commercialize such product candidates in combination with these therapies.

If safe and effective use of any of our product candidates, such as BA3011 and BA3021, depends on a companion diagnostic test, then the FDA generally will require approval or clearance of that companion diagnostic at the same time that the FDA approves our product candidates, if at all. If we are unable to successfully develop companion diagnostic tests for our product candidates, experience significant delays in doing so, rely on third parties in the development of such companion diagnostic tests, or do not obtain or face delays in obtaining FDA approval of a companion diagnostic test, the full commercial potential of our product candidates and our ability to generate revenue will be materially impaired.

We are exploring predictive biomarkers to determine patient selection for our clinical trials. Specifically, to help inform which patients may be most suitable for treatment with BA3011 and BA3021, we have developed a Clinical Laboratory Improvement Amendments, or CLIA, validated quantitative biomarker assay, the Tumor membrane Percent Score, or TmPS, which measures AXL and ROR2 expression levels on the tumor membrane and cytoplasm. We are using both AXL and ROR2 TmPS scores in our ongoing clinical trials and they may be used for patient selection in future clinical trials. If the AXL and ROR2 TmPS scores prove to be a useful method for patient selection, we will incorporate the specific diagnostic test into our registrational studies and partner with the appropriate diagnostic provider to codevelop a companion diagnostic.

If safe and effective use of any of our product candidates, such as BA3011 and BA3021, depends on a companion diagnostic test then the FDA generally will require approval or clearance of that companion diagnostic, at the same time that the FDA approves our product candidates, if at all. The process of obtaining or creating such diagnostic is time-consuming and costly and a delay in diagnostic approval could delay drug approval. According to FDA guidance, if the FDA determines that a companion diagnostic device is essential to the safe and effective use of a novel therapeutic product or indication, the FDA generally will not approve the therapeutic product or new therapeutic product indication if the companion diagnostic is not also approved or cleared for that indication. If a satisfactory companion diagnostic is not commercially available, we may be required to create or obtain one that would be subject to regulatory approval requirements. On April 13, 2020,

the FDA issued new guidance on developing and labeling companion diagnostics for a specific group of oncology therapeutic products, including recommendations to support a broader labeling claim rather than individual therapeutic products. We will continue to evaluate the impact of this guidance on our companion diagnostic development and strategy. This guidance and future policies from the FDA and other regulatory authorities may impact our development of a companion diagnostic for our product candidates and result in delays in regulatory approval. We may be required to conduct additional studies to support a broader claim. Also, to the extent other approved diagnostics are able to broaden their labeling claims to include our approved drug products, we may be forced to abandon our companion diagnostic development plans or we may not be able to compete effectively upon approval, which could adversely impact our ability to generate revenue from the sale of our approved products and our business, financial condition, results of operations and prospects.

We expect to rely on third parties for the design, development and manufacture of companion diagnostic tests for our product candidates that require such tests. If the FDA, EMA or a comparable foreign regulatory authority requires approval of a companion diagnostic for any of our product candidates, whether before or after it obtains marketing approval, we, and/or future collaborators, may encounter difficulties in developing and obtaining approval for such product candidate. If we or our third-party collaborators experience any delay in developing or obtaining regulatory approval of a companion diagnostic, we may be unable to enroll enough patients for our current and planned clinical trials, the development of our product candidates may be adversely affected or we may not obtain marketing approval, and we may not realize the full commercial potential of our product candidates, including BA3011 and BA3021.

We face competition from entities that have developed or may develop product candidates for cancer, including companies developing novel treatments and technology platforms. If these companies develop technologies or product candidates more rapidly than we do or their technologies are more effective, our ability to develop and successfully commercialize product candidates may be adversely affected.

The development and commercialization of drugs and therapeutic biologics is highly competitive. We compete with a variety of multinational biopharmaceutical companies and specialized biotechnology companies, as well as technology being developed at universities and other research institutions. Our competitors have developed, are developing and will develop product candidates and processes competitive with our product candidates. We believe that a significant number of products are currently under development, and may become commercially available in the future, for the treatment of conditions for which we are developing product candidates. We believe that while our patented CAB technology platform, its associated intellectual property and our scientific and technical know-how give us a competitive advantage in this space, competition from many sources remains. Our success will partially depend on our ability to develop and protect therapeutics that are safer and more effective than competing products. Our commercial opportunity and success will be reduced or eliminated if competing products are safer, more effective or less expensive than the therapeutics we develop.

Although we do not believe competing companies have selective CAB technology, there is a wide array of activity in multiple areas of immune-based cellular therapies for oncology including CAR-T and T-cell receptor therapies. Certain companies are also pursuing antibody therapies in immuno-oncology, ADCs and various prodrug biologic products designed to be preferentially activated at tumor sites. There are also companies developing technologies designed to deliver biologics and chemotherapeutic agents with some targeting capabilities. In addition, if any of our product candidates are approved in oncology indications such as pancreatic, breast, and other cancers, they may compete with existing biologics and small molecule therapies, or may be used in combination with existing therapies. There are also many other therapies under development that are intended to treat the same cancers that we are targeting or may target with our CAB platform, including through approaches that could prove to be more effective, have fewer side effects, be cheaper to

manufacture, be more convenient to administer or have other advantages over any products resulting from our technologies.

There are numerous companies in various stages of clinical development of ADCs, a key feature of our product candidates BA3011, BA3021 and BA3071. Currently, there are 10 approved ADCs and as of February 2020, there were approximately 60 ADCs in clinical development, the vast majority of which were being developed for the treatment of cancer. Certain other companies are also pursuing antibody therapies in immuno-oncology, such as Seattle Genetics. Although we do not believe competing companies have selective CAB technology, there is a wide array of activity in multiple areas of immune-based cellular therapies for oncology. We also face competition on specific targets, including on antibody-based therapies for ROR2, the target of our second product candidate, BA3021, from NBE-Therapeutics AG.

Many of our competitors, either alone or with strategic partners, have significantly greater financial, technical, manufacturing, marketing, sales and supply resources or experience than we do. Accordingly, our competitors may be more successful than us in obtaining approval for treatments and achieving widespread market acceptance, rendering our treatments obsolete or non-competitive. Accelerated merger and acquisition activity in the biotechnology and biopharmaceutical industries may result in even more resources being concentrated among a smaller number of our competitors. These companies also compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials and acquiring technologies complementary to, or necessary for, our programs. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. The level of generic competition and the availability of reimbursement from government and other third-party payors will also significantly affect the pricing and competitiveness of our products. In addition, our competitors also may obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market.

There are also requirements governing the reporting of ongoing clinical trials and completed clinical trial results to public registries. Sponsors of clinical trials of FDA-regulated products, including biologics, are required to register and disclose certain clinical trial information, which is publicly available at www.clinicaltrials.gov. Information related to the product, patient population, phase of investigation, study sites and investigators, and other aspects of the clinical trial is then made public as part of the registration. Sponsors are also obligated to discuss the results of their clinical trials after completion. Disclosure of the results of these trials can be delayed in certain circumstances for up to two years after the date of completion of the trial. Competitors may use this publicly available information to gain knowledge regarding the progress of development programs

Our commercial opportunity could be substantially limited in the event that our competitors develop and commercialize products that are more effective, safer, less toxic or more convenient than products we may develop. In geographies that are critical to our commercial success, competitors may also obtain regulatory approvals before us, resulting in our competitors building a strong market position in advance of our products' entry. Such competitors could also recruit our employees, which could negatively impact our level of expertise and our ability to execute our business plan.

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

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or the ACA, includes a subtitle called the Biologics Price Competition and Innovation Act of 2009, or BPCIA, which created an abbreviated approval pathway for biological products that are biosimilar to or

interchangeable with an FDA-licensed reference biological product. Under the BPCIA, an application for a biosimilar product may not be submitted to the FDA until four years following the date that the reference product was first licensed by the FDA. In addition, the approval of a biosimilar product may not be made effective by the FDA until 12 years from the date on which the reference product was first licensed. During this 12-year period of exclusivity, another company may still market a competing version of the reference product if the FDA approves a full BLA for the competing product containing the sponsor's own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, purity and potency of their product. The law is complex and is still being interpreted and implemented by the FDA. As a result, its ultimate impact, implementation, and meaning are subject to uncertainty. While it is uncertain when such processes intended to implement BPCIA may be fully adopted by the FDA, any such processes could have an adverse effect on the future commercial prospects for our product candidates.

There is a risk that any product candidates we may develop that are approved as a biological product under a BLA would not qualify for the 12-year period of exclusivity or that this exclusivity could be shortened due to congressional action or otherwise, or that the FDA will not consider any product candidates we may develop to be reference products for competing products, potentially creating the opportunity for generic competition sooner than anticipated. Other aspects of the BPCIA, some of which may impact the BPCIA exclusivity provisions, have also been the subject of recent litigation, including litigation challenging the constitutionality of the ACA.

For example, on December 14, 2018, a Texas U.S. District Court Judge ruled that the ACA is unconstitutional in its entirety because the "individual mandate" was repealed by Congress as part of the Tax Cuts and Jobs Act, or the TCJA. On December 18, 2019, the U.S. Court of Appeals for the 5th Circuit upheld the District Court ruling that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the ACA are invalid as well. On March 2, 2020, the United States Supreme Court granted the petitions for writs of certiorari to review this case, and oral arguments were held on November 10, 2020, although it is unclear when a decision will be made or how the Supreme Court will rule. There may also be other efforts to challenge, repeal or replace the ACA. We continue to evaluate the effect that the ACA and its possible repeal and replacement has on our business and exclusivity under the BPCIA. It is uncertain the extent to which any such changes may impact our business or financial condition.

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

We expect to be exposed to significant product liability risks inherent in the development, testing and manufacturing of our product candidates and products, if approved. Product liability claims could delay or prevent completion of our development programs. If we succeed in marketing products, such claims could result in an FDA investigation of the safety and effectiveness of our products, our third-party manufacturer's manufacturing processes and facilities or our marketing programs and potentially a recall of our products or more serious enforcement action, including limitations on the approved indications for which our product candidates may be used or suspension or withdrawal of approvals. Regardless of the merits or eventual outcome, liability claims may also result in decreased demand for our products, injury to our reputation, costs to defend the related litigation, a diversion of management's time and our resources, substantial monetary awards to trial participants or patients and a decline in our stock price. We currently have product liability insurance that we believe is appropriate for our stage of development and may need to obtain higher levels prior to marketing any of our product candidates. Any insurance we have or may obtain may not provide sufficient coverage against potential liabilities. In addition, we may be subject to liability based on the actions of our existing or future collaborators in connection with their development of products using our CAB technology. Furthermore, clinical trial and product liability insurance is becoming increasingly expensive. As a result, we may be unable to maintain sufficient insurance at a reasonable cost to protect us against losses caused by product liability claims that could have a material and adverse effect on our business, financial condition, results of operations and prospects.

Risks related to regulatory approval and other legal compliance matters

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

Our product candidates are subject to extensive governmental regulations relating to, among other things, the research, development, testing, manufacture, quality control, import, export, safety, effectiveness, labeling, packaging, storage, distribution, record keeping, approval, advertising, promotion, marketing, post-approval monitoring and post-approval reporting of drugs and therapeutic biologics. Rigorous preclinical testing and clinical trials and an extensive regulatory approval process are required to be successfully completed in the United States and in many foreign jurisdictions before a new drug or therapeutic biologic can be marketed. Satisfaction of these and other regulatory requirements is costly, lengthy, time-consuming, uncertain and subject to unanticipated delays. We have not previously submitted a BLA to the FDA, or similar drug approval filings to comparable foreign regulatory authorities, for any product candidate, and it is possible that none of the product candidates we may develop will obtain the regulatory approvals necessary for us or our existing or future collaborators to begin selling them.

We have not completed any large-scale or pivotal clinical trials nor managed the regulatory approval process with the FDA or any other regulatory authority. The time required to obtain FDA and other approvals is unpredictable but typically takes many years following the commencement of clinical trials, depending upon the type, complexity and novelty of the product candidate, and numerous other factors including the substantial discretion of regulatory authorities. The standards that the FDA and its foreign counterparts, including the EMA, use when regulating us and our existing or future collaborators require judgment and can change, which makes it difficult to predict with certainty how they will be applied. Any analysis we perform of data from preclinical and clinical activities is subject to confirmation and interpretation by regulatory authorities, which could delay, limit or prevent regulatory approval. We may also encounter unexpected delays or increased costs due to new government regulations, for example, from future legislation or administrative action, or from changes in FDA policy during the period of product development, clinical trials and FDA regulatory review. It is impossible to predict whether legislative changes will be enacted, or whether FDA or foreign regulations, guidance or interpretations will be changed, or what the impact of such changes, if any, may be.

In addition, our product candidates could fail to receive regulatory approval for many reasons including the following:

- the FDA or comparable foreign regulatory authorities may disagree with the design or implementation of our clinical trials;
- we may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that a product candidate is safe, pure and potent for its proposed indication;
- the results of clinical trials may fail to achieve the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval;
- we may be unable to demonstrate that a product candidate’s clinical and other benefits outweigh its safety risks;
- we may be unable to demonstrate a sufficient response rate or duration of response for a product candidate;
- the FDA or comparable foreign regulatory authorities may disagree with our interpretation of data submitted in support of regulatory approval;
- the data collected from preclinical studies and clinical trials of our product candidates may not be sufficient to support the submission of a BLA or other regulatory submission necessary to obtain regulatory approval in the United States or elsewhere; and

- we or our contractors may not meet the current Good Manufacturing Practices, or cGMPs, and other applicable requirements for manufacturing processes, procedures, documentation and facilities necessary for approval by the FDA or comparable foreign regulatory authorities.

Any delay or failure in obtaining required approvals could have a material and adverse effect on our ability to generate revenues from the particular product candidate for which we are seeking approval. Furthermore, any regulatory approval to market a drug may be subject to significant limitations on the approved uses or indications for which we may market the drug or the labeling or other restrictions. In addition, the FDA has the authority to require a REMS as part of approving a BLA, or after approval, which may impose further requirements or restrictions on the distribution or use of an approved drug. These requirements or restrictions might include limiting prescribing to certain physicians or medical centers that have undergone specialized training, limiting treatment to patients who meet certain safe-use criteria and requiring treated patients to enroll in a registry. These limitations and restrictions may significantly limit the size of the market for the drug and affect reimbursement by third-party payors.

We are also subject to numerous foreign regulatory requirements governing, among other things, the conduct of clinical trials, manufacturing and marketing authorization, pricing and third-party reimbursement. The foreign regulatory approval process varies among countries and may include all of the risks associated with FDA approval described above as well as risks attributable to the satisfaction of local regulations in foreign jurisdictions. Moreover, the time required to obtain approval may differ from that required to obtain FDA approval. Approval by the FDA does not ensure approval by regulatory authorities outside the United States and vice versa.

We intend to seek approval from the FDA or comparable foreign regulatory authorities through the use of accelerated approval pathways, if available. If we are unable to obtain such approval, we may be required to conduct additional preclinical studies or clinical trials beyond those that we contemplate, which could increase the expense of obtaining, and delay the receipt of, necessary marketing approvals. Even if we receive accelerated approval from the FDA, if our confirmatory trials do not verify clinical benefit or if we do not comply with rigorous post-marketing requirements, the FDA may seek to withdraw accelerated approval.

We intend to seek an accelerated approval for BA3011 and BA3021 and we may seek accelerated approval for one or more of our other product candidates. Under the accelerated approval program, the FDA may grant accelerated approval to a product candidate designed to treat a serious or life-threatening condition that provides meaningful therapeutic benefit over available therapies upon a determination that the product candidate has an effect on a surrogate endpoint or intermediate clinical endpoint that is reasonably likely to predict clinical benefit. The FDA considers a clinical benefit to be a positive therapeutic effect that is clinically meaningful in the context of a given disease, such as irreversible morbidity or mortality. 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. An intermediate clinical endpoint is a clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit. The accelerated approval pathway may be used in cases in which the advantage of a new drug over available therapy may not be a direct therapeutic advantage, but is a clinically important improvement from a patient and public health perspective. We intend to seek accelerated approval for some of our product candidates on the basis of objective response rate, a surrogate endpoint that we believe is reasonably likely to predict clinical benefit. However, full approval of another product for the same indication as any of our product candidates for which we are seeking accelerated approval may make accelerated approval of our product candidates more difficult. If granted, accelerated approval is contingent on the sponsor's agreement to conduct, in a diligent manner, additional post-approval confirmatory studies to verify and describe the drug's clinical benefit and, in some cases, the FDA may require that the trial be designed, initiated, and/or fully enrolled prior to submission of the application or approval. Failure to conduct

required post-approval studies, or to confirm a clinical benefit during post-marketing studies, would allow the FDA to withdraw the product from the market on an expedited basis. All promotional materials for product candidates approved under accelerated regulations are subject to prior review by the FDA.

Prior to seeking accelerated approval for any of our product candidates, we intend to seek feedback from the FDA and will otherwise evaluate our ability to seek and receive accelerated approval. We cannot assure you that after our evaluation of the feedback and other factors we will decide to pursue or submit a BLA for accelerated approval or any other form of expedited development, review or approval. Similarly, we cannot assure you that after subsequent FDA feedback we will continue to pursue accelerated approval or any other form of expedited development, review or approval, even if we initially decide to do so. Furthermore, if we decide to submit an application for accelerated approval or receive an expedited regulatory designation (e.g., breakthrough therapy designation) for our product candidates, we cannot assure you that such application will be accepted or that any expedited development, review or approval will be granted on a timely basis, or at all. The FDA or other comparable foreign regulatory authorities could also require us to conduct further studies prior to considering our application or granting approval of any type.

We have received funding under the CARES Act.

On April 22, 2020, we executed a promissory note in favor of City National Bank evidencing an unsecured loan, or the PPP loan, in the aggregate principal amount of approximately $0.7 million, which was made pursuant to the Paycheck Protection Program, or the PPP. The PPP was established under the CARES Act, which was enacted on March 27, 2020, and is administered by the U.S. Small Business Administration, or the SBA. The promissory note provides for a fixed interest rate of one percent per year with a maturity date of April 22, 2022. Monthly principal and interest payments due on the loan are deferred for a six-month period beginning from the date of disbursement. We may prepay the loan at any time prior to April 30, 2022 with no prepayment penalties or premiums. We have used all proceeds from the loan to retain employees, maintain payroll and make lease and utility payments. Under the terms of the CARES Act, loan recipients can apply for and be granted forgiveness for all or a portion of the loans granted under the PPP beginning 60 days after loan approval. Such forgiveness will be subject to approval by the SBA and the lender and determined, subject to limitations, based on factors set forth in the CARES Act, including verification of the use of loan proceeds for payment of payroll costs and payments of mortgage interest, rent and utilities. The terms of any forgiveness may also be subject to further regulations and guidelines that the SBA may adopt. If the loan is not forgiven, we will be required to repay the outstanding principal, along with accrued interest. We will carefully monitor all qualifying expenses and other requirements necessary to attain loan forgiveness. While we intend to ask for forgiveness, we cannot assure you that we will obtain forgiveness of the PPP Loan in whole or in part.

Even if we receive regulatory approval for any of our product candidates, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense. Additionally, our product candidates, if approved, could be subject to labeling and other restrictions and market withdrawal and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our products.

Any regulatory approvals that we or our existing or future collaborators obtain for our product candidates may also be subject to limitations on the approved indicated uses for which a product may be marketed or to conditions of approval, or contain requirements for potentially costly post-marketing testing, including “Phase 4” clinical trials, and surveillance to monitor the safety and efficacy of the product candidate. Furthermore, any regulatory approval to market a product may be subject to limitations on the labeling of the product or may require safety warnings or other restrictions. In addition, the FDA has the authority to require a REMS plan as part of a BLA or after approval, which may impose further requirements or restrictions on the distribution or use of an approved biologic, such as limiting prescribing to certain physicians or medical centers that have undergone specialized training, limiting treatment to

patients who meet certain safe-use criteria and requiring treated patients to enroll in a registry. These limitations and restrictions may limit the size of the market for the product and affect reimbursement by third-party payors.

In addition, if the FDA or a comparable foreign regulatory authority approves any of our product candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, import, export, advertising, promotion and recordkeeping for the product will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, registration, as well as continued compliance with cGMPs and the FDA's Good Clinical Practices, or GCP, for any clinical trials that we conduct post-approval. The manufacturer and manufacturing facilities we use to make a future product, if any, will also be subject to periodic review and inspection by the FDA and other regulatory agencies, including for continued compliance with cGMP requirements. Any product promotion and advertising will also be subject to regulatory requirements and continuing regulatory review. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with our third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other things:

- restrictions on the marketing or manufacturing of the product;
- withdrawal of the product from the market or voluntary or mandatory product recalls;
- fines, warning or untitled letters or holds on clinical trials;
- delay of approval or refusal by the FDA or comparable regulatory authorities in other jurisdictions to approve pending applications or supplements to approved applications filed by us, our current collaborator or any future strategic partners;
- suspension or revocation of product license approvals;
- product seizure or detention or refusal to permit the import or export of products; and
- injunctions or the imposition of civil or criminal penalties.

The FDA's policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. We also cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. If these regulations impose constraints on FDA's ability to engage in oversight and implementation activities in the normal course, our business may be negatively impacted. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained and we may not achieve or sustain profitability, which would adversely affect our business, financial condition, results of operations and prospects.

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

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

launch of the product, possibly for lengthy time periods, and negatively impact the revenues we are able to generate from the sale of the product in that country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more product candidates, even if our product candidates obtain regulatory approval.

Our ability to commercialize any products successfully also will depend in part on the extent to which reimbursement for these products and related treatments will be available from government authorities, private health insurers and other organizations. Even if we succeed in bringing one or more products to the market, these products may not be considered cost-effective, and the amount reimbursed for any products may be insufficient to allow us to sell our products on a competitive basis. Because our programs are in the early stages of development, we are unable at this time to determine their cost effectiveness or the likely level or method of reimbursement. Increasingly, the third-party payors who reimburse patients or healthcare providers, such as government and private insurance plans, are requiring that drug companies provide them with predetermined discounts from list prices, and are seeking to reduce the prices charged or the amounts reimbursed for biopharmaceutical products. If the price we are able to charge for any products we develop, or the reimbursement provided for such products, is inadequate in light of our development and other costs, our return on investment could be adversely affected.

There is significant uncertainty related to third-party payor coverage and reimbursement of newly approved products. In the United States, for example, principal decisions about reimbursement for new products are typically made by the Centers for Medicare & Medicaid Services, or CMS, an agency within the U.S. Department of Health and Human Services, or HHS. CMS decides whether and to what extent a new product will be covered and reimbursed under Medicare, and private third-party payors often follow CMS's decisions regarding coverage and reimbursement to a substantial degree. However, one third-party payor's determination to provide coverage for a product candidate does not assure that other payors will also provide coverage for the product candidate. As a result, the coverage determination process is often time-consuming and costly. This process will require us to provide scientific and clinical support for the use of our products to each third-party payor separately, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance.

Moreover, there has been heightened governmental scrutiny recently over the manner in which drug manufacturers set prices for their marketed products, which has resulted in several Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drug products. For example, at the federal level, the Trump administration's budget proposal for fiscal year 2021 includes a $135 billion allowance to support legislative proposals seeking to reduce drug prices, increase competition, lower out-of-pocket drug costs for patients, and increase patient access to lower-cost generic and biosimilar drugs. Additionally, the Trump administration previously released a "Blueprint" to lower drug prices and reduce out of pocket costs of drugs that contained proposals to increase manufacturer competition, increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products and reduce the out of pocket costs of drug products paid by consumers. The HHS has solicited feedback on some of these measures and has implemented others under its existing authority. For example, in May 2019, CMS issued a final rule to allow Medicare Advantage Plans the option of using step therapy for Part B drugs beginning January 1, 2020. This final rule codified CMS's policy change that was effective January 1, 2019. At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

In some countries, particularly member states of the European Union, the pricing of prescription drugs is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after receipt of marketing approval for a product. In addition, there can be considerable pressure by governments and other stakeholders on prices and reimbursement levels, including as part of cost containment measures. Political, economic and regulatory developments may further complicate pricing negotiations, and pricing negotiations may continue after reimbursement has been obtained. Reference pricing used by various European Union member states and parallel distribution, or arbitrage between low-priced and high-priced member states, can further reduce prices. In some countries, we or our existing or future collaborators may be required to conduct a clinical trial or other studies that compare the cost-effectiveness of our product candidates 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 the prices or reimbursement levels within the country of publication and other countries.

There may be significant delays in obtaining reimbursement for newly-approved drugs or therapeutic biologics, and coverage may be more limited than the purposes for which the drug or therapeutic biologic is approved by the FDA or similar regulatory authorities outside of the United States. Moreover, eligibility for reimbursement does not imply that any drug or therapeutic biologic will be reimbursed in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. Interim reimbursement levels for new drugs or therapeutic biologics, if applicable, may also be insufficient to cover our costs and may not be made permanent. Reimbursement rates may be based on payments allowed for lower-cost drugs or therapeutic biologics that are already reimbursed, may be incorporated into existing payments for other services and may reflect budgetary constraints or imperfections in Medicare data. Net prices for drugs or therapeutic biologics 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 or therapeutic biologics from countries where they may be sold at lower prices than in the U.S. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement rates. If reimbursement of any product candidate approved for marketing is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, our business, financial condition, results of operations or prospects could be materially and adversely affected, and our ability to commercialize such products, once approved, could be materially impaired.

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, such as our product candidates, if approved. In particular, a product may not be promoted for uses that are not approved by the FDA or such other regulatory agencies as reflected in the product's approved labeling. For example, if we receive marketing approval for BA3011 as a treatment for soft tissue and bone sarcoma, physicians may nevertheless use our product for their patients in a manner that is inconsistent with the approved labeling. If we are found to have promoted such off-label uses, we may become subject to significant liability. Moreover, although we believe that our product candidates may be safer or more effective than other therapies, unless we conduct head-to-head comparative studies, we will not be able to make any claims of superiority. The U.S. federal government has levied large civil and criminal fines against companies for alleged improper promotion of off-label use and has enjoined several companies from engaging in off-label promotion. The FDA has also requested that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is 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, financial condition, results of operations and prospects.

Disruptions at the FDA, the SEC and other government agencies caused by funding shortages or global health concerns could hinder their ability to hire and retain key leadership and other personnel, or otherwise prevent new or modified products from being developed, approved or commercialized in a timely manner or at all, 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, statutory, regulatory and policy changes and other events that may otherwise affect the FDA's ability to perform routine functions. In addition, government funding of the Securities and Exchange Commission, or 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.

Disruptions at the FDA and other agencies may also slow the time necessary for new drugs to be reviewed or approved by necessary government agencies, which would adversely affect our business. For example, in recent years, including in 2018 and 2019, the U.S. government shut down several times and certain regulatory agencies, such as the FDA and the SEC, had to furlough critical employees and stop critical activities. Separately, in response to the COVID-19 pandemic, on March 10, 2020, the FDA announced its intention to postpone most inspections of foreign manufacturing facilities and products through April 2020. On March 18, 2020, the FDA announced its intention to temporarily postpone routine surveillance inspections of domestic manufacturing facilities and provided guidance regarding the conduct of clinical trials, which guidance continues to evolve. In April 2020, the FDA stated that its New Drug Program was continuing to meet program user fee performance goals, but due to many agency staff working on COVID-19 activities, it was possible that the FDA would not be able to sustain that level of performance indefinitely. As of June 23, 2020, the FDA noted it was conducting mission critical domestic and foreign inspections to ensure compliance of manufacturing facilities with FDA quality standards. Starting the week of July 20, 2020, the FDA began to work toward resuming domestic on-site inspections, but such activities depend on data about the virus' trajectory in a given state and locality and the rules and guidelines that are put in place by state and local governments. The FDA has developed a rating system to assist in determining when and where it is safest to conduct prioritized domestic inspections. Pre-approval and for-cause inspections outside the United States that are not deemed mission-critical remain temporarily postponed, while those deemed mission-critical are considered for inspection on a case-by-case basis. Regulatory authorities outside the United States may adopt similar restrictions or other policy measures in response to the COVID-19 pandemic.

Additionally, as of June 23, 2020, the FDA noted it was continuing to ensure timely reviews of applications for medical products during the COVID-19 pandemic in line with its user fee performance goals. On July 16, 2020, the FDA noted that it is continuing to expedite oncology product development with its staff teleworking full-time. If a prolonged government shutdown occurs, or if global health concerns continue to prevent the FDA or other regulatory authorities from conducting their regular inspections, reviews, or other regulatory activities, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Further, upon completion of this offering and in our operations as a public company, future government shutdowns or delays could impact our ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations.

The FDA, EMA and other comparable foreign regulatory authorities may not accept data from trials conducted in locations outside of their jurisdiction.

We may choose to conduct international clinical trials in the future. The acceptance of study data by the FDA, EMA or other comparable foreign regulatory authority from clinical trials conducted outside of their respective jurisdictions may be subject to certain conditions. In cases where data from foreign clinical trials are intended to serve as the basis for marketing approval in the United States, the FDA will generally not approve the application on the basis of foreign data alone unless (i) the data are applicable to the United States population and United States medical practice; (ii) the trials are performed by clinical investigators of recognized competence and pursuant to current GCP requirements; and (iii) the FDA is able to validate the data through an on-site inspection or other appropriate means. Additionally, the FDA's clinical trial requirements, including the adequacy of the patient population studied and statistical powering, must be met. In addition, such foreign trials would be subject to the applicable local laws of the foreign jurisdictions where the trials are conducted. We cannot assure you that the FDA, EMA or any applicable foreign regulatory authority will accept data from trials conducted outside of its applicable jurisdiction. If the FDA, EMA or any applicable foreign regulatory authority does not accept such data, it would result in the need for additional trials, which would be costly and time-consuming and delay aspects of our business plan, and which may result in our product candidates not receiving approval for commercialization in the applicable jurisdiction.

Our employees, independent contractors, principal investigators, CROs, consultants, suppliers and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk that our employees, independent contractors, principal investigators, CROs, consultants, suppliers and vendors may engage in fraudulent conduct or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to us that violates: (i) FDA laws and regulations, including those laws that require the reporting of true, complete and accurate information to the FDA, (ii) manufacturing standards, (iii) federal and state healthcare fraud and abuse laws and regulations or (iv) laws that require the true, complete and accurate reporting of financial information or data. In particular, sales, marketing and business arrangements in the healthcare industry are subject to extensive laws and regulations intended to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive programs and other business arrangements. Activities subject to these laws also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. It is not always possible to identify and deter misconduct by employees and other third parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a material and adverse effect on our business, financial condition, results of operations and prospects, including the imposition of significant fines or other sanctions, including exclusion from government healthcare programs, and serious harm to our reputation.

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

Existing regulatory 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.

For example, in March 2010, the ACA was enacted, which substantially changed the way healthcare is financed by both the government and private insurers, and significantly impacted the U.S. pharmaceutical industry. Some of the provisions of the ACA have yet to be implemented, and there have been judicial and Congressional challenges to certain aspects of the ACA, as well as recent efforts by the Trump administration to repeal or replace certain aspects of the ACA. Since January 2017, President Trump has signed several Executive Orders and other directives designed to delay the implementation of certain provisions of the ACA or otherwise circumvent some of the requirements for health insurance mandated by the ACA. Concurrently, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, two bills affecting the implementation of certain taxes under the ACA have passed. On December 22, 2017, President Trump signed into law federal tax legislation commonly referred to as the TCJA, which includes a provision repealing, effective January 1, 2019, the tax-based shared responsibility payment imposed by the ACA on certain individuals who fail to maintain qualifying health coverage for all or part of a year that is commonly referred to as the “individual mandate”. In addition, the 2020 federal spending package permanently eliminates, effective January 1, 2020, the ACA-mandated “Cadillac” tax on high-cost employer-sponsored health coverage and medical device tax and, effective January 1, 2021, also eliminates the health insurer tax. The Bipartisan Budget Act of 2018 among other things, amended the ACA, effective January 1, 2019, to close the coverage gap in most Medicare Part D drug plans. In December 2018, CMS published a new final rule permitting further collections and payments to and from certain ACA-qualified health plans and health insurance issuers under the ACA risk adjustment program in response to the outcome of federal district court litigation regarding the method CMS uses to determine this risk adjustment. On December 14, 2018, a Texas U.S. District Court Judge ruled that the ACA is unconstitutional in its entirety because the “individual mandate” was repealed by Congress as part of the TCJA. On December 18, 2019, the U.S. Court of Appeals for the 5th Circuit ruled that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the ACA are invalid as well. On March 2, 2020, the U.S. Supreme Court granted the petitions for writs of certiorari to review the case, and oral arguments were held on November 10, 2020, although it is unclear when a decision will be made or how the Supreme Court will rule. In addition, there may be other efforts to challenge, repeal or replace the ACA. We are continuing to monitor any changes to the ACA that, in turn, may potentially impact our business in the future.

In addition, other legislative changes have been proposed and adopted in the United States since the ACA was enacted. These changes included aggregate reductions to Medicare payments to providers of 2% per fiscal year, effective April 1, 2013, which, due to subsequent legislative amendments, will stay in effect through 2030 unless additional congressional action is taken. In addition, the CARES Act suspended the 2% Medicare sequester from May 1, 2020 through December 31, 2020. In January 2013, President Obama signed into law the American Taxpayer Relief Act of 2012, which, among other things, reduced Medicare payments to several providers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. These new laws may result in additional reductions in Medicare and other healthcare funding, which could have a material adverse effect on customers for our drugs, if approved, and accordingly, our financial operations.

Moreover, there has been heightened governmental scrutiny recently over the manner in which drug manufacturers set prices for their marketed products, which has resulted in several Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency

to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drug products. For example, at the federal level, the Trump administration released a “Blueprint” to lower drug prices and reduce out of pocket costs of drugs that contains additional proposals to increase manufacturer competition, increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products and reduce the out of pocket costs of drug products paid by consumers. On March 10, 2020, the Trump administration sent “principles” for drug pricing to Congress, calling for legislation that would among other things, cap Medicare Part D beneficiary out-of-pocket pharmacy expenses, provide an option to cap Medicare Part D beneficiary monthly out-of-pocket expenses, and place limits on pharmaceutical price increases. Additionally, the Trump administration’s budget proposal for the fiscal year 2020 contains further drug price control measures that could be enacted during the budget process or in future legislation, including, for example, measures to permit

Medicare Part D plans to negotiate the price of certain drugs under Medicare Part B, to allow some states to negotiate prices under Medicaid, and to eliminate cost sharing for generic drugs for low-income patients. Although a number of these and other measures may require additional authorization to become effective, Congress and the Trump administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs. At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

Further, on May 30, 2018, the Trickett Wendler, Frank Mongiello, Jordan McLinn, and Matthew Beilina Right to Try Act of 2017, or the Right to Try Act, was signed into law. The law, among other things, provides a federal framework for certain patients to access certain investigational new product candidates that have completed a Phase 1 clinical trial and that are undergoing investigation for FDA approval. Under certain circumstances, eligible patients can seek treatment without enrolling in clinical trials and without obtaining FDA permission under the FDA expanded access program. There is no obligation for a drug manufacturer to make its products available to eligible patients as a result of the Right to Try Act.

We expect that the ACA, as well as other healthcare reform measures that may be adopted in the future, may result in more rigorous coverage criteria and in additional downward pressure on the price that we receive for any approved product. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability or commercialize our product candidates.

At the state level, individual states are increasingly aggressive in passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. In addition, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other healthcare programs. These measures could reduce the ultimate demand for our products, once approved, or put pressure on our product pricing.

We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for our current product candidates and any future product candidates or additional pricing pressures. It is possible that additional governmental action is taken to address the COVID-19

pandemic. For example, on April 18, 2020, CMS announced that QHP issuers under the ACA may suspend activities related to the collection and reporting of quality data that would have otherwise been reported between May and June 2020 given the challenges healthcare providers are facing responding to the COVID-19 virus.

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

Our relationships with healthcare professionals, clinical investigators, CROs and third-party payors in connection with our current and future business activities may be subject to federal and state healthcare fraud and abuse laws, false claims laws, transparency laws, government price reporting and health information privacy and security laws, which could expose us to significant losses, including, among other things, criminal sanctions, civil penalties, contractual damages, exclusion from governmental healthcare programs, reputational harm, administrative burdens and diminished profits and future earnings.

Healthcare providers, physicians and third-party payors will play a primary role in the recommendation and prescription of any product candidates for which we obtain marketing approval. Our current and future arrangements with healthcare professionals, clinical investigators, CROs, third-party payors and customers may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which we market, sell and distribute our product candidates for which we obtain marketing approval. Restrictions under applicable federal and state healthcare laws and regulations, include the following:

- the U.S. federal Anti-Kickback Statute, which prohibits, among other things, persons and entities from knowingly and willfully soliciting, offering, receiving or providing remuneration, directly or indirectly, in cash or in kind to induce or reward, or in return for, either the referral of an individual for, or the purchase, order or recommendation of, any good or service, for which payment may be made under federal and state healthcare programs, such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;
- the U.S. federal false claims and civil monetary penalties laws, including the U.S. federal False Claims Act, which imposes criminal and civil penalties, including through civil whistleblower or qui tam actions, against individuals or entities for knowingly presenting, or causing to be presented, to the federal government, claims for payment that are false or fraudulent or making a false statement to avoid, decrease or conceal an obligation to pay money to the federal government. In addition, the government may assert that a claim including items and services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act;
- the U.S. federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, which imposes criminal and civil liability for, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program, or knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement in connection with the delivery of or payment for healthcare benefits, items or services; similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 and its implementing regulations, or HITECH, which imposes obligations on certain covered entity healthcare providers, health plans, and healthcare clearinghouses as well as their business associates that perform certain services involving the use or disclosure of individually identifiable health information, including mandatory contractual terms, with respect to safeguarding the privacy, security, and transmission of individually identifiable health information, and require notification to affected individuals and regulatory authorities of certain breaches of security of individually identifiable health information;
- federal and state consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm customers;
- the U.S. Physician Payments Sunshine Act created under the ACA, and its implementing regulations, which require that certain manufacturers of drugs, devices, medical supplies and therapeutic biologics that are reimbursable under Medicare, Medicaid, and Children's Health Insurance Programs report annually to the Department of Health and Human Services information related to certain payments and other transfers of value to physicians, as defined by such law, and teaching hospitals, as well as ownership and investment interests held by the physicians described above and their immediate family members. Effective January 1, 2022, the U.S. federal physician transparency reporting requirements will extend to include transfers of value made during the previous year to certain non-physician providers such as physician assistants and nurse practitioners; and
- analogous state laws and regulations, such as state anti-kickback and false claims laws that may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers; some state laws require that pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government in addition to requiring drug and therapeutic biologics manufacturers to report information related to payments to physicians and other healthcare providers or marketing expenditures, and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

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. For instance, the collection and use of health data in the European Union is governed by the General Data Protection Regulation, or the GDPR, which extends the geographical scope of European Union data protection law to non-European Union entities under certain conditions, tightens existing European Union data protection principles and creates new obligations for companies and new rights for individuals. Failure to comply with the GDPR may result in substantial fines and other administrative penalties. The GDPR may increase 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 GDPR. Moreover, the United Kingdom leaving the European Union could also lead to further legislative and regulatory changes. It remains unclear how the United Kingdom data protection laws or regulations will develop in the medium to longer term and how data transfer to the United Kingdom from the European Union will be regulated, especially following the United Kingdom's departure from the European Union on January 31, 2020 without a deal. However, the United Kingdom has transposed the GDPR into domestic law with the Data Protection Act 2018, which remains in force following the United Kingdom's departure from the European Union. In addition, on June 28, 2018, the State of California enacted the California Consumer Privacy Act, or CCPA, which went into effect on January 1, 2020. The CCPA creates individual privacy rights for California consumers and increases the privacy and security obligations of entities handling certain personal information. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach

litigation. The CCPA may increase our compliance costs and potential liability, and similar laws have been proposed at the federal level and in other states.

Ensuring that our internal operations and future business arrangements with third parties comply with applicable healthcare laws and regulations will involve substantial costs. If our operations are found to be in violation of any of the laws described above or any other governmental laws and regulations that may apply to us, we may be subject to significant penalties, including civil, criminal and administrative penalties, damages, fines, exclusion from participation in government-funded healthcare programs such as Medicare and Medicaid or similar programs in other countries or jurisdictions, disgorgement, imprisonment, reputational harm and diminished profits. Defending against any such actions can be costly, time-consuming and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired.

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

Even if we receive marketing and commercialization approval of a product candidate, we will be subject to continuing regulatory requirements, including in relation to adverse patient experiences with the product and clinical results that are reported after a product is made commercially available, both in the United States and any foreign jurisdiction in which we seek regulatory approval. The FDA has significant post-market authority, including the authority to require labeling changes based on new safety information and to require post-market studies or clinical trials to evaluate safety risks related to the use of a product or to require withdrawal of the product from the market. The FDA also has the authority to require a REMS plan after approval, which may impose further requirements or restrictions on the distribution or use of an approved drug or therapeutic biologic. The manufacturer and manufacturing facilities we use to make a future product, if any, will also be subject to periodic review and inspection by the FDA and other regulatory agencies, including for continued compliance with cGMP requirements. The discovery of any new or previously unknown problems with our third-party manufacturers, manufacturing processes or facilities may result in restrictions on the product, manufacturer or facility, including withdrawal of the product from the market. We rely, and expect we will continue to rely, on third-party manufacturers, and we will not have control over compliance with applicable rules and regulations by such manufacturers. Any product promotion and advertising will also be subject to regulatory requirements and continuing regulatory review. If we or our existing or future collaborators, manufacturers or service providers fail to comply with applicable continuing regulatory requirements in the United States or foreign jurisdictions in which we seek to market our products, we or they may be subject to, among other things, fines, warning or untitled letters, holds on clinical trials, delay of approval or refusal by the FDA to approve pending applications or supplements to approved applications, suspension or withdrawal of regulatory approval, product recalls and seizures, administrative detention of products, refusal to permit the import or export of products, operating restrictions, injunctions, civil penalties and criminal prosecution.

Our research and development activities could be affected or delayed as a result of possible restrictions on animal testing.

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

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

We are subject to export control and import laws and regulations, including the U.S. Export Administration Regulations, U.S. Customs regulations, various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Controls, the U.S. Foreign Corrupt Practices Act of 1977, as amended, or FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act and other state and national anti-bribery and anti-money laundering laws in the countries in which we conduct activities. Anti-corruption laws are interpreted broadly and prohibit companies and their employees, agents, contractors and other collaborators from authorizing, promising, offering or providing, directly or indirectly, improper payments or anything else of value to recipients in the public or private sector. We may engage third parties to sell our products outside the United States, to conduct clinical trials and/or to obtain necessary permits, licenses, patent registrations and other regulatory approvals. We have direct or indirect interactions with officials and employees of government agencies or government-affiliated hospitals, universities and other organizations. We can be held liable for the corrupt or other illegal activities of our employees, agents, contractors and other collaborators, even if we do not explicitly authorize or have actual knowledge of such activities. Any violations of the laws and regulations described above may result in substantial civil and criminal fines and penalties, imprisonment, the loss of export or import privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm and other consequences.

We and our third-party contractors must comply with environmental, health and safety laws and regulations. A failure to comply with these laws and regulations could expose us to significant costs or liabilities.

We and our third-party contractors are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the use, generation, manufacture, distribution, storage, handling, treatment, remediation and disposal of hazardous materials and wastes. Hazardous chemicals, including flammable and biological materials, are involved in certain aspects of our business, and we cannot eliminate the risk of injury or contamination from the use, generation, manufacture, distribution, storage, handling, treatment or disposal of hazardous materials and wastes. In the event of contamination or injury, or failure to comply with environmental, health and safety laws and regulations, we could be held liable for any resulting damages, fines and penalties associated with such liability which could exceed our assets and resources.

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

Environmental, health and safety laws and regulations are becoming increasingly more stringent. We may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our research, development or production efforts. Our failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

Risks related to employee matters, managing our growth and other risks related to our business

If we fail to attract and retain qualified senior management and key scientific personnel, our business may be materially and adversely affected.

Our success depends in part on our continued ability to attract, retain and motivate highly qualified management and clinical and scientific personnel. We are highly dependent upon members of our senior management, including Jay M. Short, Ph.D., our Chairman and Chief Executive Officer, Scott Smith, our President, and Carolyn Anderson Short, our Chief of Intellectual Property and Strategy and Assistant Secretary, as well as our senior scientists and other members of our senior management team. The loss of services of any of these individuals could delay or prevent the successful development of our product pipeline, the initiation and completion of our planned clinical trials or the commercialization of product candidates or any future product candidates.

Competition for qualified personnel in the pharmaceutical, biopharmaceutical and biotechnology field is intense due to the limited number of individuals who possess the skills and experience required by our industry. We will need to hire additional personnel as we expand our clinical development and if we initiate commercial activities. We may not be able to attract and retain quality personnel on acceptable terms, or at all. In addition, to the extent we hire personnel from competitors, we may be subject to allegations that they have been improperly solicited or that they have divulged proprietary or other confidential information, or that their former employers own their research output.

We currently have no sales organization. If we are unable to establish sales, marketing and distribution capabilities on our own or through third parties, we may not be able to market and sell our product candidates, if approved, effectively in the United States and foreign jurisdictions or generate product revenue.

We currently do not have a marketing or sales organization. In order to commercialize our product candidates in the United States and foreign jurisdictions on our own, we must build our marketing, sales, distribution, managerial and other non-technical capabilities or make arrangements with third parties to perform these services, and we may not be successful in doing so. If any of our product candidates receives regulatory approval, we will need to develop internal sales, marketing and distribution capabilities to commercialize such products, which would be expensive and time-consuming, or make arrangements with third parties to perform these services. If we decide to market our products directly, we will need to commit significant financial and managerial resources to develop a marketing and sales force with technical expertise and supporting distribution, administration and compliance capabilities. If we rely on third parties with such capabilities to market our products or decide to co-promote products with existing or future collaborators, we will need to establish and maintain marketing and distribution arrangements with third parties, and we cannot assure you that we will be able to enter into such arrangements on acceptable terms, or at all. In entering into third-party marketing or distribution arrangements, any revenue we receive will depend upon the efforts of the third parties, and we cannot assure you that such third parties will establish adequate sales and distribution capabilities or be successful in gaining market acceptance of any approved product. If we are not successful in commercializing any product approved in the future, either on our own or through arrangements with one or more third parties, we may not be able to generate any future product revenue and we would incur significant additional losses.

In order to successfully implement our plans and strategies, we will need to grow the size of our organization, and we may experience difficulties in managing this growth.

As of December 1, 2020, we had 36 employees, and 18 dedicated independent contractors based in China and engaged through our agreement with BioDuro, a provider of preclinical development services. In order to successfully implement our development and commercialization plans and strategies, and as we transition into operating as a public company, we expect to need additional development, managerial, operational, financial, sales, marketing and other personnel. Future growth would impose significant added responsibilities on members of management, including:

- identifying, recruiting, integrating, maintaining and motivating additional employees;
- managing our internal development efforts effectively, including the clinical and regulatory review process for BA3011 and BA3021 and any other product candidates, while complying with our contractual obligations to contractors and other third parties; and
- improving our operational, financial and management controls, reporting systems and procedures.

Our future financial performance and our ability to successfully develop and, if approved, commercialize BA3011, BA3021 and any future 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 its attention away from day-to-day activities in order to devote a substantial amount of time to managing these growth activities.

To date, we have used the services of outside vendors to perform tasks, including preclinical and clinical trial management, manufacturing, statistics and analysis and research and development functions. Our growth strategy may also entail expanding our group of contractors or consultants to implement these tasks going forward. Because we rely on numerous consultants, effectively outsourcing many key functions of our business, we will need to be able to effectively manage these consultants to ensure that they successfully carry out their contractual obligations and meet expected deadlines. However, 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 for BA3011, BA3021 and any future product candidates or otherwise advance our business. We may not be able to manage our existing outside contractors 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, we may not be able to successfully implement the tasks necessary to further develop and commercialize BA3011, BA3021 and any future product candidates and, accordingly, may not achieve our research, development and commercialization goals.

Our internal computer systems, or those of any of our CROs, manufacturers, other contractors, consultants, existing or future collaborators, may fail or suffer security or data privacy breaches or other unauthorized or improper access to, use of or destruction of our proprietary and confidential data, employee data or personal data, which could result in additional costs, significant liabilities, harm to our reputation and material disruption of our operations.

Despite the implementation of security measures, our internal computer systems and those of our current and any future CROs, manufacturers, other contractors, consultants, existing or future collaborators and other third-party service providers are vulnerable to damage from various methods, including cybersecurity attacks, breaches, intentional or accidental mistakes or errors, or other technological failures, which can include, among other things, computer viruses, unauthorized access attempts, including third parties gaining access to systems

using stolen or inferred credentials, denial-of-service attacks, phishing attempts, service disruptions, natural disasters, fire, terrorism, war and telecommunication and electrical failures. As the cyber-threat landscape evolves, these attacks are growing in frequency, sophistication and intensity, and are becoming increasingly difficult to detect. If such an event were to occur and cause interruptions in our operations or result in the unauthorized acquisition of or access to personally identifiable information or individually identifiable health information (violating certain privacy laws such as HIPAA, HITECH, the CCPA and GDPR), it could result in a material disruption of our product candidate development programs and our business operations and we could incur significant liabilities. Some of the federal, state and foreign government requirements include obligations of companies to notify individuals of security breaches involving particular personally identifiable information, which could result from breaches experienced by us or by our vendors, contractors or organizations with which we have formed strategic relationships. Notifications and follow-up actions related to a security breach could impact our reputation and cause us to incur significant costs, including legal expenses and remediation costs. For example, the loss of clinical trial data from completed, ongoing or future clinical trials involving our product candidates could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the lost data. In addition, because of our approach of running multiple clinical trials in parallel, any breach of our computer systems may result in a loss of data or compromised data integrity across many of our programs in various stages of development.

We also rely on third parties to manufacture our product candidates, and similar events relating to their computer systems could also have a material adverse effect on our business. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data, or inappropriate disclosure of confidential or proprietary information, we could be exposed to litigation and governmental investigations, the further development and commercialization of our product candidates could be delayed and we could be subject to significant fines or penalties for any noncompliance with certain state, federal or international privacy and security laws.

Our insurance policies may not be adequate to compensate us for the potential losses arising from any such disruption, failure or security breach. In addition, such insurance may not be available to us in the future on economically reasonable terms, or at all. Further, our insurance may not cover all claims made against us and could have high deductibles in any event, and defending a suit, regardless of its merit, could be costly and divert management attention.

A portion of our research and development activities take place in China. Uncertainties regarding the interpretation and enforcement of Chinese laws, rules and regulations, a trade war or political unrest in China could materially adversely affect our business, financial condition and results of operations.

We conduct preclinical research and development activities in China through BioDuro, which is U.S. owned, but governed by Chinese laws, rules and regulations and have a collaboration with BeiGene, a company headquartered in China. The Chinese legal system is a civil law system based on written statutes. Unlike the common law system, prior court decisions may be cited for reference but have limited precedential value. In addition, the Chinese legal system is based in part on government policies and internal rules, some of which are not published on a timely basis or at all, and which may have a retroactive effect. As a result, we may not be aware of our violation of these policies and rules until after the occurrence of the violation. Any administrative and court proceedings in China may be protracted, resulting in substantial costs and diversion of resources and management attention. Since Chinese administrative and court authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be more difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we enjoy than in more developed legal systems.

Furthermore, we are exposed to the possibility of disruption of our research and development activities in the event of changes in the policies of the United States or Chinese governments, political unrest or unstable economic conditions in China. For example, a trade war could lead to increased costs for clinical materials that are manufactured in China. These interruptions or failures could also impede commercialization of our product candidates and impair our competitive position. Further, we may be exposed to fluctuations in the value of the local currency in China. Future appreciation of the local currency could increase our costs. These uncertainties may impede our ability to enforce the contracts we have entered into and our ability to continue our research and development activities and could materially and adversely affect our business, financial condition and results of operations.

Our current operations are concentrated in two locations. We or the third parties upon whom we depend may be adversely affected by earthquakes, wildfires or other natural disasters, and our business continuity and disaster recovery plans may not adequately protect us from a serious disaster.

A portion of our current operations are located in our facilities in San Diego, California, and we conduct a portion of our research and development activities in China through our arrangement with BioDuro. Any unplanned event, such as flood, fire, explosion, earthquake, extreme weather condition, medical epidemics or pandemics, power shortage, telecommunication failure or other natural or manmade accidents or incidents that result in us being unable to fully utilize our facilities, or the manufacturing facilities of our third-party contract manufacturers, may have a material and adverse effect on our ability to operate our business, particularly on a daily basis, and have significant negative consequences on our financial and operating conditions. Loss of access to these facilities may result in increased costs, delays in the development of our product candidates or interruption of our business operations. Earthquakes, wildfires or other natural disasters could further disrupt our operations, and have a material and adverse effect on our business, financial condition, results of operations and prospects. If a natural disaster, power outage or other event prevented us from using all or a significant portion of our headquarters, damaged critical infrastructure, such as our research facilities or the manufacturing facilities of our third-party contract manufacturers, or otherwise disrupted operations, it may be difficult or, in certain cases, impossible, for us to continue our business for a substantial period of time. The disaster recovery and business continuity plans we have in place may prove inadequate in the event of a serious disaster or similar event. We may incur substantial expenses as a result of the limited nature of our disaster recovery and business continuity plans, which could have a material adverse effect on our business. As part of our risk management policy, we maintain insurance coverage at levels that we believe are appropriate for our business. However, in the event of an accident or incident at these facilities, we cannot assure you that the amounts of insurance will be sufficient to satisfy any damages and losses. If our facilities, or the manufacturing facilities of our third-party contract manufacturers, are unable to operate because of an accident or incident or for any other reason, even for a short period of time, any or all of our research and development programs may be harmed. Any business interruption may have a material and adverse effect on our business, financial condition, results of operations and prospects. In addition, all of our therapeutic antibodies are manufactured by starting with cells which are stored in a one master cell bank for each antibody manufactured stored in multiple locations. While we believe we will have adequate backup should any cell bank be lost in a catastrophic event, and we take precautions when transporting our cell banks, it is possible that we could lose multiple cell banks and have our manufacturing severely impacted by the need to replace the cell banks.

Our business is subject to economic, political, regulatory and other risks associated with conducting business internationally.

We may seek regulatory approval of our product candidates outside of the United States including the European Union, Australia, New Zealand, and Japan. We conduct preclinical research and development activities in China

through BioDuro, which is U.S. owned, but governed by Chinese laws, and have a collaboration with BeiGene, a company headquartered in China. Accordingly, we expect that we will be subject to additional risks related to operating in foreign countries if we obtain the necessary approvals, including:

- differing regulatory requirements and reimbursement regimes 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 FCPA 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 our international operations may materially adversely affect our ability to attain or maintain profitable operations.

We face risks related to health epidemics and outbreaks, including the COVID-19 pandemic, which could significantly disrupt our preclinical studies and clinical trials, and therefore our receipt of necessary regulatory approvals could be delayed or prevented.

We face risks related to health epidemics or outbreaks of communicable diseases. For example, in December 2019, a novel strain of coronavirus, SARS-CoV-2, causing a disease referred to as COVID-19, emerged in China. Since then, COVID-19 has spread to multiple countries worldwide, including the United States and member states of the European Union. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 as a pandemic. The outbreak of such communicable diseases could result in a widespread health crisis that could adversely affect general commercial activity and the economies and financial markets of many countries, which in the case of COVID-19 has occurred. The COVID-19 pandemic has resulted in governments implementing numerous containment measures, such as travel bans and restrictions, particularly quarantines, shelter-in-place or total lock-down orders and business limitations and shutdowns. For example, our primary operations are located in San Diego, California, and San Diego County and the State of California issued shelter-in-place orders in response to the COVID-19 pandemic. These containment measures are subject to change and the respective government authorities may tighten the restrictions at any time.

We are following, and plan to continue to follow, recommendations from federal, state and local governments regarding workplace policies, practices and procedures. In March 2020, we implemented a remote working

policy for many of our employees, began restricting non-essential travel and temporarily reduced salaries of our employees. We are complying with all applicable guidelines for our clinical trials, including remote clinical monitoring. In April 2020, we borrowed $0.7 million under the Paycheck Protection Program under the Coronavirus Aid, Relief and Economic Security, or CARES Act, as discussed further under "—Liquidity and capital resources." We are continuing to monitor the potential impact of the pandemic, but we cannot be certain what the overall impact will be on our business, financial condition, results of operations and prospects.

In addition, the COVID-19 pandemic is having a severe effect on the clinical trials of many drug candidates. Some trials have been merely delayed, while others have been cancelled. The extent to which the COVID-19 pandemic may impact our preclinical and clinical trial operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence, such as the duration and geographic reach of the outbreak, the severity of COVID-19, and the effectiveness of actions to contain and treat COVID-19. To date, we have not experienced material business disruptions, including with respect to any of the clinical trials we are conducting, or impairments of any of our assets as a result of the pandemic, the continued spread of COVID-19 globally could adversely impact our clinical trial operations, including our ability to recruit and retain patients and principal investigators and site staff who, as healthcare providers, may have heightened exposure to COVID-19 if an outbreak occurs in their geography. Disruptions or restrictions on our ability to travel to monitor data from our clinical trials, or to conduct clinical trials, or the ability of patients enrolled in our studies to travel, or the ability of staff at study sites to travel, as well as temporary closures of our facilities or the facilities of our clinical trial partners and their contract manufacturers, would negatively impact our clinical trial activities. In addition, we rely on independent clinical investigators, CROs and other third-party service providers to assist us in managing, monitoring and otherwise carrying out our preclinical studies and clinical trials, including the collection of data from our clinical trials, and the outbreak may affect their ability to devote sufficient time and resources to our programs or to travel to sites to perform work for us. Similarly, our preclinical trials could be delayed and/or disrupted by the COVID-19 pandemic. As a result, the expected timeline for data readouts of our preclinical studies and clinical trials and certain regulatory filings may be negatively impacted, which would adversely affect our ability to obtain regulatory approval for and to commercialize our product candidates, increase our operating expenses and have a material adverse effect on our business, financial condition, results of operations and prospects.

Risks related to our dependence on third parties

We have entered, and may in the future seek to enter, into collaborations with third parties for the development and commercialization of certain of our product candidates. If we fail to enter into such collaborations, or such collaborations are not successful, we may not be able to capitalize on the market potential of our patented technology platform and resulting product candidates.

We have entered into a Global Co-Development and Collaboration Agreement with BeiGene for the development, manufacturing and commercialization of BA3071. Under the terms of our BeiGene collaboration, BeiGene is generally responsible for developing BA3071 and is responsible for global regulatory filings and commercialization. Subject to the terms of the agreement, BeiGene holds an exclusive license with us to develop and manufacture the product candidate globally. BeiGene is responsible for all costs of development, manufacturing and commercialization globally. In addition, we may in the future seek third-party collaborators or joint venture partners for development and commercialization of additional CAB product candidates. With respect to our BeiGene collaboration, and what we expect will be the case with any future license or collaboration agreements, we have, and would expect to have, limited control over the amount and timing of resources that our existing or future collaborators dedicate to the development or commercialization of our product candidates. Our ability to generate revenues from these arrangements will depend on our existing or future collaborators' willingness to select additional product candidates to license and their abilities and

willingness to fulfill their payment obligations and successfully perform the functions assigned to them in these arrangements.

Our existing collaboration arrangement with BeiGene currently poses, and future collaborations involving our product candidates will pose, the following risks to us:

- collaborators have significant discretion in determining the efforts and resources that they will apply to these collaborations;
- 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 preclinical or clinical trial results, changes in the collaborators' strategic focus due to their acquisition of competitive products or their internal development of competitive products, available 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 program, stop a clinical trial or abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;
- collaborators and other alliances could independently develop, or develop with third parties, products that compete directly or indirectly with our product candidate, particularly if the collaborators believe that competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than ours;
- collaborators with marketing, manufacturing and distribution rights to one or more products may not commit sufficient resources to or otherwise not perform satisfactorily in carrying out these activities;
- we could grant exclusive rights to our collaborators that would prevent us from collaborating with others;
- 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;
- collaborators may infringe the intellectual property rights of third parties, which may expose us to litigation and potential liability;
- disputes may arise between the collaborators and us that result in the delay or termination of the research, development or commercialization of our product candidate or that result in costly litigation or arbitration that diverts management attention and resources;
- disputes may arise with respect to the ownership of any intellectual property developed pursuant to our collaborations;
- collaborators may not provide us with timely and accurate information regarding development, regulatory or commercialization status or results, which could adversely impact our ability to manage our own development efforts, accurately forecast financial results or provide timely information to our stockholders regarding our out-licensed product candidates;
- collaborations may be terminated and, if terminated, this may result in a need for additional capital to pursue further development or commercialization of the applicable current or future product candidates; and
- collaborators' sales and marketing activities or other operations may not be in compliance with applicable laws resulting in civil or criminal proceedings.

Collaboration agreements may not lead to development or commercialization of our product candidates in the most efficient manner or at all. If a collaborator of ours were to be involved in a business combination, the continued pursuit and emphasis on our product development or commercialization program could be delayed, diminished or terminated.

If our existing or future collaborators cease development efforts under our existing or future collaboration agreements, or if any of those agreements are terminated, we may lose committed funding under those agreements and these collaborations may fail to lead to commercial products and the reputation of our patented CAB technology platform may suffer.

Revenue from research and development collaborations depend upon continuation of the collaborations, initiation and expansion of the number of programs subject to the collaborations, the achievement of milestones and royalties, if any, derived from future products developed from our research. If we are unable to successfully advance the development of our product candidates or achieve milestones, revenue and cash resources from milestone payments under our existing or future collaboration agreements will be substantially less than expected.

Our ability to advance our product candidates may be limited by third parties on which we rely for certain technologies which we use in certain of our programs. If any third party developing our product candidates or other candidates based on our patented CAB technology platform experiences a delay or failure in development, regulatory approval or commercialization, even if such failure is not due to our CAB technology, it could reflect negatively on us, our other product candidates and our patented CAB technology platform. In addition, if BeiGene or one of our future collaborators terminates its agreement with us, we may find it more difficult to attract new collaborators and our perception in the business and financial communities and our stock price could be adversely affected.

We may not be successful in establishing commercialization collaborations, which could adversely affect our ability to commercialize our product candidates, if approved.

From time to time, we may evaluate and, if strategically attractive, seek to enter into additional collaborations, including with major biotechnology or biopharmaceutical companies. The competition for collaborators is intense, and the negotiation process is time-consuming and complex. Any new collaboration may be on terms that are not optimal for us, and we may not be able to maintain any new collaboration if, for example, development or approval of a product candidate is delayed, sales of an approved product candidate do not meet expectations or the collaborator terminates the collaboration. Moreover, such arrangements are complex and time-consuming to negotiate, document and implement and they may require substantial resources to maintain.

In addition, it is possible that a collaborator may not devote sufficient resources to the commercialization of our product candidates or may otherwise fail in its commercialization efforts, in which event the commercialization of such product candidates could be delayed or terminated and our business could be substantially harmed. In addition, the terms of any collaboration or other arrangement that we establish may not be favorable to us or may not be perceived as favorable, which may negatively impact our business, financial condition, results of operations and prospects.

If third parties on which we rely to conduct our preclinical and clinical trials, do not perform as contractually required, fail to satisfy regulatory or legal requirements or miss expected deadlines, our development programs could be delayed with material and adverse effects on our business, financial condition, results of operations and prospects.

We rely, and expect we will continue to rely, on third-party investigators, CROs, data management organizations and consultants to conduct, supervise and monitor our ongoing clinical trials and preclinical studies. We currently rely on third parties to manage and conduct our clinical trials of BA3011 and BA3021. Because we rely on these third parties and do not have the ability to conduct preclinical studies or clinical trials independently, we will have less control over the timing, quality and other aspects of preclinical studies and clinical trials than we would have had we conducted them on our own. These investigators, CROs and consultants will not be our employees and we will have limited control over the amount of time and resources that they dedicate to our development programs. These third parties may have contractual relationships with other entities, some of which may be our competitors, which may draw time and resources from our development programs. The third parties with whom we may contract might not be diligent, careful or timely in conducting our preclinical studies or clinical trials, resulting in the preclinical studies or clinical trials being delayed or unsuccessful.

If we cannot contract with acceptable third parties on commercially reasonable terms, or at all, or if these third parties do not carry out their contractual duties, satisfy legal and regulatory requirements for the conduct of preclinical studies or clinical trials or meet expected deadlines, our development programs could be delayed and otherwise adversely affected. In all events, we will be responsible for ensuring that each of our preclinical studies and clinical trials are conducted in accordance with the general investigational plan, protocols for the trial and regulatory requirements. The FDA requires preclinical studies to be conducted in accordance with Good Laboratory Practices, or GLPs, and clinical trials to be conducted in accordance with GCPs, including for designing, conducting, recording and reporting the results of preclinical studies and clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity and confidentiality of clinical trial participants are protected. Our reliance on third parties that we do not control will not relieve us of these responsibilities and requirements. Any adverse development or delay in our preclinical studies and clinical trials could have a material and adverse effect on our business, financial condition, results of operations and prospects.

We rely on third parties for the manufacture of our product candidates for preclinical studies and our ongoing clinical trials, and we expect to continue to do so for additional clinical trials and ultimately commercialization. This reliance on third parties increases the risk that we will not have sufficient quantities of our product candidates or products, if approved, or such quantities at an acceptable cost, which could delay, prevent or impair our development or commercialization efforts.

We rely, and expect we will continue to rely, on third-party contract manufacturers to manufacture our preclinical and clinical trial product supplies and the raw materials used to create our product candidates. We do not own manufacturing facilities for producing such supplies, and we do not have long-term manufacturing agreements. Furthermore, the raw materials for our product candidates may be sourced, in some cases, from a single-source supplier. If we were to experience an unexpected loss of supply of any of our product candidates or any of our future product candidates for any reason, whether as a result of manufacturing, supply or storage issues or otherwise, we could experience delays, disruptions, suspensions or terminations of, or be required to restart or repeat, any pending or ongoing clinical trials. For example, the extent to which the COVID-19 pandemic impacts our ability to procure sufficient supplies for the development of our product candidates will depend on the severity and duration of the spread of the virus, and the actions undertaken to contain COVID-19 or treat its effects. We cannot assure you that our preclinical and clinical development product supplies or raw materials will not be limited, interrupted, or be of satisfactory quality or continue to be available at acceptable

prices. In particular, any replacement of a manufacturer could require significant effort and expertise because there are a limited number of qualified replacements. The technical skills or technology required to manufacture our product candidates may be unique or proprietary to the original manufacturer and we may have difficulty transferring such skills or technology to another third party and a feasible alternative may not exist. These factors would increase our reliance on such manufacturer or require us to obtain a license from such manufacturer in order to have another third-party manufacture our product candidates.

If we submit an application for regulatory approval of any of our product candidates, the facilities used by our contract manufacturers to manufacture our product candidates will be subject to inspection by the FDA or other regulatory authorities. If our contract manufacturers cannot successfully manufacture material that conforms to our specifications and the strict regulatory requirements of the FDA or others or if they are unable to maintain a compliance status acceptable to the FDA or other regulatory authorities, approval of our product candidates may be delayed or we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain regulatory approval for or market our product candidates, if approved.

We expect to continue to rely on third-party manufacturers if we receive regulatory approval for any product candidate. If we are unable to obtain or maintain third-party manufacturing for product candidates, or to do so on commercially reasonable terms, we may not be able to develop and commercialize our product candidates successfully. Even if we are able to establish agreements with third-party manufacturers, reliance on third-party manufacturers entails additional risks, including:

- the failure of the third party to manufacture our product candidates according to our schedule, or at all, including if our third-party contractors give greater priority to the supply of other products over our product candidates or otherwise do not satisfactorily perform according to the terms of the agreements between us and them;
- the reduction or termination of production or deliveries by suppliers, or the raising of prices or renegotiation of terms;
- the termination or nonrenewal of arrangements or agreements by our third-party contractors at a time that is costly or inconvenient for us;
- the breach by the third-party contractors of our agreements with them;
- the failure of third-party contractors to comply with applicable regulatory requirements;
- the failure of the third party to manufacture our product candidates according to our specifications;
- the mislabeling of clinical supplies, potentially resulting in the wrong dose amounts being supplied or active drug or placebo not being properly identified;
- clinical supplies not being delivered to clinical sites on time, leading to clinical trial interruptions, or of drug supplies not being distributed to commercial vendors in a timely manner, resulting in lost sales; and
- the misappropriation of our proprietary information, including our trade secrets and know-how.

In addition, we have no material long-term contracts with our suppliers, and we compete with other companies for raw materials and production. We may experience a significant disruption in the supply of raw materials from current sources or, in the event of a disruption, we may be unable to locate alternative materials suppliers of comparable quality at an acceptable price, or at all. In addition, if we experience significant increased demand, or if we need to replace an existing supplier, we may be unable to locate additional supplies of raw materials on terms that are acceptable to us, or at all, or we may be unable to locate any supplier with

sufficient capacity to meet our requirements or to fill our orders in a timely manner. Identifying a suitable supplier is an involved process that requires us to become satisfied with their quality control, responsiveness and service, financial stability and labor and other ethical practices. Even if we are able to expand existing sources, we may encounter delays in production and added costs as a result of the time it takes to train suppliers in our methods, products and quality control standards.

The manufacture of biotechnology products is complex, and manufacturers often encounter difficulties in production. If we or any of our third-party manufacturers encounter any loss of materials or if any of our third-party manufacturers encounter other difficulties, or otherwise fail to comply with their contractual or regulatory obligations, our ability to provide product candidates for clinical trials or our products to patients, once approved and the development or commercialization of our product candidates could be delayed or stopped.

The manufacture of biotechnology products is complex and requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls. We and our contract manufacturers must comply with cGMPs, regulations and guidelines for the manufacturing of biologics used in clinical trials and, if approved, marketed products. In order to conduct clinical trials of our product candidates, we and existing and future collaborators will need to manufacture them in large quantities and in accordance with cGMPs. Manufacturers of biotechnology products often encounter difficulties in production, particularly in scaling up and validating initial production. In addition, if microbial, viral or other contaminations are discovered in our products or in the manufacturing facilities in which our products are made, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination. Delays in raw materials availability and supply may also extend the period of time required to develop our products. Furthermore, changes in our manufacturing methods may require comparability studies, including clinical bridging studies, which may result in delays to the approval process for our product candidates.

All of our therapeutic antibodies are manufactured by starting with cells which are stored in a cell bank. We have one master cell bank for each antibody manufactured in accordance with cGMPs, which is stored in multiple locations. We are currently creating multiple working cell banks. While we believe we will have adequate backup should any cell bank be lost in a catastrophic event, and we take precautions when transporting our cell banks, it is possible that we could lose multiple cell banks and have our manufacturing severely impacted by the need to replace the cell banks.

We cannot assure you that any stability or other issues relating to the manufacture of any of our product candidates or products will not occur in the future. Additionally, our manufacturers may experience manufacturing difficulties due to resource constraints or as a result of labor disputes or unstable political environments. For example, the extent to which the COVID-19 pandemic impacts the ability to procure sufficient supplies for the development of our product candidates will depend on the severity and duration of the spread of the virus, and the actions undertaken to contain COVID-19 or treat its effects. If our manufacturers were to encounter any of these difficulties, or otherwise fail to comply with their contractual obligations, our ability to provide any product candidates to patients in planned clinical trials and products to patients, once approved, would be jeopardized. Any delay or interruption in the supply of clinical trial supplies could delay the completion of planned clinical trials, increase the costs associated with maintaining clinical trial programs and, depending upon the period of delay, require us to commence new clinical trials at additional expense or terminate clinical trials completely. Any adverse developments affecting clinical or commercial manufacturing of our product candidates or products may result in shipment delays, inventory shortages, lot failures, product withdrawals or recalls, or other interruptions in the supply of our product candidates or products or enforcement actions by regulatory authorities. We may also have to take inventory write-offs and incur other

charges and expenses for product candidates or products that fail to meet specifications, undertake costly remediation efforts or seek more costly manufacturing alternatives. Accordingly, failures or difficulties faced at any level of our supply chain could adversely affect our business and delay or impede the development and commercialization of any of our product candidates or products and could have an adverse effect on our business, financial condition, results of operations and prospects.

Risks related to intellectual property

If we are not able to obtain, maintain and protect our intellectual property rights in any product candidates or technologies we develop, or if the scope of the intellectual property protection obtained is not sufficiently broad, third parties could develop and commercialize products and technology similar or identical to ours, and we may not be able to compete effectively in our market.

Our success depends in part on our ability to obtain and maintain patents and other forms of intellectual property rights, including in-licenses of intellectual property rights of others, for our product candidates, methods used to develop and manufacture our product candidates and methods for treating patients using our product candidates, as well as our ability to preserve our trade secrets, to prevent third parties from infringing upon our proprietary rights and to operate without infringing upon the proprietary rights of others. As of December 1, 2020, we own or have rights to 265 issued or allowed patents and 214 pending patent applications worldwide. The patent process is expensive and time-consuming, and we may not be able to apply for patents on certain aspects of our product candidates in a timely fashion, at a reasonable cost, in all jurisdictions, or at all. Our existing issued and granted patents and any future patents we obtain may not be sufficiently broad to prevent others from using our technology or from developing competing products and technology. There is no guarantee that any of our pending patent applications will result in issued or granted patents, that any of our issued or granted patents will not later be found to be invalid or unenforceable or that any issued or granted patents will include claims that are sufficiently broad to cover our product candidates or to provide meaningful protection from our competitors.

Moreover, the patent position of biotechnology and biopharmaceutical companies can be highly uncertain because it involves complex legal and factual issues. We will be able to protect our proprietary rights from unauthorized use by third parties only to the extent that our current and future proprietary technology and product candidates are covered by valid and enforceable patents or are effectively maintained as trade secrets. If third parties disclose or misappropriate our proprietary rights, it may materially and adversely affect our position in the market. Furthermore, even if they are unchallenged, our patents and patent applications may not adequately protect our intellectual property, provide exclusivity for our product candidates, or prevent others from designing around our patent claims.

Once granted, patents may remain open to opposition, interference, re-examination, post-grant review, *inter partes* review, nullification or derivation action in court or before patent offices or similar proceedings for a given period after allowance or grant, during which time third parties can raise objections against granted patents. In the course of such proceedings, which may continue for a protracted period of time, the patent owner may be compelled to limit the scope of the allowed or granted patent claims thus attacked, or may lose the allowed or granted claims altogether. As of the date of this prospectus, there is an ongoing patent opposition proceeding regarding our patent EP2 406 399 at the European Patent Office which is related to a version of methods used for evolving and screening potential product candidates. The Opposition Division revoked EP2 406 399 in its decision dated March 10, 2020 and we filed an appeal on July 20, 2020. In addition, we cannot assure you that:

- We may obtain, maintain, protect and enforce intellectual property protection for our technologies and product candidates.

- Others will not or may not be able to make, use or sell compounds that are the same as or similar to our product candidates but that are not covered by the claims of the patents that we own or license.
- We or our licensors, or our existing or future collaborators are the first to make the inventions covered by each of our issued patents and pending patent applications that we own or license.
- We or our licensors, or our existing or future collaborators are the first to file patent applications covering certain aspects of our inventions.
- Others will not independently develop similar or alternative technologies or duplicate any of our technologies without infringing our intellectual property rights.
- A third party may not challenge our patents and, if challenged, that a court would hold that our patents are valid, enforceable and infringed.
- Any issued patents that we own or have licensed will provide us with any competitive advantage, or will not be challenged by third parties.
- We may develop or in-license additional proprietary technologies that are patentable.
- Pending patent applications that we own or may license will lead to issued patents.
- The patents of others will not have a material or adverse effect on our business, financial condition, results of operations and prospects.
- Our competitors do not conduct research and development activities in countries where we do not have enforceable patent rights and then use the information learned from such activities to develop competitive products for sale in our commercial markets.

If the breadth or strength of protection provided by the patents and patent applications we hold, obtain or pursue with respect to our product candidates is challenged, or if they fail to provide meaningful exclusivity for our product candidates, it could threaten our ability to practice our technologies or commercialize our product candidates. We cannot offer any assurances about which, if any, patents will issue, the breadth of any such patent, or whether any issued patents will be found invalid and unenforceable or will be threatened by third parties. Furthermore, an interference or derivation proceeding can be provoked by a third party or instituted by a patent office or in a court proceeding, to determine who was the first to invent any of the subject matter covered by the patent claims of our applications.

Where we obtain licenses from third parties, in some circumstances, we may not have the right to control the preparation, filing and prosecution of patent applications, or to maintain the patents, covering technology that we license from third parties. We may also require the cooperation of our licensors to enforce any licensed patent rights, and such cooperation may not be provided. Therefore, these patents and applications may not be prosecuted and enforced in a manner consistent with the best interests of our business. Moreover, if we do obtain necessary licenses, we will likely have obligations under those licenses, and any failure to satisfy those obligations could give our licensor the right to terminate the license. Termination of a necessary license could have a material adverse impact on our business.

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

In addition to seeking patent protection for certain aspects of our product candidates, we also consider trade secrets, including confidential and unpatented know-how important to the maintenance of our competitive

position. We seek to protect trade secrets and confidential and unpatented know-how, in part, by entering into non-disclosure and confidentiality agreements with parties who have access to such knowledge, such as our employees, corporate collaborators, outside scientific collaborators, CROs, contract manufacturers, consultants, advisors and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants that obligate them to maintain confidentiality and assign their inventions to us. We also seek to preserve the integrity and confidentiality of our data, trade secrets and know-how by maintaining physical security of our premises and physical and electronic security of our information technology systems. Monitoring unauthorized uses and disclosures is difficult, and we do not know whether the steps we have taken to protect our proprietary technologies will be effective. We cannot guarantee that our trade secrets and other proprietary and confidential information will not be disclosed or that competitors will not otherwise gain access to our trade secrets. Despite these efforts, any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming, and the outcome is unpredictable. In addition, some courts in the United States and certain foreign jurisdictions are less willing or unwilling to protect trade secrets. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor, our competitive position could be harmed.

Trade secrets and know-how can be difficult to protect as trade secrets and know-how will over time be disseminated within the industry through independent development, the publication of journal articles, and the movement of personnel skilled in the art from company to company or academic to industry scientific positions. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent such competitor from using that technology or information to compete with us, which could harm our competitive position. If we are unable to prevent material disclosure of the intellectual property related to our technologies 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, results of operations and financial condition. Even if we are able to adequately protect our trade secrets and proprietary information, our trade secrets could otherwise become known or could be independently discovered by our competitors. Competitors could willfully infringe our intellectual property rights, design around our protected technology or develop their own competitive technologies that fall outside of our intellectual property rights. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor, in the absence of patent protection, we would have no right to prevent them, or those to whom they communicate, from using that technology or information to compete with us. If our trade secrets are not adequately protected so as to protect our market against competitors' products, others may be able to exploit our product candidates and discovery technologies to identify and develop competing product candidates, and thus our competitive position could be adversely affected, as could our business.

The terms of our patents may not protect our competitive position on our product candidates for an adequate amount of time.

Patents have a limited lifespan. In the United States, if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years after its earliest U.S. non-provisional effective filing date. Although various extensions may be available, the life of a patent, and the protection it affords, is limited. Even if patents covering our technologies or product candidates are obtained, once the patent life has expired, we may be open to competition. Our issued patents will expire on dates ranging from 2030 to 2037, subject to any patent extensions that may be available for such patents. If patents are issued on our pending patent applications, the resulting patents are projected to expire on dates ranging from 2030 to 2041. Due to 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 owned and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

If we do not obtain patent term extension for our product candidates, our business may be materially harmed.

Depending upon the timing, duration and specifics of FDA marketing approval of our product candidates, one or more of our U.S. patents may be eligible for limited patent term restoration under the Drug Price Competition and Patent Term Restoration Act of 1984, or the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent restoration term of up to five years as compensation for patent term lost during product development and the FDA regulatory review process. A maximum of one patent may be extended per FDA-approved product as compensation for the 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 and only those claims covering such approved drug product, a method for using it or a method for manufacturing it may be extended. Patent term extension may also be available in certain foreign countries upon regulatory approval of our product candidates. However, we may not be granted an extension because of, for example, 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 or require. If we are unable to obtain patent term extension or restoration or the term of any such extension is less than we request or require, our competitors may obtain approval of competing products following our patent expiration, and our revenue could be reduced, possibly materially. Further, if this occurs, our competitors may take advantage of our investment in development and trials by referencing our clinical and preclinical data and launch their product earlier than might otherwise be the case.

Recent patent reform legislation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents.

In September 2011, the Leahy-Smith America Invents Act, or Leahy-Smith Act, was signed into law. The Leahy-Smith Act includes a number of significant changes to U.S. patent law. These include provisions that affect the way patent applications will be prosecuted and may also affect patent litigation. In particular, under the Leahy-Smith Act, the United States transitioned in March 2013 to a “first inventor to file” system in which, assuming that other requirements of patentability are met, the first inventor to file a patent application will be entitled to the patent regardless of whether another party was first to invent the claimed invention. A third party that files a patent application in the USPTO after March 2013 but before us could therefore be awarded a patent covering an invention of ours even if we had made the invention before it was made by such third party. This will require us to be cognizant going forward of the time from invention to filing of a patent application. Furthermore, our ability to obtain and maintain valid and enforceable patents depends on whether the differences between our technology and the prior art render our technology to be patentable over the prior art. Since patent applications in the United States and most other countries are confidential for a period of time after filing or until issuance, we cannot be certain that we were the first to either (i) file any patent application related to our product candidates or (ii) invent any of the inventions claimed in our patents or patent applications.

The Leahy-Smith Act also includes a number of significant changes that affect the way patent applications will be prosecuted and also may affect patent litigation. These include allowing third-party submission of prior art to the USPTO during patent prosecution and the provision of additional procedures to attack the validity of a patent by USPTO administered post-grant proceedings, including PGR, IPR and derivation proceedings. An

adverse determination in any such submission or proceeding could reduce the scope or enforceability of, or invalidate, our patent rights, which could adversely affect our competitive position.

Because of the application of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard applied in United States federal courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if first presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to invalidate patent claims that would not have been invalidated if first challenged by the third party as a defendant in a district court action. Thus, the Leahy-Smith Act and its implementation could increase the uncertainties and costs surrounding the prosecution and defense of our or our licensors' patent applications and the enforcement or defense of our issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

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

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 a high degree of technological and legal complexity. Therefore, obtaining and enforcing biopharmaceutical patents is costly, time-consuming and inherently uncertain. Changes in either the patent laws or in the interpretations of patent laws in the United States and other countries may diminish the value of our intellectual property and may increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. We cannot predict the breadth of claims that may be allowed or enforced in our patents or in third-party patents. In addition, Congress or other foreign legislative bodies may pass patent reform legislation that is unfavorable to us.

For example, the U.S. Supreme Court has ruled on several patent cases in recent years, sometimes narrowing the scope of patent protection available in certain circumstances, weakening the rights of patent owners in certain circumstances or weakening the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the U.S. federal courts, the USPTO or similar authorities in foreign jurisdictions, 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 patent and the patents we might obtain or license in the future.

Other companies or organizations may challenge our or our licensors' patent rights or may assert patent rights that prevent us from developing and commercializing our products.

CAB therapeutics are a new scientific field. We have obtained grants and issuances of CAB therapeutic patents and the various technologies used in discovering and producing CAB therapeutic proteins. The issued patents and pending patent applications in the United States and in key markets around the world that we own or license claim many different methods, compositions and processes relating to the discovery, development, manufacture and commercialization of antibody and immunoregulatory therapeutics. Specifically, we own a portfolio of patents, patent applications and other intellectual property covering CAB compositions of matter as well as their development and methods of use.

As the field of antibody and immunoregulatory therapeutics matures, patent applications are being processed by national patent offices around the world. There is uncertainty about which patents will issue, and, if they do,

as to when, to whom, and with what claims. In addition, third parties may attempt to invalidate our intellectual property rights. Even if our rights are not directly challenged, disputes could lead to the weakening of our intellectual property rights. Our defense against any attempt by third parties to circumvent or invalidate our intellectual property rights could be costly to us, could require significant time and attention of our management and could have a material and adverse effect on our business, financial condition, results of operations and prospects or our ability to successfully compete.

There are many issued and pending patents that claim aspects of our product candidates and modifications that we may need to apply to our product candidates. There are also many issued patents that claim antibodies or portions of antibodies that may be relevant for CAB products we wish to develop. Thus, it is possible that one or more organizations will hold patent rights to which we will need a license. If those organizations refuse to grant us a license to such patent rights on reasonable terms, we may not be able to market products or perform research and development or other activities covered by these patents.

Intellectual property rights of third parties could prevent or delay our drug discovery and development efforts and could adversely affect our ability to commercialize our product candidates, and we might be required to litigate or obtain licenses from third parties in order to discover, develop or market our product candidates. Such litigation or licenses could be costly or not available on commercially reasonable terms.

Our commercial success depends in part on our ability to develop, manufacture, market and sell our product candidates and use our proprietary technologies without infringing or otherwise violating the patents and proprietary rights of third parties. There is a substantial amount of litigation involving patent and other intellectual property rights in the biotechnology and pharmaceutical industries, including patent infringement lawsuits, interferences, derivation proceedings, post grant reviews, *inter partes* reviews, and reexamination proceedings before the USPTO or oppositions and other comparable proceedings in foreign jurisdictions. Given the vast number of patents in our field of technology, we cannot assure you that marketing of our product candidates or practice of our technologies will not infringe existing patents or patents that may be granted in the future. Because the antibody landscape is still evolving and the CAB antibody landscape is a new field, it is difficult to conclusively assess our freedom to operate without infringing on third-party rights. There are numerous companies that have pending patent applications and issued patents broadly covering many aspects of antibodies generally or covering antibodies directed against the same targets as, or targets similar to, those we are pursuing. Our competitive position may suffer if patents issued to third parties or other third-party intellectual property rights cover our products or product candidates or elements thereof, or our manufacture or uses relevant to our development plans. If any third-party patents were held by a court of competent jurisdiction to cover the manufacturing process of any of our product candidates, any molecules formed during the manufacturing process or any final product or formulation itself, the holders of any such patents may be able to block our ability to commercialize such product candidate. In such cases, we may not be in a position to develop or commercialize products or product candidates unless we successfully pursue litigation to nullify or invalidate the third-party intellectual property right concerned, or enter into a license agreement with the intellectual property right holder, if available on commercially reasonable terms. Parties making claims against us may obtain injunctive or other equitable relief, which could effectively block our ability to further practice our technologies or develop and commercialize one or more of our product candidates. There may be issued patents of which we are not aware, held by third parties that, if found to be valid and enforceable, could be alleged to be infringed by our CAB technologies. There also may be pending patent applications of which we are not aware that may result in issued patents, which could be alleged to be infringed by our CAB technologies. If such an infringement claim should be brought and be successful, we may be required to pay substantial damages, be forced to abandon our product candidates or seek a license from any patent holders, and would most likely be required to pay license fees or royalties or both, each of which could be substantial. No assurances can be given that a license will be available on commercially reasonable terms, if at all. Even if we

were able to obtain a license, the rights we obtain may be nonexclusive, which would provide our competitors access to the same intellectual property rights upon which we are forced to rely. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that our product candidates or technologies may give rise to claims of infringement of the patent rights of others.

We or our collaboration partner, or any future strategic partners may be subject to third-party claims for infringement or misappropriation of patent or other proprietary rights. If we or our licensors, or any future strategic partners are found to infringe a third-party patent or other intellectual property rights, we could be required to pay damages, potentially including treble damages, if we are found to have willfully infringed. In addition, we or our licensors, or any future strategic partners may choose to seek, or be required to seek, a license from a third party, which may not be available on acceptable terms, if at all. Even if a license can be obtained on acceptable terms, the rights may be non-exclusive, which could give our competitors access to the same technology or intellectual property rights licensed to us. If we fail to obtain a required license, we or our existing or future collaborators may be unable to effectively market product candidates based on our technology, which could limit our ability to generate revenue or achieve profitability and possibly prevent us from generating revenue sufficient to sustain our operations. In addition, we may find it necessary to pursue claims or initiate lawsuits to protect or enforce our patent or other intellectual property rights. The cost to us in defending or initiating any litigation or other proceeding relating to patent or other proprietary rights, even if resolved in our favor, could be substantial, and litigation would divert our management's attention. Some of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could delay our research and development efforts and limit our ability to continue our operations.

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

We cannot guarantee that any of our patent searches or analyses, including the identification of relevant patents, the scope of patent claims or the expiration of relevant patents, are complete or thorough, nor can we be certain that we have identified each and every third-party patent and pending application in the United States and abroad that is relevant to or necessary for the commercialization of our product candidates in any jurisdiction. For example, U.S. applications filed before November 29, 2000, and certain U.S. applications filed after that date that will not be filed outside the United States, remain confidential until patents issue. Patent applications in the United States and elsewhere are published approximately 18 months after the earliest filing for which priority is claimed, with such earliest filing date being commonly referred to as the priority date. Therefore, patent applications covering our product candidates or technologies could have been filed by others without our knowledge. Additionally, pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our platform technologies, our products or the use of our products. Third-party intellectual property right holders may also actively bring infringement claims against us, even if we have received patent protection for our technologies and product candidates. The scope of a patent claim is determined by an interpretation of the law, the written disclosure in a patent and the patent's prosecution history. Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect, which may negatively impact our ability to market our products. We may incorrectly determine that our products are not covered by a third-party patent or may incorrectly predict whether a third party's pending application will issue with claims of relevant scope. Our determination of the expiration date of any patent in the United States or abroad that we consider relevant may be incorrect, which may negatively impact our ability to develop and market our product candidates.

If we fail to identify and correctly interpret relevant patents, we may be subject to infringement claims. We cannot guarantee that we will be able to successfully settle or otherwise resolve such infringement claims. If we are unable to successfully settle future claims on terms acceptable to us, we may be required to engage in or continue costly, unpredictable and time-consuming litigation and may be prevented from or experience substantial delays in marketing our products. If we fail in any such dispute, in addition to being forced to pay damages, we may be temporarily or permanently prohibited from commercializing any of our product candidates that are held to be infringing. We might, if possible, also be forced to redesign product candidates or our technologies so that we no longer infringe the third-party intellectual property rights. Any of these events, even if we were ultimately to prevail, could require us to divert substantial financial and management resources that we would otherwise be able to devote to our business.

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

We may also be subject to claims that former employees, collaborators or other third parties have an ownership interest in our patents or other intellectual property. We may have ownership disputes in the future arising, for example, from conflicting obligations of consultants or others who are involved in developing our product candidates. Litigation may be necessary to defend against these and other claims challenging inventorship or ownership. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Such an outcome could have a material adverse effect on our business. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time-consuming and unsuccessful, and issued patents covering our product candidates could be found invalid or unenforceable if challenged in court in the United States and abroad.

Competitors may infringe our patents or the patents of our licensors. If we were to initiate legal proceedings against a third party to enforce a patent covering one of our products or our technology, the defendant could counterclaim that our patent is invalid or unenforceable, or the court may refuse to stop the defendant in such infringement proceeding from using the technology at issue on the grounds that our patents do not cover the technology in question. In patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, for example, lack of novelty, obviousness or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. The outcome following legal assertions of invalidity and unenforceability during patent litigation is unpredictable. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which we and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on one or more of our products or certain aspects of our platform technology. Such a loss of patent protection could have a material and adverse effect on our business, financial condition, results of operations and prospects. Patents and other intellectual property rights also will not protect our technology if competitors design around our protected technology without legally infringing our patents or other intellectual property rights.

Interference or derivation proceedings provoked by third parties or brought by us, the USPTO or any foreign patent authority may be necessary to determine the priority and/or ownership of inventions with respect to our

patents or patent applications or those of our licensors. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms, if any license is offered at all. Our defense of litigation or interference proceedings may fail and, even if successful, may result in substantial costs and distract our management and other employees.

We may not be able to prevent, alone or with our licensors, misappropriation of our intellectual property, trade secrets or confidential information, particularly in countries where the laws may not protect those rights as fully as in the United States. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock.

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

Obtaining a valid and enforceable issued or granted patent covering our technology in the United States and worldwide can be extremely costly. In jurisdictions where we have not obtained patent protection, competitors may use our technology to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but where it is more difficult to enforce a patent as compared to the United States. Competitor products may compete with our future products in jurisdictions where we do not have issued or granted patents or where our issued or granted patent claims or other intellectual property rights are not sufficient to prevent competitor activities in these jurisdictions. The legal systems of certain countries, particularly certain developing countries, make it difficult to enforce patents and such countries may not recognize other types of intellectual property protection, particularly that relating to biopharmaceuticals. This could make it difficult for us to prevent the infringement of our patents or marketing of competing products in violation of our proprietary rights in certain jurisdictions. Proceedings to enforce our patent rights in foreign jurisdictions, regardless of whether they are successful, could result in substantial cost and divert our efforts and attention from other aspects of our business. Similarly, if our trade secrets are disclosed in a foreign jurisdiction, competitors worldwide could have access to our proprietary information and we may be without satisfactory recourse. Such disclosure could have a material adverse effect on our business. Moreover, our ability to protect and enforce our intellectual property rights may be adversely affected by unforeseen changes in foreign intellectual property laws.

We generally file a provisional patent application first (a priority filing) at the USPTO. An international application under the Patent Cooperation Treaty, or PCT, is usually filed within 12 months after the priority filing. Based on the PCT filing, national and regional patent applications may be filed in the United States, Europe, Japan, Australia and Canada and, depending on the individual case, also in any or all of, *inter alia*, Brazil, China, Hong Kong, India, Israel, Mexico, New Zealand, Russia, South Africa, South Korea and other jurisdictions. We have so far not filed for patent protection in all national and regional jurisdictions where such protection may be available. In addition, we may decide to abandon national and regional patent applications before grant. Finally, the grant proceeding of each national or regional patent is an independent proceeding which may lead to situations in which applications might in some jurisdictions be refused by the relevant registration authorities, while granted in other jurisdictions. It is also quite common that depending on the country, various scopes of patent protection may be granted on the same product candidate or technology. Furthermore, while we intend to protect our intellectual property rights in our expected significant markets, we cannot ensure that we will be able to initiate or maintain similar efforts in all jurisdictions in which we may wish to market our product candidates. Accordingly, our efforts to protect our intellectual property rights in such

countries may be inadequate, which may have an adverse effect on our ability to successfully commercialize our product candidates in all of our expected significant foreign markets.

The laws of some jurisdictions do not protect intellectual property rights to the same extent as the laws in the United States, and many companies have encountered significant difficulties in protecting and defending such rights in such jurisdictions. The requirements for patentability differ, in varying degrees, from country to country, and the laws of some foreign countries do not protect intellectual property rights, including trade secrets, to the same extent as federal and state laws of the United States. If we or our licensors encounter difficulties in protecting, or are otherwise precluded from effectively protecting, the intellectual property rights important for our business in such jurisdictions, the value of these rights may be diminished and we may face additional competition from others in those jurisdictions. Many countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, many countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of such patent. If we or any of our licensors are forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position in the relevant jurisdiction may be impaired and our business and results of operations may be adversely affected.

Intellectual property litigation could cause us to spend substantial resources and distract our personnel from their normal responsibilities.

Litigation or other legal proceedings relating to intellectual property claims, with or without merit, is unpredictable and generally expensive and time-consuming and is likely to divert significant resources from our core business, including distracting our technical and management personnel from their normal responsibilities. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing or distribution activities.

We may not have sufficient financial or other resources to adequately conduct such litigation or proceedings. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Accordingly, despite our efforts, we may not be able to prevent third parties from infringing upon or misappropriating or from successfully challenging our intellectual property rights. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace.

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

Our current Global Co-Development and Collaboration Agreement with BeiGene imposes, and any future collaboration agreements or license agreements we enter into are likely to impose, various development, commercialization, funding, milestone, royalty, diligence, sublicensing, insurance, patent prosecution and enforcement and/or other obligations on us. If we breach any of these obligations, or use the intellectual property licensed to us in an unauthorized manner, we may be required to pay damages and the licensor may

have the right to terminate the license, which could result in us being unable to develop, manufacture and sell products that are covered by the licensed technology or enable a competitor to gain access to the licensed technology. Moreover, our licensors may own or control intellectual property that has not been licensed to us and, as a result, we may be subject to claims, regardless of their merit, that we are infringing or otherwise violating the licensor's rights. In addition, while we cannot currently determine the amount of the royalty obligations we would be required to pay on sales of future products, if any, the amounts may be significant. The amount of our future royalty obligations will depend on the technology and intellectual property we use in products that we successfully develop and commercialize, if any. Therefore, even if we successfully develop and commercialize products, we may be unable to achieve or maintain profitability.

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

We may find that our programs require the use of proprietary rights held by third parties, and the growth of our business may depend in part on our ability to acquire, in-license or use these proprietary rights. We may be unable to acquire or in-license compositions, methods of use, processes or other third-party intellectual property rights from third parties that we identify as necessary for our product candidates. The licensing and acquisition of third-party intellectual property rights is a competitive area, and a number of more established companies are also pursuing 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, financial 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. Moreover, collaboration arrangements are complex and time-consuming to negotiate, document, implement and maintain. We may not be successful in our efforts to establish and implement collaborations or other alternative arrangements should we choose to enter into such arrangements. We also may be unable to license or acquire third-party intellectual property rights on terms that that would be favorable to us or would allow us to make an appropriate return on our investment. Even if we are able to obtain a license to intellectual property of interest, we may not be able to secure exclusive rights, in which case others could use the same rights and compete with us.

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

The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions during the patent process. Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and/or applications will be due to be paid to the USPTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the patents and/or applications. We employ reputable law firms and other professionals and rely on such third parties to help us comply with these requirements and effect payment of these fees with respect to the patents and patent applications that we own, and if we in-license intellectual property we may have to rely upon our licensors to comply with these requirements and effect payment of these fees with respect to any patents and patent applications that we license. 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. However, there are situations in which noncompliance can result in abandonment or lapse of a patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, competitors might be able to enter the market earlier than would otherwise have been the case. The standards applied by the USPTO and foreign patent offices in granting patents are not always applied uniformly or predictably. For example, there is no uniform worldwide policy regarding patentable subject matter or the scope of claims allowable in biotechnology

and biopharmaceutical patents. As such, we do not know the degree of future protection that we will have on our technologies and product candidates. While we will endeavor to try to protect our technologies and product candidates with intellectual property rights such as patents, as appropriate, the process of obtaining patents is time-consuming, expensive and sometimes unpredictable.

We may be subject to claims that we or our employees or consultants have wrongfully used or disclosed alleged trade secrets of our employees' or consultants' former employers or their clients. These claims may be costly to defend and if we do not successfully do so, we may be required to pay monetary damages and may lose valuable intellectual property rights or personnel.

Many of our employees were previously employed at universities or biotechnology or biopharmaceutical companies, including our competitors or potential competitors. Although no claims against us are currently pending, we may be subject to claims that these employees or we have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers. Litigation may be necessary to defend against these claims. If we fail in defending such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. A loss of key research personnel or their work product could hamper our ability to commercialize, or prevent us from commercializing, our product candidates, which could severely harm our business. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management.

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

Our trademarks or trade names may be challenged, infringed, circumvented, declared generic or determined to be infringing on other marks. We only have one currently registered trademark, and rely on common law protection for the rest of 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 trademark registration proceedings, we may receive rejections. Although we would be given an opportunity to respond to those rejections, 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 to seek to cancel 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 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.

Risks related to our common stock and this offering

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

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

- variations in the level of expense related to the ongoing development of our product candidates or future development programs;
- results of preclinical studies and clinical trials, or the addition or termination of clinical trials;
- the success of our existing collaboration with BeiGene and any potential additional collaboration, licensing or similar arrangements;

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

If our operating results fall below the expectations of investors or securities analysts, the price of our common stock could decline substantially. Furthermore, any fluctuations in our operating results may, in turn, cause the price of our stock to fluctuate substantially.

Our stock price may be volatile, and you could lose all or part of your investment.

The trading price of our common stock following this offering is likely to be highly volatile. As a result of this volatility, investors may not be able to sell their common stock at or above the initial public offering price. The market price for our common stock may be influenced by many factors, including the other risks described in this section of the prospectus titled “Risk factors” and the following:

- the timing and results of our clinical trials or those of our competitors;
- regulatory or legal developments in the United States and other countries, especially changes in laws or regulations applicable to our products;
- the success of competitive products or technologies;
- introductions and announcements of new products by us, our current collaborator, our future collaborators or our competitors, and the timing of these introductions or announcements;
- actions taken by regulatory agencies with respect to our products, preclinical studies, clinical trials, manufacturing process or sales and marketing terms;
- actual or anticipated variations in our financial results or those of companies that are perceived to be similar to us;
- the success of our efforts to acquire or in-license additional technologies, products or product candidates;
- developments concerning any future collaborations, including those regarding manufacturing, supply and commercialization of our products;
- market conditions in the pharmaceutical and biotechnology sectors;
- announcements by us or our competitors of significant acquisitions, strategic collaborations, joint ventures or capital commitments;
- developments or disputes concerning patents or other proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our products;

- our ability or inability to raise additional capital and the terms on which we raise it;
- the recruitment or departure of key personnel;
- changes in the structure of healthcare payment systems;
- actual or anticipated changes in earnings estimates or changes in stock market analyst recommendations regarding our common stock, other comparable companies or our industry generally;
- our failure or the failure of our competitors to meet analysts' projections or guidance that we or our competitors may give to the market;
- fluctuations in the valuation of companies perceived by investors to be comparable to us;
- announcement and expectation of additional financing efforts;
- speculation in the press or investment community;
- trading volume of our common stock;
- sales of our common stock by us, our insiders or our other stockholders;
- expiration of market stand-off or lock-up agreements;
- the concentrated ownership of our common stock;
- changes in accounting principles;
- terrorist acts, acts of war or periods of widespread civil unrest;
- the impact of any natural disasters or public health emergencies, such as the COVID-19 pandemic; and
- general economic, industry and market conditions.

In addition, the stock markets in general, and the markets for pharmaceutical, biopharmaceutical and biotechnology stocks in particular, have experienced extreme volatility that has been often unrelated to the operating performance of the issuer. These broad market and industry factors may seriously harm the market price of our common stock, regardless of our operating performance.

You will experience immediate and substantial dilution as a result of this offering and may experience additional dilution in the future.

The initial public offering price is substantially higher than the net tangible book value per share of our outstanding common stock immediately following the completion of this offering. Based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, if you purchase shares of common stock in this offering, you will experience substantial and immediate dilution in the pro forma as adjusted net tangible book value per share of $ as of September 30, 2020. That is because the price that you pay will be substantially greater than the pro forma net tangible book value per share of the common stock that you acquire. This dilution is due in large part to the fact that our earlier investors paid substantially less than the assumed initial public offering price when they purchased their shares of our capital stock. You will experience additional dilution when those holding stock options or warrants exercise their right to purchase common stock under our equity incentive plans or when we otherwise issue additional shares of common stock. See "Dilution."

The future issuance of equity or of debt securities that are convertible into equity will dilute our share capital.

We will need to raise additional capital in the future. To the extent we raise additional capital through the issuance of equity or convertible debt securities in the future, there will be further dilution to investors participating in this offering and the terms of these securities may include liquidation or other preferences that adversely affect our stockholders' rights. Future issuances of our common stock or other equity securities, or the perception that such sales may occur, could adversely affect the trading price of our common stock and impair our ability to raise capital through future offerings of shares or equity securities. We may choose to raise additional capital through the issuance of equity or convertible debt securities due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. No prediction can be made as to the effect, if any, that future sales of common stock or the availability of common stock for future sales will have on the trading price of our common stock.

The dual class structure of our common stock and the option of the holder of shares of our Class B common stock to convert into shares of our common stock may limit your ability to influence corporate matters.

Our common stock, which is the stock we are offering in this initial public offering, has one vote per share, while our Class B common stock is non-voting. Nonetheless, each share of our Class B common stock may be converted at any time into one share of common stock at the option of its holder, subject to the limitations provided for in the amended and restated certificate of incorporation to become effective upon the completion of this offering. Consequently, if holders of Class B common stock following this offering exercise their option to make this conversion, this will have the effect of increasing the relative voting power of those prior holders of our Class B common stock, and correspondingly decrease the voting power of the current holders of our common stock, which may limit your ability to influence corporate matters. Because our Class B common stock is generally non-voting, stockholders who own more than 10% of our Class B common stock and common stock overall but 10% or less of our common stock will not be required to report changes in their ownership from transactions in our Class B common stock pursuant to Section 16(a) of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and would not be subject to the short-swing profit provisions of Section 16(b) of the Exchange Act. In addition, acquisitions of Class B common stock would not be subject to notification pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

An active trading market for our common stock may not develop.

Prior to this offering, there has been no public market for our common stock. The initial public offering price for our common stock will be determined through negotiations with the underwriters. Although our common stock will be listed on The Nasdaq Global Market, an active trading market for our shares may never develop or be sustained following this offering. If an active market for our common stock does not develop, it may be difficult for you to sell shares you purchase in this offering without depressing the market price for the shares or at all.

Because our management will have flexibility in allocating the net proceeds from this offering, you may not agree with how we use them and the proceeds may not be invested successfully.

We intend to use the net proceeds to us from this offering to fund the research and development of our product candidates and development programs, and to fund working capital and other general corporate purposes, and therefore, our management will have flexibility in allocating the offering proceeds. See "Use of proceeds." Accordingly, you will be relying on the judgment of our management with regard to the allocation of these net proceeds, and you will not have the opportunity, as part of your investment decision, to assess whether the proceeds are being allocated appropriately. It is possible that the proceeds will be invested in a way that does not yield a favorable, or any, return for our company.

If securities or industry analysts do not publish research or reports about our business, or if they issue adverse or misleading research or reports regarding us, our business or our market, our stock price and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us, our business or our market. We do not currently have and may never obtain research coverage by securities and industry analysts. If no or few securities or industry analysts commence coverage of us, the trading price for our stock would be negatively impacted. In the event we obtain securities or industry analyst coverage, if any of the analysts who cover us issue adverse or misleading research or reports regarding us, our business model, our intellectual property, our stock performance or our market, or if our operating results fail to meet the expectations of analysts, our stock price would likely decline. If one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

Our principal stockholders and management own a significant percentage of our stock and will be able to exert significant control over matters subject to stockholder approval and their interests may conflict with your interests as an owner of our common stock.

Based on the beneficial ownership of our common stock as of December 1, 2020, after this offering, our executive officers and directors, together with holders of 5% or more of our outstanding common stock before this offering and their respective affiliates, will beneficially own approximately % of our outstanding common stock (assuming no exercise of the underwriters' option to purchase additional shares of common stock). More specifically, after this offering, Himalaya Parent LLC will own % of our outstanding common stock after giving effect to the conversion upon completion of this offering of all of our outstanding shares of Series D preferred stock (assuming no exercise of the underwriters' option to purchase additional shares of common stock). Dr. Jay M. Short, Ph.D, our Chairman and Chief Executive Officer, and Ms. Carolyn Anderson Short, our Chief of Intellectual Property and Strategy and Assistant Secretary, are managers of Himalaya Parent LLC and collectively make investment decisions on behalf of Himalaya Parent LLC. The owners of Himalaya Parent LLC include Dr. Jay Short, Ms. Anderson Short, Scott Smith, members of our board of directors, other employees of us and other equity holders of BioAtla, LLC prior to the LLC Conversion.

As a result, Himalaya Parent LLC, Dr. Short, Ms. Short and our other principal stockholders will continue to have significant influence over the outcome of corporate actions requiring stockholder approval, including the election of directors, any merger, consolidation or sale of all or substantially all of our assets and any other significant corporate transaction. The interests of these stockholders may not be the same as or may even conflict with your interests. For example, these stockholders could delay or prevent a change of control of our company, even if such a change of control would benefit our other stockholders, which could deprive our stockholders of an opportunity to receive a premium for their common stock as part of a sale of our company or our assets and might affect the prevailing market price of our common stock. The significant concentration of stock ownership may adversely affect the trading price of our common stock due to investors' perception that conflicts of interest may exist or arise.

In addition, we have entered into certain related party transactions with Himalaya Therapeutics SEZC, Inversagen, LLC and BioAtla Holdings, LLC, including various licensing arrangements with respect to certain CAB antibodies. Dr. Short and Ms. Anderson Short are each managers of Inversagen, LLC and BioAtla Holdings, LLC and directors of Himalaya Therapeutics SEZC. In addition, Ms. Anderson Short is also an officer of Himalaya Therapeutics SEZC. These related party transactions, and any future related party transactions, create the possibility of actual conflicts of interest with regard to Dr. Short and Ms. Anderson Short.

Participation in this offering by our existing stockholders and/or their affiliated entities may reduce the public float for our common stock.

To the extent certain of our existing stockholders and their affiliated entities participate in this offering, such purchases would reduce the nonaffiliate public float of our shares, meaning the number of shares of our common stock that are not held by officers, directors and controlling stockholders. A reduction in the public float could reduce the number of shares that are available to be traded at any given time, thereby adversely impacting the liquidity of our common stock and depressing the price at which you may be able to sell shares of common stock purchased in this offering.

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

Our common stock price could decline as a result of sales of a large number of shares of common stock after this offering or the perception that these sales could occur. These sales, or the possibility that these sales may occur, might also make it more difficult for us to sell equity securities in the future at a time and price that we deem appropriate.

Upon the completion of this offering, shares of common stock (without giving effect to the conversion of shares of our Series D preferred stock into shares of Class B common stock instead of common stock upon the completion of this offering) will be outstanding (shares if the underwriters exercise their option to purchase additional shares from us in full), based on the number of shares outstanding as of September 30, 2020.

All shares of common stock expected to be sold in this offering will be freely tradable without restriction or further registration under the Securities Act unless held by our "affiliates" as defined in Rule 144 under the Securities Act, or Rule 144. The resale of the remaining 21,588,619 shares, or approximately % (% if the underwriters exercise their option to purchase additional shares from us in full) of our outstanding shares of common stock following this offering, is currently prohibited or otherwise restricted as a result of securities law provisions, market standoff agreements entered into by certain of our stockholders with us or lock-up agreements entered into by our stockholders with the underwriters in connection with this offering. However, subject to applicable securities law restrictions, these shares will be able to be sold in the public market beginning 181 days after the date of this prospectus. The representatives of the underwriters may release some or all of the shares of common stock subject to lock-up agreements at any time in their sole discretion and without notice, which would allow for earlier sales of shares in the public market. Shares issued upon the exercise of stock options and warrants outstanding under our equity incentive plans or pursuant to future awards granted under those plans will become available for sale in the public market to the extent permitted by the provisions of applicable vesting schedules, market stand-off agreements and/or lock-up agreements, as well as Rules 144 and 701 under the Securities Act. For more information, see "Shares eligible for future sale."

Upon the completion of this offering, the holders of approximately 21,588,619 shares of common stock, or % (% if the underwriters exercise their option to purchase additional shares from us in full) of our outstanding shares following this offering, will have rights, subject to certain conditions, to require us to file registration statements covering the sale of their shares or to include their shares in registration statements that we may file for ourselves or our other stockholders. These stockholders' rights to notice of this offering and to include their shares of registrable securities in this offering have been waived in connection with this offering. We also intend to register the offer and sale of all shares of common stock that we may issue under our equity compensation plans. Once we register the offer and sale of shares for the holders of registration rights and shares that may be issued under our equity incentive plans, these shares will be able to be sold in the public market upon issuance, subject to applicable securities laws and the lock-up agreements described under "Underwriting."

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

We are an "emerging growth company," as defined in the JOBS Act. We will remain an emerging growth company until the earlier of (i) the last day of the fiscal year (a) following the fifth anniversary of the completion of this offering, (b) in which we have total annual gross revenue of at least $1.07 billion or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeded $700.0 million as of the prior June 30th and (ii) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period.

An emerging growth company may take advantage of specified reduced reporting requirements and other burdens that are otherwise applicable generally to public companies. These provisions include:

- being permitted to present only two years of audited financial statements and only two years of related Management's discussion and analysis of financial condition and results of operations in this prospectus;
- not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act;
- an exemption from compliance with any new requirements adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotations;
- reduced disclosure obligations regarding executive compensation in our periodic reports, proxy statements and registration statements; and
- exemptions from the requirement to hold a nonbinding advisory vote on executive compensation and to obtain stockholder approval of any golden parachute payments not previously approved.

We have elected to take advantage of certain of the reduced disclosure obligations in the registration statement of which this prospectus is a part and may elect to take advantage of other reduced reporting requirements in future filings. As a result, the information that we provide to our investors may be different from the information you might receive from other public reporting companies that are not emerging growth companies in which you hold equity interests. The JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards applicable to public companies until those standards would otherwise apply to private companies. We have elected to take advantage of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we will adopt the new or revised standard at the time private companies adopt the new or revised standard and will do so until such time that we either irrevocably elect to "opt out" of such extended transition period or no longer qualify as an emerging growth company. As a result of this election, our financial statements may not be comparable to companies that comply with public company effective dates. We may choose to early adopt any new or revised accounting standards whenever such early adoption is permitted for private companies.

We are also a "smaller reporting company," meaning that the market value of our shares held by non-affiliates plus the proposed aggregate amount of gross proceeds to us as a result of this offering is less than $700 million and our annual revenue was less than $100 million during the most recently completed fiscal year. We may continue to be a smaller reporting company after this offering if either (i) the market value of our shares held by non-affiliates is less than $250 million or (ii) our annual revenue was less than $100 million during the most recently completed fiscal year and the market value of our shares held by non-affiliates is less than $700 million. If we are a smaller reporting company at the time we cease to be an emerging growth company, we

may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company, we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and have reduced disclosure obligations regarding executive compensation, and, similar to emerging growth companies, if we are a smaller reporting company with less than $100 million in annual revenue, we would not be required to obtain an attestation report on internal control over financial reporting issued by our independent registered public accounting firm.

Anti-takeover provisions in our charter documents to be in effect upon the completion of this offering and under Delaware law could make an acquisition of us, which may be beneficial to our stockholders, more difficult and may prevent attempts by our stockholders to replace or remove our current management.

Provisions in the amended and restated certificate of incorporation and our amended and restated bylaws to be in effect upon the completion of this offering may delay or prevent an acquisition of us or a change in our management. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors. Because our board of directors is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our stockholders to replace current members of our management team. These provisions include:

- a prohibition on actions by our stockholders by written consent;
- a requirement that special meetings of stockholders be called only by the chairman of our board of directors, our chief executive officer, or our board of directors pursuant to a resolution adopted by a majority of the total number of authorized directors;
- advance notice requirements for election to our board of directors and for proposing matters that can be acted upon at stockholder meetings;
- a requirement that directors may only be removed “for cause” and only with 66 2/3% voting stock of our stockholders;
- a requirement that only the board of directors may change the number of directors and fill vacancies on the board;
- division of our board of directors into three classes, serving staggered terms of three years each; and
- the authority of the board of directors to issue preferred stock with such terms as the board of directors may determine.

Moreover, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, as amended, which prohibits a person who owns in excess of 15% of our outstanding voting stock from merging or combining with us for a period of three years after the date of the transaction in which the person acquired in excess of 15% of our outstanding voting stock, unless the merger or combination is approved in a prescribed manner. These provisions would apply even if the proposed merger or acquisition could be considered beneficial by some stockholders.

As a California-domiciled public company, we will be required to have at least two or three women on our board of directors by the end of 2021, depending on the size of our board at the time.

Our success depends in part on our continued ability to attract, retain and motivate highly qualified individuals to our board of directors. As a public company headquartered in California, we will be required to have two or

three women on our board of directors by the end of 2021, depending on the size of our board of directors at the time. We have seven seats on our board of directors which will require us to have at least three women on our board of directors by the end of 2021. While we currently have three women on the board of directors, recruiting and retaining board members carries uncertainty, and failure to comply with this California requirement will result in financial penalties.

We will incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices. Additionally, if we fail to maintain proper and effective internal controls, our ability to produce accurate financial statements on a timely basis could be impaired.

As a public company, and particularly after we are no longer an emerging growth company or a smaller reporting company, we will incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of The Nasdaq Global Market and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. Also the Exchange Act requires, among other things, that we file annual, quarterly and current reports with respect to our business and operating results. Our management and other personnel will need to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or to incur substantial costs to maintain the same or similar coverage. These rules and regulations could also make it more difficult for us to attract and retain qualified members of our board of directors or our board committees or as executive officers. However, these rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

In addition, as a public company, we will be required to incur additional costs and obligations in order to comply with SEC rules that implement Section 404 of the Sarbanes-Oxley Act. Under these rules, beginning with our second annual report on Form 10-K after we become a public company, we will be required to make a formal assessment of the effectiveness of our internal control over financial reporting, and once we cease to be an emerging growth company or a smaller reporting company with less than $100 million in annual revenue, we will be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. To achieve compliance with Section 404 within the prescribed period, we will be engaging in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and adopt a detailed work plan to assess and document the adequacy of our internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are designed and operating effectively, and implement a continuous reporting and improvement process for internal control over financial reporting.

The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation to meet the detailed standards under the rules. During the course of its testing, our management may identify material weaknesses or deficiencies which may not be remedied in time to meet the deadline imposed by the Sarbanes-Oxley Act. Our internal control over financial reporting will not prevent or detect all errors and all fraud.

If we are not able to comply with the requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner, or if we are unable to maintain proper and effective internal controls, we may not be able to produce timely and accurate financial statements. If that were to happen, the market price of our stock could decline and we could be subject to sanctions or investigations by the stock exchange on which our common stock is listed, the SEC or other regulatory authorities. In addition, if we are not able to continue to meet these requirements, we may not be able to remain listed on The Nasdaq Global Market.

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

Upon the completion of this offering, we will become subject to the periodic reporting requirements of the Exchange Act. We designed our disclosure controls and procedures to reasonably assure that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures or internal controls and procedures, no matter how well-conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

These inherent limitations include the facts that judgments in decision-making can be faulty and that breakdowns can occur because of 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 an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

Because we do not anticipate paying any cash dividends on our capital stock in the foreseeable future, your ability to achieve a return on your investment will depend on appreciation of the value of our common stock.

We have never declared or paid cash dividends on our capital stock. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business and do not anticipate declaring or paying any cash dividends for the foreseeable future. Any return to stockholders will therefore be limited to any appreciation in the value of our common stock, which is not certain.

We may be subject to securities litigation, which is expensive and could divert our management's attention.

In the past, companies that have experienced volatility in the market price of their securities have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Regardless of the merits or the ultimate results of such litigation, securities litigation brought against us could result in substantial costs and divert our management's attention from other business concerns.

Our certificate of incorporation and bylaws to be effective upon the completion of this offering designate the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation to be effective upon the completion of this offering provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery of the State of Delaware does not have jurisdiction, the federal district court for the District of Delaware) shall be the sole and exclusive forum for the following types of proceedings: (i) any derivative action or proceeding brought on behalf of our company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or stockholders to our

company or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the General Corporation Law of the State of Delaware or as to which the General Corporation Law of the State of Delaware confers jurisdiction on the Court of Chancery of the State of Delaware or (iv) any action asserting a claim arising pursuant to any provision of our amended and restated certificate of incorporation or amended and restated bylaws (in each case, as they may be amended from time to time) or governed by the internal affairs doctrine. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the U.S. federal courts have exclusive jurisdiction. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. Our amended and restated bylaws further provide that the federal district courts of the United States of America will be the exclusive forum to the fullest extent permitted by law, for resolving any complaint asserting a cause of action arising under the Securities Act. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and employees. Alternatively, if a court were to find these provisions of our amended and restated certificate of incorporation and amended and restated bylaws inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and to have consented to the provisions of our amended and restated certificate of incorporation and amended and restated bylaws described above.

Special note regarding forward-looking statements

This prospectus, including the sections entitled “Prospectus summary,” “Risk factors,” “Management’s discussion and analysis of financial condition and results of operations” and “Business,” contains forward-looking statements. We may, in some cases, use words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “will,” “would” or the negative of those terms, and similar expressions that convey uncertainty of future events or outcomes to identify these forward-looking statements. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. Forward-looking statements in this prospectus include statements about:

- our ability to develop and advance our current product candidates and programs into, and successfully complete, clinical trials;
- the ability of our clinical trials to demonstrate safety and efficacy of our product candidates and other positive results;
- the size of the market opportunity for our product candidates, including our estimates of the number of patients who suffer from the diseases we are targeting;
- our manufacturing, commercialization and marketing capabilities and strategy;
- our plans and strategies to develop and commercialize our CAB antibodies;
- our plans to further develop our technology platform and expand our pipeline of product candidates;
- the potential benefits and advantages of our current and future product candidates that we may develop from our patented technology platform;
- the impact of the COVID-19 pandemic on our business, financial condition, results of operations, and prospects;
- the timing or likelihood of regulatory filings and approvals for our product candidates;
- regulatory developments in the United States and Europe and other foreign countries;
- our expectations and plans to obtain funding for our operations, including from our existing and potential future collaboration and licensing agreements;
- our expectations regarding our ability to obtain and maintain intellectual property protection for our technology platform and product candidates;
- the potential benefits of our strategic relationships and our plans to pursue additional strategic relationships;
- our continued reliance on third parties to conduct additional clinical trials of our product candidates and for the manufacture of our product candidates for preclinical studies and clinical trials;
- our anticipated use of proceeds from this offering; and
- our estimates regarding expenses, future revenue, capital requirements and needs for additional financing.

These forward-looking statements reflect our management’s beliefs and views with respect to future events and are based on estimates and assumptions as of the date of this prospectus and are subject to risks and uncertainties. We discuss many of these risks in greater detail under “Risk factors.” Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for

our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. Given these uncertainties, you should not place undue reliance on these forward-looking statements.

You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of the forward-looking statements in this prospectus by these cautionary statements. Except as required by law, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Market, industry and other data

This prospectus includes statistical and other industry and market data that we obtained from independent industry publications and research, surveys and studies conducted by independent third parties as well as our own estimates of the prevalence of certain diseases and conditions. The market data used in this prospectus involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such data. Our estimates of the patient population with the potential to benefit from treatment with any product candidates we may develop include several key assumptions based on our industry knowledge, industry publications and third-party research, which may be based on a small sample size and may fail to accurately reflect the addressable patient population. While we believe that our internal assumptions are reasonable, no independent source has verified such assumptions.

Use of proceeds

We estimate that we will receive net proceeds of approximately $ million (or approximately $ million if the underwriters' option to purchase additional shares is exercised in full) from the sale of the shares of common stock offered by us in this offering, based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us from this offering by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, a 1.0 million share increase (decrease) in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) the net proceeds to us by $ million, assuming the assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The principal purposes of this offering are to obtain additional capital to support our operations, establish a public market for our common stock and facilitate our future access to the public capital markets. More specifically, we anticipate that we will use the net proceeds from this offering, together with our existing cash and cash equivalents, as follows:

- approximately $ million to fund the clinical development of BA3011 for the treatment of soft tissue and bone sarcoma patients through a Phase 2 clinical trial and for the treatment of NSCLC patients through a Phase 2 clinical trial;
- approximately $ million to fund the clinical development of BA3021 for the treatment of NSCLC and for the treatment of melanoma, each through a Phase 2 clinical trial;
- approximately $ million to fund IND-enabling studies and initial Phase 1 clinical supply of our first two CAB bispecific candidates;
- approximately $ million to fund our ongoing efforts to develop additional clinical product candidates from our CAB platform; and
- the remaining proceeds for working capital and other general corporate purposes.

Based on our current operating plan, our current cash and cash equivalents, together with the anticipated proceeds from this offering, are expected to be sufficient to fund our ongoing operations at least through . However, we have based this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we currently expect. The net proceeds from this offering, together with our existing cash and cash equivalents, will not be sufficient to fund any of our product candidates through regulatory approval, and we anticipate needing to raise additional capital to complete the development and commercialization of our product candidates. Our expected use of net proceeds from this offering represents our current intentions based upon our present plans and business condition. As of the date of this prospectus, we cannot predict with certainty all of the particular uses for the net proceeds to be received upon the completion of this offering or the amounts that we will actually spend on the uses set forth above. The amounts and timing of our actual use of the net proceeds will vary depending on numerous factors, including

the timing and progress of our preclinical and clinical development programs, as well as those of our collaborator, the cost and timing of regulatory approvals, the amount of payments we receive under our existing collaboration and whether we enter into future licensing or collaboration arrangements. As a result, our management will have broad discretion in the application of the net proceeds, and investors will be relying on our judgment regarding the application of the net proceeds of this offering.

Pending our use of the net proceeds of this offering, we plan to invest the net proceeds from this offering in short- and intermediate-term, interest-bearing obligations, investment-grade instruments, certificates of deposit or direct or guaranteed obligations of the U.S. government. We cannot predict whether the proceeds invested will yield a favorable return.

Dividend policy

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain all available funds and any future earnings to support our operations and finance the growth and development of our business. We do not intend to pay cash dividends on our common stock for the foreseeable future. Any future determination related to our dividend policy will be made at the discretion of our board of directors and will depend upon, among other factors, our results of operations, financial condition, capital requirements, contractual restrictions, business prospects and other factors our board of directors may deem relevant.

LLC conversion

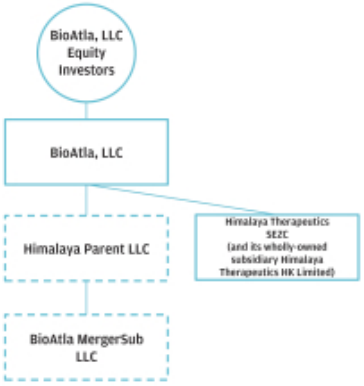
On July 10, 2020, we completed a corporate reorganization in which we, Himalaya Parent LLC, our wholly owned subsidiary, and BioAtla MergerSub LLC, our wholly owned indirect subsidiary, entered into an Agreement and Plan of Merger, or the Merger Agreement, pursuant to which BioAtla, LLC was merged into and with BioAtla MergerSub LLC, with BioAtla, LLC surviving, and the equity holders of BioAtla, LLC immediately prior to the effective time of the Merger Agreement received membership interests, on a one-for-one basis, of Himalaya Parent LLC as consideration. We refer to such transactions as the "Corporate Reorganization." As part of the Corporate Reorganization, all of the holders of our outstanding convertible notes, representing $21.8 million principal amount in the aggregate plus related accrued interest, exchanged their convertible notes for membership interests in Himalaya Parent LLC. In addition, on July 10, 2020, BioAtla, LLC distributed to Himalaya Parent LLC all of its equity interests in Himalaya Therapeutics SEZC, a majority-owned subsidiary that is engaged in the development of a set of antibodies in the field of oncology primarily in Greater China.

In connection with the Series D preferred stock financing, which initially closed on July 13, 2020, we converted from a limited liability company into a Delaware corporation pursuant to a statutory conversion and changed our name from BioAtla, LLC to BioAtla, Inc. In connection with the LLC Conversion, all of the then-outstanding units of BioAtla, LLC were converted into shares of our common stock and our then-outstanding warrants to purchase units of BioAtla, LLC were converted into warrants to purchase shares of common stock of BioAtla, Inc.

Following the LLC Conversion, BioAtla, Inc. continued to hold all operations, employees, property and assets of BioAtla, LLC (excluding Himalaya Therapeutics SEZC) and assumed all of the obligations of BioAtla, LLC (exclusive of the profits interest liability related to awards granted under BioAtla, LLC's profits interest plan), as of July 13, 2020. BioAtla, Inc. is governed by a certificate of incorporation filed with the Delaware Secretary of State and its bylaws. Immediately prior to the completion of this offering, we will adopt our amended and restated certificate of incorporation and amended and restated bylaws, the material portions of which are described under the heading "Description of capital stock." Upon completion of the LLC Conversion, certain members of the advisory board of BioAtla, LLC became members of the board of directors of BioAtla, Inc. and officers of BioAtla, LLC became the officers of BioAtla, Inc. Following the Corporate Reorganization, the LLC Conversion and the distribution of Himalaya Therapeutics SEZC, BioAtla, Inc. is a single legal entity with no consolidated variable interest entities, or VIEs, or subsidiaries. BioAtla, Inc. currently has a number of license agreements with related parties, including BioAtla Holdings, LLC, Inversagen, LLC and Himalaya Therapeutics SEZC, and also with F1 Oncology, Inc., who is not a related party. These license agreements represent variable interests in entities that meet the definition of a VIE, but these agreements do not provide us with the power to direct the activities that are most significant to the economic success of these entities, so we are not the primary beneficiary of these VIEs and do not currently consolidate any VIEs. None of the related party VIEs currently have any material operating activities. See Note 9 and Note 11 to our consolidated financial statements included elsewhere in this prospectus for further information about these related parties and VIEs. Himalaya Parent LLC does not control BioAtla, Inc. as it does not hold the majority of the voting shares of BioAtla, Inc. Except as otherwise noted herein, the consolidated financial statements included elsewhere in this prospectus are those of BioAtla, LLC and its consolidated subsidiaries prior to the LLC Conversion and those of BioAtla, Inc. subsequent to the LLC Conversion.

The following is a graphical depiction of the Corporate Reorganization, LLC Conversion and related transactions:

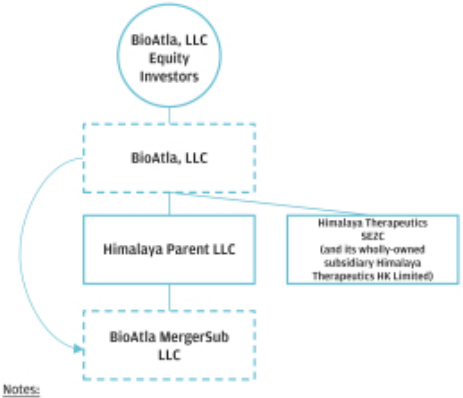
Corporate Reorganization – Form Himalaya Parent LLC and BioAtla MergerSub LLC



Notes:

1) The managers of BioAtla, LLC form a new wholly-owned subsidiary, Himalaya Parent LLC
2) Himalaya Parent LLC forms a new wholly-owned subsidiary, BioAtla MergerSub LLC.

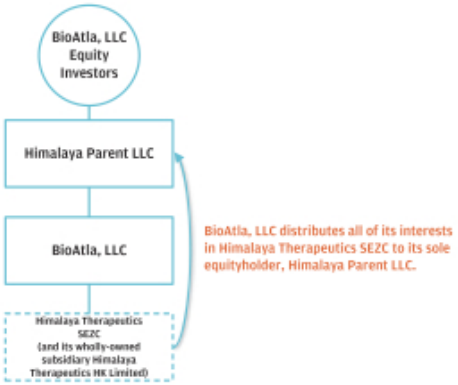
Corporate Reorganization – BioAtla, LLC merges into and with BioAtla MergerSub LLC; BioAtla, LLC survives as wholly-owned subsidiary of Himalaya Parent LLC



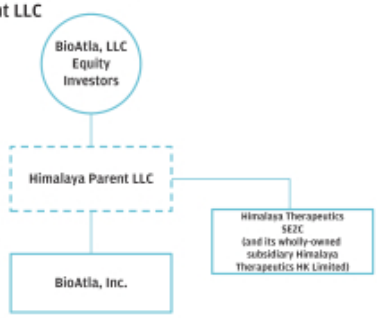
Notes:

1) BioAtla, LLC merges into and with BioAtla MergerSub LLC, with BioAtla, LLC surviving.
2) The equity interests in BioAtla, LLC (except for the warrants) were exchanged on a one-for-one basis for interests in Himalaya Parent LLC.

Corporate Reorganization – Distribution of Himalaya Therapeutics SEZC shares to Himalaya Parent LLC



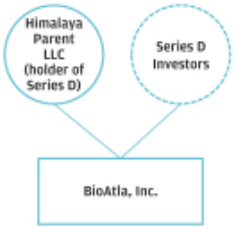
Conversion of BioAtla, LLC to C-Corp. and Related Conversion of Convertible Promissory Notes into Class D units of Himalaya Parent LLC



Notes:

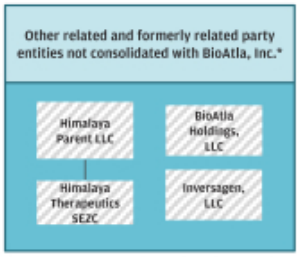
1) BioAtla, LLC converts to a C-Corp. and changes its name to BioAtla, Inc.
2) In connection with this conversion, Himalaya Parent LLC exchanges its membership interests in BioAtla, LLC for common stock and Series D preferred stock of BioAtla, Inc.
3) Himalaya Parent LLC issues Class D units to convertible note holders of BioAtla, LLC upon conversion of their notes and receives Series D preferred stock in BioAtla, Inc. in exchange.
4) The warrants in BioAtla, LLC are converted into similar warrants in BioAtla, Inc.

Series D Preferred Stock Financing and Structure Immediately prior to IPO



Notes:

1) BioAtla, Inc. closed Series D financing, issuing Series D Preferred Stock to new investors.
2) Series D Preferred Stock financing resulted in loss of control of BioAtla, Inc. by Himalaya Parent LLC.



* See Note 9 to our consolidated financial statements included elsewhere in this prospectus for further information about these entities.

Investors in this offering will acquire only, and this prospectus describes only the offering of, common stock representing shares of BioAtla, Inc. Unless otherwise indicated or the context otherwise requires, all references in this prospectus to the terms “BioAtla,” “we,” “us” and “our” refer, prior to the LLC Conversion, to BioAtla, LLC and, after the LLC Conversion, to BioAtla, Inc.

Capitalization

The following table sets forth our cash and cash equivalents and our capitalization as of September 30, 2020:

- on an actual basis;
- on a pro forma basis to give effect to (i) the conversion upon completion of this offering of all of our outstanding shares of Series D preferred stock into an aggregate of 15,368,569 shares of common stock and the related reclassification of the carrying value of our convertible preferred stock to permanent equity, (ii) no issuances of shares of Class B common stock upon the completion of this offering and (iii) the filing and effectiveness of our amended and restated certificate of incorporation; and
- on a pro forma as adjusted basis, reflecting the pro forma adjustments discussed above and giving further effect to the sale by us of shares of our common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The pro forma information below is illustrative only and our cash and cash equivalents and our capitalization following the completion of this offering will depend on the actual initial public offering price and other terms of this offering determined at pricing. You should read this table together with "Selected consolidated financial data," "LLC conversion", "Unaudited pro forma condensed consolidated financial information", "Management's discussion and analysis of financial condition and results of operations" and our financial statements and the related notes appearing elsewhere in this prospectus.

	As of September 30, 2020		
(unaudited, in thousands, except share and per share data)	**Actual**	**Pro forma**	**Pro forma as adjusted[1]**
Cash and cash equivalents	$ 56,757	$ 56,757	$
Other debt	$ 682	$ 682	$
Convertible preferred stock, $0.0001 par value— 200,000,000 shares authorized, 199,791,519 shares issued and outstanding, actual; no shares authorized, issued and outstanding, pro forma and pro forma as adjusted	98,777	—	
Stockholders' equity:			
Preferred stock, $0.0001 par value—no shares authorized, issued and outstanding, actual; 200,000,000 shares authorized and no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	
Common stock, $0.0001 par value—350,000,000 shares authorized; 6,220,050 shares issued and outstanding, actual; 350,000,000 shares authorized, pro forma and pro forma as adjusted; 21,588,619 shares and shares issued and outstanding, pro forma and pro forma as adjusted, respectively	1	2	
Class B common stock, $0.0001 par value—no shares authorized, issued and outstanding, actual; 15,368,569 shares authorized, pro forma and pro forma as adjusted; no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	
Additional paid-in capital	—	98,776	
Accumulated deficit	(74,522)	(74,522)	
Total stockholders' equity (deficit)	(74,521)	24,256	
Total capitalization	$ 24,938	$ 24,938	$

(1) A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus would increase (decrease) the amount of each of cash and cash equivalents, additional paid-in capital and total capitalization by approximately $ million, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, a 1.0 million share increase (decrease) in the number of shares offered by us, as set forth on the cover page of this prospectus, would increase (decrease) each of cash and cash equivalents, additional paid-in capital and total capitalization by $ million, assuming the assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The number of shares of our common stock to be outstanding after this offering is based on 21,588,619 shares of common stock outstanding as of September 30, 2020, and excludes:

- 717,674 shares of common stock issuable upon the exercise of outstanding warrants as of September 30, 2020, at a weighted-average exercise price of $97.54 per share;
- 1,920,037 shares of common stock issuable upon the vesting of restricted stock units granted to certain of our executive officers, directors, employees and consultants under the 2020 Plan;
- 615,106 shares of our common stock issuable upon the exercise of stock options to be granted in connection with this offering, with an exercise price equal to the initial public offering price per share.
- 2,404,535 shares of common stock reserved for future issuance under the 2020 Plan, as well as any shares of our common stock that become available pursuant to provisions in the 2020 Plan that automatically increase the share reserve under our 2020 Plan or the other provisions of the 2020 Plan pursuant to which additional shares may become available for issuance under the 2020 Plan; and
- 464,829 shares of our common stock that will become available for future issuance under the ESPP, and shares of our common stock that become available pursuant to provisions in the ESPP that automatically increase the share reserve under the ESPP.

Dilution

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

Our historical net tangible book value (deficit) as of September 30, 2020, was $(74.5) million, or $(11.98) per share of our common stock. Our historical net tangible book value (deficit) is the amount of our total tangible assets less our total liabilities and convertible preferred stock. Historical net tangible book value (deficit) per share is our historical net tangible book value (deficit) divided by the number of shares of common stock outstanding as of September 30, 2020.

Our pro forma net tangible book value as of September 30, 2020 was $24.3 million, or $1.12 per share of common stock, based on the total number of shares of common stock outstanding as of September 30, 2020, after giving effect to: (i) the conversion upon completion of this offering of all of our outstanding shares of Series D preferred stock into an aggregate of 15,368,569 shares of common stock and the related reclassification of the carrying value of our convertible preferred stock to permanent equity, (ii) no issuances of shares of Class B common stock upon the completion of this offering and (iii) the filing and effectiveness of our amended and restated certificate of incorporation.

Our pro forma as adjusted net tangible book value as of September 30, 2020, was $ million, or $ per share of common stock. Pro forma as adjusted net tangible book value is our pro forma net tangible book value, after giving further effect to the sale of shares of our common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. This amount represents an immediate increase in pro forma as adjusted net tangible book value of $ per share to our existing stockholders, and an immediate dilution of $ per share to new investors participating in this offering.

The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		
Historical net tangible book value (deficit) per share as of September 30, 2020	$ (11.98)	
Pro forma increase in net tangible book value per share as of September 30, 2020 attributable to the pro forma adjustments described above	$ 13.10	
Pro forma net tangible book value (deficit) per share as of September 30, 2020	$ 1.12	
Increase in pro forma net tangible book value per share attributable to investors participating in this offering	$	
Pro forma as adjusted net tangible book value per share after this offering		$
Pro forma as adjusted dilution per share to investors participating in this offering		$

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

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

If the underwriters exercise in full their option to purchase additional shares of our common stock in this offering, the pro forma as adjusted net tangible book value will increase by $, representing an immediate increase in pro forma as adjusted net tangible book value to existing stockholders of $ per share and an immediate decrease (increase) of pro forma as adjusted dilution of $ per share to new investors participating in this offering, at an assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes, on the pro forma as adjusted basis described above, as of September 30, 2020, the number of shares of common stock purchased from us, the total consideration paid, or to be paid, and the weighted-average price per share paid, or to be paid, by existing stockholders and by investors purchasing shares in this offering at the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares Purchased		Total Consideration		Weighted-Average Price Per Share
	Number	Percent	Amount	Percent	
Existing stockholders before this offering		%	$	%	$
Investors purchasing shares in this offering		%	$	%	$
Total		%	$	%	

The table above assumes no exercise of the underwriters' option to purchase additional shares in this offering. If the underwriters' option to purchase additional shares is exercised in full, the number of shares of our common stock held by existing stockholders would be reduced to % of the total number of shares of our common stock outstanding after this offering, and the number of shares of common stock held by investors purchasing shares of common stock in the offering would be increased to % of the total number of shares outstanding after this offering.

Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the total consideration paid by investors purchasing shares in this offering by approximately $, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same. Similarly, each increase or decrease of 1.0 million shares in the number of shares offered by

us would increase or decrease, as applicable, the total consideration paid by investors purchasing shares in this offering by approximately $, assuming no change in the assumed initial public offering price.

The number of shares of our common stock to be outstanding after this offering is based on 21,588,619 shares of common stock outstanding as of September 30, 2020, and excludes:

- 717,674 shares of common stock issuable upon the exercise of outstanding warrants as of September 30, 2020, at a weighted-average exercise price of $97.54 per share;
- 1,920,037 shares of common stock issuable upon the vesting of restricted stock units granted to certain of our executive officers, directors, employees and consultants under the 2020 Plan;
- 615,106 shares of our common stock issuable upon the exercise of stock options to be granted in connection with this offering, with an exercise price equal to the initial public offering price per share.
- 2,404,535 shares of common stock reserved for future issuance under the 2020 Plan, as well as any shares of our common stock that become available pursuant to provisions in the 2020 Plan that automatically increase the share reserve under our 2020 Plan or the other provisions of the 2020 Plan pursuant to which additional shares may become available for issuance under the 2020 Plan; and
- 464,829 shares of our common stock that will become available for future issuance under the ESPP, and shares of our common stock that become available pursuant to provisions in the ESPP that automatically increase the share reserve under the ESPP.

We may choose to raise additional capital through the issuance of equity or convertible debt securities due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent we issue additional shares of common stock or other equity or convertible debt securities in the future, there will be further dilution to investors participating in this offering.

Selected consolidated financial data

The following selected consolidated financial data should be read together with our consolidated financial statements and related notes and "Management's discussion and analysis of financial condition and results of operations" appearing elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future. We derived the selected consolidated statement of operations data for the years ended December 31, 2018 and 2019 and the selected consolidated balance sheet data as of December 31, 2018 and 2019 from our audited consolidated financial statements and related notes appearing elsewhere in this prospectus. We derived the selected consolidated statements of operations data for the nine months ended September 30, 2019 and 2020 and the selected balance sheet data as of September 30, 2020 from our unaudited interim consolidated financial statements included elsewhere in this prospectus. In our opinion, these unaudited consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements and contain all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of such financial data.

	Years ended December 31,		Nine months ended September 30,	
(in thousands, except unit/share and per unit/share amounts)	**2018**	**2019**	**2019**	**2020**
			(unaudited)	
Consolidated statements of operations data:				
Collaboration revenue (includes related party amounts of $10,458, $0, $0 and $0, respectively)	$ 10,627	$ 5,200	$ 2,998	$ 429
Operating expenses:				
Research and development expense (includes related party amounts of $2,440, $1,885, $1,483 and $0, respectively)	26,305	25,919	22,583	9,448
General and administrative expense (includes related party amounts of $77, $15, $15 and $0, respectively)	12,556	7,549	7,891	4,625
Total operating expenses	38,861	33,468	30,474	14,073
Loss from operations	(28,234)	(28,268)	(27,476)	(13,644)
Other income (expense):				
Interest income	209	128	119	37
Interest expense (includes related party amounts of $0, $52, $8 and $147, respectively)	(949)	(1,630)	(1,117)	(1,387)
Change in fair value of derivative liability	—	(63)	(11)	(1,581)
Extinguishment of convertible debt	—	—	—	(2,883)
Other income (expense)	(5)	(22)	(12)	—
Total other income (expense)	(745)	(1,587)	(1,021)	(5,814)
Consolidated net loss and comprehensive loss	(28,979)	(29,855)	(28,497)	(19,458)
Net loss attributable to noncontrolling interests	—	61	64	—
Net loss attributable to BioAtla, LLC/BioAtla, Inc.	(28,979)	(29,794)	(28,433)	$ (19,458)
Net loss allocable to Class C preferred unit holders	8,840	9,089	8,674	
Class C preferred return	(8,025)	(8,026)	(6,003)	
Net loss attributable to Class A unit holders	$ (28,164)	$ (28,731)	$ (25,762)	
Net loss per unit attributable to Class A unit holders, basic and diluted	$ (0.52)	$ (0.53)	$ (0.47)	
Weighted-average Class A units outstanding, basic and diluted	54,600,000	54,600,000	54,600,000	
Net loss attributable to common stockholders[1]				$ (10,482)
Net loss per common share, basic and diluted[1]				$ (1.69)
Weighted-average shares of common stock outstanding, basic and diluted[1]				6,220,050
Pro forma net loss per common share, basic and diluted (unaudited)[2]		$ (1.30)		$ (0.64)
Pro forma weighted-average shares of common stock outstanding, basic and diluted (unaudited)[2]		21,588,619		21,588,619

(1) The net loss attributable to common stockholders and related per share amounts are based on the period from July 10, 2020 to September 30, 2020, the period where we had common stock outstanding. See Note 1 to our consolidated financial statements included elsewhere in this prospectus for an explanation of the method used to calculate the historical net loss per share, basic and diluted.

(2) See "Unaudited pro forma condensed consolidated financial information" included elsewhere in this prospectus for an explanation of the method used to calculate the pro forma net loss per share, basic and diluted.

(in thousands)	As of December 31, 2018	As of December 31, 2019	As of September 30, 2020 (unaudited)
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$ 10,863	$ 3,704	$ 56,757
Working capital (deficit)	3,466	(22,211)	21,774
Total assets	16,637	9,336	62,773
Profits interest liability	15,992	8,592	—
Total accrued interest	2,600	3,876	3
Total convertible debt, less debt discount	15,000	18,120	—
Series D convertible preferred stock	—	—	98,777
Total members'/stockholders' deficit	(28,446)	(56,011)	(74,521)

Unaudited pro forma condensed consolidated financial information

The following unaudited pro forma condensed consolidated financial information has been prepared in accordance with Article 11 of Regulation S-X and is based on our historical consolidated financial statements as adjusted to give effect to the transactions described below and to reflect the conversion upon completion of this offering of all of our outstanding shares of Series D preferred stock into an aggregate of 15,368,569 shares of common stock and the related reclassification of the carrying value of our convertible preferred stock to permanent equity. The assumptions and estimates underlying the unaudited adjustments to the pro forma condensed consolidated financial information are described in the accompanying notes, which should be read together with the pro forma condensed consolidated financial information. The pro forma adjustments are based on currently available information and certain estimates and assumptions we believe are reasonable. Therefore, the actual effects of the transaction may differ from the pro forma adjustments. However, management believes that the pro forma adjustments provide a reasonable basis for presenting the significant effects of the transactions.

Our unaudited pro forma consolidated statements of operations and related notes are presented for illustrative purposes only and should not be relied upon as an indication of the operating results that we would have achieved if the transactions described below had taken place on another specified date. In addition, future results may vary significantly from the results reflected in the unaudited pro forma consolidated statements of operations and should not be relied on as an indication of our future results.

The unaudited pro forma condensed balance sheet is based on our historical balance sheet as of September 30, 2020.

The unaudited pro forma condensed consolidated statement of operations for the year ended December 31, 2019 and the nine months ended September 30, 2020 is based on our historical consolidated statement of operations for those dates and gives effect to the transactions below as if they had occurred on January 1, 2019.

In July 2020, BioAtla, LLC completed a series of transactions, or the Corporate Reorganization, in connection with converting from a Delaware limited liability company into a Delaware corporation and completing a Series D preferred stock financing. The Corporate Reorganization involved the formation of Himalaya Parent LLC as a wholly owned subsidiary of BioAtla, LLC and the formation of BioAtla MergerSub LLC, as a wholly owned subsidiary of Himalaya Parent LLC. Under the Agreement and Plan of Merger dated July 10, 2020 between BioAtla, LLC, Himalaya Parent LLC and BioAtla MergerSub LLC, or the Merger Agreement, BioAtla, LLC was merged into and with BioAtla MergerSub LLC, with BioAtla, LLC surviving, and the members of BioAtla, LLC immediately prior to the effective time of the Merger Agreement received membership interests, on a one-for-one basis, of Himalaya Parent LLC as consideration. The Himalaya Parent LLC operating agreement provided identical equity rights for the then outstanding units of BioAtla, LLC. In addition:

(i) Himalaya Parent LLC assumed the profits interest liability of BioAtla, LLC;

(ii) BioAtla, LLC distributed to Himalaya Parent LLC its equity interests in Himalaya Therapeutics SEZC, a majority-owned subsidiary which is engaged in the development of a set of antibodies in the field of oncology primarily in Greater China;

(iii) BioAtla, LLC converted into a Delaware corporation pursuant to a statutory conversion and changed its name to BioAtla, Inc. Following the Corporate Reorganization, Himalaya Parent LLC owns 59,164,808 shares of BioAtla, Inc. Series D preferred stock and 6,220,050 shares of BioAtla, Inc. common stock, and BioAtla, Inc. holds all property, assets and obligations of BioAtla, LLC (exclusive of the profits interest liability related to awards granted under BioAtla, LLC's profits interest plan) upon completion of the Corporate Reorganization. In addition, the then-outstanding warrants to purchase

equity of BioAtla, LLC were converted into warrants to purchase shares of common stock of BioAtla, Inc.; and

(iv) BioAtla, Inc. issued an aggregate of 59,164,808 shares of Series D preferred stock to Himalaya Parent LLC and Himalaya Parent LLC issued an aggregate of 59,164,808 Class D units in connection with the holders of convertible notes of BioAtla, LLC converting their convertible notes into Class D units of Himalaya Parent LLC.

In connection with the Corporate Reorganization, we entered into a Series D Preferred Stock Purchase Agreement pursuant to which we issued 140,626,711 shares of Series D preferred stock at $0.51554931 per share.

Unaudited pro forma condensed balance sheet
September 30, 2020
(in thousands)

	Historical	Pro forma adjustments	Notes	Pro forma
Assets				
Current assets:				
Cash and cash equivalents	$ 56,757	$ —		$ 56,757
Prepaid expenses and other current assets	778	—		778
Total current assets	57,535	—		57,535
Property and equipment, net	3,982	—		3,982
Other assets	1,256	—		1,256
Total assets	$ 62,773	$ —		$ 62,773
Liabilities and stockholders' equity (deficit)				
Current liabilities:				
Accounts payable and accrued expenses	$ 15,575	$ —		$ 15,575
Current portion of deferred rent	380	—		380
Current portion of deferred revenue	19,806	—		19,806
Total current liabilities	35,761	—		35,761
Long-term accrued interest	3	—		3
Deferred rent, less current portion	2,071	—		2,071
Other debt	682	—		682
Total liabilities	38,517	—		38,517
Commitments and contingencies				
Series D convertible preferred stock ($0.0001 par value)	98,777	(98,777)	(a)	—
Stockholders' deficit:				
Common stock ($0.0001 par value)	1	1	(a)	2
Additional paid-in capital	—	98,776	(a)	98,776
Accumulated deficit	(74,522)	—		(74,522)
Total stockholders' equity (deficit)	(74,521)	98,777		24,256
Total liabilities, convertible preferred stock and stockholders' equity (deficit)	$ 62,773	$ —		$ 62,773

See accompanying notes.

Unaudited pro forma condensed consolidated statement of operations For the nine months ended September 30, 2020

(in thousands, except share and per share data)

	Historical	Pro forma adjustments	Notes	Pro forma
Collaboration revenue	$ 429	$ —		$ 429
Operating expenses:				
Research and development expense	9,448	—		9,448
General and administrative expense	4,625	—		4,625
Total operating expenses	14,073	—		14,073
Loss from operations	(13,644)	—		(13,644)
Other income (expense):				
Interest income	37	—		37
Interest expense	(1,387)	1,384	(b)	(3)
Change in fair value of derivative liability	(1,581)	1,581	(b)	—
Extinguishment of convertible debt	(2,883)	2,709	(b)	(174)
Total other income (expense)	(5,814)	5,674		(140)
Net loss	$ (19,458)	5,674		$ (13,784)
Net loss per common share, basic and diluted			(c)	$ (0.64)
Weighted-average shares of common stock outstanding, basic and diluted			(c)	21,588,619

See accompanying notes.

Unaudited pro forma condensed consolidated statement of operations
For the year ended December 31, 2019

(in thousands, except share and per share data)

	Historical	Pro forma adjustments	Notes	Pro forma
Collaboration revenue	$ 5,200	$ —		$ 5,200
Operating expenses:				
Research and development expense	25,919	—		25,919
General and administrative expense	7,549	—		7,549
Total operating expenses	33,468	—		33,468
Loss from operations	(28,268)	—		(28,268)
Other income (expense):				
Interest income	128	—		128
Interest expense	(1,630)	1,630	(b)	—
Change in fair value of derivative liability	(63)	63	(b)	—
Other income (expense)	(22)	—		(22)
Total other income (expense)	(1,587)	1,693		106
Consolidated net loss and comprehensive loss	(29,855)	1,693		(28,162)
Net loss attributable to noncontrolling interests	61	—		61
Net loss	$ (29,794)	1,693		$ (28,101)
Net loss per common share, basic and diluted			(c)	$ (1.30)
Weighted-average shares of common stock outstanding, basic and diluted			(c)	21,588,619

See accompanying notes.

Notes to the unaudited pro forma condensed consolidated financial information

1. Pro forma adjustments

(a) To reflect the conversion upon completion of this offering of all of our outstanding shares of Series D preferred stock into an aggregate of 15,368,569 shares of common stock and the related reclassification of the carrying value of our convertible preferred stock to permanent equity.

(b) To reflect: (i) the settlement of all outstanding convertible notes with a carrying value of $27.9 million, including related accrued interest, embedded derivatives and unamortized debt discounts at the settlement date, (ii) the issuance of 59,164,808 shares of Series D preferred stock of BioAtla, Inc. to Himalaya Parent LLC in connection with the settlement of the convertible notes at a fair value of $30.6 million based on the fair value of the Class D units issued to the noteholders, (iii) a loss of $2.7 million upon extinguishment of the convertible promissory notes for the difference between the fair value of the consideration received and the carrying value of the convertible promissory notes at the date of settlement, (iv) the elimination of all interest expense related to the convertible promissory notes assuming they converted as of January 1, 2019, and (v) the elimination of the change in fair value of embedded derivatives assuming they were settled as of January 1, 2019. The extinguishment of the convertible promissory notes is not expected to recur.

(c) The pro forma net loss per common share is based on BioAtla, Inc.'s pro forma net loss divided by 21,588,619 pro forma weighted-average shares of common stock outstanding which assumes the following had occurred as of January 1, 2019: (i) the issuance of 6,220,050 shares of common issued by BioAtla, Inc. to Himalaya Parent LLC in connection with the Corporate Reorganization, (ii) the issuance of 59,164,808 shares of Series D convertible preferred stock of BioAtla, Inc. to Himalaya Parent LLC in connection with the settlement of the convertible notes outstanding at the date of the Corporate Reorganization, (iii) the issuance of 140,626,711 shares of Series D convertible preferred stock pursuant to the Series D Preferred Stock Purchase Agreement and in connection with the Corporate Reorganization and (iv) the conversion of all outstanding Series D convertible preferred stock into 15,368,569 shares of common stock.

2. Income taxes

In connection with our conversion to a Delaware corporation pursuant to a statutory conversion, we became subject to US federal and state income tax, and recorded a net deferred tax asset based on the difference between the book value and tax basis of our assets and liabilities as of the date of the conversion. We recorded a full valuation allowance against our net deferred tax asset based on our determination that it was not likely that our net deferred tax assets would be realized.

Management's discussion and analysis of financial condition and results of operations

You should read the following discussion and analysis of our financial condition and results of operations together with "Selected consolidated financial data" and our financial statements and related notes included elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business, include forward-looking statements that involve risks and uncertainties. You should review "Risk factors" for a discussion of important factors that could cause our actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We are a clinical-stage biopharmaceutical company developing our novel class of highly specific and selective antibody-based therapeutics for the treatment of solid tumor cancer. Our CABs capitalize on our proprietary discoveries with respect to tumor biology, enabling us to target known and widely validated tumor antigens that have previously been difficult or impossible to target. Our novel CAB therapeutic candidates exploit characteristic pH differences between the tumor microenvironment and healthy tissue. Unlike healthy tissue, the tumor microenvironment is acidic, and we have designed our antibodies to selectively bind to their targets on tumor cells under acidic pH conditions but not on targets in normal tissues. Our approach is to identify the necessary targeting and potency required for cancer cell destruction, while aiming to eliminate or greatly reduce on-target, off-tumor toxicity—one of the fundamental challenges of existing cancer therapies.

We are a United States-based company with research facilities in San Diego, California and, through our contractual relationship with BioDuro, a provider of preclinical development services, in Beijing, China. Since the commencement of our operations, we have focused substantially all of our resources on conducting research and development activities, including drug discovery, preclinical studies and clinical trials of our product candidates, including the ongoing Phase 2 clinical trials of BA3011 and BA3021, establishing and maintaining our intellectual property portfolio, manufacturing clinical and research material through third parties, hiring personnel, establishing product development and commercialization collaborations with third parties, raising capital and providing general and administrative support for these operations. Since 2014, such research and development activities have exclusively related to the research, development, manufacture and Phase 1 and Phase 2 clinical testing of our CAB antibody-based product candidates and the strengthening of our proprietary CAB technology platform and pipeline. We do not have any products approved for sale, and we have not generated any revenue from product sales.

On July 10, 2020, we completed a corporate reorganization in which we, Himalaya Parent LLC, our wholly owned subsidiary, and BioAtla MergerSub LLC, our wholly owned indirect subsidiary, entered into an Agreement and Plan of Merger, or the Merger Agreement, pursuant to which BioAtla, LLC was merged into and with BioAtla MergerSub LLC, with BioAtla, LLC surviving, and the equity holders of BioAtla, LLC immediately prior to the effective time of the Merger Agreement received membership interests, on a one-for-one basis, of Himalaya Parent LLC as consideration. We refer to such transactions as the "Corporate Reorganization." See "LLC conversion" for a discussion of the Corporate Reorganization. Except as otherwise noted, the consolidated financial statements discussed in this section and included elsewhere in this prospectus are those of BioAtla, LLC and its consolidated subsidiaries prior to the LLC Conversion and those of BioAtla, Inc. subsequent to the LLC Conversion.

We have incurred significant losses to date. Our ability to generate product revenue sufficient to achieve profitability will depend on the successful development and eventual commercialization of one or more of our

current and future product candidates. Our net losses were $29.0 million and $29.8 million for the years ended December 31, 2018 and 2019, respectively and $28.4 million and $19.5 million for the nine months ended September 30, 2019 and 2020, respectively. As of September 30, 2020, we had an accumulated deficit of $74.5 million. These losses have resulted primarily from costs incurred in connection with research and development activities and general and administrative costs associated with our operations. We do not expect to generate meaningful revenue from product sales for the foreseeable future, and we expect to continue to incur significant operating expenses for the foreseeable future due to the cost of research and development, including identifying and designing product candidates and conducting preclinical studies and clinical trials, and the regulatory approval process for our product candidates. We expect our expenses, and the potential for losses, to increase substantially as we conduct clinical trials of our lead product candidates and seek to expand our pipeline.

We expect our expenses and capital requirements will increase substantially in connection with our ongoing activities as we:

- advance the clinical development of BA3011;
- advance the clinical development of BA3021;
- expand our pipeline of bispecific and other CAB antibody-based product candidates;
- continue to invest in our CAB technology platform;
- maintain, protect and expand our intellectual property portfolio, including patents, trade secrets and know-how;
- seek marketing approvals for any product candidates that successfully complete clinical trials;
- establish additional product collaborations and commercial manufacturing relationships with third parties;
- build sales, marketing and distribution infrastructure and relationships with third parties to commercialize product candidates for which we may obtain marketing approval;
- continue to expand our operational, financial and management information systems; and
- attract, hire and retain additional clinical, scientific, management, administrative and commercial personnel.

Furthermore, following the completion of this offering, we expect to incur additional costs associated with operating as a public company, including significant legal, accounting, insurance, investor relations and other administrative and professional services expenses that we did not incur as a private company.

As a result, we will require substantial additional capital to develop our product candidates and fund operations for the foreseeable future. Until such time as we can generate significant revenue from product sales, if ever, we expect to finance our operations through a combination of public or private equity offerings, debt financings, collaborations and other similar arrangements. The amount and timing of our future funding requirements will depend on many factors, including the pace and results of our development efforts. We cannot assure you that we will ever be profitable or generate positive cash flow from operating activities.

Because of the numerous risks and uncertainties associated with product development, we are unable to accurately predict the timing or amount of increased expenses or when, or if, we will be able to achieve profitability. Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. If we fail to become profitable or are unable to sustain profitability on a continuing basis, then we may be unable to raise capital, maintain our research and development efforts, expand our business or continue our operations at planned levels, and as a result we may be forced to substantially reduce or terminate our operations.

To date, we have funded our operations primarily through the receipt of $71.0 million from our collaboration agreements, $27.6 million from the issuance of convertible debt and $138.3 million from the issuance of equity securities. As of September 30, 2020, our cash and cash equivalents totaled approximately $56.8 million. Based on our current operating plan, our current cash and cash equivalents, together with the anticipated proceeds from this offering, are expected to be sufficient to fund our ongoing operations at least through . However, we have based this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we currently expect.

BioAtla was formed in April 2007 as a Delaware limited liability corporation. We initially operated as a service provider and service-related partnered drug developer for primarily human therapeutic proteins and simultaneously refined our proprietary CAB technology platform and related technologies. Since 2013, we transitioned away from our services business to focus on internal development of our own proprietary products.

Impact of COVID-19 on our business

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 caused by a novel strain of coronavirus as a pandemic, which continues to spread throughout the United States and around the world. The worldwide COVID-19 pandemic may affect our ability to complete our current preclinical studies and clinical trials, initiate and complete our planned preclinical studies and clinical trials, disrupt regulatory activities or have other adverse effects on our business, results of operations, financial condition and prospects. In addition, the pandemic has caused substantial disruption in the financial markets and may adversely impact economies worldwide, both of which could adversely affect our business, operations and ability to raise funds to support our operations. To date, we have not experienced material business disruptions, including with respect to any of the clinical trials we are conducting, or impairments of any of our assets as a result of the pandemic. We are following, and plan to continue to follow, recommendations from federal, state and local governments regarding workplace policies, practices and procedures. In March 2020, we implemented a remote working policy for many of our employees, began restricting non-essential travel and temporarily reduced salaries of our employees. We are complying with all applicable guidelines for our clinical trials, including remote clinical monitoring. In April 2020, we borrowed $0.7 million under the Paycheck Protection Program under the CARES Act, as discussed further under "—Liquidity and capital resources." We are continuing to monitor the potential impact of the pandemic, but we cannot be certain what the overall impact will be on our business, financial condition, results of operations and prospects.

Financial operations overview

Revenue

To date, we have not generated any revenue from the sale of products and do not expect to generate meaningful revenue in the near future. In March 2015, we entered into an agreement with Beijing Sinobioway Group Co. Ltd, or Sinobioway, pursuant to which we granted to Sinobioway a right of first refusal to certain rights to our CAB antibodies in the Greater China territory. This agreement was restructured in March 2018 and no further revenue was recognized from this collaboration. In December 2015, we entered into a four-year preclinical research agreement with Pfizer, which expired according to its terms in December 2019.

In April 2019, we entered into a Global Co-Development and Collaboration Agreement with BeiGene, Ltd. which, as amended in December 2019 and October 2020, provides for the development, manufacturing and commercialization of BA3071. Under the terms of our BeiGene collaboration, BeiGene is generally responsible for developing BA3071 and is responsible for global regulatory filings and commercialization. Subject to the

terms of the agreement, BeiGene holds an exclusive license with us to develop and manufacture the product candidate globally. BeiGene is responsible for all costs of development, manufacturing and commercialization globally. In addition, we may in the future seek third-party collaborators or joint venture partners for development and commercialization of additional CAB product candidates. At the time of execution of the BeiGene collaboration, we received a $20 million upfront payment and in December 2019, we received an additional $5 million for the reimbursement of manufacturing costs. We are eligible to receive up to $225.5 million in subsequent development and regulatory milestones globally and commercial milestones in the BeiGene territory, together with tiered royalties, ranging from the high-single digits to the low twenties, on sales worldwide.

During 2018 and 2019, we recognized revenue from our collaboration with Sinobioway, our current collaboration with BeiGene and to a much lesser degree from our collaboration with Pfizer.

Operating expenses

Research and development

Research and development expenses consist primarily of costs incurred in the discovery and development of our product candidates.

- External expenses consist of:
    - Fees paid to third parties such as contractors, clinical research organizations (CROs) and consultants, including through our relationship with BioDuro, and other costs related to preclinical and clinical trials;
    - Fees paid to third parties such as contract manufacturing organizations (CMOs) and other vendors for manufacturing research and clinical trial materials; and
    - Expenses related to laboratory supplies and services.
- Unallocated expenses consist of:
    - Personnel-related expenses, including salaries, benefits and equity-based compensation expenses, for personnel in our research and development functions; and
    - Related equipment and facilities depreciation expenses.

We expense research and development costs in the periods in which they are incurred. Nonrefundable advance payments for goods or services to be received in future periods for use in research and development activities are deferred and capitalized. The capitalized amounts are then expensed as the related goods are delivered and service are performed.

We expect our research and development expenses to increase substantially for the foreseeable future as we continue to invest in research and development activities to advance our product candidates and our clinical programs and expand our product candidate pipeline. The process of conducting the necessary preclinical and clinical research to obtain regulatory approval is costly and time-consuming. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. Accordingly, to the extent that our product candidates continue to advance into clinical trials, including larger and later-stage clinical trials, our expenses will increase substantially and may become more variable. The actual probability of success for our product candidates may be affected by a variety of factors, including the safety and efficacy of our product candidates, the quality and consistency in their manufacture, investment in our clinical programs

and competition with other products. As a result of these variables, we are unable to determine the duration and completion costs of our research and development projects and programs or when and to what extent we will generate revenue from the commercialization and sale of our product candidates. We may never succeed in achieving regulatory approval for any of our product candidates.

General and administrative

Our general and administrative expenses consist primarily of personnel-related expenses for personnel in our executive, finance, corporate and other administrative functions, intellectual property and patent costs, facilities and other allocated expenses, other expenses for outside professional services, including legal, human resources, audit and accounting services and insurance costs. Personnel-related expenses consist of salaries, benefits and equity-based compensation. We also expect our general and administrative expenses to increase as a result of operating as a public company, including additional costs (i) to comply with the rules and regulations of the SEC and those of The Nasdaq Global Market, (ii) for legal and auditing services, (iii) for additional insurance, (iv) relating to investor relations activities and (v) associated with other administrative and professional services. We also expect our intellectual property expenses to increase as we expand our intellectual property portfolio.

Interest income

Interest income consists primarily of interest earned on our cash and cash equivalent balances. Our interest income has not been significant to date, but we expect interest income to increase as we invest the net proceeds from this offering.

Interest expense

Interest expense consists primarily of interest incurred on our outstanding convertible debt, including coupon interest and the amortization of debt discounts, including those related to beneficial conversion features and embedded derivatives. We expect our interest expense to decline subsequent to the settlement of our outstanding convertible debt in July 2020.

Change in fair value of derivative liability

The convertible promissory notes we issued during 2019 and 2020 contained redemption features which we determined were embedded derivatives to be recognized as liabilities and measured at fair value. At the end of each reporting period, changes in the estimated fair value during the period are recorded as a change in the fair value of derivative liability. The embedded derivative liability was recorded at fair value utilizing an income approach that identified the cash flows using a “with-and-without” valuation methodology. The inputs used to determine the estimated fair value of the derivative instrument were based primarily on the probability of an underlying event triggering the embedded derivative occurring and the timing of such event. We will no longer record changes in the fair value of the derivative liability subsequent to the settlement of the derivative liability in connection with the conversion of our outstanding convertible debt in July 2020.

Extinguishment of convertible debt

In April 2020, we amended the terms of certain outstanding convertible promissory notes that we concluded were extinguishments. In July 2020, in connection with our Corporate Reorganization, we settled all of our outstanding convertible promissory notes and recognized extinguishment losses for the difference between the fair value of the consideration given to the noteholders and the carrying value of the related convertible promissory notes.

Other income (expense)

Other income (expense) primarily includes miscellaneous items of income and expense that were not significant for the periods presented.

Results of operations

Comparison of the nine months ended September 30, 2019 and 2020

	Nine months ended September 30,		
	2019	2020	Change
	(in thousands)		
Collaboration revenue	$ 2,998	$ 429	$ (2,569)
Operating expenses:			
Research and development expense	22,583	9,448	(13,135)
General and administrative expense	7,891	4,625	(3,266)
Total operating expenses	30,474	14,073	(16,401)
Loss from operations	(27,476)	(13,644)	13,832
Other income (expense):			
Interest income	119	37	(82)
Interest expense	(1,117)	(1,387)	(270)
Change in fair value of derivative liability	(11)	(1,581)	(1,570)
Extinguishment of convertible debt	—	(2,883)	(2,883)
Other income (expense)	(12)	—	12
Total other income (expense)	(1,021)	(5,814)	(4,793)
Consolidated net loss and comprehensive loss	(28,497)	(19,458)	9,039
Net loss attributable to noncontrolling interests	64	—	(64)
Net loss attributable to BioAtla LLC/BioAtla, Inc.	$ (28,433)	$ (19,458)	$ 8,975

Collaboration revenue

Collaboration revenue of $0.4 million for the nine months ended September 30, 2020 consisted of $0.4 million of revenue recognized under our collaboration with BeiGene. BeiGene collaboration revenue decreased from $2.5 million for the nine months ended September 30, 2019 to $0.4 million for the nine months ended September 30, 2020 primarily due to a decrease in our development activities related to BA3071.

Collaboration revenue of $3.0 million for the nine months ended September 30, 2019 consisted of $2.5 million of revenue recognized under our collaboration with BeiGene and $0.5 million of revenue recognized under our collaboration with Pfizer, which expired according to its terms in December 2019.

Research and development expense

The following table summarizes our research and development expenses allocated by CAB program for the periods indicated:

	Nine months ended September 30,		
	2019	2020	Change
	(in thousands)		
External expenses:			
BA3011 (AXL-ADC)	$ 3,243	$ 3,052	$ (191)
BA3021 (ROR2-ADC)	4,869	2,114	(2,755)
Other CAB Programs	9,466	2,163	(7,303)
Total external expenses	17,578	7,329	(10,249)
Unallocated expenses:			
Personnel and related	4,019	3,751	(268)
Equity-based compensation	(635)	(3,355)	(2,720)
Facilities and other	1,621	1,723	102
Total research and development expenses	$22,583	$ 9,448	$(13,135)

Research and development expenses were $22.6 million and $9.4 million for the nine months ended September 30, 2019 and 2020, respectively. The decrease of $13.1 million was driven by a $10.2 million decrease in external costs as we were nearing completion of manufacturing activities for our clinical candidates and nearing completion of Phase 1 clinical trials for both BA3011 and BA 3021 in late 2019, a $2.7 million decrease in equity-based compensation due to a decrease in the fair value of awards under our profits interest plan and a $0.3 million decrease in personnel-related expenses. These decreases were offset by an increase of $0.1 million in facility and related expenses.

General and administrative expense

General and administrative expenses were $7.9 million for the nine months ended September 30, 2019 compared to $4.6 million for the nine months ended September 30, 2020. The decrease of $3.3 million was primarily due to a $3.8 million decrease in stock-based compensation related to a decrease in the fair value of awards under our profits interest plan, a $0.5 million decrease in travel related expense, a decrease of $0.2 million in professional fees related to intellectual property matters, a decrease of $0.1 million in conference fees and a $0.1 million decrease in outside consulting, offset by a $0.6 million increase in professional fees related to accounting and audit services, a $0.4 million increase in personnel related expenses as we expanded our administrative functions in support of our development activities and a $0.4 million increase in facility and related expenses.

Interest income

Interest income was $0.1 million for the nine months ended September 30, 2019 compared to $37,000 for the nine months ended September 30, 2020. The decrease of $0.1 million was primarily due to lower average cash and cash equivalent balances and lower rates of return.

Interest expense

Interest expense was $1.1 million for the nine months ended September 30, 2019 compared to $1.4 million for the nine months ended September 30, 2020. The increase of $0.3 million was primarily due to our issuance of

$4.3 million of convertible promissory notes between October 2019 and May 2020 and the related coupon interest and amortization of debt discounts related to embedded derivatives and beneficial conversion features. All of our convertible debt was settled in July 2020.

Change in fair value of derivative liability

Change in fair value of derivative liability was $11,000 for the nine months ended September 30, 2019 compared to $1.6 million for the nine months ended September 30, 2020. The increase of $1.6 million was primarily due to changes in the fair value of embedded derivatives issued in connection with our outstanding convertible promissory notes.

Extinguishment of convertible debt

Extinguishment of convertible debt was $0 for the nine months ended September 30, 2019 compared to $2.9 million for the nine months ended September 30, 2020. The increase of $2.9 million was primarily due to $2.7 million of losses on extinguishment we recognized in July 2020, in connection with our Corporate Reorganization, when we settled all of our outstanding convertible promissory notes and recognized extinguishment losses for the difference between the fair value of the consideration given to the noteholders and the carrying value of the related convertible promissory notes. In addition, in April 2020, we recognized $0.2 million of losses on extinguishment related to the amendment of the terms of certain outstanding convertible promissory notes that we concluded were extinguishments.

Other income (expense)

We had minimal other expense with $12,000 for the nine months ended September 30, 2019 compared to $0 for the nine months ended September 30, 2020.

Comparison of the years ended December 31, 2018 and 2019

	Years ended December 31,		
	2018	2019	Change
	(in thousands)		
Collaboration revenue	$ 10,627	$ 5,200	$ (5,427)
Operating expenses:			
Research and development expense	26,305	25,919	(386)
General and administrative expense	12,556	7,549	(5,007)
Total operating expenses	38,861	33,468	(5,393)
Loss from operations	(28,234)	(28,268)	(34)
Other income (expense):			
Interest income	209	128	(81)
Interest expense	(949)	(1,630)	(681)
Change in fair value of derivative liability	—	(63)	(63)
Other income (expense)	(5)	(22)	(17)
Total other income (expense)	(745)	(1,587)	(842)
Consolidated net loss and comprehensive loss	(28,979)	(29,855)	(876)
Net loss attributable to noncontrolling interests	—	61	61
Net loss attributable to BioAtla LLC	$ (28,979)	$ (29,794)	$ (815)

Collaboration revenue

Collaboration revenue of $5.2 million for the year ended December 31, 2019 consisted of $4.7 million of revenue recognized under our collaboration with BeiGene and $0.5 million of revenue recognized under our collaboration with Pfizer, which expired according to its terms in December 2019.

Collaboration revenue of $10.6 million for the year ended December 31, 2018 consisted of $0.2 million of revenue recognized under our collaboration with Pfizer and $10.5 million of revenue recognized under our collaboration with Sinobioway, which was restructured in March 2018 and for which no further revenue was recognized.

Research and development expense

The following table summarizes our research and development expenses allocated by CAB program for the periods indicated:

	Years ended December 31,		
	2018	2019	Change
	(in thousands)		
External expenses:			
BA3011 (AXL-ADC)	$ 5,745	$ 4,409	$ (1,336)
BA3021 (ROR2-ADC)	4,987	6,451	1,464
Other CAB programs	8,672	10,643	1,971
Total external expenses	19,404	21,503	2,099
Unallocated expenses:			
Personnel and related	3,962	5,265	1,303
Equity-based compensation	1,142	(2,997)	(4,139)
Facilities and other	1,797	2,148	351
Total research and development expenses	$ 26,305	$ 25,919	$ (386)

Research and development expenses were $26.3 million and $25.9 million for the years ended December 31, 2018 and 2019, respectively. The decrease of $0.4 million was primarily driven by a $4.1 million decrease in equity-based compensation due to a decrease in the fair value of awards under our profits interest plan and a $3.0 million decrease in manufacturing expenses for our two lead ADC product candidates, BA3011 and BA3021. This decrease was offset by an increase of $3.1 million for clinical development of our two lead ADC product candidates, BA3011 and BA3021, and an increase of $2.0 million for other CAB programs primarily related to IND enabling activities for our immuno-oncology antibody, BA3071, as well as a $1.3 million increase in personnel-related expenses due primarily to annual salary increases and the full year impact of personnel hired in 2018.

General and administrative expense

General and administrative expenses were $12.6 million in 2018 compared to $7.5 million in 2019. The decrease of $5.0 million was primarily due to a $4.9 million decrease in stock-based compensation related to a decrease in the fair value of awards under our profits interest plan and a $0.7 million decrease in travel related expense, offset by a $0.7 million increase in personnel related expenses as we expanded our administrative functions in support of our development activities.

Interest income

Interest income was $0.2 million in 2018 compared to $0.1 million in 2019. The decrease of $0.1 million was primarily due to lower average cash and cash equivalent balances.

Interest expense

Interest expense was $0.9 million in 2018 compared to $1.6 million in 2019. The increase of $0.7 million was primarily due to our issuance of $4.0 million of convertible promissory notes during 2019.

Change in fair value of derivative liability

Change in fair value of derivative liability was $0 in 2018 compared to $0.1 million in 2019. The increase of $0.1 million was primarily due to the change in fair value of the embedded derivative liability associated with our issuance of $4.0 million of convertible promissory notes during 2019.

Other income (expense)

We had minimal other expense with $5,000 in 2018 compared to $22,000 in 2019.

Liquidity and capital resources

We have incurred aggregate net losses and negative cash flows from operations since our inception and anticipate we will continue to incur net losses for the foreseeable future. As of September 30, 2020, we had cash and cash equivalents of $56.8 million.

Convertible and promissory notes

As of December 31, 2019, we had outstanding convertible notes with an aggregate principal balance of $19.0 million and issued an additional $2.8 million of convertible notes between March and April of 2020. All principal and accrued interest under the convertible notes was converted into our Series D preferred stock in July 2020.

On April 22, 2020, we received proceeds from a loan, or PPP Loan, in the amount of $0.7 million from City National Bank, as lender, pursuant to the Paycheck Protection Program, or PPP, of the CARES Act. The PPP Loan is evidenced by a promissory note, or Note, which contains customary events of default relating to, among other things, payment defaults and breaches of representations, warranties or terms of the PPP Loan documents. The PPP Loan matures on April 22, 2022 and bears interest at an annual rate of approximately 1%. Beginning on November 22, 2020, we are required to make 18 equal monthly payments of principal and interest. We may prepay the PPP Loan at any time prior to maturity with no prepayment penalties. The proceeds from the PPP Loan may only be used for payroll costs (including benefits), rent and utility obligations, and interest on certain of our other debt obligations.

All or a portion of the PPP Loan may be forgiven by the U.S. Small Business Administration, or SBA, upon application by us beginning 60 days after loan approval and upon documentation of expenditures in accordance with the SBA requirements. In the event the PPP Loan, or any portion thereof, is forgiven pursuant to the PPP, the amount forgiven is applied to outstanding principal. If it is determined that we were not eligible to receive the PPP Loan, we may be subject to penalties and could be required to repay the PPP Loan in its entirety.

Future funding requirements

Our primary uses of cash are to fund operating expenses, which consist primarily of research and development expenses related to our programs and related personnel costs. The timing and amount of future funding requirements depends on many factors, including the following:

- the initiation, scope, rate of progress, results and costs of our preclinical studies, clinical trials and other related activities for our product candidates;
- the costs associated with manufacturing our product candidates and establishing commercial supplies and sales, marketing and distribution capabilities;
- the timing and costs of capital expenditures to support our research and development efforts;
- the number and characteristics of other product candidates that we pursue;
- our ability to maintain, expand and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make in connection with the licensing, filing, defense and enforcement of any patents or other intellectual property rights;
- the timing, receipt and amount of sales from our potential products;
- our need and ability to hire additional management, scientific and medical personnel;
- the effect of competing products that may limit market penetration of our product candidates;
- our need to implement additional internal systems and infrastructure, including financial and reporting systems;
- the economic and other terms, timing and success of any collaboration, licensing, or other arrangements into which we may enter in the future, including the timing of receipt of any milestone or royalty payments under these agreements;
- the compliance and administrative costs associated with being a public company; and
- the extent to which we acquire or invest in businesses, products or technologies, although we have no commitments or agreements relating to any of these types of transactions.

Based on our current operating plan, our current cash and cash equivalents, together with the proceeds from this offering, are expected to be sufficient to fund our ongoing operations at least through . However, we have based this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we currently expect.

In addition, we will require additional funding in order to complete development of our product candidates and commercialize our products, if approved. We may seek to raise any necessary additional capital through a combination of public or private equity offerings, debt financings, collaborations, strategic alliances, licensing arrangements and other marketing and distribution arrangements. We cannot assure you that, in the event we require additional financing, such financing will be available at acceptable terms to us, if at all. Failure to generate sufficient cash flows from operations, raise additional capital, and reduce discretionary spending should additional capital not become available could have a material adverse effect on our ability to achieve our intended business objectives. Because of the numerous risks and uncertainties associated with the development and commercialization of our product candidates, we are unable to estimate the amounts of increased capital outlays and operating expenditures associated with our current and anticipated preclinical studies and clinical trials. To the extent that we raise additional capital through collaborations, strategic

alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our product candidates. We may also have to forego future revenue streams of research programs at an earlier stage of development or on less favorable terms than we would otherwise choose, or have to grant licenses on terms that may not be favorable to us. Our ability to raise additional funds will depend on financial, economic and other factors, many of which are beyond our control. For example, market volatility resulting from the COVID-19 pandemic could adversely impact our ability to access capital as and when needed. We may choose to raise additional capital through the issuance of equity or convertible debt securities due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent we issue additional shares of common stock or other equity or convertible debt securities in the future, there will be further dilution to investors participating in this offering and the terms of these securities may include liquidation or other preferences that adversely affect our stockholders' rights. If we raise additional capital through debt financing, we may be subject to covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, acquiring other businesses, products or technology, or declaring dividends. If we are unable to obtain additional funding from these or other sources, it may be necessary to significantly reduce our rate of spending through reductions in staff and delay, scale back or stop certain research and development programs.

Cash flows

The following summarizes our cash flows for the periods indicated:

	Years ended December 31,		Nine months ended September 30,	
	2018	2019	2019	2020
	(in thousands)			
Net cash provided by (used in):				
Operating activities	$ (35,317)	$ (9,645)	$ (7,749)	$ (22,328)
Investing activities	(988)	(1,509)	(1,136)	(195)
Financing activities	5,019	3,995	2,495	75,576
Net increase (decrease) in cash and cash equivalents	$ (31,286)	$ (7,159)	$ (6,390)	$ 53,053

Cash used in operating activities

Net cash used in operating activities for the nine months ended September 30, 2020 was $22.3 million, which consisted of a consolidated net loss of $19.5 million, a net change of $0.8 million in our net operating assets and liabilities and $2.0 million of non-cash transactions. The net change in our operating assets and liabilities was primarily due to an increase in accounts payable and accrued expenses of $1.3 million, an increase in accrued interest of $0.9 million on our outstanding convertible debt prior to its settlement in July 2020 and a decrease in deferred revenue of $0.4 million as we recognized deferred revenue related to our collaboration with BeiGene. The non-cash transactions primarily consisted of a decrease in the profits interest liability of $7.6 million primarily due to a decrease in the fair value of the underlying awards and $0.1 million of deferred rent, offset by a $2.9 million loss on extinguishment of convertible debt, a $1.6 million change in the fair value of our derivative liability, non-cash charges of $0.7 million related to depreciation and amortization and $0.5 million of non-cash interest.

Net cash used in operating activities for the nine months ended September 30, 2019 was $7.7 million, which consisted of a consolidated net loss of $28.5 million, a net change of $20.7 million in our net operating assets and liabilities and a nominal net amount of non-cash transactions. The net change in our operating assets and liabilities was primarily due to an increase in deferred revenue of $17.0 million as we recognized as revenue

only a portion of the $25.0 million of upfront payment and cost reimbursements we received from BeiGene, a decrease in prepaid expenses of $1.1 million, a decrease in accounts payable and accrued expenses of $1.7 million and an increase in accrued interest of $0.9 million on our outstanding convertible debt. The non-cash transactions primarily consisted of a decrease in the profits interest liability of $1.1 million primarily due to a decrease in the fair value of the underlying awards, offset by non-cash charges of $0.6 million related to depreciation and amortization, $0.2 million of non-cash interest and $0.2 million of deferred rent.

Net cash used in operating activities for the year ended December 31, 2019 was $9.6 million, which consisted of a consolidated net loss of $29.9 million and a net change of $25.1 million in our net operating assets and liabilities, and $4.9 million in non-cash transactions. The net change in our operating assets and liabilities was primarily due to an increase in deferred revenue of $19.8 million as we recognized as revenue only a small portion of the $25.0 million of upfront payment and cost reimbursements we received from BeiGene, a decrease in prepaid expenses of $0.9 million, a decrease in accounts payable and accrued expenses of $3.1 million and an increase in accrued interest of $1.3 million on our outstanding convertible debt. The $4.9 million change in non-cash transactions primarily consisted of a decrease in the profits interest liability of $6.4 million primarily due to a decrease in the fair value of the underlying awards, offset by non-cash charges of $0.9 million related to depreciation and amortization, $0.1 million related to the change in fair value of derivative liability, $0.4 million of non-cash interest and $0.2 million of deferred rent.

Net cash used in operating activities for the year ended December 31, 2018 was $35.3 million, which consisted of a consolidated net loss of $29.0 million and a net change of $9.7 million in our net operating assets and liabilities, partially offset by $3.4 million in non-cash transactions. The net change in our operating assets and liabilities was primarily due to a decrease in deferred revenue of $10.6 million as we recognized revenue for previously received cash payments, offset by an increase in accrued interest of $0.9 million on our outstanding convertible debt. The non-cash transactions primarily consisted of changes in the fair value of our profits interest liability of $2.6 million and depreciation and amortization expense of $0.8 million.

Cash used in investing activities

Cash used in investing activities was $1.0 million and $1.5 million for the years ended December 31, 2018 and 2019, respectively, and $1.1 million and $0.2 million for the nine months ended September 30, 2019 and 2020, respectively, related to the purchase of property and equipment.

Cash provided by financing activities

Net cash provided by financing activities was $75.6 million for the nine months ended September 30, 2020, which consisted primarily of $72.3 million of net proceeds from our issuance of Series D convertible preferred stock, $2.8 million of proceeds from the issuance of convertible promissory notes and $0.7 million of proceeds from a PPP loan, offset by the payment of $0.1 million of costs incurred in connection with our proposed initial public offering. Net cash provided by financing activities was $2.5 million for the nine months ended September 30, 2019, which consisted primarily of proceeds from the issuance of convertible notes.

Net cash provided by financing activities was $5.0 million and $4.0 million for the years ended December 31, 2018 and 2019, respectively, which consisted primarily of proceeds from the issuance of convertible notes.

Contractual obligations

The following table summarizes our contractual obligations as of December 31, 2019:

		Payments due by period			
	Total	Less than 1 year	1 – 3 years	3 – 5 years	More than 5 years
		(in thousands)			
Operating lease obligations[1]	$ 8,287	$ 1,192	$2,929	$ 3,321	$ 845
Debt obligations[2][3]	26,600	14,000	—	12,600	—
Total	$34,887	$15,192	$2,929	$15,921	$ 845

(1) Our operating lease obligations relate to our corporate headquarters in San Diego. In June 2017, as amended in January 2019, we entered into a non-cancellable operating lease for a new facility in San Diego, California. The lease commenced in January 2018, at which time we gained access to the leased space and began recognizing rent expense. The lease expires in July 2025 and we have an option to extend the term of the lease for an additional five years. The lease includes certain rent abatement, rent escalations, tenant improvement allowances and additional charges for common area maintenance and other costs.
(2) Includes interest through maturity.
(3) All of these debt obligations were settled in connection with our Series D preferred stock financing in July 2020 and are no longer outstanding.

We issued $2.8 million of convertible promissory notes in early 2020. Excluded from the table above is $0.7 million we borrowed under our PPP loan in April 2020.

We enter into contracts in the normal course of business with clinical trial sites and clinical supply manufacturers and with vendors for preclinical studies, research supplies and other services and products for operating purposes. These contracts generally provide for termination after a notice period, and, therefore, are cancelable contracts and not included in the table above. In addition, we enter into agreements in the normal course of business with CROs, CMOs and other vendors for research and development services for operating purposes, which are generally cancelable upon written notice. These payments are not included in the table of contractual obligations.

Critical accounting policies and estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenue generated, and reported expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are 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 may differ from these estimates under different assumptions and conditions.

While our significant accounting policies are described in the Note 1 to our consolidated financial statements included elsewhere in this prospectus, we believe that the following critical accounting policies are most important to understanding and evaluating our reported financial results.

Accrued expenses

As part of the process of preparing our consolidated financial statements, we accrue expenses as of each balance sheet date. This process involves reviewing open contracts and purchase orders, communicating with our personnel to identify services that have been performed on our behalf and estimating the level of service

performed and the associated cost incurred for the service when we have not yet been invoiced or otherwise notified of the actual cost. We make estimates of our accrued expenses as of each balance sheet date based on facts and circumstances known to us at that time. The estimates in our accrued research and development expenses include the costs incurred for services performed by our vendors in connection with research and development activities for which we have not yet been invoiced. We periodically confirm the accuracy of our estimates with the service providers and make adjustments if necessary.

We base our expenses related to research and development activities on our estimates of the services received and efforts expended pursuant to quotes and contracts with vendors that conduct research and development on our behalf. The financial terms of these agreements are subject to negotiation, vary from contract to contract and may result in uneven payment flows. There may be instances in which payments made to our vendors will exceed the level of services provided and result in a prepayment of the research and development expense. In accruing service fees, we estimate the time period over which services will be performed and the level of effort to be expended in each period. If the actual timing of the performance of services or the level of effort varies from our estimate, we adjust the accrual or prepaid expense accordingly. Advance payments for goods and services that will be used in future research and development activities are expensed when the activity has been performed or when the goods have been received rather than when the payment is made.

Although we do not expect our estimates to be materially different from amounts actually incurred, if our estimates of the status and timing of services performed differ from the actual status and timing of services performed, it could result in us reporting amounts that are too high or too low in any particular period. To date, there have been no material differences between our estimates of such expenses and the amounts actually incurred.

Collaboration revenue

Effective January 1, 2019, we adopted Accounting Standards Update, or ASU, 2014-09, *Revenue from Contracts with Customers (Topic 606)*, or Topic 606, using the modified retrospective method. Topic 606 supersedes the revenue recognition requirements in ASC Topic 605, *Revenue Recognition*, or Topic 605. There was no material cumulative effect of adopting Topic 606. All periods prior to the adoption date of Topic 606 have not been restated to reflect the impact of the adoption of Topic 606, but are accounted for and presented under Topic 605.

Revenue recognition under Topic 606

We recognize revenue in a manner that depicts the transfer of control of a product or a service to a customer and reflects the amount of the consideration we are entitled to receive in exchange for such product or service. In doing so, we follow a five-step approach: (i) identify the contract 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, and (v) recognize revenue when (or as) the customer obtains control of the product or service. We consider the terms of a contract and all relevant facts and circumstances when applying the revenue recognition standard.

A customer is a party that has entered into a contract with us, where the purpose of the contract is to obtain a product or a service that is an output of our ordinary activities in exchange for consideration. To be considered a contract, (i) the contract must be approved (in writing, orally, or in accordance with other customary business practices), (ii) each party's rights regarding the product or the service to be transferred can be identified, (iii) the payment terms for the product or the service to be transferred can be identified, (iv) the contract must have commercial substance (that is, the risk, timing or amount of future cash flows is expected to change as a

result of the contract), and (v) it is probable that we will collect substantially all of the consideration to which we are entitled to receive in exchange for the transfer of the product or the service.

A performance obligation is defined as a promise to transfer a product or a service to a customer. We identify each promise to transfer a product or a service (or a bundle of products or services, or a series of products and services that are substantially the same and have the same pattern of transfer) that is distinct. A product or a service is distinct if both (i) the customer can benefit from the product or the service either on its own or together with other resources that are readily available to the customer and (ii) our promise to transfer the product or the service to the customer is separately identifiable from other promises in the contract. Each distinct promise to transfer a product or a service is a unit of accounting for revenue recognition. If a promise to transfer a product or a service is not separately identifiable from other promises in the contract, such promises should be combined into a single performance obligation.

The transaction price is the amount of consideration we are entitled to receive in exchange for the transfer of control of a product or a service to a customer. To determine the transaction price, we consider the existence of any significant financing component, the effects of any variable elements, noncash considerations and consideration payable to the customer. If a significant financing component exists, the transaction price is adjusted for the time value of money. If an element of variability exists, we must estimate the consideration it expects to receive and uses that amount as the basis for recognizing revenue as the product or the service is transferred to the customer. There are two methods for determining the amount of variable consideration: (i) the expected value method, which is the sum of probability-weighted amounts in a range of possible consideration amounts, and (ii) the mostly likely amount method, which identifies the single most likely amount in a range of possible consideration amounts.

If a contract has multiple performance obligations, we allocate the transaction price to each distinct performance obligation in an amount that reflects the consideration we are entitled to receive in exchange for satisfying each distinct performance obligation. For each distinct performance obligation, revenue is recognized when (or as) we transfer control of the product or the service applicable to such performance obligation.

In those instances where we first receive consideration in advance of satisfying our performance obligation, we classify such consideration as deferred revenue until (or as) we satisfy such performance obligation. In those instances where we first satisfy our performance obligation prior to receipt of consideration, the consideration is recorded as accounts receivable.

We expense incremental costs of obtaining and fulfilling a contract as and when incurred if the expected amortization period of the asset that would be recognized is one year or less, or if the amount of the asset is immaterial. Otherwise, such costs are capitalized as contract assets if they are incremental to the contract and amortized to expense proportionate to revenue recognition of the underlying contract.

Profits interest liability

Before the LLC Conversion, we had a profits interest plan which we determined was a liability award plan in accordance with authoritative guidance. We measured the fair value of each award on the grant date and recognized such fair value over the requisite service period (usually the vesting period) on a straight-line basis, net of estimated forfeitures. The fair value of the award was remeasured at each reporting date until the award was settled, with a true-up of compensation cost for changes in fair value prorated for the portion of the requisite service period rendered. Once vested, any subsequent change in fair value was recognized immediately. The fair value of any awards that expired or were forfeited or cancelled for no value was adjusted to zero, such that any previously recorded compensation cost was fully reversed.

We were required to estimate the fair value of the Class B units issued in connection with our profits interest plan. The fair value of our Class B units was determined on each reporting date by our management, taking into account input from independent third-party valuation analysis. In the absence of a public trading market for our Class B units, on each reporting date we developed an estimate of the fair value of our Class B units in order to calculate the profit interest liability. Our determinations of the fair value of our Class B units were made using methodologies, approaches and assumptions consistent with the American Institute of Certified Public Accountants *Audit and Accounting Practice Aid Series: Valuation of Privately Held Company Equity Securities Issued as Compensation*, or the Practice Aid.

We considered various objective and subjective factors to determine the fair value of our Class B units, including:

- contemporaneous valuations of our Class B units performed by independent third-party valuation specialists;
- our stage of development and business strategy, including the status of research and development efforts of our product candidates, and the material risks related to our business and industry;
- our results of operations and financial position, including our levels of available capital resources;
- the valuation of publicly traded companies in the life sciences and biopharmaceutical sectors, as well as recently completed mergers and acquisitions of peer companies;
- the lack of liquidity of our Class B units;
- the rights, preferences and privileges of our Class C Preferred units and Class A units relative to those of our Class B units;
- the likelihood and timing of achieving a liquidity event for the holders of our Class B units, given prevailing market conditions;
- trends and developments in our industry; and
- external market conditions affecting the life sciences and biopharmaceutical industry sectors.

In connection with the LLC Conversion, Himalaya Parent LLC assumed $1.0 million of profits interest liability of BioAtla, LLC and subsequent to the Corporate Reorganization, we will continue to reflect compensation cost and a corresponding capital contribution associated with future vesting and the ongoing mark-to-market of the Class B profits interests held by Himalaya Parent LLC, as the equity-based payments are being provided to our employees by a stockholder. Any new profits interest awards granted by Himalaya Parent LLC to BioAtla, Inc.'s employees, or modifications to the existing awards made by Himalaya Parent LLC, will also result in additional compensation cost and a corresponding capital contribution in accordance with ASC Topic 718.

Valuation methodologies and methods used to allocate our enterprise value to classes of securities

Our valuations were prepared in accordance with the guidelines in the Practice Aid, which prescribes several valuation approaches for setting the value of an enterprise, such as the cost, income and market approaches, and various methodologies for allocating the value of an enterprise to its common stock. The cost approach establishes the value of an enterprise based on the cost of reproducing or replacing the property less depreciation and functional or economic obsolescence, if present. The income approach establishes the value of an enterprise based on the present value of future cash flows that are reasonably reflective of our company's future operations, discounting to the present value with an appropriate risk adjusted discount rate or capitalization rate. The market approach is based on the assumption that the value of an asset is equal to the

value of a substitute asset with the same characteristics. Each valuation methodology was considered in our valuations. We utilized a market approach in 2018, 2019 and 2020. In 2020, in connection with our Corporate Reorganization and Series D preferred stock financing, our market approach included the back-solve method that assigns an implied enterprise value based on the most recent round of funding or investment and allows for the incorporation of the implied future benefits and risks of the investment decision assigned by an outside investor. In accordance with the Practice Aid, we considered the various methods for allocating the enterprise value across our classes and series of equity to determine the fair value of our equity instruments at each valuation date. We applied a hybrid method of the probability weighted expected return method, or PWERM, where the non-IPO scenario is modeled using an option pricing model to reflect the full distribution of possible non-IPO outcomes. Under the option pricing model, units are valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each equity class. The values of each class of units are inferred by analyzing these options. In the IPO scenario, we used the fully-diluted shares outstanding to allocate value to each class of units. The hybrid method is useful when certain discrete future outcomes can be predicted, but also accounts for uncertainty regarding the timing or likelihood of specific alternative exit events.

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

Variable interest entities

We consolidate entities in which we have a controlling financial interest. We determine whether we have a controlling financial interest in an entity by first evaluating whether the entity is a voting interest entity or a variable interest entity, or VIE. Voting interest entities are entities in which (i) the total equity investment at risk is sufficient to enable the entity to finance its activities independently, (ii) the equity holders have the power to direct the activities of the entity that most significantly impact its economic performance, the obligation to absorb the losses of the entity and the right to receive the residual returns of the entity and (iii) the legal entity is structured with substantive voting rights. A VIE is an entity that lacks one or more of the characteristics of a voting interest entity. We have a controlling financial interest in a VIE when we have a variable interest or interests that provide us with (i) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. We evaluate our relationships with our VIEs on an ongoing basis to determine whether or not we have a controlling financial interest.

Other company information

Emerging growth company status

We are an emerging growth company, as defined in the JOBS Act. Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. We have elected not to "opt out" of such extended transition period, which means that when a standard is issued or revised and it has different application dates for public or private companies, we can adopt the new or revised standard at the time private companies adopt the new or revised standard and may do so until such time that we either (i) irrevocably elect to "opt out" of such extended transition period or (ii) no longer qualify as an emerging growth company. We also intend to rely on other exemptions provided by the JOBS Act, including without limitation, providing an auditor's attestation report on our system of internal controls over financial reporting pursuant to

Section 404(b) of the Sarbanes-Oxley Act. We will remain an emerging growth company until the earlier of (i) the last day of the fiscal year (a) following the fifth anniversary of the completion of this offering, (b) in which we have total annual gross revenue of at least $1.07 billion, or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700.0 million as of the prior June 30th, and (ii) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period.

Off-balance sheet arrangements

We have not entered into any off-balance sheet arrangements, as defined in the rules and regulations of the SEC.

Recent accounting pronouncements

See Note 1 to our consolidated financial statements included elsewhere in this prospectus for information about recent account pronouncements, the timing of their adoption, and our assessment, if any, of their potential impact on our financial condition and results of operations.

Quantitative and qualitative disclosure about market risk

Interest rate risk

The primary objectives of our investment activities are to ensure liquidity and to preserve capital. Our cash and cash equivalents consist of cash and an interest-bearing money market fund. We do not hold any short-term investments. As a result, the fair value of our portfolio is relatively insensitive to interest rate changes.

Foreign currency exchange risk

There was no material foreign exchange risk during the periods presented.

Effects of inflation

We do not believe that inflation has had a material effect on our results of operations or financial condition during the periods presented.

Business

Overview

We are a clinical-stage biopharmaceutical company developing our novel class of highly specific and selective antibody-based therapeutics for the treatment of solid tumor cancer. Our CABs capitalize on our proprietary discoveries with respect to tumor biology, enabling us to target known and widely validated tumor antigens that have previously been difficult or impossible to target. Our novel CAB therapeutic candidates exploit characteristic pH differences between the tumor microenvironment and healthy tissue. Unlike healthy tissue, the tumor microenvironment is acidic, and we have designed our antibodies to selectively bind to their targets on tumor cells under acidic pH conditions but not on targets in normal tissues. Our approach is to identify the necessary targeting and potency required for cancer cell destruction, while aiming to eliminate or greatly reduce on-target, off-tumor toxicity—one of the fundamental challenges of existing cancer therapies.

The broad applicability of our CAB technology allows us to develop a wide array of product candidate modalities, such as monoclonal antibodies, antibody-drug conjugates, or ADCs, T cell-engaging bispecific antibodies and chimeric antigen receptor T cells, or CAR-T cells. A key advantage of our application of the CAB technology to antibodies is that it allows us to selectively target antigens on tumor cells and minimizes or eliminates binding to these antigens on normal cells, which reduces the toxicity associated with traditional approaches. We have initiated potentially registration-enabling Phase 2 trials for our two latest stage ADC product candidates, BA3011 (targeting AXL) and BA3021 (targeting ROR2) in multiple cancer indications, including sarcoma, NSCLC and melanoma. The FDA has reviewed the trial designs, but has not opined on whether the Phase 2 clinical trials will in fact be sufficient to support regulatory approval. However, the FDA is expected to consider this further at the interim data review point. We cannot assure you that the FDA will agree that such data will be sufficient to support approval. We are also supporting investigator-initiated trials for both BA3011 and BA3021 in platinum-resistant ovarian cancer. We have observed encouraging initial clinical signs of response to treatment and a wide therapeutic window, or range of dosage and duration. BA3011 and BA3021 have the potential to address large unmet medical needs in indications that together account for more than 350,000 new cases of solid tumor cancers and 150,000 deaths per year, in the United States alone. Additionally, we plan to work with our partner BeiGene to initiate Phase 1 trials in multiple cancer indications in 2021 for our immuno-oncology antibody, BA3071 (targeting CTLA-4), which is designed to overcome the toxicity limitations of the currently approved anti-CTLA-4 antibody, to improve patient outcomes. We also have several candidates in our preclinical pipeline that include CAB bispecific antibodies targeting unmet medical needs in multiple types of solid tumors.

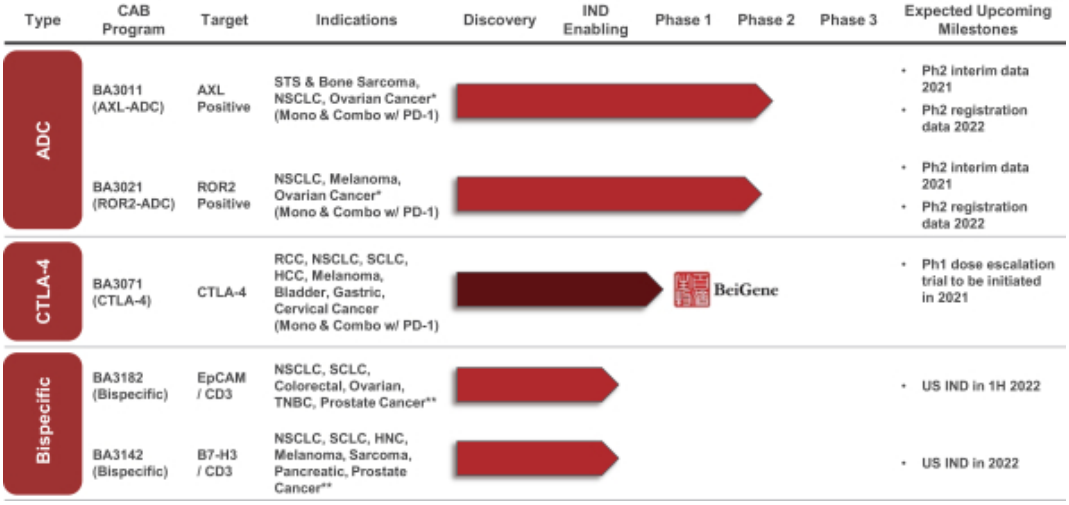
Our goal is to develop well-tolerated, novel cancer therapies that provide cures or extended survival to ensure patients' improved quality of life. Studies have shown that, as a drug class, antibodies have transformed oncology treatment and include some of the best-selling therapies on the biopharmaceutical market. While therapeutic antibodies have emerged as one of the most successful strategies for both solid and blood-based, or hematologic, malignancies, toxicity has narrowed the therapeutic window and ultimate potential of impacting disease, as many of the key targets on tumor cells are also prevalent on normal cells. By exploiting our novel understanding of tumor biology, including unique characteristics of pH in the tumor microenvironment, we believe that our CAB technology has the potential to transform antibody-based cancer therapy. We have created and patented our CAB technology to enable the development of antibodies that are active in the tumor microenvironment, but inactive under normal physiological conditions, while maintaining target-specific binding. The biology of tumor formation, or tumorigenesis, yields a unique microenvironment consisting of a complex mixture of tumor cells, stromal fibroblasts, endothelial cells and immune cells like microglia, macrophages and lymphocytes and the non-cellular components of extracellular matrix such as collagen, fibronectin, hyaluronan and laminin, among others. The process of tumor formation creates an

altered, unique microenvironment in and around the tumor that is also physically and chemically distinct from healthy tissue, with regard to temperature, pressure, chemical composition and especially the acidity or pH. The tumorigenesis-driven shifts in microenvironment conditions further weaken the immune response and promote tumor growth. Our CAB technology aims to uniquely exploit the fundamental pH differences between the tumor and healthy tissue, increasing antibody binding selectivity and thereby potentially eliminating or greatly reducing healthy cell on-target, off-tumor toxicity. This enhanced selectivity has the potential to greatly improve the benefit-risk ratio for the patient and allows us to deliver desired drug levels either as monotherapy or utilizing unique multi-targeted or combination therapies that are currently difficult or impossible to develop. Additionally, the combination of reversible binding with the selective, precision capability of our CAB technology enables both increased antibody potency and reduced toxicity.

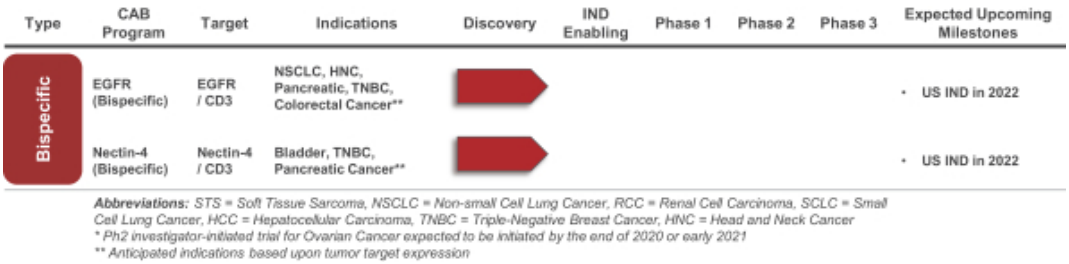
Initially, we applied the reversible binding and precision capability of our CAB technology to develop next-generation ADC therapies. Traditional ADCs are a class of biologic drugs that are designed by attaching a toxic small molecule payload to an antibody, which then targets a specific antigen expressed on the target cell, but unfortunately, in most cases, this target is also present on normal tissue. Binding to the target on normal tissue leads to high on-target, off-tumor toxicity, which reduces the utility of traditional ADCs. Our CAB ADCs are designed to selectively bind to the antigens found in acidic pH conditions found in the tumor microenvironment, which has the potential to reduce off-tumor toxicity and related consequences. In addition, we developed CAB antibodies to immuno-oncology targets such as CTLA-4 for antitumor activity. We believe that our CAB technology can reduce the limitations resulting from systemic toxicities and expand the utility of this immuno-oncology therapy. We are also creating bispecific, T cell engaging, CAB antibodies that are comprised of two different binding specificities, which allows the antibody to bind to two specific targets at the same time, generally one target on the tumor cell and one target on an immune system cell. This is a powerful approach to harness cytotoxic T cells to directly kill tumor cells with reduced toxicity.

Our pipeline

We believe that there is significant potential to improve therapeutics for our patients with our proprietary CAB antibody technology across well-validated oncology targets activated in solid tumors. The following table summarizes our current product candidate pipeline.



The following table summarizes our most advanced research and discovery product candidates.



Abbreviations: STS = Soft Tissue Sarcoma, NSCLC = Non-small Cell Lung Cancer, RCC = Renal Cell Carcinoma, SCLC = Small Cell Lung Cancer, HCC = Hepatocellular Carcinoma, TNBC = Triple-Negative Breast Cancer, HNC = Head and Neck Cancer
** Ph2 investigator-initiated trial for Ovarian Cancer expected to be initiated by the end of 2020 or early 2021*
*** Anticipated indications based upon tumor target expression*

BA3011: Our lead product candidate, BA3011, is a CAB ADC that targets AXL, a protein that is highly expressed on the surface of many tumors, including soft tissue and bone sarcomas and NSCLC, as well as other tumor types. In preclinical studies, we have observed that BA3011 binds to AXL under conditions that reflect those in tumors. We have developed a quantitative biomarker assay that is called the AXL Tumor membrane Percent Score, or TmPS. The TmPS measures the level of target expression on the tumor membrane which, consistent with industry standard, we use to identify those patients who we believe will be the most likely to respond to our product candidates. We believe that the higher the level of target expression on the tumor membrane, the more likely it is that our product candidates may have the potential to produce a response. We have completed the Phase 1 dose escalation trial in advanced cancer patients, established a recommended Phase 2 dose and initiated dosing in a potentially registration-enabling Phase 2 clinical trial in soft tissue and bone sarcoma. We have also initiated a Phase 2 clinical trial in PD-1 refractory NSCLC patients. Interim analysis for both trials is anticipated in 2021 and the complete registrational data set expected in 2022. Additionally, we expect a multi-center investigator-initiated trial in platinum-resistant ovarian cancer will commence by the end of 2020 or early 2021.

BA3021: We are developing our second product candidate, BA3021, a CAB ADC targeting ROR2, a tumor target associated with tumor progression, metastasis and the development of resistance to conventional therapies and immuno-oncology agents. Employing a similar approach as with BA3011, we developed a TmPS quantitative assay based on ROR2 tumor membrane expression that we use to identify those patients who we believe will be the most likely to respond to our product candidates. We have completed the dose escalation part of a Phase 1 clinical trial in patients with locally advanced unresectable or metastatic solid tumors who were refractory or resistant to standard therapies, established a recommended Phase 2 dose and initiated a potentially registration-enabling Phase 2 clinical trial in PD-1 refractory melanoma and NSCLC with interim analysis anticipated in the second half of 2021 and the complete potential registrational data set expected in 2022. Additionally, we expect a multi-center investigator-initiated trial in platinum-resistant ovarian cancer will commence by the end of 2020 or early 2021.

BA3071: Our third product candidate, BA3071, is a CAB anti-CTLA-4 antibody, which our preclinical studies have shown to maintain the function of the checkpoint inhibitor ipilimumab, but with greatly reduced systemic toxicities. We have a global collaboration with BeiGene on this program through which we will receive development milestones and tiered royalties on sales worldwide. We expect to work with our partner BeiGene to support the initiation of a Phase 1 dose-escalation trial of BA3071 as monotherapy and in combination with tislelizumab, an anti-PD-1 antibody in late stage development by BeiGene, in 2021.

Bispecific antibody programs: We have also leveraged our CAB technology to develop bispecific antibodies, which bind both a tumor-specific antigen and a T cell receptor using CAB antigen-binding domains. A bispecific antibody is a type of engineered antibody that can simultaneously bind two separate and unique antigens, unlike conventional monospecific antibodies that only bind to one type of target. We have shown in preclinical experiments that our CAB bispecific molecules meet or exceed the activity of conventional bispecifics and reduce systemic activation of potentially fatal immune responses. We advanced two CAB bispecific antibody product candidates into IND-enabling studies in the second half of 2020. We expect to submit multiple US INDs in the second half of 2021 or sometime in 2022.

With respect to our potentially registration-enabling Phase 2 clinical trials, the FDA has reviewed the trial designs, but has not opined on whether the Phase 2 clinical trials will in fact be sufficient to support regulatory approval. However, the FDA is expected to consider this further at the interim data review point. We cannot assure you that the FDA will agree that such data will be sufficient to support approval.

We are led by a team of protein and antibody engineering experts, immunologists and experienced antibody clinical developers. Jay Short, Ph.D., our co-founder, Chairman and Chief Executive Officer, is an inventor of our CAB technology, has been issued more than 500 patents and has authored over 100 peer-reviewed publications. Dr. Short previously founded Diversa Corporation (now part of BASF), serving as its CEO, President and Chief Technology Officer, and he led its initial public offering and has over 35 years of experience in the biotechnology and biopharmaceutical industry. Scott Smith, our President, has over 30 years of biotechnology and biopharmaceutical industry experience and previously served as President and Chief Operating Officer at Celgene. At Celgene, he oversaw the clinical development and commercialization of Otezla®. Eric Sievers, MD, our Chief Medical Officer, was previously at Seattle Genetics where he led late stage clinical development and regulatory approval of Adcetris®, an ADC approved for a variety of lymphomas. Richard Waldron, our Chief Financial Officer, has more than 35 years of experience in financing biotechnology and biopharmaceutical companies. He started the healthcare investment banking practice at Cowen & Company and raised the early equity and R&D structured financing for Genzyme Corporation.

Since inception, we have raised $166 million from the issuance of debt and equity securities, including from leading biopharmaceutical investors such as Soleus Capital, HBM Healthcare Investments, Cormorant Asset Management, Farallon Capital, Pappas Capital, funds managed by Janus Henderson, Boxer Capital and Pfizer.

Our strengths

Our novel CAB technology is underpinned by the following competitive strengths and is driven by the expertise and vision of our management team:

- **Our CAB technology has been studied in robust Phase 1 clinical trials for our two leading clinical programs**.
    - Objective antitumor responses: We observed multiple confirmed partial clinical responses (at least 30% reduction in tumor size for at least two consecutive time points) in our Phase 1 data for both BA3011 and BA3021, including in one patient tumor volume shrinkage of more than 90%, and several patients who are presently continuing on therapy without tumor progression.
    - Antitumor activity correlates with a proprietary biomarker: The presence of the relevant target on a high percentage of tumor cells appeared to correlate with increased antitumor activity.
    - Safety and tolerability: BA3011 and BA3021 were generally well-tolerated at the recommended Phase 2 dose range, which is positively differentiated from both preclinical and cross-trial trial results for a similar non-CAB ADC. Side effects have been generally manageable with our CAB ADC product candidates, with some patients able to receive more than a year of treatment.
- **Our CAB antibodies showcase strong drug-like characteristics, such as optimal exposure levels and low immunogenicity**. Therapeutic antibodies can trigger a strong negative immune system response from the body, also referred to as immunogenicity, which can induce anti-drug antibodies that can reduce efficacy or lead to severe infusion reactions. We have seen minimal immunogenicity with only one patient thus far potentially showing the formation of anti-drug antibodies and no infusion reactions reported to date.
- **We have demonstrated a proven ability to generate drug candidates for challenging or currently undruggable targets**. Our CAB technology enables us to generate antibodies that bind to their targets under conditions found in the tumor, but not in healthy tissue. Therefore, we are able to generate antibodies to targets which to this point have been undruggable due to the lack of sufficient therapeutic window with

existing antibody technologies. We are also able to use these antibodies to engage targets that exist not only in tumors, but in healthy tissue as well. This has the potential to reduce side effects and toxicity, one of the fundamental challenges of cancer therapies today, thereby expanding the realm of potential therapeutic antibodies. To this end, we have generated three Phase 2 clinical programs, with multiple indications for each program, and we plan to submit up to four additional program INDs between the second half of 2021 and the end of 2022.

- **Our diverse pipeline addresses areas of high unmet need, with several near-term value inflection points, including two programs in Phase 2 for multiple indications**. Our clinical and preclinical pipeline addresses a variety of indications and targets. We believe our patented technology platform can be applied to a variety of therapeutic areas that would benefit from CABs, including a range of age-related diseases, as well as inflammatory, neurological and circulatory disorders, among others. Our broad pipeline provides multiple opportunities for success and value inflection points. We maintain exclusive development and commercialization rights in the major markets of the United States, Canada, Europe and Japan for all of our product candidates except for BA3071.
- **Our proprietary CAB technology is covered by multiple patents and patent applications applicable to a wide range of modalities**. Our CAB technology is covered by multiple patents and patent applications applicable to a wide range of modalities: 479 patents and patent applications with 257 issued, 8 allowed applications and 214 pending applications as of December 1, 2020 covering our CAB technology, product candidates and protein sequences. While our lead product candidates primarily exploit the differences in pH between the tumor microenvironment and healthy tissue, our CAB technology has the potential to use a variety of microenvironment triggers, including temperature, pressure and chemical composition.
- **Our talented and experienced management team drives the successful application of our novel CAB technology**. We are led by a team of protein and antibody engineering experts, immunologists and experienced antibody clinical developers. Our co-founder, Chairman and Chief Executive Officer is an inventor of our CAB technology, has been issued more than 500 patents and has authored over 100 peer-reviewed publications. Our President spent 10 years at Celgene, founding the Immunology division, and eventually was named President and Chief Operating Officer of Celgene. Our management team members have over 20 years on average of experience with leading biopharmaceutical companies.

Our strategy

Our mission is to develop and commercialize innovative antibody-based therapeutics for the treatment of solid tumors that depend on the physical and chemical properties of tumors and their microenvironment. We believe that our proprietary technology and approach have the potential to transform cancer therapy by decreasing systemic toxicities and improving efficacy. Our strategy to achieve this mission is as follows:

- **Advance BA3011 through regulatory approval and commercialization.** Clinical data from our Phase 1 trial with BA3011 are supportive of its development in sarcomas, a set of cancers with a high unmet clinical need. We have initiated a potentially registration-enabling Phase 2 trial for BA3011 in treatment refractory sarcoma patients (12 years of age or older) with an AXL TmPS of 70% or above and, if successful, we believe we can further advance BA3011 through regulatory approval and commercialization. In addition, we have initiated a potentially registration-enabling Phase 2 trial in NSCLC using an AXL TmPS of 50% or above. We will use a quantitative biomarker assay/TmPS score to identify likely responders and to help enrich our clinical trial programs.
- **Develop BA3021 in PD-1/L1 refractory tumors through regulatory approval and commercialization.** We have observed antitumor activity in PD-1 refractory NSCLC and melanoma patients in our Phase 1 trial and have initiated a Phase 2 trial of BA3021 in each of these indications. We will use a quantitative biomarker assay/TmPS score to identify likely responders and to help enrich our clinical trial programs.

- **Continue to capitalize on our unique technology to address areas of high unmet need in treating cancer.** We believe that, through the application of our CAB technology, we have the opportunity to develop a broad set of new molecules that include bispecific T cell engagers, immuno-oncology antibodies, as well as other therapies, to attack tumors through preferential activation in the tumor microenvironment.
- **Maintain and strengthen our intellectual property portfolio.** As of December 1, 2020, we have a total of 479 patents and patent applications with 257 issued patents, 8 allowed applications and 214 pending applications covering our CAB technology and product candidates. This broad patent coverage was designed such that protection of our product candidates is not dependent on any single patent but rather, each product candidate has multiple layers of protection. We plan to continue to maintain, enforce and defend our intellectual property.
- **Selectively enter into collaborations to maximize the value of our platform and pipeline, including the existing collaboration involving BA3071.** Given the potential of our technology to generate novel product candidates addressing a wide variety of solid tumors, we may opportunistically enter into strategic collaborations around specific geographic regions, indications, combinations and companion diagnostics. We may also explore collaboration arrangements to commercialize any product candidates where we believe the resources and expertise of the third party could be beneficial. These collaborations could advance and accelerate our programs to maximize their market potential and expand the worldwide commercial potential of our CAB technology.

Background on cancer and current treatment approaches

Cancer overview

Cancer is the name given to a collection of related diseases. In all types of cancer, some of the body's cells begin to divide without stopping and spread into surrounding tissues. Cancer can start almost anywhere in the human body, which is made up of trillions of cells, and unlike normal cells, cancer cells do not stop dividing when contacting neighboring cells, altering their metabolism for key nutrients and constantly devouring these and other nutrients for continuous growth. Most of these cancers form solid tumors, which are masses of cancerous tissue. Cancers of the blood, or hematological cancers, such as leukemias, generally do not form solid tumors. Cancerous tumors are malignant, which means they can spread into or invade nearby tissues. In addition, as these tumors grow, some cancer cells can break off and travel to distant places in the body through the blood or the lymphatic system and form new tumors far from the original tumor. Primarily, we are targeting a series of indications across solid tumors, which represent approximatively 90% of adult human cancers. According to the American Cancer Society, cancer is one of the most common causes of death in the United States and is expected to surpass heart disease as the leading cause of death in the next several years.

Despite profound advancements in oncology drug development that have expanded the treatment options available to patients, there remains a significant unmet need for such treatments. Collectively, our founders and management team have a decades-long heritage of identifying and characterizing resistance mechanisms in oncology, having discovered and developed important medicines.

There remains a significant need for novel approaches and improved treatment options for cancer patients. Cancer treatment has traditionally included chemotherapy, radiation, hormone therapy, surgery or a combination of these approaches. Small molecule chemotherapy agents and cytotoxic agents have demonstrated efficacy with some types of cancer; however, off-target and systemic toxicities have typically been observed with this kind of treatment, thus limiting dosing and, consequently, hampering any meaningful effectiveness for the treatment of solid tumors. Over the past 20 years, cancer research and treatment approach have shifted to more targeted therapies, notably monoclonal antibodies and immuno-oncology, a novel paradigm focused on boosting antitumor immune responses, which one of our advisors, Dr. Jim Allison, shared the Nobel Prize for in 2018.

Immune system and antibodies

Cancer immunotherapy uses the immune system and its components to mount an antitumor response. During the last decade, it has evolved from a promising therapy option to a robust clinical reality. Many immunotherapeutic modalities are already approved by the FDA for treating cancer patients, many others are in the pipeline for approval as standalone or combinatorial therapeutic interventions and several are also combined with standard treatments in clinical trials. One type of immunotherapy uses antibodies which exist in the immune system to identify foreign virus, bacteria and other foreign molecules by binding to specific proteins called antigens on the surface of cells.

Different types of antibodies include:

- **Naked Monoclonal Antibodies**: Naked monoclonal antibodies have no drug or radioactive material attached and are the most common type of antibodies in cancer treatment.
- **ADCs:** ADCs are targeted biopharmaceutical drugs that combine monoclonal antibodies with highly potent anti-cancer agents linked via a chemical linker.
- **Bispecific antibodies**: Bispecific antibodies can bind to two different antigens at the same time, most potently with one target on the tumor cell and one target on an immune system cell.

Therapeutic antibodies have become the predominant class of new drugs developed in recent years. Over the past five years, antibodies have become the best-selling drugs in the pharmaceutical market, and in 2018, eight of the top 10 best-selling drugs worldwide were biologics. The global therapeutic monoclonal antibody market is expected to generate revenue of $300 billion by 2025.

Our technology

Challenges in developing antibody-based therapies for solid tumors

Monoclonal antibody therapeutics have been approved for over 30 targets for multiple diseases, most commonly cancer. Antibodies have become the new backbone of the pharmaceutical industry, which previously relied on small molecules. Treatment with monoclonal antibodies has established itself as one of the most successful therapeutic strategies for both hematologic malignancies and solid tumors. Oncology targets of safe, effective antibodies fall into two broad categories:

- Antibodies targeting antigens, usually proteins, preferentially expressed on the surface of cancer cells, against which antibodies are used to directly bind and inhibit or destroy these cells; and
- Antibodies targeting antigens affecting directly or indirectly tumor cells and non-tumor cells that activate the immune system or induce other changes in the tumor, such as limiting the growth of tumor-related blood vessels.

There are significant limitations of targeting important antigens with traditional antibodies that can result in reduced efficacy, difficulties related to dosing and decreased durability, all of which significantly limit the potential for cures with traditional antibodies:

- **Increased toxicity**: Antigens are typically expressed in many normal tissues, which for traditional antibodies, including ADCs, could lead to significant on-target, off-tumor toxicity.
- **Target-mediated drug disposition limitation**: Target-mediated drug disposition, or TMDD, is the phenomenon in which a drug binds to its pharmacological target on normal tissue, causing the antibody to attack a normal cell and depleting the antibody from circulation. As a consequence, the pharmacokinetic

characteristics of the drug can be adversely impacted, leading to reduced half-life, lower tumor exposure, which requires more frequent dosing, increased toxicity and ultimately resulting in patient inconvenience, greater costs and necessitating higher doses of the drug.

- **Immunogenicity**: Antibodies also can be sensitive to modifications that can lead to immunogenicity, or a strong negative immune system response from the body, which can induce anti-drug antibodies that can reduce efficacy or lead to severe infusion reactions, thereby restricting the potential improvements that could be made with emerging technologies.

The fundamental specificity challenge with traditional monoclonal antibody-based therapy is that there are few known antigens that are specific to tumors and absent in non-cancerous tissues. Drug developers might develop an antibody that is exquisitely specific against its target, but due to the expression of the target on non-tumor cells, systemic administration can result in dose-limiting toxicities from on-target, off-tumor activity. However, clinicians are able to manage the consequences of these adverse events in most hematological cancer patients. In solid tumors, therapies such as cetuximab target an antigen that is highly expressed in colorectal cancer, but is also expressed in epidermal cells throughout the body, which are not restricted in lineage or tissue, nor can be easily regenerated as in the case of cells in the hematopoietic lineage. Consequently, solid tumor treatments may often result in on-target, off-tumor toxicities that are more difficult to manage than with treatments for hematological malignancy. As an example, treatment with cetuximab results in over 80% of patients developing skin toxicities that can severely impact patients' physical, psychological and social well-being and can lead to treatment discontinuation and dose reduction.

These examples, however, only represent antibodies where the therapeutic benefit clearly outweighs the consequences associated with the adverse events. There are many potential protein targets that do not offer such clear-cut therapeutic windows. The majority of anticancer antibody-based drug products are consequently limited to a small subset of potential tumor antigens. We believe that our novel approach to increase the selectivity of antibody-based therapeutics while maintaining their potency may have the potential to fundamentally transform the development of anticancer therapeutics and expand the universe of targets for novel antibody-based therapies.

CAB leverages the low pH found in the tumor microenvironment

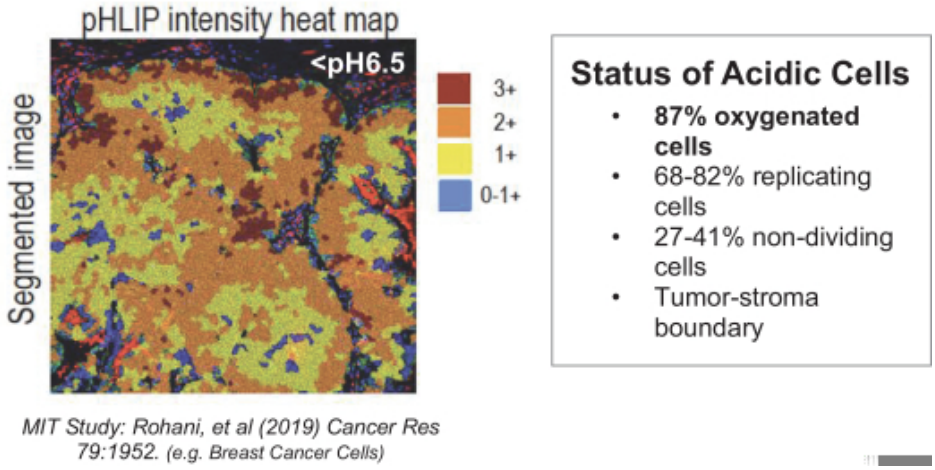
The tumor microenvironment has been widely implicated in tumorigenesis because it harbors tumor cells that interact with surrounding cells through the circulatory and lymphatic systems to influence the development and progression of cancer. The tumor microenvironment has conditions distinct from the normal cellular and extracellular environments found in non-cancerous tissue, blood or other parts of a normal body. It has been long appreciated that the extracellular milieu inside and surrounding the growing tumor mass is distinct and unique. One of the most profound physicochemical differences between the tumor microenvironment and normal cellular environment is an increase in lactic acid and an associated decrease in pH in the tumor microenvironment from the normal physiological pH of about 7.4 or higher.

While the tumor is acidic, some of the most acidic regions of tumors can be observed at the edge of the tumors, just at the interface with the surrounding tissue or blood, according to a paper published in 2019 in the journal *Cancer Research*. In this study, pH low insertion peptide, or pHLIP, a peptide that is taken up by cells at a pH below 6.5, was injected into human tumor-bearing mice. While nearly all tumors took up this peptide, normal tissues did not take up this peptide except in the liver and kidney, where it was metabolized and excreted. As shown in the figure below, certain regions within the tumor and in the cells at the edge of tumors took up some of the highest concentration of the probe, indicating that these areas had pH substantially lower than 6.5. These findings are important when considering the design of therapies for solid tumors because they point to the fact

that while the overall tumor is acidic, the most accessible and rapidly growing portions of tumors are likely to have some of the lowest pHs.

Shown below is a tumor “heat” map identifying the tumor cells that are surrounded by an acid microenvironment. Exploiting the established ability of pHLIP to label the membrane of cells exclusively under acidic conditions (<pH 6.5) *in vivo*, the cells within the acidic areas of the tumor *in vivo* can be identified at the histological level. Mice harboring human breast tumor xenografts were administered Cy7-labeled, or dyed, pHLIP peptide and the tumor tissues were later removed and processed for imaging. Shown on the left is a micrograph of the tumor with the cell-based segmentation data overlayed, including positional information relative to tumor edge. The degree of positivity generated in the above analysis was used to identify a 0-3+ positive cells. Note that the acidic areas extend beyond the traditional hypoxic core of the tumor into the aerobic and oxygenated cells at the invasive fronts at the tumor–stroma interface *in vivo*. Shown on the right is the breakdown of cancer cells types that are identified by pHLIP acidic cell staining *in vivo*. A majority of the cells identified are oxygenated and actively replicating tumor cells, and even the non-dividing cancers cells still maintain an acidic environment.

Tumor “Heat” Map



Tumors are highly acidic based on the uptake of pHLIP, a pH-sensitive probe. While the entire tumor is acidic, the lowest pH cells are the replicating cells, which are glycolytic and often oxygenated, *i.e.*, the Warburg Effect.

One reason for the low pH in tumors compared to normal cells is that there are distinct differences in the metabolic processes found in normal and cancer cells. Normal cells generate the energy they need primarily through the oxygen-dependent process called oxidative phosphorylation. In comparison, cancer cells have switched their mechanism of energy production preferentially to the non-oxygen-dependent process known as glycolysis, even in the presence and availability of oxygen. This process switch was first described nearly a century ago and is the basis of modern tumor screening technologies. The dependence of a tumor cell on glycolysis results in the tumor cell metabolizing up to 200 times more glucose than a healthy cell and causing the secretion of significant levels of lactic acid into the tumor microenvironment. This inherent buildup of lactic acid in the tumor microenvironment has been shown to reduce immune cell function and modulate other defense mechanisms of the body, promoting tumor growth and tumor survival. The presence of lactic acid in the tumor microenvironment causes it to have a distinctly acidic pH of less than 6.8 and even lower at the tumor cell surface, a pH so low that it

is rarely found in the body except in organs designed for low pH, such as the stomach, where antibodies in the blood do not access, and in special circumstances, such as cancer. In some cancers, the pH goes as low as 5.8, an extremely low level given the normal, slightly alkaline, pH in the body. The body holds its pH within a tight range around a pH of 7.4, even in the non-cancerous regions of tissues afflicted with cancer.

These pH differences provide a clear correlation between low pH and cancer, one that is borne out in the aforementioned experiments that measure the uptake by cells of the peptide pH tracer pHLIP. These cells are found to have high levels of lactate dehydrogenase, an enzyme that produces the sugar lactate, *i.e.,* lactic acid. Lactate production and secretion are known features of glycolysis. Similarly, there is a strong correlation between the uptake of pHLIP and the expression of markers of aggressive tumor growth such as Ki67.

Tumors not only have characteristically low pH, which assists them in reducing the body's immune defenses, along with acidity they also generate other aberrant conditions and secrete other chemicals and proteins into the tumor microenvironment that may stimulate tumor growth, promote the development of new blood vessels or angiogenesis, degrade surrounding tissues allowing the tumor to spread or metastasize or actively suppress detection and destruction by the immune system. In view of our preclinical studies and clinical trials and the substantial supporting scientific literature, we believe that there is an opportunity to develop cancer therapies with improved selectivity for tumors by taking advantage of changes in pH, as do our initial product candidates, as well as in the conditions and levels of temperature, pressure and chemical composition in the tumor microenvironment.

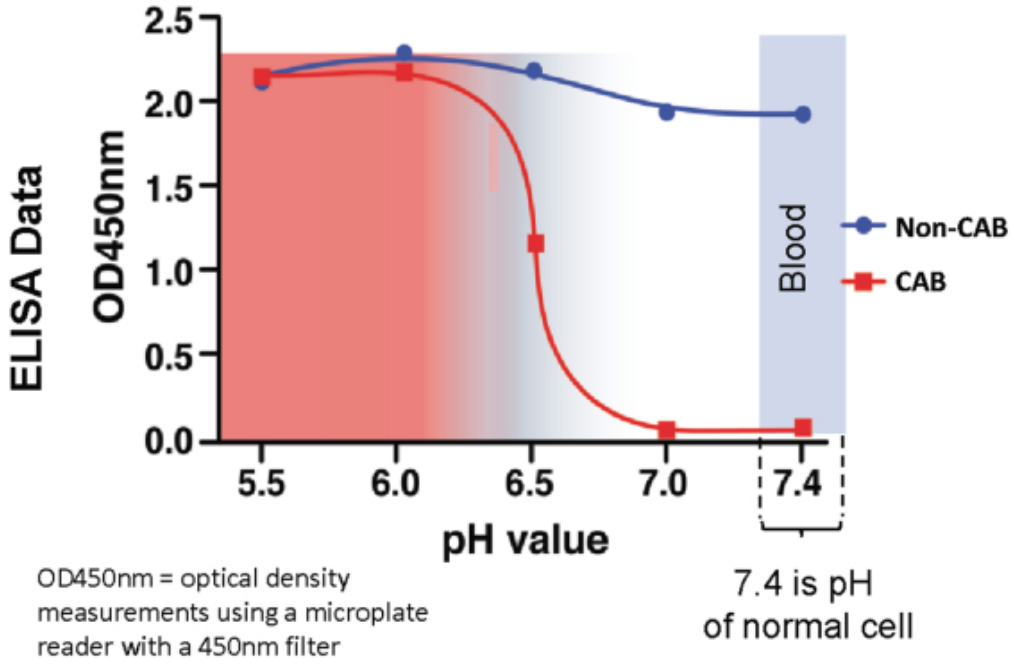
Our CAB technology

Our CABs are based on our patented protein discovery and engineering technology. We invented, developed and refined this technology which we believe selectively activates proteins and antibodies in the tumor microenvironment based on differences in local conditions such as pH, temperature, pressure or chemical composition compared to normal healthy tissue. We have shown that activation of our CAB biologics is reversible; not only are they activated due to the pH levels of the tumor microenvironment, but also, unlike prodrugs, they are reversibly inactivated when they leave the tumor microenvironment and are in a normal physiological environment.

We have used and continue to leverage our patented CAB technology to screen antibody candidates for multiple characteristics. By doing so, we can evolve specific regions on the antibody that will only bind in response to environmental conditions, either enhancing or eliminating binding. Our CAB technology allows us to select antibodies that preferentially bind to the target under the conditions of interest, such as high local acidity. CAB antibodies have human or humanized antibody sequences, a characteristic that reduces the risk of immunogenicity compared to emerging technologies in the field, which is supported by both our preclinical and clinical data.

Our cancer antibodies have been designed to be active in the acidic, lower pH of the tumor microenvironment and inactive under the slightly alkaline pH of 7.4 found in normal physiological conditions. In a quantitative *in vitro* binding assay we compared a CAB antibody and a non-CAB antibody that both bind to the target AXL with matched strength of binding to the target, or affinities, when measured at pH 6.0. As shown in the figure below, binding of the CAB antibody was highly sensitive to pH with binding becoming much weaker as it approached pH 7.0 and almost undetectable at a physiological pH of 7.4. In contrast, a non-CAB antibody to AXL showed indiscriminate and experimentally equivalent binding across the entire pH range tested, including at pH 7.4 of normal cells. Our CAB development process is capable of identifying CAB antibodies with a range of sensitivities to pH.

pH-dependent binding of CAB AXL antibodies vs. non-CAB AXL antibodies



CAB antibodies have pH-dependent binding. Standard antibodies do not have pH-dependent binding in the pH range tested.

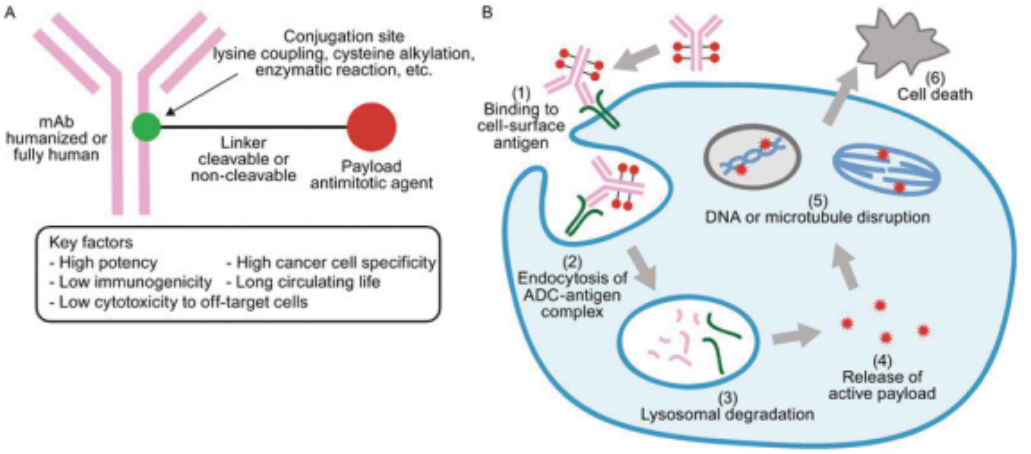
Low pH-dependent CAB antibodies are far less likely to bind to targets outside of tumors, resulting in antibodies generated by our CAB platform having a number of potential advantages over traditional antibodies:

- **Wide therapeutic window.** Reduced binding to target antigens outside of the tumor has the potential to reduce toxicities that arise from systemic exposure. We believe this may enable higher doses or increased potency to be safely delivered to patients with the potential for increased efficacy.
- **Opportunity to increase tumor-specific killing.** The wide therapeutic window imparted by tumor-specific targeting enables CAB antibodies to be modified with cytotoxic drugs to create ADCs. Similarly, bispecific antibodies can be developed using CAB antibody domains targeting pairs of targets that direct T cells to attack the tumor, which may exhibit unacceptable toxicities such as cytokine release syndrome and neurological toxicity if constructed using traditional antibody domains.
- **Increased drug exposure to tumors.** Limited binding to targets outside of tumors allows more of the administered CAB antibodies to be available to bind to target sites in the tumor, potentially increasing the concentrations and exposure of these antibodies in tumors.
- **Improved pharmacokinetics.** Limited binding to targets outside of tumors effectively increases their half-life in plasma. The phenomenon of TMDD is a well-known limitation facing the development of many biologics which CAB antibodies may be able to avoid.
- **Broader universe of tumor-specific antigens that can be targeted.** There are few highly prevalent tumor-specific antigens expressed on solid tumors that are not expressed at some level in normal tissues. While

some targets, such as EGFR, can be targeted by traditional antibodies with an acceptable level of toxicity in a subset of patients, many other potential targets cannot. CAB antibodies with pH-dependent binding have the potential to significantly reduce the potential risk of systemic toxicities caused by expression of targets on normal tissues.

An important emerging class of antibodies is ADCs. An ADC is a modified antibody that generally has a chemotherapy agent attached to the antibody to enable more targeted chemotherapy treatment of a tumor. Set forth below is a general structure of an ADC containing a humanized/human monoclonal antibody, or mAb, a cleavable/non-cleavable chemical linker and a cytotoxic payload. The linker is covalently linked to the mAb at the conjugation site. Also set forth below is the general mechanism of action of ADCs. The ADC binds to its target cell-surface antigen receptor (Step 1) to form an ADC-antigen complex, leading to endocytosis of the complex (Step 2). The internalized complex undergoes lysosomal degradation (Step 3) and the cytotoxic payload, *e.g.*, the microtubulin inhibitor MMAE, is released inside the cell (Step 4). The released payload binds to its target (Step 5), leading to cell death (Step 6).

Structure and mechanism of action of an ADC

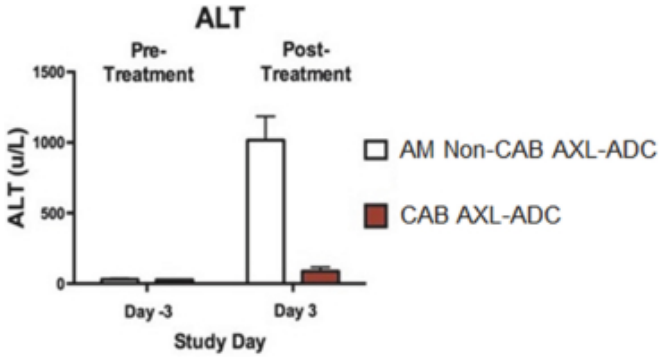


Kyoji Tsuchikama and Zhiqiang An, Protein Cell. 2018 Jan; 9(1): 33–46
(http://creativecommons.org/licenses/by/4.0/). No changes were made to the original figure.

General structure of an ADC, and the general mechanism of action of ADCs.

Unfortunately, ADCs frequently bind to targets on normal cells and lead to severe toxicities. In order to evaluate the CAB technology's ability to eliminate the on-target, off-tumor toxicities, we generated two ADCs during our preclinical testing: one using a CAB antibody to AXL and another using a traditional AXL antibody. Within three days of dosing non-human primates with the traditional ADC, the levels of alanine aminotransferase, or ALT, a sign of liver toxicity, increased sharply. Dosing with the CAB ADC resulted in minimal increase in ALT, supporting that on-target, off-tumor toxicity is reduced with the CAB ADC.

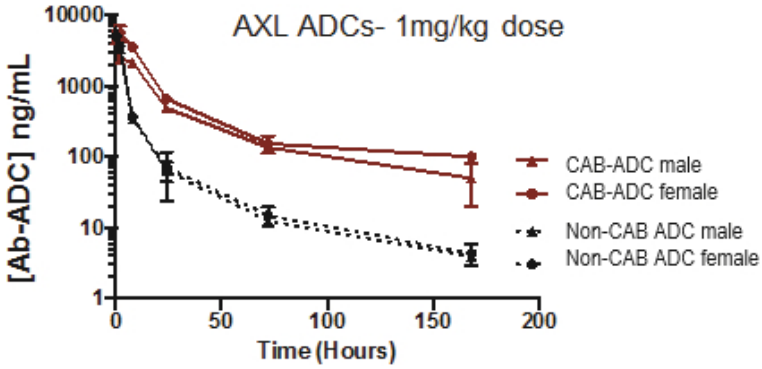
Liver toxicity after injection of AXL-ADCs



Dosing with a CAB ADC resulted in minimal activation of ALT, a sign of liver toxicity, compared to an affinity matched, or AM, traditional antibody ADC.

We also observed that the plasma concentration and half-life of the CAB ADC were higher than that of the traditional ADC. As shown below, we demonstrated a dose dependency of this observation, which indicates that the primary driver of this absence of TMDD effect with CAB ADC is due to the reduced binding of the CAB ADC to AXL outside of the tumor microenvironment.

Pharmacokinetic profile of AXL ADCs following 1mg/kg dose in non-human primate



The CAB-ADC has increased plasma concentration in non-human primates when compared to affinity matched AXL control antibodies, or Non-CAB ADCs.

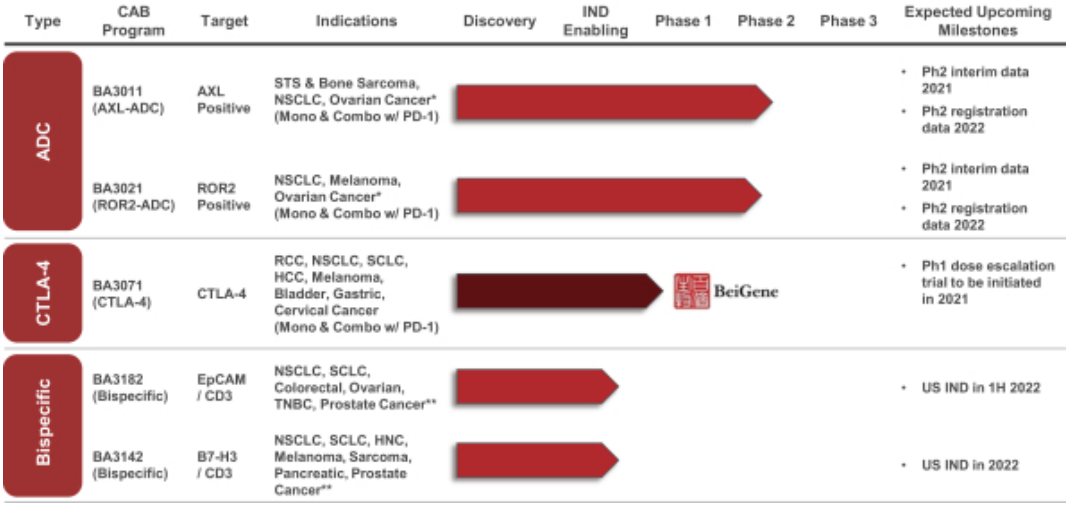
Through the use of our proprietary technology, we have developed CAB antibodies, which we believe have specificity for tumors, while avoiding binding to the same antigen target expressed on many normal tissues. This allows us to develop therapeutics against targets that are expressed at high levels on tumors cells but are also present on normal cells and tissues, without the toxicities associated with traditional antibodies.

Our product candidates

Expanding addressable market with high unmet needs

Our pipeline

The following table summarizes our current product candidate pipeline.



The following table summarizes our most advanced research and discovery product candidates.

Abbreviations: *STS = Soft Tissue Sarcoma, NSCLC = Non-small Cell Lung Cancer, RCC = Renal Cell Carcinoma, SCLC = Small Cell Lung Cancer, HCC = Hepatocellular Carcinoma, TNBC = Triple-Negative Breast Cancer, HNC = Head and Neck Cancer*

** Ph2 investigator-initiated trial for Ovarian Cancer expected to be initiated by the end of 2020 or early 2021*

*** Anticipated indications based upon tumor target expression*

BA3011 – a CAB anti-AXL ADC

BA3011 is a CAB ADC product candidate directed against AXL. We are developing BA3011 as a potential therapeutic for multiple solid tumors, including soft tissue and bone sarcoma, NSCLC and others, such as ovarian cancer. We have completed a Phase 1 trial in patients with refractory solid tumors, established a recommended Phase 2 dose, and continue to dose patients that are responding to therapy. As of December 1, 2020, five patients have achieved a partial response and preliminary evidence of antitumor activity has been observed in additional patients. We have shown that there appears to be a correlation of antitumor activity with tumor membrane expression of AXL and have developed a robust, quantitative immunohistochemistry assay. We recently initiated dosing in a potentially registration-enabling Phase 2 clinical trial in soft tissue and bone sarcoma. We have also initiated a Phase 2 clinical trial in PD-1 refractory NSCLC patients. The FDA has reviewed the trial designs, but has not opined on whether the Phase 2 clinical trials will in fact be sufficient to support regulatory approval. However, the FDA is expected to consider this further at the interim data review point. We cannot assure you that the FDA will agree that such data will be sufficient to support approval. Additionally, we expect a multi-center investigator-initiated trial in platinum-resistant ovarian cancer will commence by the end of 2020 or early 2021.

BA3011 is an ADC consisting of a CAB humanized immunoglobulin G, or IgG1, anti-AXL monoclonal antibody. The core antibody is conjugated using a cleavable linker to the well-known and proven toxin monomethyl

auristatin E, or MMAE. BA3011 was designed to specifically and reversibly bind to AXL in conditions found within the tumor microenvironment, thus conferring a selectivity binding advantage for tumors over normal cells. Upon binding of BA3011 to AXL on the surface of tumor cells, it is internalized and the MMAE cytotoxin is released, leading to cell killing.

Target

AXL – a well-validated oncology target

AXL is a tyrosine kinase receptor that is highly expressed and activated in numerous human sarcomas, including aggressive subtypes of leiomyosarcoma, Ewing's sarcoma and liposarcoma. Increased expression of AXL has been shown in a number of human malignancies, including NSCLC, breast cancer, chronic lymphocytic leukemia, pancreatic cancer, glioblastoma, melanoma, renal cell carcinoma, or RCC, prostate cancer and esophageal cancer, where AXL's higher expression is associated with disease progression and shortened overall survival.

AXL expression is associated with resistance to chemotherapy, PD-1/L1 inhibitors, molecular targeted therapy and radiation therapy in tumors such as lung, prostate, breast, ovarian and colorectal cancers. Overexpression of AXL confers drug resistance in NSCLC. Further, in NSCLC, AXL expression has, to the extent relevant, been shown to correlate with an increase in the expression of PD-L1, an immune checkpoint. In gastrointestinal stromal tumors, expression of AXL leads to resistance to imatinib, a small molecule kinase inhibitor.

AXL is considered to be a driver of many cellular processes that are critical for the development, growth and spread of tumors, including proliferation, invasiveness and migration, stemness, which is related to core stem cell properties such as self-renewal and differentiation, angiogenesis, or the growth of blood vessels, and immune modulation. In NSCLC, AXL is over-expressed in EGFR resistant tumors. AXL is an oncogenic driver and enables tumor growth in EGFR resistant tumors. Genetic knockdown of AXL in preclinical models has been associated with decreased proliferation and increased apoptotic or programmed cell death, and decreased tumor invasiveness and migration. AXL has also been shown to be involved in the epithelial-mesenchymal transition, or EMT, a process by which epithelial cells lose their cell polarity and cell-cell adhesion, and gain migratory and invasive properties to become mesenchymal stem cells, or MSCs. MSCs are home to developing aggressive tumors, where they exacerbate cancer cell proliferation, motility, invasion and metastasis, foster angiogenesis, promote tumor fibrosis and suppress antitumor immune responses.

Therapeutic targeting of AXL: limitations of current therapies and therapeutic candidates

Multiple therapeutic agents that target AXL have been developed and investigated in clinical trials. A number of small-molecule AXL kinase inhibitors have been developed; however, the majority of these inhibitors that have been taken into the clinic, including one that has been approved, are not highly selective for AXL. Some anti-AXL antibodies in the clinic have shown encouraging signs of antitumor activity; however, adverse events, such as high-grade constipation and peripheral neuropathy, were particularly pronounced.

Indications

Sarcoma disease overview

Sarcomas are cancers that arise from bone, muscle, fat, nerves, fibrous tissues, blood vessels or deep skin tissues. Broadly categorized as bone and soft-tissue sarcomas, they can be found in any part of the body, including in the arms, legs or abdomen.

The National Cancer Institute estimates that there will be approximately 13,130 new cases of soft tissue sarcoma and 5,350 deaths in the United States in 2020. Five-year survival for all stages of soft tissue sarcoma is 64.7%, but this falls to 16.4% for patients with late-stage metastatic disease. Osteosarcoma is a rare cancer

with 800 to 900 new cases diagnosed each year in the United States. Five-year survival rates for osteosarcoma are on average approximately 60% for new diagnoses. However, those with metastatic bone sarcomas experience much worse outcomes. Importantly, Ewing and osteosarcomas represent a particularly compelling unmet need among sarcomas because of their relative prevalence and poor prognosis among adolescents and young adults. Teens aged 15 to 19 have a survival rate of about 56% for Ewing sarcoma. This type of tumor has a high unmet need with an estimated 16,730 patients per year in refractory sarcoma. The eligible population for 2nd line treatment is estimated to be approximately 10,000-15,000 patients, and we estimate that approximately 50% of those patients could have AXL positive tumors during their treatment. Thus, we estimate that approximately 5,000-7,500 patients from the existing patient pool may be appropriate for CAB therapy.

There are no targeted therapies for the treatment of most soft tissue sarcomas and osteosarcoma and bone sarcomas have no approved therapies after the failure of frontline regimes. Primary treatments include surgery with the goal of complete resection of the tumor while sparing the limb, cytotoxic chemotherapy, radiation therapy or combinations of these treatments. Approved therapies that have shown improvement in objective response rates, or ORRs, in second-line treatment demonstrated ORRs of less than about 15% in clinical trials. ORR is defined as the proportion of patients with tumor size reduction of a predefined amount and for a minimum time period and is comprised of complete responses and partial responses. Response duration usually is measured from the time of initial response until documented tumor progression. A response is considered “confirmed” if the criteria for response is achieved again in a subsequent scan. Our trials employed the standard RECIST 1.1 criteria (Eisenhauer, 2009).

There is a sizable market for new therapies for sarcomas. In 2016, olaratumab, an antibody against platelet derived growth factor alpha, or PDGFRa, was initially granted accelerated approval in combination with doxorubicin, a chemotherapy medication for the treatment of sarcoma based on an improved overall survival of 26.5 months compared to 14.7 months for doxorubicin alone. Olaratumab subsequently failed to demonstrate a significant benefit in a confirmatory Phase 3 trial and has been withdrawn from the market. However, in less than two years on the market from launch, olaratumab had total sales of $562 million with a 50% CAGR.

NSCLC disease overview

Non-small cell lung cancer is a group of lung cancers that are named for the kinds of cells found in the cancer and how the cells look under a microscope. The three main types of non-small cell lung cancer are squamous cell carcinoma, large cell carcinoma and adenocarcinoma. Non-small cell lung cancer is the most common kind of lung cancer.

Despite the success of new immuno-oncology and targeted treatments, NSCLC continues to represent a profound unmet need. An estimated 1.8 million people die of lung cancer each year, the leading cause of cancer-related death, accounting for approximately 18% of all cancer deaths globally. There are an estimated 228,820 new cases of lung cancer diagnosed and 135,720 deaths in the United States annually. NSCLC accounts for 80 to 85% of lung cancer cases. Genetic profiling of tumors has identified a number of genes that are altered in NSCLC. Targeted therapies developed for the proteins encoded by some of these genes, such as the epidermal growth factor receptor, or EGFR, and anaplastic lymphoma kinase gene, or ALK, have been approved and are now part of the standard of care. However, less than 30% of NSCLC patients have alterations in these two genes. Up to two thirds of NSCLC patients who are ineligible for or resistant to treatment with EGFR or ALK targeted therapies have tumors that express PD-L1 and are candidates for checkpoint inhibitor therapies, which can lead to significant improvements in progression-free survival and overall survival compared to standard chemotherapy. In NSCLC, it is estimated that by 2024/2025 approximately 66,000 patients will be treated with
a PD-1/L1 inhibitor. It is further estimated that the majority of patients (approximately 75%) will progress and switch to new therapy. We estimate that 30% of patients could have AXL or ROR2 positive tumors. Thus, we estimate that approximately 30,000 eligible patients may benefit from CAB therapy.

Despite the availability of these numerous therapies, very few patients are cured of their disease and the prognosis in NSCLC remains poor, with an overall five-year survival for all patients diagnosed with NSCLC of 19%.

Ovarian cancer disease overview

Ovarian cancer is a cancer that forms in tissues of the ovary, one of a pair of female reproductive glands in which the ova, or eggs, are formed. Most ovarian cancers are either ovarian epithelial cancers, which are cancers that begin in the cells on the surface of the ovary, or malignant germ cell tumors, which are cancers that begin in egg cells. Fallopian tube cancer and primary peritoneal cancer are similar to ovarian epithelial cancer and are staged and treated the same way.

Ovarian cancer is the fifth deadliest cancer in women and accounts for more deaths than any other gynecologic cancer in the United States. There are an estimated 21,750 new cases of ovarian cancer in the United States in 2020. Even though most patients will respond to 1st line therapy, approximately 85% of advanced ovarian cancer cases will recur after 1st line treatment. Platinum-based chemotherapy becomes less effective with each recurrence, the time during which the patient lives with the disease but it does not get worse, known as progression-free survival, becomes shorter and most patients eventually become platinum resistant. Patients who relapse within six months or less after initial chemotherapy are considered to be platinum resistant. Platinum resistant patients have few choices for treatment and often experience poor outcomes. By 2nd line treatment, it is estimated that approximately 12,000 patients will be either platinum refractory/resistant, and we estimate that approximately 30-40% of the patients may express AXL or ROR2 on their tumors. Of the existing patient pool, we estimate that approximately 8,000 patients could benefit from CAB therapy.

BA3021—a CAB anti-ROR2 ADC

BA3021 is a CAB antibody directed against ROR2, conjugated to MMAE. ROR2 is a receptor tyrosine kinase that is also known as Receptor Tyrosine Kinase Like Orphan Receptor 2. ROR2 is overexpressed across many different solid tumors and its tumoral expression is further enhanced among those treated with PD-1 checkpoint inhibitors. We have completed a Phase 1 dose-escalation trial with BA3021 where we observed two partial responses in advanced, treatment refractory NSCLC and one partial response in melanoma. We believe BA3021 has broad potential as a cancer therapy for patients with advanced solid tumors. We recently initiated Phase 2 enrollment in patients with PD-1 refractory NSCLC and melanoma. Additionally, we expect a multi-center investigator-initiated trial in platinum-resistant ovarian cancer will commence by the end of 2020 or early 2021.

BA3021 is a CAB anti-ROR2 ADC consisting of a CAB anti-ROR2 humanized IgG1 monoclonal antibody conjugated to MMAE using a cleavable linker. BA3021 binds potently and specifically to ROR2 under conditions found in the tumor microenvironment. Outside of these conditions, BA3021 loses its potency in a reversible manner such that it regains its ROR2 potency when it reenters conditions similar to those in the tumor microenvironment, thereby preventing elimination of ROR2-expressing normal cells.

Target

ROR2—an attractive target in multiple solid tumors

ROR2 is a receptor tyrosine kinase that is commonly overexpressed in multiple types of cancer including breast, lung, pancreatic, renal, colorectal, head and neck and melanoma. Cancer cell expression of ROR2 has been associated with enhanced cancer cell migration, EMT, increased associated risk for relapse, metastasis and unfavorable prognosis. In breast cancer, for example, ROR2 was found to be expressed in the majority of

patient samples, with those expressing ROR2 having decreased overall survival. A similar correlation between ROR2 expression level and overall survival was observed in NSCLC and metastatic melanoma.

ROR2 stimulates the Wnt cellular signaling pathway, a pathway that has long been associated with tumorigenesis and tumor-initiating cells. Wnt signaling has recently been implicated in tumor metabolic reprogramming and tumor immune evasion. Tumors resistant to PD-1 checkpoint inhibitors become increasingly dependent on certain receptor tyrosine kinases involved with EMT, including ROR2, the expression level of which is increased in melanoma tumors that survived PD-1 treatment. Genetic inactivation of ROR2 in metastatic melanoma cells was shown to prevent metastases of these tumor cells in mice.

ROR2 has essential roles in normal cells and in early development. Inactivation of ROR2 is lethal in mice with defects observed in the heart, nervous system and skeleton. Less severe mutations in ROR2 in humans is associated with skeletal diseases Robinow syndrome and brachydactyly type B.

Indication

NSCLC and ovarian cancer are the two initial indications and are described in the prior section.

Melanoma disease overview

Melanoma is a form of cancer that begins in melanocytes, which are cells that make the pigment melanin. It may begin in a mole as skin melanoma, but can also begin in other pigmented tissues, such as in the eye or in the intestines.

There are an estimated 100,350 new cases of metastatic melanoma in the United States in 2020, with 6,850 deaths in the United States annually. An estimated 25,000 patients are being treated with immune checkpoint inhibitors. It is estimated that most patients (approximately 75%) will progress and switch to a new therapy, and of those, approximately 20-30% are anticipated to have tumors that are ROR2 positive at some point in their treatment. Of the existing patient pool, it is estimated that approximately 5,000 patients may benefit from BA3021 CAB therapy.

BA3071—a CAB anti-CTLA-4 antibody

BA3071 is a CAB anti-CTLA-4 antibody that is being developed as an immuno-oncology agent with the goal of delivering the efficacy of approved CTLA-4 antibodies, such as ipilimumab, but with lower toxicities due to the CAB's tumor microenvironment-restricted activation. We have a global collaboration with BeiGene which, as amended, provides for the development, manufacturing and commercialization of BA3071. Under the terms of our BeiGene collaboration, BeiGene is generally responsible for developing BA3071 and is responsible for global regulatory filings and commercialization. Subject to the terms of the agreement, BeiGene holds an exclusive license with us to develop and manufacture the product candidate globally. BeiGene is responsible for all costs of development, manufacturing and commercialization globally. In addition, we may in the future seek third-party collaborators or joint venture partners for development and commercialization of additional CAB product candidates. We expect to work with our partner BeiGene to support the initiation of a Phase 1 dose-escalation trial of BA3071 as monotherapy and in combination with tislelizumab, an anti-PD-1 antibody in late stage development by BeiGene, in 2021 with expansion cohorts to be enrolled upon identification of the recommended dose.

BA3071 is a CAB anti-CTLA-4 antibody which is activated under conditions similar to those found in the tumor microenvironment and inactive under conditions found elsewhere in the body.

Target

CTLA-4 overview

CTLA-4, or cytotoxic T-lymphocyte-associated antigen 4, is an immune checkpoint involved in regulating T-cell activation. The primary role of immune checkpoints is to prevent autoimmune attacks against normal tissue in the body; however, cancer cells often take advantage of this pathway to prevent immune destruction of the tumor.

Ipilimumab is an anti-CTLA-4 monoclonal antibody that is approved for the treatment of multiple solid tumors, including melanoma, RCC, colorectal cancer and in combination with an anti-PD-1 antibody, nivolumab in NSCLC. Patients treated with ipilimumab face a risk of a number of adverse events associated with inappropriate activation of the immune system beyond the tumor site including severe and sometimes fatal enterocolitis, hepatitis, dermatitis, neuropathy and endocrinopathy. The usage and dosage of ipilimumab is highly limited due to its safety profile, resulting in the average number of cycles on therapy not exceeding four cycles. Even in combination with nivolumab, at one-third to one-tenth of the monotherapy dosage level, treatment still results in high toxicity.

To maximize efficacy for the treatment of most cancers, combination treatments are often needed. In a Phase 3 trial in late stage refractory melanoma, the combination of treatment with nivolumab and ipilimumab led to a 57.6% ORR, including 11.5% of patients with a complete response, which means the eradication by treatment of all of a readily identifiable tumor. As of the most recent assessment, more than half of the patients continued to show a complete response. This response exceeded the results associated with either product when used as monotherapy. Overall survival increased from 6.9 months on nivolumab monotherapy to 11.5 months for the combination therapy. As shown below, this drug combination, however, increased the frequency of Grade 3 and 4 adverse events such that over half of treated patients were affected. The most frequent Grade 3 or Grade 4 events were diarrhea, colitis and elevation of liver enzymes. Over one-third of patients in the combination arm withdrew from the trial.

According to the FDA, the term “Grade” refers to the severity of the adverse event—Grade 1 Mild; asymptomatic or mild symptoms; clinical or diagnostic observations only; no intervention indicated—Grade 2 Moderate; minimal, local or noninvasive intervention indicated; limiting age-appropriate instrumental activities of daily living, or ADL—Grade 3 Severe or medically significant but not immediately life threatening; hospitalization or prolongation of hospitalization indicated; disabling; limiting self-care ADL—Grade 4 Life-threatening consequences; urgent intervention indicated—Grade 5 Death related to the adverse event.

Combining immune checkpoint inhibitors: the example of PD-1 and CTLA-4

Clinical Endpoint	Nivolumimab (PD-1)[1]	Nivolumimab (PD-1) + Ipilumimab (CTLA4)[1]
Progression Free Survival	6.9 months	11.5 months
Grade 3 or 4 Adverse Events	16.3%	**55.0%**
Discontinued Treatment	7.7%	**36.4%**

(1) *Larkin et al., New Eng. J. Med., 373: 23-34, 2015.*

The combination of an anti-PD-1 and anti-CTLA-4 checkpoint inhibitor led to improved outcomes but was associated with a sharp increase in serious adverse events and treatment discontinuations.

We have designed our CTLA-4 targeted CABs to have reduced toxicity, by focusing the binding of anti-CTLA-4 antibodies to the vicinity of the tumor and draining lymph nodes.

Indications

Multiple solid tumor indications, including renal cell carcinoma, NSCLC, small cell lung cancer, hepatocellular carcinoma, melanoma, bladder cancer, gastric cancer and cervical cancer.

Bispecific antibody candidates with CAB antigen-binding domains

Bispecific antibodies are designed to simultaneously bind to two different target cell surface proteins or receptors and they represent an emerging class of high-potency therapeutics. A common design feature for a bispecific antibody is to include a T cell engager component (*i.e.*, CD3 receptor), such that one antigen-binding domain recognizes a surface-expressed tumor antigen and the other antigen-binding domain binds to and activates CD3+ T cells. With this design, bispecific antibodies can induce potent T cell responses against tumors expressing the tumor target antigen in a simplified manner relative to even off-the-shelf or allogeneic CAR-T therapies. The first FDA approved bispecific antibody was a T cell engager, blinatumomab, which contained antigen-binding domains for CD19, an antigen found on B-cell leukemias, and CD3, a T cell activating receptor.

There are multiple structural variants of antibodies and other antigen-binding domains being used to construct bispecific product candidates and tested clinically. However, similar to CAR-T cells and blinatumomab, many of these bispecific product candidates have increased risks of generating life-threatening cytokine release syndrome due to systemic immune activation.

We have applied our CAB antibody technology to develop bispecific CAB antibodies in which one or both antigen-binding domains are activated only in the tumor microenvironment. An example of this approach is our EpCAM x CD3 bispecific. EpCAM, or epithelial cell adhesion molecule, is a protein that is over-expressed in many cancers including carcinomas derived from colon, intestine, breast, lung and prostate. Expression of EpCAM has been associated with cell growth and proliferation of both healthy and cancer cells.

EpCAM was one of the first cancer-associated antigens discovered, however in the forty years since, its clinical impact as a target for therapeutic antibodies in cancer has been limited. One of the problems with targeting EpCAM is its broad expression in the basolateral membranes of normal epithelial cells. Conventional approaches of avoiding systemic toxicities including deliberately selecting antibodies with low affinity for EpCAM with the intention of generating some degree of selectivity for tumors that express very high levels of EpCAM, have not been successful. Bispecific constructs targeting EpCAM have also not lived up to expectations. Solitomab, an EpCAM x CD3 bispecific led to over 95% of patients in a Phase 1 dose-escalation trial to experience at least one Grade 3 or above adverse event. Over 20% of patients experienced dose-limiting toxicities and there was only one unconfirmed partial response observed among 65 patients at these low doses.

Clinical trials

BA3011

BA3011 Phase 1 clinical trial

We have completed a Phase 1 trial of BA3011 in patients with advanced solid tumors, including sarcoma, pancreatic cancer and NSCLC who were refractory or resistant to standard therapies. As shown below, cohorts were treated with doses of BA3011 ranging from 0.3 mg/kg to 3 mg/kg once every three weeks (Q3W) or doses ranging from 1.2 mg/kg to 1.8 mg/kg twice every three weeks on days 1 and 8 (2Q3W). As of the last data cut-off 55 subjects were enrolled into 9 dose cohorts: 0.3 mg/kg Q3W (3 subjects), 0.6 mg/kg Q3W (1 subject), 1.2 mg/kg Q3W (1 subject), 1.8 mg/kg Q3W (9 subjects), 2.4 mg/kg Q3W (9 subjects), 3.0 mg/kg Q3W (1 subject), 1.2 mg/kg 2Q3W (7 subjects), 1.5 mg/kg 2Q3W (4 subjects) and 1.8 mg/kg 2Q3W (20 subjects). The solid tumor types enrolled in this study were: soft tissue sarcoma (19 subjects), pancreatic (12 subjects), NSCLC (4 subjects), colorectal (4 subjects), melanoma (3 subjects), bladder (2 subjects), endometrial (2 subjects), non-TNBC, osteosarcoma, Ewing sarcoma, chondrosarcoma, myoepithelial carcinoma, adenoid cystic carcinoma, small cell lung, renal cell carcinoma and mesothelioma of the pleura (1 subject each).

The main goals of this trial were to evaluate the safety, tolerability, antitumor activity, pharmacokinetics and immunogenicity of BA3011 in solid tumor patients. Based upon the overall safety and response rates, the

recommended Phase 2 dose is 1.8 mg/kg delivered every two weeks (Q2W). The trial's objectives were the following:

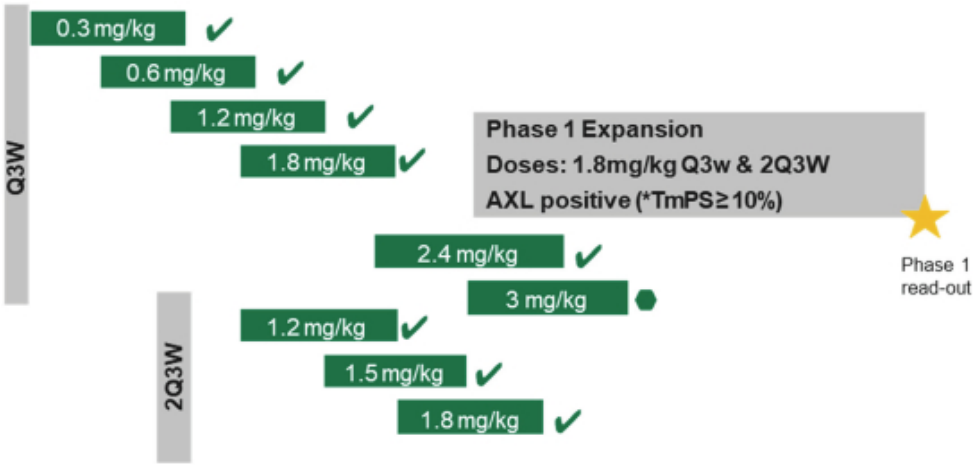
Primary

- To define the safety profile, including dose-limiting toxicity, or DLT, and determine the maximum tolerated dose, or MTD, and/or the recommend Phase 2 dose, or RP2D, and other safety parameters for BA3011 in patients with advanced solid tumors.

Secondary

- To assess antitumor activity of BA3011 including endpoints such as objective response, or OR, change from baseline in tumor size, duration of response, or DoR, disease control, time-to-response, and overall response rate, or ORR, according to Response Evaluation Criteria in Solid Tumors (RECIST) Version 1.1.
- To assess the pharmacokinetics of BA3011.
- To evaluate the immunogenicity of BA3011.

Design of the BA3011 Phase 1 trial

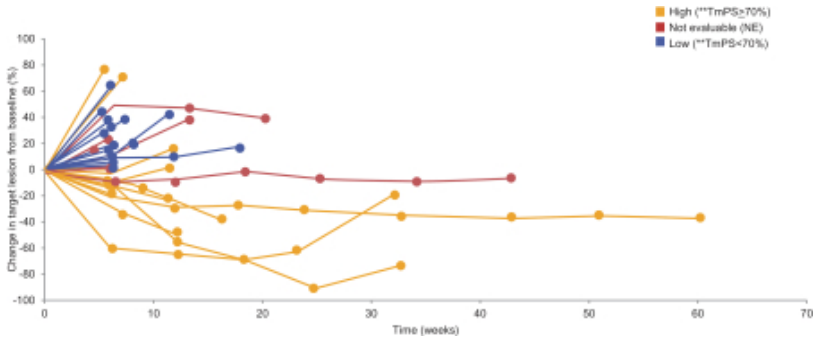


Based on the Phase 1 trial of BA3011, the recommended Phase 2 dose is 1.8 mg/kg delivered every two weeks. As of the last data cut-off, 55 patients have been dosed with BA3011.

Antitumor activity

We evaluated OR, one of our secondary endpoints, as shown in the figure below. We have observed five confirmed partial responses (a reduction of at least 30% in the size of the tumor), four in patients with sarcomas and one with NSCLC. These responses have been shown to be durable (^{3}8 months; duration of response is one of our secondary endpoints). Further, additional patients have experienced prolonged progression-free intervals, a period of time where the existing tumor did not measurably increase in size by more than 20% and no new tumors were known to develop. The toxicities observed were consistent with those described with MMAE-based ADCs and were well-tolerated at exposures planned for Phase 2. Importantly we have not observed adverse events that appeared to be related to on-target injury of normal, AXL expressing tissues, *i.e.*, on-target, off-tumor toxicity.

Percent change in sum of target lesions by visit and AXL for all patients

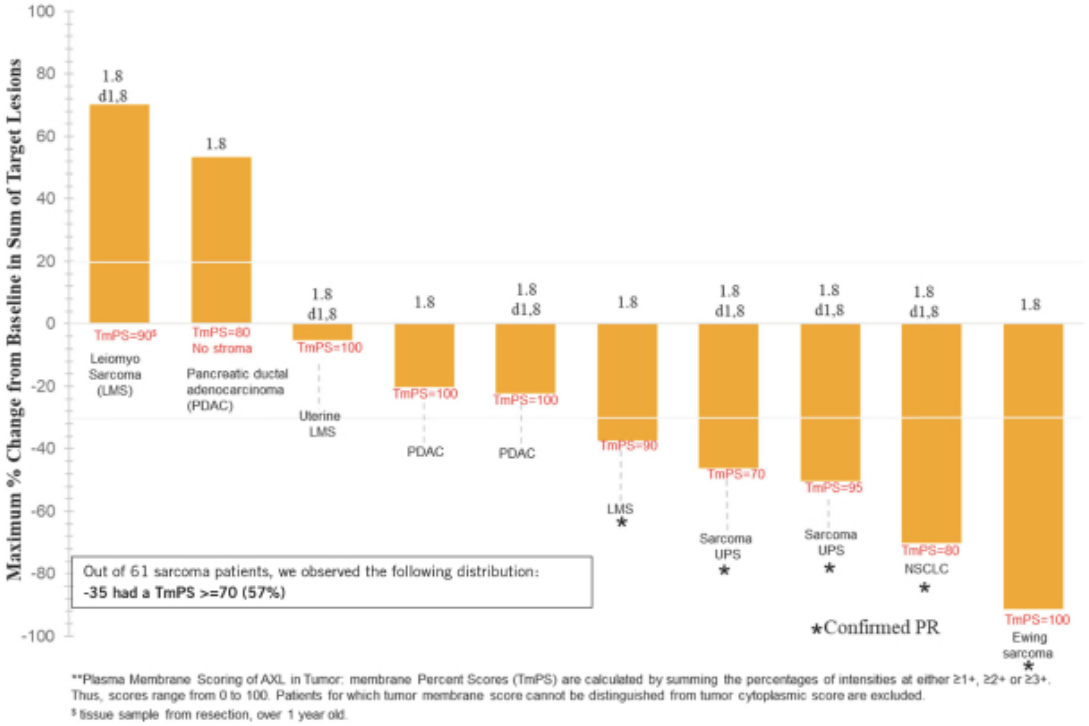


Antitumor response over time by AXL expression for patients enrolled in the Phase 1 dose escalation trial of BA3011 (a variety of tumor types were included).

We developed and CLIA-validated (the Clinical Laboratory Improvement Amendments, or CLIA, establishes federal quality standards for laboratory testing) an AXL immunohistochemical assay to quantify the level of target expression on the tumor membrane and cytoplasm. An independent board-certified pathologist scored all samples according to the scoring scheme determined by us during the CLIA validation phase, as well as during the Phase 1 trial. The pathologist determined the percent of tumor cells with positive membrane staining referred to as the TmPS.

We observed that approximately 57% of sarcoma patients screened for enrollment had an AXL TmPS of 70% or above (from a scale of 0% to 100%), as shown in the figure below. In addition, we identified a correlation between the expression of AXL on the membrane of tumor cells and the observed antitumor clinical response. Eight of 10 patients with a confirmed AXL TmPS of 70% or above who were dosed with 1.8 mg/kg of BA3011 Q3W or 2Q3W had a reduction in tumor volume from baseline (one of our secondary endpoints) and five patients of these eight achieved a confirmed partial response. Only two patients whose tumors expressed AXL with a TmPS of 70% or above did not respond to treatment. One of these was a pancreatic cancer patient with very advanced disease at time of trial entry and the other was a leiomyosarcoma patient for whom the archived tissue biopsy sample had been provided from a resection that was performed over one year prior to trial entry and thus may not have accurately represented AXL expression by tumor at the time of treatment.

Best response for patients with TmPS of 70% or above administered 1.8mg/kg Q3W or 2Q3W



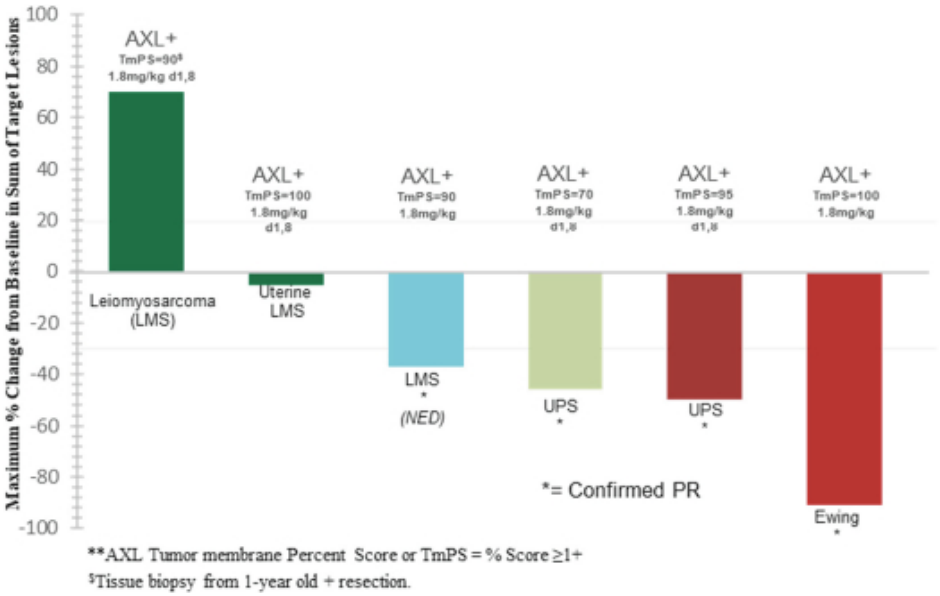
**Plasma Membrane Scoring of AXL in Tumor: membrane Percent Scores (TmPS) are calculated by summing the percentages of intensities at either ≥1+, ≥2+ or ≥3+. Thus, scores range from 0 to 100. Patients for which tumor membrane score cannot be distinguished from tumor cytoplasmic score are excluded.

[$] tissue sample from resection, over 1 year old.

At a dose of 1.8mg/kg Q3W or 2Q3W; Five patients with an AXL TmPS [3]70% achieved a partial response. Eight out of 10 patients with an AXL TmPS [3]70% experienced a reduction in tumor volume.

Focusing on the sarcoma patient subset, we observed a correlation of the AXL TmPS and antitumor response. As shown below, five out of six patients with multiple subtypes of sarcoma who were dosed with 1.8 mg/kg Q3W or 2Q3W of BA3011 with TmPS [3]70% experienced reductions in tumor volume and four of these five patients achieved confirmed partial responses (observed response for at least two consecutive time points). We intend to confirm this observed correlation and the TmPS cut-off of 70% or more in Phase 2.

Best response for sarcoma patients with confirmed TmPS of 70% or above administered 1.8mg/kg Q3W or 2Q3W



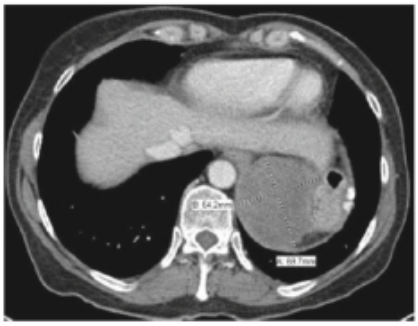
**AXL Tumor membrane Percent Score or TmPS = % Score ≥1+

§Tissue biopsy from 1-year old + resection.

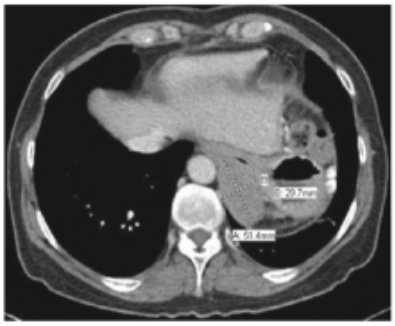
At a dose of 1.8mg/kg Q3W or 2Q3W; 5 out of 6 sarcoma patients with an AXL TmPS §70% experienced a reduction in tumor volume and 4 out of 6 achieved a partial response.

One patient with leiomyosarcoma who had experienced failure of multiple prior treatments had a 37% reduction in tumor volume while receiving 1.8 mg/kg Q3W BA3011, as shown in the figure below. The figure below reflects the patient noted in blue in the figure above. After over a year of treatment with BA3011, the residual tumor mass was reduced to a sufficient degree, enabling a successful surgical resection.

CT scan of leiomyosarcoma patient after BA3011 treatment



Pre-treatment



Post-treatment, week 18 Scan*

Cohort 1.8 mg/kg Q3W

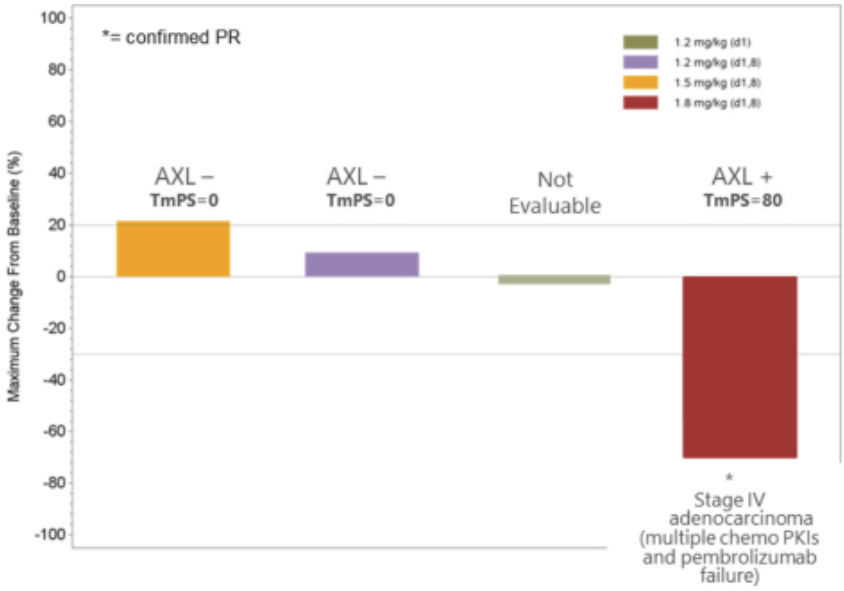
Leiomyosarcoma	Baseline CT	1st CT	2nd CT	3rd CT *	4th CT	5th CT	6th CT	7th CT	8th CT
Tumor measurement	70 mm	16% Wk6	29% Wk12	27% Wk18	31% Wk24	36% Wk33	37% Wk42	36% Wk51	37% Wk60

RECIST 1.1 Partial Response

CT scan of a 70 mm leiomyosarcoma tumor which decreased in size with BA3011 treatment (confirmed PR) and after a year of therapy was removed by surgical resection.

Of the four patients with NSCLC enrolled in our Phase 1 clinical trial, two were AXL negative with a TmPS of 0%, one was not evaluable, and one was AXL positive with a TmPS of 80%. Prior to BA3011 treatment, the AXL positive patient with stage IV adenocarcinoma experienced failure from prior treatments, including treatment with a PD-1 inhibitor (pembrolizumab). As shown below, this patient experienced a partial response characterized by approximately 70% tumor shrinkage with BA3011 delivered at 1.8 mg/kg on days 1 and 8, every three weeks (2Q3W).

All evaluable NSCLC patients enrolled in Phase 1 BA3011 trial



One of four NSCLC patients enrolled in the Phase 1 BA3011 trial had a partial response. This patient was the only patient with an AXL TmPS ³70%.

We have not yet evaluated certain of our secondary endpoints such as ORR, disease control or time-to-response. Because this clinical trial is a single arm clinical trial, none of the endpoints, including those related to antitumor activity, can be tested for statistical significance.

Safety

BA3011 was generally well-tolerated. We have not observed adverse events that appear to be related to on-target injury of normal, AXL-expressing tissues. We believe that toxicities observed at the maximally tolerated dose and lower were manageable and off-target effects of free MMAE were consistent with those described with other marketed MMAE-based ADCs. The estimated half-life of BA3011 was approximately four days, which is twice the 1.9-day half-life reported for enapotamab vedotin, a non-CAB ADC targeting AXL. We believe this difference may be due to the decreased TMDD resulting from the lack of binding of BA3011 to AXL outside of tumors.

In the Phase 1 trial, the Grade 3 or greater adverse events, or AEs, or serious adverse events, or SAEs, deemed related to BA3011 were consistent with MMAE-based toxicity and could generally be classified as either reversible myelosuppression (AEs: neutropenia and anemia), transient liver enzyme elevations (AEs: AST/ALT increased) or metabolic disturbances (AEs: hyponatremia, hypokalemia). There was a total of 19 (34.5%)

patients who experienced an SAE, 8 (14.5%) of which were considered related to treatment. At the anticipated Phase 2 exposure level (1.8mg/kg Q2W), BA3011 was well tolerated with few patients having treatment-related Grade 3-4 AEs (for 1.8 mg 1Q3W: 22% (2/9), vomiting and neutrophil count decrease; for 1.8 mg 2Q3W: 30% (6/20), neutropenia, hypokalemia, hyponatremia, anemia, neutropenia, blood bilirubin increase and lipase increase). Few patients had SAEs (1.8mg/kg Q3W: 4 SAEs (44%; neutrophil count decrease, intestinal obstruction, lower limb fracture, and sepsis caused by *E. coli*); 1.8mg/kg 2Q3W: 8 SAEs (40%; pyrexia, lipase increased, hyponatremia, syncope, corneal perforation, hypercalcaemia, gastritis and edema of lower extremities) and of these SAEs, even fewer were deemed related to treatment by the investigator (1.8mg/kg Q3W: 1 SAE (11.1%; neutrophil count decrease); 1.8mg/kg 2Q3W: 3 SAEs (15%; pyrexia, lipase increased and hyponatremia). None of the related AEs or SAEs led to treatment discontinuation.

Overview of adverse events in BA3011 Phase 1 trial for patients administered 1.8mg/kg Q3W (d1) or 2Q3W (d1,8) (safety population)

Characteristic	BA3011 1.8 mg/kg Q3W (N=9)	BA3011 1.8 mg/kg 2Q3W (N=20)
Any AEs	9 (100%)	17 (85%)
Related AEs with CTCAE[1] Grade 3 or 4[2]	2 (22%)	6 (30%)
Any related serious AEs[2]	1 (11%)	3 (15%)
AEs leading to death	1 (11%)	0
Related AEs leading to death[2]	0	0
Related AEs leading to treatment discontinuation[2]	0	0

1 CTCAE: Common Terminology Criteria for Adverse Events. The NCI Common Terminology Criteria for Adverse Events is a descriptive terminology which is utilized for AE reporting. A grading (severity) scale is provided for each AE term.
2 As assessed by the investigator. Missing responses are counted as related.

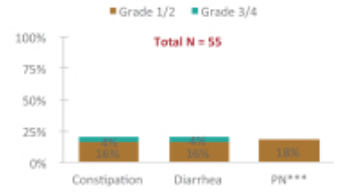
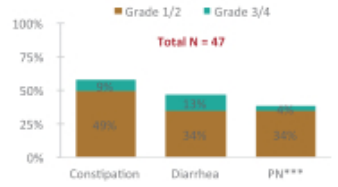
We believe that our CAB AXL ADC, BA3011, compares favorably to enapotamab vedotin, a non-CAB AXL ADC with regard to safety and key pharmacokinetic properties. Comparing across the two Phase 1 trials, both ADCs: (i) were designed to deliver 4 MMAE molecules per antibody (DAR4 loading), (ii) employed similar ADC doses and (iii) enrolled comparable patients with advanced cancer who had experienced treatment failure of prior regimens (see figure below). As a key difference, BA3011 was designed to only bind to the AXL target expressed by tumor while enapotamab vedotin would be anticipated to bind to the AXL target throughout the body.

Notably, the estimated half-life of BA3011 was approximately four days, which is twice the 1.9-day half-life reported for enapotamab vedotin. We believe this difference may be due to the decreased TMDD resulting from the lack of binding of BA3011 to AXL outside of tumors. With respect to reported toxicity comparisons, constipation is believed to be an on-target delivery of MMAE to normal gut tissues that express the AXL target. Despite including a risk mitigation plan in enapotamab vedotin's trial protocol (a prophylactic stool-softener medication in all patients), the clinical data presented at ASCO 2019 showed that AEs of constipation Grade 1-2 were reported in 49% of the patients and Grade 3-4 in 9% of patients. The rate of constipation reported with BA3011 (16% Grade 1-2 and 4% Grade 3-4) was approximately 2 to 3-fold lower for both Grade 1-2 and Grade 3-4 TAEs. While supportive of a reduced toxicity benefit from CAB technology, these comparisons are derived from cross-trial analyses, and would not be included as part of our labeling.

Adverse events, such as peripheral neuropathy, are commonly seen with other ADCs and may be due to free circulating MMAE. Clinical data presented at ASCO 2019 for enapotamab vedotin showed that 38% of the patients had peripheral neuropathy (all Grades) with 2 patients reporting Grade 3-4 AEs. The rate of peripheral neuropathy (all Grade) reported for BA3011 (18%) was approximately half the rate reported with enapotamab vedotin and is believed to be due to the advantageous pharmacokinetic characteristics of a CAB ADC vs. a non-CAB ADC.

At a dose of 2.4 mg/kg Q3W BA3011, two patients experienced dose-limiting toxicities: one with Grade 3 febrile neutropenia and the other with Grade 4 hyperglycemia. Dosing continued at the 2.4 mg/kg with prophylactic administration of pegfilgrastim without any additional dose limiting toxicities. Dosing above 2.4 mg/kg was terminated due to one patient who experienced Grade 4 febrile neutropenia and cardio-respiratory arrest at 3 mg/kg likely related to delayed hepatic and renal excretion of MMAE.

Cross-Trial Comparison of BA3011 and Enapotamab Vedotin

	BA3011 As of last data cut-off	Enapotamab Vedotin (ASCO #2525, 2019)
ADC	• CAB AXL epitope binding • VC-MMAE* with DAR4**	• Conventional AXL epitope binding • VC-MMAE* with DAR4**
Dosing Schedule	• Q3W • Day 1 and 8 every 3W	• Q3W • Day 1, 8, and 15 every 4W
Types of Cancer	• Advanced sarcomas, melanoma, and advanced cancers of lung, pancreas, colon, breast and bladder	• Advanced melanoma and advanced cancers of ovaries, lung, endometrium and cervix
Pharmacokinetics	• ~ 4-day half-life • Dose normalized: -CAB-ADC exposure increased by ~20% -Free MMAE exposure decreased by ~30%	• ~ 1.9-day half-life with evidence suggesting TMDD
Safety Main differences in safety profile		

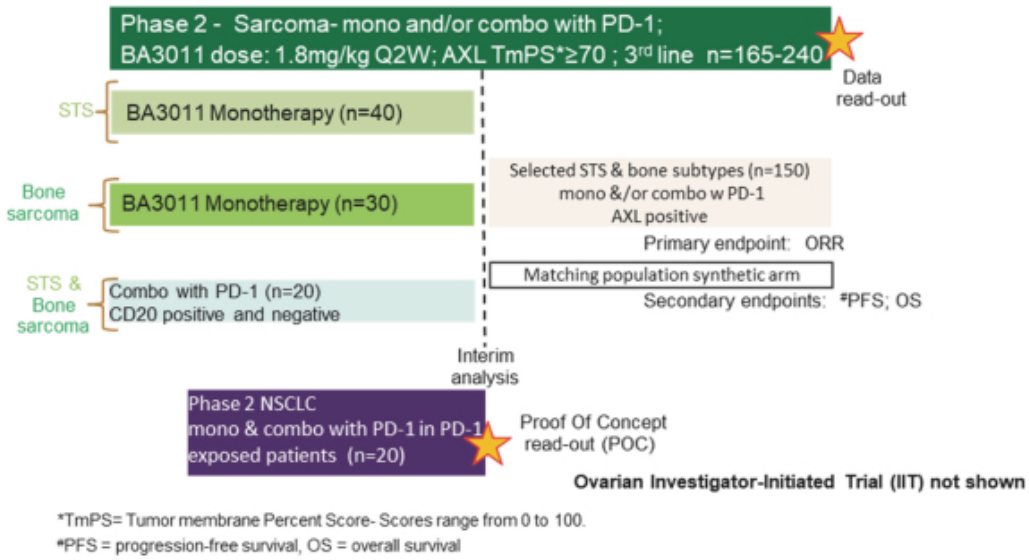
*VC = Valine-Citrulline (linker); MMAE = Monomethyl auristatin E (payload). Payloads are attached to the antibody via a cleavable linker. Otherwise payload would be far too toxic to administer as a systemic chemotherapy agent.
**DAR4 = "drug to antibody ratio" means that there are four MMAE molecules per antibody for both of the ADCs
***PN = peripheral neuropathy

Clinical development plans

We have initiated a Phase 2, potentially registration-enabling trial with BA3011, enrolling soft-tissue and bone sarcoma patients, with interim analysis anticipated in 2021 and the complete registrational data set expected in 2022. In addition, we have initiated a Phase 2 trial in NSCLC with BA3011 as monotherapy and in combination with an anti-PD-1 agent in patients who have experienced prior disease progression on a PD-1/L1 inhibitor and have a TmPS of 50% or greater. The FDA has reviewed the trial designs, but has not opined on whether Phase 2 clinical trials will in fact be sufficient to support regulatory approval. However, the FDA is expected to consider this further at the interim data review point. We cannot assure you that the FDA will agree that such data will be sufficient to support approval. A summary of our clinical development plan for BA3011 is below.

Additionally, we expect a multi-center investigator-initiated trial of BA3011 led by the Canadian Cancer Trials Group, or CCTG, in platinum-resistant ovarian cancer patients to commence by the end of 2020 or early 2021.

Clinical development plan for BA3011, which includes multiple Phase 2 trials



*TmPS= Tumor membrane Percent Score- Scores range from 0 to 100.
#PFS = progression-free survival, OS = overall survival

BA3011 sarcoma Phase 2 trial design:

This Phase 2 trial is an open-label trial to evaluate the efficacy and safety of BA3011 alone and in combination with an anti-PD-1 agent in adult and adolescent patients with AXL-expressing TmPS [3] 70%, and advanced, refractory sarcoma who have measurable disease by RECIST Version 1.1 criteria and have documented progression according to RECIST Version 1.1 criteria within the six months prior to enrollment. To enroll, patients must either be ineligible for chemotherapy or have received at least one regimen containing anthracycline and a maximum of three previous lines of systemic therapy for metastatic disease (no more than two lines of combination regimens), including pazopanib, trabectedin, eribulin mesylate or tazemetostat, if applicable, per regional prescribing information. Patients who meet enrollment criteria will be assigned to receive either BA3011 alone or in combination with an anti-PD-1 agent (for patients 18 years old and above: 240 mg every two weeks (Q2W); for patients 12-17 years old: 3 mg/kg Q2W IV infusion). Patients with tumors showing B-cell infiltration (per immunohistochemistry, or IHC, assay) will be preferentially assigned to receive BA3011 in combination with an anti-PD-1 agent. Based on data from the Phase 1 part of the trial, the dose of BA3011 for Phase 2 is 1.8 mg/kg Q2W.

Enrollment will be staged, beginning with approximately 10 patients per sarcoma subtype in the monotherapy arm. Up to seven sarcoma subtype groups may be enrolled:

Soft tissue sarcoma:

- Leiomyosarcoma
- Synovial sarcoma
- Liposarcoma
- All other soft tissue sarcomas, except gastro intestinal stromal tumors, dermatofibrosarcoma protuberans, inflammatory myofibroblastic tumor and malignant mesothelioma

Bone sarcoma:

- Osteosarcoma
- Ewing sarcoma
- Other bone sarcomas, including undifferentiated pleomorphic sarcoma, malignant fibrous histiocytoma, and chondrosarcoma

In the combination arm (BA3011 with an anti-PD-1 agent) of the study, 20 patients of any sarcoma subtype will be enrolled. Among these 20 patients, approximately 10 patients will have a tumor showing B-cell infiltration and 10 patients will not.

Tumor assessment will occur approximately every 6 weeks from cycle 1 day 1 of treatment, or C1D1, until 12 weeks, and every 8 weeks thereafter. Pharmacokinetic, pharmacodynamic, immunogenicity and biomarker assessments will also be performed at various time points.

An interim analysis will be conducted for each subtype or treatment (i.e., BA3011 in combination with an anti-PD-1 agent in patients with tumors with B cell infiltration or BA3011 in combination with an anti-PD-1 agent in patients with tumors without B cell infiltration) after at least 10 patients in the subtype or treatment have the potential to be followed for at least 12 weeks after the initiation of investigational product. Following interim analysis, accrual to the subtype or to a treatment (i.e., BA3011 alone or in combination with an anti-PD-1 agent) may be put on hold if the number of patients with a response (i.e., confirmed or unconfirmed complete response or partial response) and progression-free rate at 12 weeks are below a pre-defined threshold. Approximately 150 additional patients may be enrolled for sarcoma subtypes that meet the threshold. The accrual of patients to a specific subtype or to one or both treatment regimen(s) (i.e., BA3011 alone and/or BA3011 in combination with an anti-PD-1 agent) can be put on hold at any time based on evaluation of available data or by the Independent Data Monitoring Committee, or IDMC, at any time upon review of safety data. Treatment for all enrolled patients will continue until disease progression, unacceptable toxicity, or other reason for treatment discontinuation.

BA3011 NSCLC Phase 2 trial design:

This is a multi-center, open-label, Phase 2 study designed to evaluate the efficacy and safety of BA3011 alone and in combination with an anti-PD-1 agent in patients with AXL-expressing TmPS^{3}50%, metastatic NSCLC who have measurable disease by RECIST v1.1 criteria and have documented progression according to RECIST v1.1 criteria within the 6 months prior to enrollment. To enroll, patients must have prior disease progression on a PD-1/L-1 inhibitor (either monotherapy or in combination with another therapy such as ipilimumab). Patients with EGFR or anaplastic lymphoma kinase (ALK) genomic tumor aberrations should have had disease progression on FDA-approved therapy for these aberrations.

Patients who meet enrollment criteria will be assigned to receive either BA3011 alone or in combination with an anti-PD-1 agent (240 mg every 2 weeks (Q2W)). For the first 20 patients (Part 1), treatment assignment will be determined by the sponsor and the medical monitor based on the patient's prior experience with PD-1/L1 treatment. To be eligible for the PD-1 combination arm, patients must have acceptably tolerated prior PD-1/L1 treatment. In Part 2, up to approximately 200 additional patients may be enrolled depending on observed efficacy at interim analysis. If both monotherapy and combination therapy are further pursued post interim analysis, patients that have acceptably tolerated prior PD-1/L1 treatment will be randomized 1:1 to receive either BA3011 alone or BA3011 in combination with an anti-PD-1 agent. Randomization will be stratified according to histology (squamous vs. non-squamous) and the number of prior systemic regimens (£ 2 vs. ^{3} 3). Patients that have not acceptably tolerated prior PD-1/L1 treatment will be assigned to the BA3011 monotherapy arm of the study. Based on data from the Phase 1 study, the dose of BA3011 for Phase 2 is 1.8 mg/kg Q2W. A dose reduction to 1.5 mg/kg Q2W may be implemented if deemed warranted by the IDMC.

Tumor assessment will occur approximately every 6 weeks from C1D1 until 12 weeks, and every 8 weeks thereafter. Pharmacokinetic, pharmacodynamic, immunogenicity and biomarker assessments will be performed at various time points.

An interim analysis will be conducted after at least 20 patients (10 patients on BA3011 monotherapy arm and 10 patients in the BA3011 an anti-PD-1 agent combination arm) have the potential to be followed for at least 12 weeks after the initiation of investigational product. Following interim analysis, accrual to a treatment (i.e., BA3011 alone or in combination with an anti-PD-1 agent) may be put on hold if the number of patients with a response (i.e., confirmed or unconfirmed complete response or partial response) are below a pre-defined threshold. Depending on observed efficacy at the interim analysis, additional NSCLC patients may be enrolled for a total of up to approximately 200 patients (100 patients in each of the 2 treatment groups) with AXL-expressing, metastatic NSCLC. The accrual of patients to one or both treatment regimen(s) (i.e., BA3011 alone and/or BA3011 in combination with an anti-PD-1 agent) can be put on hold at any time based on evaluation of available data. Treatment for all enrolled patients will continue until disease progression, unacceptable toxicity, or other reason for treatment discontinuation.

BA3021

BA3021 Phase 1 clinical trial

We have completed the dose escalation part of a Phase 1 clinical trial of BA3021 in patients with locally-advanced unresectable or metastatic solid tumors including NSCLC and melanoma, who were refractory or resistant to standard therapies. As shown below, cohorts were treated with doses of BA3011 ranging from 0.3 mg/kg to 3.3 mg/kg once every three weeks (Q3W) or doses ranging from 1.5 mg/kg to 1.8 mg/kg twice every three weeks on days 1 and 8 (2Q3W). As of the data cut-off date, 59 subjects were enrolled into 9 dose cohorts: 0.3 mg/kg Q3W (1 subject), 0.6 mg/kg Q3W (1 subject), 1.2 mg/kg Q3W (1 subject), 1.8 mg/kg Q3W (3 subjects), 2.4 mg/kg Q3W (16 subjects), 3.0 mg/kg Q3W (19 subject), 3.3 mg/kg Q3W (5 subjects), 1.2 mg/kg 2Q3W (3 subjects), 1.5 mg/kg 2Q3W (3 subjects), and 1.8 mg/kg 2Q3W (7 subjects). The solid tumor types enrolled in this study were: soft tissue sarcoma (40 subjects), NSCLC (6 subjects), melanoma (2 subjects), pancreatic (2 subjects), non-TNBC (2 subjects), colorectal, TNBC, GIST, urachus, ampulla of vatter, rectal carcinoid and head and neck (1 subject each).

The main goals of this trial were to evaluate the safety, tolerability, antitumor activity, pharmacokinetic and immunogenicity of BA3021 in solid tumor patients. Based upon the overall safety and response rates, the recommended Phase 2 dose is 1.8 mg/kg delivered every two weeks (Q2W). The trial's objectives were the following:

Primary

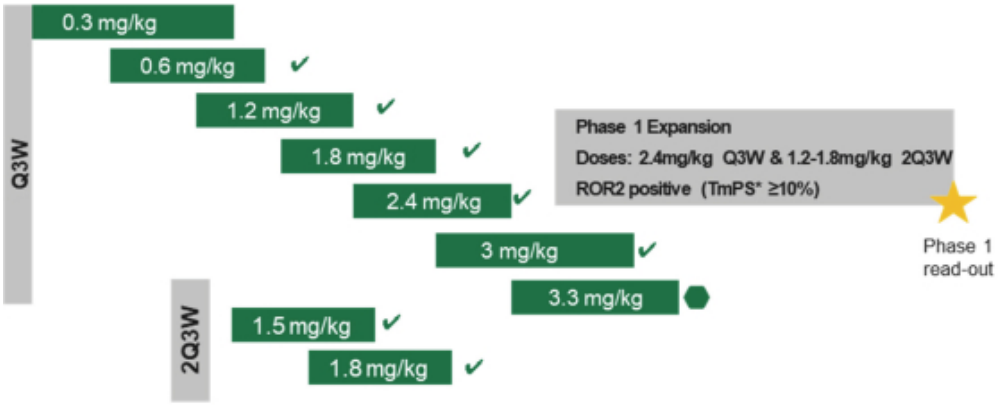
- To define the safety profile, including DLT, and determine the MTD and/or RP2D and other safety parameters for BA3021 in patients with advanced solid tumors.

Secondary

- To assess antitumor activity of BA3011 including endpoints such as OR, DoR, disease control, time-to-response, and ORR, according to RECIST Version 1.1.
- To assess the pharmacokinetics of BA3021.
- To evaluate the immunogenicity of BA3021.

As shown below, cohorts were treated with doses of BA3021 ranging from 0.3 mg/kg to 3.3 mg/kg once every three weeks (Q3W) or doses ranging from 1.5 mg/kg to 1.8 mg/kg twice every three weeks on days 1 and 8 (2Q3W).

Design of the BA3021 Phase 1 trial in solid tumor patients



*TmPS= Tumor membrane Percent Score- Tumor membrane target expression calculated by summing the percentages of intensities at either ≥1+, ≥2+ or ≥3+. Scores range from 0 to 100.

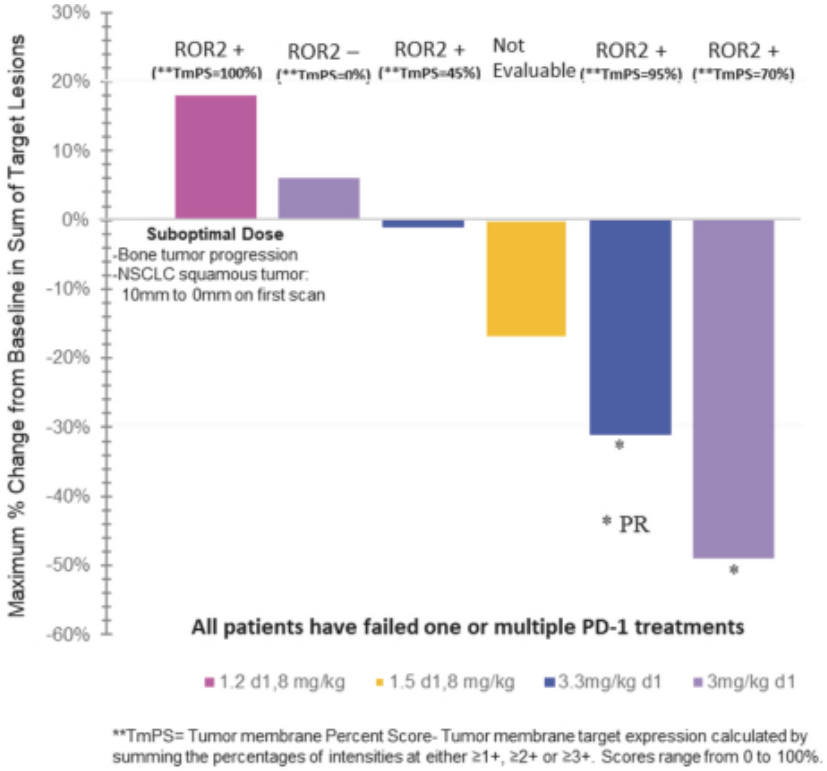
Based on the Phase 1 trial of BA3021, the recommended Phase 2 dose is 1.8 mg/kg Q2W. To date, 59 patients have been dosed with BA3021.

Antitumor activity

We evaluated OR, one of our secondary endpoints, as shown in the figure below. At various dose levels, treatment with BA3021 has resulted in a total of four partial responses: 2 among patients with NSCLC (~31% and ~49% tumor reduction), 1 in a patient with metastatic melanoma (~80% tumor reduction) and 1 in a patient with advanced head and neck cancer (~54% tumor reduction).

Of the six NSCLC patients enrolled in the dose escalation phase, two patients achieved a durable partial response (duration of response is one of our secondary endpoints) and a third experienced tumor reduction to a lesser degree (change from baseline in tumor size is one of our secondary endpoints, as shown below). Similar to the observed correlation of antitumor activity with higher levels of tumoral membrane AXL expression, as shown below, the two NSCLC patients with partial responses to BA3021 had ROR2 TmPS of at least 70%. We were not able to characterize ROR2 TmPS for the third patient who also experienced tumor shrinkage. Another patient with late stage NSCLC and bone metastases and a ROR2 TmPS of 100%, treated with a suboptimal dose of BA3021 (1.2mg/kg 2Q3W), experienced tumor shrinkage prior to progression of their metastatic bone lesions. All NSCLC patients who enrolled in this trial had previously been treated with PD-1 therapy.

All evaluable NSCLC patients enrolled in BA3021 Phase 1 trial by ROR2 TmPS

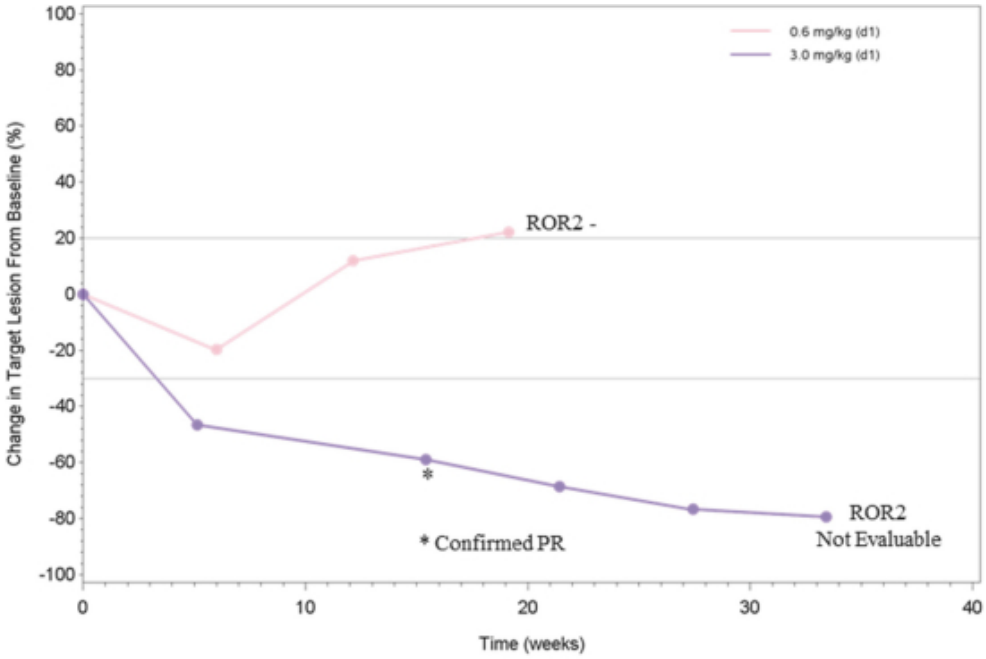


**TmPS= Tumor membrane Percent Score- Tumor membrane target expression calculated by summing the percentages of intensities at either ≥1+, ≥2+ or ≥3+. Scores range from 0 to 100%.

Tumor membrane expression of ROR2 was associated with antitumor response in two of the five NSCLC patients with evaluable ROR2 TmPS

Two metastatic melanoma patients were enrolled in the initial part of the trial, as shown below. The patient in whom we were not able to characterize ROR2 surface expression achieved a durable partial response (duration of response is one of our secondary endpoints). This patient, who had previously experienced failure of both nivolumab and nivolumab plus ipilimumab, achieved an approximate 80% reduction in tumor volume and presently continues on BA3021 therapy for now more than a year.

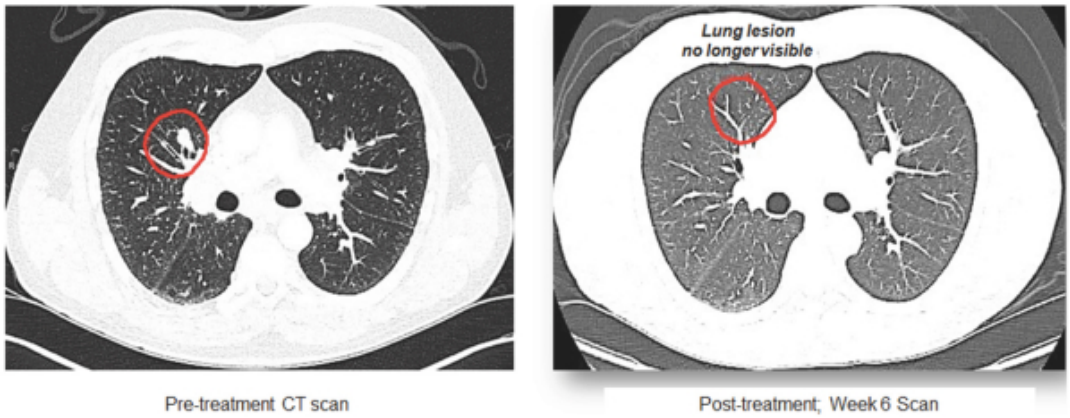
All evaluable metastatic melanoma patients enrolled in BA3021 Phase 1 trial by ROR2 TmPS



One of two melanoma patients enrolled in the BA3021 Phase 1 dose escalation trial achieved a partial response.

The metastatic melanoma patient who achieved a partial response experienced clearance of metastatic lung lesions. Illustrated below is one of the two lung lesions that cleared. Moreover, a pretreatment biopsy of an involved, abnormally enlarged cervical lymph node showed active melanoma. Subsequently, an on-treatment biopsy of the same node demonstrated no evidence of melanoma.

Clearance of lung lesions in metastatic melanoma patient who received BA3021



Pre-treatment and post-treatment CT scans of one of two lung lesions that were both cleared in a metastatic melanoma patient who received BA3021.

In addition, one head and neck cancer patient achieved a durable partial response with a 54% reduction in tumor size.

We have not yet evaluated certain of our secondary endpoints such as ORR, disease control or time-to-response. Because this clinical trial is a single arm clinical trial, none of the endpoints, including those related to antitumor activity, can be tested for statistical significance.

Safety

Similar to BA3011, BA3021 was generally well-tolerated. We have not observed adverse events that appear to be related to on-target injury of normal, ROR2-expressing tissues. We believe that reported toxicities were consistent with off-target effects of free MMAE consistent with those described with other marketed MMAE-based ADCs.

In the Phase 1 trial, the Grade 3 or greater AEs or SAEs deemed related to BA3021 were consistent with MMAE-based toxicity and could generally be classified as either reversible myelosuppression (AEs: neutropenia, anemia), transient liver enzyme elevations (AEs: AST/ALT increased) or metabolic disturbances (AEs: hyponatremia, hypokalemia). There was a total of 23 (39%) patients who experienced an SAE, 11 (18.6%) of which were serious TEAEs that were considered related to treatment. At the anticipated Phase 2 exposure levels (1.8mg/kg Q2W), BA3021 was well tolerated with few patients having treatment-related Grade 3-4 AEs (for 1.8 mg 1Q3W: 33.3% (1/3) anemia; for 1.8 mg 2Q3W: 42.9% (3/7) fatigue, hyponatremia and hyperglycemia) and few patients having SAEs (1.8mg/kg Q3W: 0 SAE (0%); 1.8mg/kg 2Q3W: 3 SAEs (43%; infected biloma, pyrexia and hyperglycemia). Out of these SAEs, 2 (28.6%) were deemed related to treatment by the investigator (1.8mg/kg Q3W: 0 SAEs (0%); 1.8mg/kg 2Q3W: 2 SAEs (28.6%; pyrexia and hyperglycemia). None of the related AEs or SAEs led to treatment discontinuation.

Overview of adverse events in BA3021 Phase 1 trial for patients administered 1.8mg/kg Q3W (d1) or 2Q3W (d1,8) (safety population)

Characteristic	BA3021 1.8 mg/kg (Q3W) (N=3)	BA3021 1.8 mg/kg (2Q3W) (N=7)
Any AEs	3 (100%)	7 (100%)
Related AEs with CTCAE Grade 3 or 4[1]	1 (33%)	3 (43%)
Any related serious AEs[1]	0	2 (29%)
Related AEs leading to death[1]	0	0
Related AEs leading to treatment discontinuation[1]	0	0

[1] As assessed by the investigator. Missing responses are counted as related.

At a dose of 3mg/kg Q3W, two patients experienced dose-limiting toxicities: one with Grade 3 dyspnea (self-resolved without intervention) and the other with Grade 4 febrile neutropenia (in a subject that did not receive prophylactic pegfilgrastim as directed) which resolved on day 2 of hospitalization.

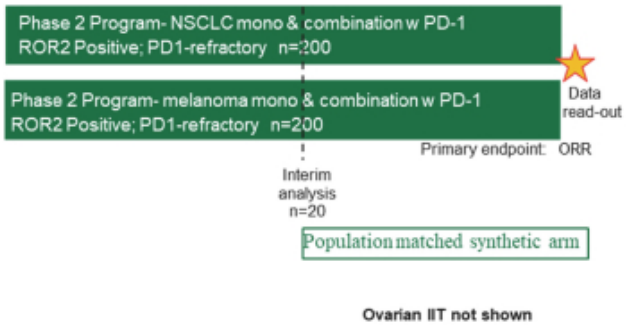
Clinical development plans

We have initiated a potentially registration-enabling Phase 2 trial for BA3021 monotherapy or in combination with a PD-1 inhibitor in melanoma and NSCLC patients that have experienced prior disease progression on a PD1/L1 inhibitor and have a ROR2 TmPS of 50% or more. However, we have not discussed with the FDA whether the Phase 2 clinical trials will in fact be sufficient to support regulatory approval and we cannot assure you that

the FDA will agree that such data will be sufficient to support approval. We intend to perform an interim analysis when 20 evaluable patients in each indication have the potential to be followed for at least 12 weeks, which we expect to occur in the second half of 2021. Results from these analyses will drive the decision to expand enrollment in each indication to up to 200 patients, and we expect final registration data in 2022.

Additionally, we expect a multi-center investigator-initiated trial of BA3021 led by CCTG in platinum-resistant ovarian cancer patients to commence by the end of 2020 or early 2021.

Clinical development plan for BA3021, which includes two Phase 2 indications



Clinical development plan for BA3021 includes two Phase 2 indications.

BA3021 Phase 2 trial design in NSCLC and Melanoma

This Phase 2 trial is an open-label trial to evaluate the efficacy and safety of BA3021 alone and in combination with an anti-PD-1 agent in patients with ROR2-expressing TmPS ³ 50% and metastatic NSCLC or melanoma who have measurable disease by RECIST Version 1.1 criteria and have documented progression according to RECIST v1.1 criteria within the 6 months prior to enrollment.

Patients who meet enrollment criteria will be assigned to receive either BA3021 alone or in combination with an anti-PD-1 agent (240 mg every 2 weeks (Q2W)). For the first 20 patients (10 patients in each of the 2 indications) (Part 1), treatment assignment will be determined by the sponsor and the medical monitor based on the patient's prior experience with PD-1/L1 treatment. To be eligible for the PD-1 combination arm, patients must have acceptably tolerated prior PD-1/L1 treatment. In Part 2, up to approximately 200 additional patients per indication may be enrolled depending on observed efficacy at interim analysis. For each indication, if both monotherapy and combination therapy are further pursued post interim analysis, patients that have acceptably tolerated prior PD-1/L1 treatment will be randomized 1:1 to receive either BA3021 alone or BA3021 in combination with an anti-PD-1 agent. For the NSCLC indication, randomization will be stratified according to histology (squamous vs. non-squamous) and the number of prior systemic regimens (£ 2 vs. ³ 3). For the melanoma indication, randomization will be stratified according to Eastern Cooperative Oncology Group performance status 0 vs. 1 and the number of prior systemic regimens (£ 2 vs. ³ 3). For both indications, patients that have not acceptably tolerated prior PD-1/L1 treatment will be assigned to the BA3021 monotherapy arm of the study. Based on data from the Phase 1 part of the study, the dose of BA3021 for Phase 2 is 1.8 mg/kg Q2W. A dose reduction to 1.5 mg/kg Q2W may be implemented if deemed warranted by the IDMC.

Tumor assessment will occur approximately every 6 weeks from C1D1 until 12 weeks, and every 8 weeks thereafter. Pharmacokinetic, pharmacodynamic, immunogenicity and biomarker assessments will be performed at various time points.

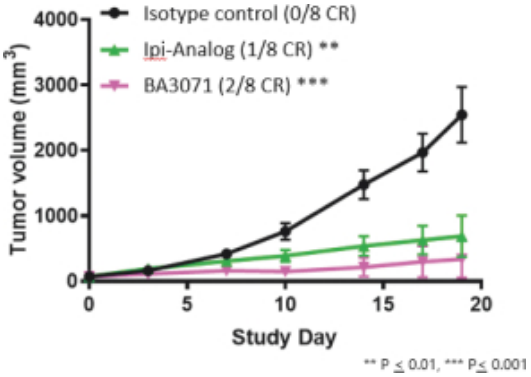
For each indication, an interim analysis will be conducted after at least 20 patients (10 patients in each treatment group) have the potential to be followed for at least 12 weeks after the initiation of investigational product. Following interim analysis, accrual to a treatment (i.e., BA3021 alone or in combination with an anti-PD-1 agent) may be put on hold if the number of patients with a response (i.e., confirmed or unconfirmed complete response or partial response) are below a pre-defined threshold. Depending on observed efficacy at the interim analysis, additional NSCLC and/or melanoma patients may be enrolled for a total of up to approximately 200 patients (100 patients in each of the 2 treatment groups) with ROR2-expressing, metastatic NSCLC and a total of up to approximately 200 patients with ROR2-expressing, metastatic melanoma. The accrual of patients to a treatment regimen(s) (i.e., BA3021 alone and/or BA3021 in combination with an anti-PD-1 agent) can be put on hold by the sponsor at any time based on evaluation of available data or by the IDMC at any time upon review of safety data. Treatment for all enrolled patients will continue until disease progression, unacceptable toxicity or other reason for treatment discontinuation.

BA3071

BA3071 preclinical studies

In a mouse colon adenocarcinoma, or MC38, xenograft model in which the human CTLA-4 gene had been introduced, we found that BA3071 had similar antitumor efficacy as a traditional anti-CTLA-4 antibody that is an analog of ipilimumab, or an Ipi-analog. As shown below, BA3071 led to equivalent tumor regression to ipilimumab out of eight treated mice and in two instances we saw a complete response, or no detectable tumor remaining.

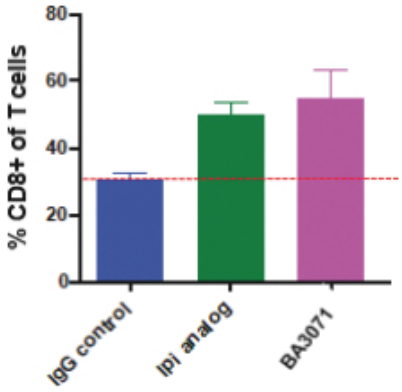
Efficacy in human CTLA-4 engineered mouse model



BA3071 had potent antitumor activity and led to two complete responses in an MC38 tumor cell line model in mice containing the human CTLA-4 gene.

As shown below, examination of the immune cell composition of treated tumors found that those treated with either of two CAB anti-CTLA-4 antibodies had increased numbers of CD8 T cells than IgG control mice. CD8 T cells are effector cells that mediate tumor cell killing. These levels were similar to those observed in tumors treated with the ipilimumab analog.

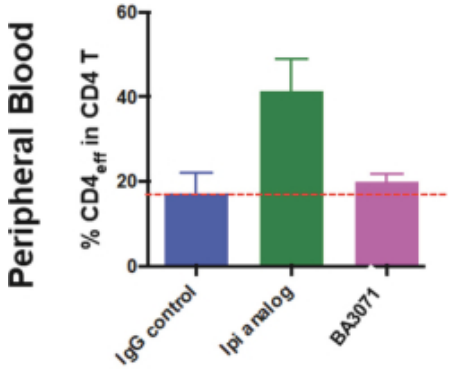
Tumor infiltrating lymphocytes of human CTLA-4 engineered mice



CAB anti-CTLA-4 antibodies functioned similar to ipilimumab in stimulating CD8 T cells in tumors

In contrast, the CAB anti-CTLA-4 antibodies did not lead to changes in the T cell subsets in peripheral blood, as set forth in the figure below. The percentage of CD4 effector cells in CAB-treated mice were similar to those observed with the controls. The percentage of CD4 effector cells in ipilimumab analog-treated mice more than doubled, consistent with systemic inhibition of the CTLA-4 checkpoint. We believe that the observed tumor-restricted activity of CAB anti-CTLA4 antibodies will be associated with fewer systemic target-based toxicities.

Normal peripheral blood lymphocytes of human CTLA-4 engineered mice



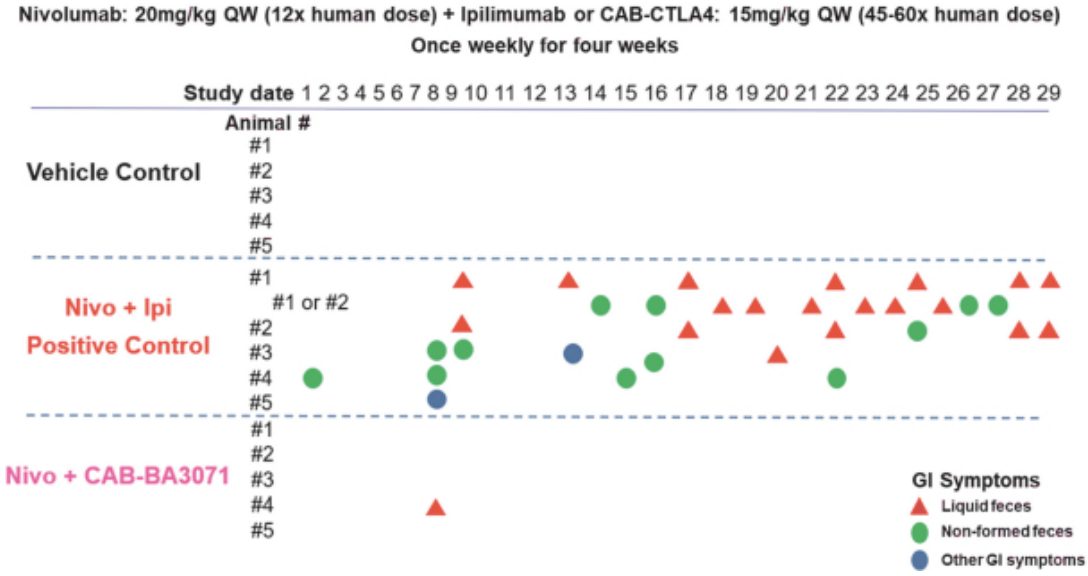
Unlike the ipilimumab analog, CAB anti-CTLA-4 antibodies did not lead to stimulation of T cells in peripheral blood

Safety

Our preclinical toxicity study of BA3071 in non-human primates compares its safety profile to that of ipilimumab. Specifically, as shown in the figure below, we examined the gastrointestinal toxicities associated with combination therapy with nivolumab. To examine toxicities, these animals were dosed with high levels of both agents. Dosing of non-human primates with BA3071 in combination with nivolumab was associated with fewer occurrences of events associated with gastrointestinal toxicity than the combination of ipilimumab and nivolumab. These animals received 20 mg/kg nivolumab, which represents 12 times the human dose, and either

15 mg/kg of ipilimumab or 15 mg/kg of BA3071, which we estimate is 45 to 60 times the current human dose. There were 33 gastrointestinal events such as liquid feces, non-formed feces and other gastrointestinal symptoms in the ipilimumab plus nivolumab combination across 29 days and five animals. There was only a single case of liquid feces in one animal on one day in the BA3071 plus nivolumab treatment group.

Toxicity study of BA3071 comparing its safety profile to ipilimumab



Treatment of non-human primates with a combination of BA3071 and nivolumab resulted in fewer gastrointestinal adverse events than treatment with ipilimumab and nivolumab.

These results were consistent with the preclinical results shown two and three figures above that demonstrated that CAB anti-CTLA-4 antibodies had insignificant target-based activity outside of tumors. We believe that this non-human primate study provides support for assessing the safety and tolerability of BA3071 in clinical trials. We anticipate that BA3071 will have a wider therapeutic window than ipilimumab, which may enable it to be better tolerated when used in combination with nivolumab, with the potential to further increase efficacy by allowing administration of higher doses.

Clinical development plans

We obtained U.S. IND in November 2019, and we plan to work with our partner BeiGene to initiate a Phase 1 dose-escalation trial of BA3071 in advanced solid tumor patients in 2021. We expect this trial will examine the safety and tolerability of BA3071 at doses ranging from 7mg Q3W to 700mg Q3W (equivalent to 10mg/kg of ipilimumab) as monotherapy and in combination with tislelizumab, an anti-PD-1 antibody in late-stage development by BeiGene.

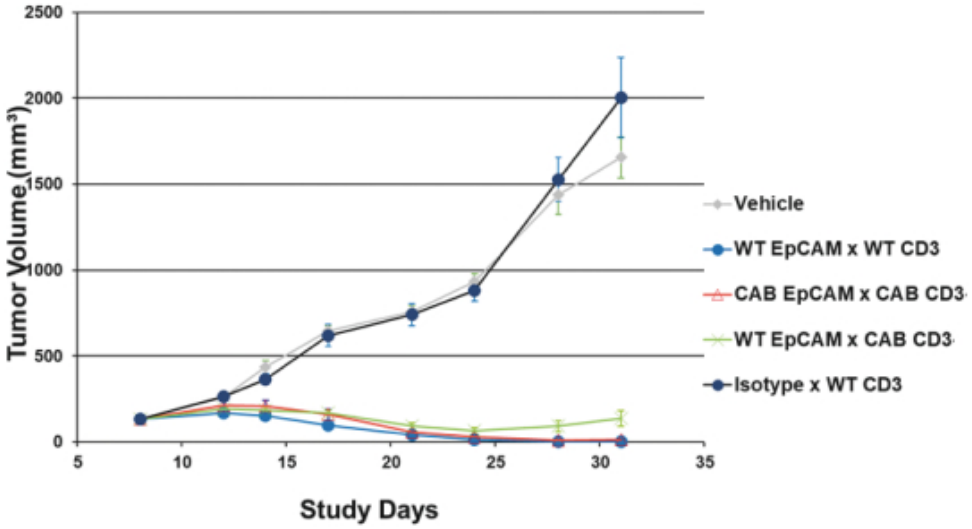
Bispecific candidates

Bispecific candidates preclinical studies

BA3182 – EpCAM x CD3

We examined the antitumor potential of multiple EpCAM x CD3 bispecific candidates, including some with a conventional EpCAM binding domain, a CAB CD3 binding domain and others with both binding domains with CAB activity. Dosage was 2.5mg per kilogram twice per week in mice, which is roughly equivalent to 0.2 mg per kilogram in non-human primates. As shown below, we found that all of these constructs had long half-lives with potent antitumor activity in a HCT116, a human colorectal carcinoma cell line, xenograft model in mice with a humanized immune system. All of the EpCAM x CD3 bispecifics, including those with CAB antigen binding domains, resulted in tumor shrinkage.

Xenograft model for multiple EpCAM x CD3 bispecific candidates

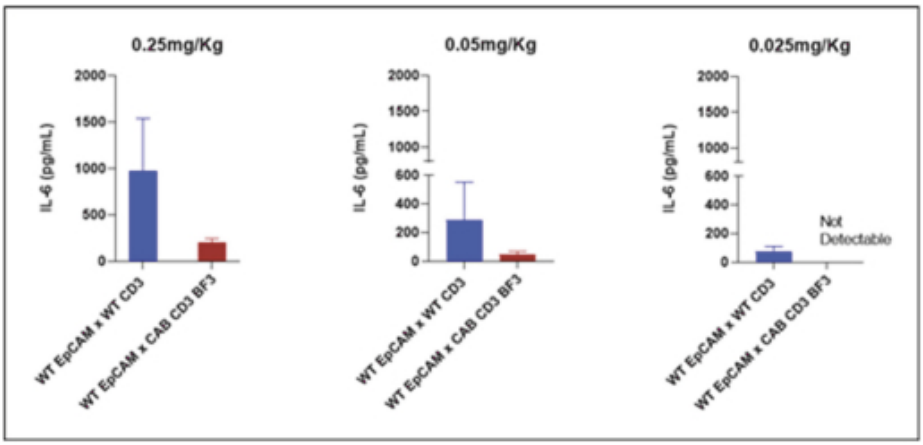


EpCAM x CD3 bispecific antibodies all had potent antitumor activity in a xenograft model, regardless of whether the antigen-binding domains were from CAB or conventional antibodies.

Safety

While there was no observable difference in antitumor efficacy between antibodies with CAB domains and those with conventional antigen-binding domains, a conventional EpCAM x CD3 bispecific antibody led to a much higher level of systemic immune activation than an EpCAM x CAB CD3 bispecific antibody in non-human primates. As shown below, at a dose of 0.025 mg/kg, the plasma level of interleukin 6, or IL-6, an inflammatory cytokine associated with cytokine release syndrome, was elevated above baseline in primates treated with a conventional bispecific with no detectable increase in the CAB bispecific-antibody-treated primates. Doubling the dose to 0.05 mg/kg led to a further increase in IL-6 production in conventional bispecific treated primates with significant gastrointestinal and renal toxicities and the death of one of two treated primates. Only a minor increase in IL-6 was observed with the CAB bispecific antibody and both treated primates were healthy. An increase in dose to 0.25 mg/kg resulted in a large increase in IL-6 levels in primates treated with the conventional bispecific and the death of both animals. In contrast, 0.25 mg/kg of the CAB bispecific antibody led to a much lower level of IL-6 and no deaths.

Systemic immune activation of EpCAM x CAB CD3 bispecific antibody vs. conventional EpCAM x CD3 bispecific antibody



EpCAM x CAB CD3 bispecific antibodies led to much lower expression of IL-6 in non-human primates than conventional EpCAM x BF3 bispecific antibodies

BA3142 – B7-H3 x CD3

Our second bispecific product candidate, BA3142, is a dual-CAB T-cell engager targeting B7-H3, a protein expressed on many solid tumors. The lead molecule was characterized by multiple assays including functional assays, as well as a pharyngeal cancer model. The lead molecule showed antitumor activity comparable to a non-CAB antibody, while demonstrating lower binding activity under normal physiological conditions, as expected for a CAB bispecific antibody. Cell line development was initiated in Q4 2020.

EGFR x CD3

Targeting EGFR with a CAB bispecific antibody is expected to provide benefit since the target is widely expressed in healthy tissue, such as skin, which would otherwise result in on-target, off-tumor toxicity if targeted by a non-CAB antibody. A set of lead molecules were characterized by multiple assays including functional assays and all demonstrated high binding activity at acidic pH with little to no binding under normal physiological conditions. Studies, using a colorectal cancer model, to select the clinical lead are in progress and are expected to be completed in 2021.

Nectin-4 x CD3

Nectin-4 is widely expressed and has adhesive roles in normal tissues. A set of lead molecules were characterized by multiple assays including functional assays. Lead candidates were selected based on the overall performance in these assays and based on their pH profile (*i.e.*, high binding under tumor conditions and little or no binding under normal physiological conditions). Studies, using a lung cancer model, to select the clinical lead are in progress and are expected to be completed in 2021.

Clinical Development Plans

We have advanced two CAB bispecific antibody product candidates, BA3182 and BA3142, into IND-enabling studies in the second half of 2020 chosen from a number of preclinical candidates. This includes an EpCAM x CD3 as well as a B7-H3 x CD3 bispecific antibody.

Additionally, two bispecific antibody product candidates (EGFR x CD3 and Nectin-4 x CD3) have reached the late discovery stage of development and we anticipate they have the potential to reach the IND enabling studies stage by 2021. We expect to submit multiple U.S. INDs in the second half of 2021 or sometime in 2022. We believe that our CAB technology opens up the opportunity for the creation of a broad set of bispecific product candidates with antitumor potential. Through these CAB bispecific antibodies, we believe we can activate T cells directly in tumors using CAB domains targeting tumor-specific antigens. Our CAB bispecific antibodies are not expected to lead to systemic immune activation, which we believe may allow for increased efficacy through more potent T cell activation, higher doses or administration in combination with other immuno-oncology therapies, such as checkpoint inhibitors.

Competition

The biotechnology and biopharmaceutical industries, including the oncology subsector, are characterized by rapid evolution of technologies, competition and strong defense of intellectual property. Any product candidates that we successfully develop and commercialize may have to compete with existing therapies and new therapies that may become available in the future. While we believe that our patented technology platform, intellectual property, know-how and scientific expertise in the field of biologics and immuno-oncology provide us with certain competitive advantages, including the ability of our product candidates to be active under conditions representative of the tumor microenvironment and not in normal cell conditions, we face potential competition from a wide variety of institutions, including large biopharmaceutical companies, specialty biotechnology companies, academic research departments and public and private research institutions. In immuno-oncology, we face substantial competition in the form of competing approaches to targeted antibody therapy in general, as well as competing treatments for the same types of cancer that we would plan to address with our pipeline of product candidates.

There are numerous companies in various stages of clinical development of ADCs, a key feature of our product candidates BA3011, BA3021 and BA3071. Currently, there are 10 approved ADCs and as of February 2020, there were approximately 60 ADCs in clinical development, the vast majority of which were being developed for the treatment of cancer. Certain other companies are also pursuing antibody therapies in immuno-oncology, such as Seattle Genetics. Although we do not believe competing companies have selective CAB technology, there is a wide array of activity in multiple areas of immune-based cellular therapies for oncology. We also face competition on specific targets, including on antibody-based therapies for ROR2, the target of our second product candidate, BA3021, from NBE-Therapeutics AG.

In addition, if any of our product candidates are approved in oncology indications such as pancreatic, breast and other cancers, they may compete with existing biologics and small molecule therapies, or may be used in combination with existing therapies. There are also many other therapies under development that are intended to treat the same cancers that we are targeting or may target with our CAB technology platform, including through approaches that could prove to be more effective, have fewer side effects, be cheaper to manufacture, be more convenient to administer or have other advantages over any products resulting from our technology.

Many of our competitors, either alone or with strategic partners, have substantially greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than we do. Accordingly, our competitors may be more successful than us in obtaining approval for treatments and achieving widespread market acceptance, rendering our treatments obsolete or non-competitive. Accelerated merger and acquisition activity in the biotechnology and biopharmaceutical industries may result in even more resources being concentrated among a smaller number of our competitors. These companies also compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and patient registration for clinical trials and acquiring technologies complementary to, or necessary for, our programs. Smaller or early-

stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. The level of generic competition and the availability of reimbursement from government and other third-party payors will also significantly affect the pricing and competitiveness of our products. In addition, our competitors also may obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours, which could result in our competitors establishing a strong market position before we are able to enter the market.

Our commercial opportunity could be substantially limited in the event that our competitors develop and commercialize products that are more effective, safer, less toxic or more convenient than products we may develop. In geographies that are critical to our commercial success, competitors may also obtain regulatory approvals before us, resulting in our competitors building a strong market position in advance of our products' entry.

Manufacturing

Our CAB antibodies are designed and produced using our patented Comprehensive Integrated Antibody Optimization, or CIAO!, technology. The successful evolution, design and development of a CAB antibody with specific characteristics and qualities require that the development and manufacturing processes result in the CAB antibody with the desired properties. We have developed our patented process of CIAO! that integrates into the design process the critical features for subsequent development steps and manufacturing. A key element of the CIAO! process is that all design and development of the antibody is conducted in a mammalian cell line such as Chinese hamster ovary. This host cell is essentially identical to that used for manufacturing the majority of antibodies. This integrated and efficient approach is designed to provide consistency of the folding, glycosylation and other critical features throughout the development and commercialization process for improved activity, selectivity and yields in manufacturing.

We currently do not own or operate any manufacturing facilities. We rely, and expect to continue to rely for the foreseeable future, on third-party contract manufacturing organizations to produce our product candidates for preclinical and clinical testing, as well as for commercial manufacture if our product candidates receive marketing approval. We also expect to rely on third parties for the design, development and manufacture of companion diagnostic tests for our product candidates that require such tests. Furthermore, the raw materials for our product candidates may be sourced, in some cases, from a single-source supplier. As part of the manufacture and design process for our product candidates, we rely on internal, scientific and manufacturing know-how and trade secrets and the know-how and trade secrets of third-party manufacturers. We also contract with additional third parties for the filling, labeling, packaging, storage and distribution of investigational drug products. We believe that this strategy allows us to maintain a more efficient infrastructure by eliminating the need for us to invest in our own manufacturing facilities, equipment and personnel while also enabling us to focus our expertise and resources on the development of our product candidates. We maintain agreements with our manufacturers that include confidentiality and intellectual property provisions to protect our proprietary rights related to our product candidates. We have personnel with significant technical, manufacturing, analytical, quality, including cGMP, and project management experience to oversee our third-party manufacturers and to manage manufacturing and quality data and information for regulatory compliance purposes.

Collaborations

We intend to selectively enter into collaborations to maximize the value of our platform and pipeline, including our existing collaboration involving BA3071.

Global Co-Development and Collaboration Agreement with BeiGene, Ltd.

In April 2019, we entered into a Global Co-Development and Collaboration Agreement with BeiGene, Ltd. which, as amended in December 2019 and October 2020, provides for the development, manufacturing and commercialization of BioAtla's investigational CAB CTLA-4 antibody, BA3071. Under the terms of our BeiGene collaboration, BeiGene is generally responsible for developing the CAB-CTLA-4 antibody and is responsible for global regulatory filings and commercialization. Subject to the terms of the agreement, BeiGene holds an exclusive license with BioAtla to develop and manufacture the product candidate globally. BeiGene is responsible for all costs of development, manufacturing and commercialization globally. At the time of execution of the BeiGene collaboration, we received a $20 million upfront payment and in December 2019, we received an additional $5 million for the reimbursement of manufacturing costs. We are eligible to receive up to $225.5 million in subsequent development and regulatory milestones globally and commercial milestones in the BeiGene territory, together with tiered royalties, ranging from the high-single digits to low twenties, on sales worldwide. The royalty term, for each product on a country-by-country basis, is the period of time commencing on the date of first commercial sale of such product in a country with respect to which royalty payments are due, until the latest of (i) the last to expire valid claim of any patents held by us or BeiGene that contain one or more claims that cover BA3071 and/or any pharmaceutical or formulation that contains BA3071, or that contains one or more claims that cover any know-how (other than with respect to CABs) discovered, developed, generated or invested during the term by us or BeiGene, or patents that contain one or more claims that cover joint inventions discovered, developed, generated or invented by BeiGene and us, in each case covering such product in such country, (ii) 10 years following the first commercial sale of such product in such country and (iii) the last to expire of any regulatory exclusivity applicable to such product in such country.

Subject to certain opt-out clauses, the agreement shall remain in effect until the earlier of 10 years following commercial sale or upon such time that the parties cease pursuing commercialization. Unless terminated early, at the expiration date BeiGene retains all licensing rights in the applicable territories. BeiGene may terminate the agreement at any time after the one-year anniversary of the agreement subject to 90 days written notice, or any time subject to 45 days notice if it is determined that the proof of concept milestone or technological or scientific feasibility will not be achieved. The agreement also contains customary provisions for termination by either party, including in the event of breach, subject to cure.

License Agreements

Exclusive License Agreement with Inversagen, LLC

In March 2019, we entered into an Exclusive License Agreement with Inversagen, LLC, as amended in July 2020. Under the terms of the agreement, we granted Inversagen an exclusive, worldwide, royalty-bearing license under certain patents and know-how controlled by us to develop, make, have made, sell, have sold, offer for sale and import CAB-antibodies for the field of diseases associated with aging, outside of cancer, and an immuno-oncology antibody. We may perform development services under the agreement and will be reimbursed by Inversagen for our costs. Commencing on the first commercial sale of the CAB-antibodies and immuno-oncology antibody subject to the agreement, Inversagen will pay us royalties in the mid-single digits, which represents a variable interest held by us. We have an option for a period of 10 years to acquire the sole and exclusive rights solely to develop, make, have made, use, sell, have sold, offer for sale and import the immuno-oncology antibody in the field worldwide (except for the People's Republic of China, Hong Kong, Taiwan and Macau) in return for royalty payments in the low-single digits during the applicable royalty term. For both royalties paid to us by Inversagen and, upon exercise of our option, royalties paid to Inversagen by us, the royalty term, on a product-by-product basis, is the period of time commencing on the first commercial sale of such product in a country and ending upon the later to occur of (i) expiration of the last-to-expire valid claim of the patent rights controlled by us or by Inversagen covering the manufacture, use, sale, offer for sale or

import of such product, (ii) 10 years following the first commercial sale of such product in such country and (iii) the expiration of regulatory exclusivity for such product in such country. Unless earlier terminated, the agreement continues in effect so long as Inversagen or any of its affiliates, licensees or sublicensees are developing or commercializing the CAB-antibodies or immuno-oncology antibody in the field or we or any of our affiliates, licensees or sublicensees are developing or commercializing the CAB-antibodies or immuno-oncology antibody outside the field. We can also terminate the agreement with 30 days prior written notice for Inversagen's failure to pay. No payments have been made to date.

Amended and Restated Exclusive Rights Agreement with Himalaya Therapeutics SEZC

In January 2020, we entered into an Amended and Restated Exclusive Rights Agreement with Himalaya Therapeutics SEZC. Under the terms of the agreement, we granted Himalaya Therapeutics SEZC an exclusive, sublicensable license under certain patents and know-how controlled by us to develop, manufacture, conduct clinical trials, obtain regulatory approval of and commercialize 10 CAB-antibodies for the territory of China, Macao, Hong Kong and Taiwan and a CAB-HER2-bispecific-antibody worldwide, in each case in the field of the treatment of cancer in humans. We also granted Himalaya Therapeutics SEZC an exclusive, sublicensable license under certain patents and know-how controlled by us to develop, manufacture, conduct clinical trials, obtain regulatory approval of and commercialize an IL-22 non-CAB-antibody worldwide, which rights are subject to certain co-development plans in the agreement for the joint development and commercialization of the IL-22 non-CAB-antibody by Himalaya Therapeutics SEZC and us. The term of the agreement continues unless terminated by mutual written consent of the parties and also contains customary provisions for termination by either party. Payments to us may include upfront payments, milestone payments and double-digit royalties, which represent a variable interest held by us, but no payments have been made to date. The royalty term, on a product-by-product and country-by-country basis, is the period of time commencing on the first commercial sale of such product in such country and expiring upon the latest of (i) the expiration of the last valid claim in a patent covering the composition of matter or method of use for such product licensed under the agreement in such country, (ii) the expiration of any other exclusivity protection of such licensed product in such country, and (iii) the 15th anniversary of the date of first commercial sale of such product in such country. We are eligible to receive up to $77.5 million in upfront payments and potential milestones.

Exclusive License Agreement with BioAtla Holdings, LLC

In January 2020, we entered into an Exclusive License Agreement with BioAtla Holdings, LLC, as amended in July 2020. Under the terms of the agreement, we granted BioAtla Holdings an exclusive, worldwide license under certain patents and know-how controlled by us to develop, make, have made, use, sell, have sold, offer for sale and import CAB antibodies for certain targets in the field of Adoptive Cell Therapy, or ACT (CAR-T). Commencing on the first commercial sale of the CAB antibodies subject to the agreement, BioAtla Holdings will pay us royalties in the mid-single digits, which represents a variable interest held by us. We have an option for a period of 10 years to acquire the sole and exclusive rights solely to develop, make, have made, use, sell, have sold, offer for sale and import the ACT preparations and ACT treatments in the ACT field worldwide (except for the People's Republic of China, Hong Kong, Taiwan and Macau) in return for royalty payments in the low-single digits during the applicable royalty term. For both royalties paid to us by BioAtla Holdings and, upon exercise of our option, royalties paid to BioAtla Holdings by us, the royalty term, on a product-by-product basis, is the period of time commencing on the first commercial sale of such product in a country and ending upon the expiration of the last-to-expire valid claim of the patent rights controlled by us or by BioAtla Holdings covering the manufacture, use, sale, offer for sale or import of such product. We will not owe BioAtla Holdings any milestone or royalty payments unless we exercise our option to acquire the rights to the ACT preparations and ACT treatments. During the term of the agreement, we agreed not to develop, make, have made, use, sell, have sold, offer for sale or import any CAB ACT treatment in the field of ACT. Unless earlier terminated, the agreement continues in effect so long as BioAtla Holdings or any of

its affiliates, licensees or sublicensees are developing or commercializing the ACT preparations and treatments in the ACT field or we or any of our affiliates, licensees or sublicensees are developing or commercializing any CAB non-ACT product for any indication outside the ACT field. The agreement may be terminated only by the mutual written agreement of the parties. No payments have been made to date.

In addition, effective January 2020, we entered into a Royalty Sharing Agreement whereby we agreed to share with BioAtla Holdings 50% of the royalties we receive under the license agreement with F1 Oncology, Inc. described below.

Amended and Restated Exclusive License Agreement with F1 Oncology, Inc.

In May 2016, we entered into an Exclusive License Agreement with F1 Oncology, Inc. and its affiliates, which, as amended in July 2016 and November 2017 and as amended and restated in November 2019, granted an exclusive, worldwide, sublicensable license under certain patents and know-how controlled by us to develop, manufacture and commercialize four CAB ACT (CAR-T) preparations and treatments for cancer. F1 Oncology granted us an exclusive, worldwide, royalty free, fully paid-up, sublicensable license under certain patents and know-how controlled by F1 Oncology and F1 Oncology's interest in technology jointly developed under the agreement to develop, manufacture and commercialize non-ACT CAB products for any indication.

F1 Oncology is obligated to pay us during the royalty term, on a product-by-product basis and country-by-country basis, mid-single-digit royalties based on annual net sales of certain F1 Oncology ACT products, subject to certain adjustments. The term during which F1 Oncology is obligated to pay royalties under the agreement with respect to any particular product in any particular country, will begin on the first commercial sale of such product in such country and will end on the date of expiration of the last-to-expire of certain product-related patent rights in such country.

Unless earlier terminated, the agreement continues in effect so long as F1 Oncology or any of its affiliates, licensees or sublicensees are developing or commercializing any F1 Oncology products in the ACT field or we or any of our affiliates, licensees or sublicensees are developing or commercializing any CAB products for any indication outside the ACT field. The agreement may be terminated only by the mutual written agreement of the parties.

In connection with the agreement, we received common and preferred stock of F1 Oncology. These holdings of F1 Oncology common and preferred stock were retained by BioAtla Holdings in connection with the LLC Division.

In November 22, 2019, we entered into an Amended and Restated Exclusive License Agreement with F1 Oncology, which curtailed the rights to certain CAB intellectual property previously licensed to F1 Oncology in exchange for a one-time, non-refundable, non-creditable license fee of $10,000, but does not change F1 Oncology's obligation to pay us royalties on licensed products. In connection with the Amended and Restated Exclusive License Agreement, BioAtla Holdings sold its F1 Oncology common and preferred holdings back to F1 Oncology for consideration of $25,000.

CHO-S Cell Line License Agreement with Life Technologies Corporation

On June 28, 2018, we entered into the CHO-S Cell Line License Agreement with Life Technologies Corporation. Under the terms of the agreement, Life Technologies Corporation provides and grants to us a worldwide, non-exclusive, royalty-free, non-sublicensable license to use certain CHO-S cells to make, or have made, recombinant proteins for clinical or commercial purposes and to seek regulatory approval for the sale of such recombinant proteins in exchange for a one-time, non-refundable, non-creditable license fee of $400,000. No royalties are due by us to Life Technologies Corporation under the agreement. Additional specific lots of Life Technologies Corporation's recombinant proteins may be ordered by us for an additional fee of $50,000 per lot. The term of the agreement continues in perpetuity unless terminated by either party.

Intellectual property

Since inception, we have recognized the value of strong, defensible and relevant intellectual property protection. We seek to protect our technologies and products and the potential market for such technologies and products. To accomplish this goal, we apply for patents covering our processes and compositions. We also apply for patents covering developments and technologies for purpose of preventing third parties from developing competing products. Inventions related to various aspects of our core technologies have already been protected by issued and pending patent applications. As of December 1, 2020, we have 479 patents and patent applications with 257 issued, 8 allowed applications and 214 pending applications.

The objectives of our IP strategy are to increase shareholder value by adequately protecting our platform technologies and compositions of matter, discerning and maximizing the value of our patent portfolio, providing a flexible portfolio that is aligned with our business model and maintaining a cost-effective strategy. We achieve these goals by creating a defensible patent shield, employing most-likely-to-succeed strategies, patenting strategically to reinforce the value of our IP and to minimize costs related to patenting while maximizing value, and by understanding the technology landscape to ensure patentability and freedom to operate. For our CAB products, we act strategically to maximize patent term by timely filing our patent applications.

We recognize that the ability to obtain patent protection and the degree of such protection depends on a number of factors, including the extent of the prior art, the novelty of the invention, the obviousness of the invention and the ability to satisfy the enablement and written description requirements of the patent laws. We file all relevant types of patent applications to protect our intellectual property, including patent applications with claims directed to our processes and products, and applications and uses thereof.

We file our applications with the U.S. Patent and Trademark Office to establish a priority filing date. Generally, we initially file provisional applications. Provisional applications are designed to provide a lower-cost first patent application filing in the United States. Corresponding non-provisional patent applications must be filed not later than 12 months after the filing date of the first provisional application filed for an invention. In some cases, multiple provisional applications have been filed within a 12-month period to capture incremental developments within the 12-month priority period while obtaining an early filing date for each development. The corresponding non-provisional patent applications benefit from the provisional applications(s) since the priority date(s) of the these non-provisional patent applications is/are the earlier provisional application filing date(s), and because the patent term of the finally issued patents are calculated from the later, non-provisional patent application filing dates. This system allows us to obtain an early priority date, add material to the patent application(s) during the priority year, obtain a later start to the patent term and delay prosecution costs, which may save costs in the event that we decide not to pursue examination in an application.

Subsequently, when appropriate, we pursue patent applications in foreign countries. The PCT system for filing international patent applications is used. This system allows a single application to be filed within 12 months of the original priority date of the patent application designating all 153 PCT member states (including countries in South, Central and North America, Africa, Europe, Asia and Australia) in which national/regional patent applications can later be pursued based on the international patent application filed under the PCT. The PCT searching authority performs a patentability search and issues a non-binding patentability opinion which can be used to evaluate the chances of success for future the national/regional patent applications in foreign countries prior to having to incur the filing and translation costs for such applications. At the end of a period of 2 1/2 years from the first priority date of the PCT patent application, separate patent applications can be pursued in any of the 153 PCT member states either by direct national filing or, in some cases, by filing through a regional patent organization such as the European Patent Organization. The PCT system delays expenses, allows a limited evaluation of the chances of success for national/regional patent applications and enables substantial cost savings where applications are abandoned within the first 2 1/2 years of filing.

For all patent applications, we determine the claiming strategy on a case-by-case basis. Advice of counsel and our business model and needs are always considered. We file patents containing claims for protection of all useful applications of our proprietary technologies and any products, as well as all new applications or uses we discover for existing technologies and products, assuming these are strategically valuable. We continuously reassess the number and type of patent applications, as well as the pending and issued patent claims to ensure that maximum patent coverage and value are obtained for our processes, and compositions, given existing patent office rules and regulations. Further, pending patent claims may be modified during patent prosecution to meet our intellectual property and business needs.

We are attentive to the need to avoid the unauthorized use of patented technology belonging to third parties. We perform non-infringement searches and analyses for our existing technologies and will continue to do so for future commercial processes and products. For our new developments, we regularly perform expert searches and reviews, and monitor patents and patent applications by third-party competitors. Our policy of avoiding patent infringement is diligently executed. To the best of our knowledge as of the date of this prospectus, we have freedom to operate on all of our technologies and product candidates.

The patent positions of biotechnology and biopharmaceutical companies like ours are generally uncertain and involve complex legal, scientific and factual issues. In addition, the coverage claimed in a patent application can be significantly reduced before the patent is issued, and the scope of an issued patent can be reinterpreted or further altered even after patent issuance. Consequently, we may not obtain or maintain adequate patent protection for any of our product candidates or for our technology platform. We cannot predict whether the patent applications we are currently pursuing will issue as patents in any particular jurisdiction or whether the claims of any issued patents will provide sufficient proprietary protection from competitors. Any patents that we hold may be challenged, circumvented or invalidated by third parties. For a more comprehensive discussion of the risks related to our patents, please see “Risk factors—Risks related to our intellectual property.”

The term of individual patents depends upon the legal term of the patents in the countries in which they are obtained. In most countries in which we file, the patent term is 20 years from the earliest date of filing a non-provisional patent application related to the patent. A U.S. patent may be accorded a patent term adjustment, or PTA, under certain circumstances to compensate for delays in granting the patent caused by the United States Patent and Trademark Office. In some instances, such a PTA may result in a U.S. patent term extending beyond 20 years from the earliest date of filing a non-provisional patent application related to the U.S. patent. In addition, in the United States, the term of a U.S. patent that covers an FDA-approved drug may be eligible for a patent term extension, which permits patent term restoration as compensation for the patent term lost during the FDA regulatory review process. The Hatch-Waxman Act permits a patent term extension of up to five years beyond the expiration of the patent. The length of the patent term extension is related to the length of time the drug is under regulatory review. Patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval and only one patent applicable to an approved drug may be extended. Similar provisions are available in Europe and other foreign jurisdictions to extend the term of a patent that covers an approved drug. In the future, if and when our products receive regulatory approval, we expect to apply for patent term extensions on patents covering those products. We plan to seek patent term extensions to any of our issued patents in any jurisdiction where these are available; however, there is no guarantee that the applicable authorities, including the FDA in the United States, will agree with our assessment of whether such extensions should be granted, and, if granted, the length of such extensions.

We further own trade secrets relating to our technology platform and product candidates, and we maintain the confidentiality of proprietary information to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection. 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. 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 during the course of the individual's relationship with us are to be kept confidential and not disclosed to third parties except in specific circumstances. Our agreements with employees and consultants also provide that all inventions conceived by the employee in the course of employment or work with us or from the employee's or consultant's use of our confidential information are our exclusive property. For a more comprehensive discussion of the risks related to our trade secrets, please see "Risk factors—Risks related to our intellectual property."

Company-owned patents

BA3011 is covered by a number of filings, including a published PCT application filed in 2017 that entered the national phase in 2018. National phase applications have been granted in Australia and Japan and are pending in 13 jurisdictions in addition to the United States, including most major market countries. Composition of matter claims issuing from this application would not expire before 2037.

BA3021 is covered by a number of filings, including a published PCT application filed in 2017 that entered the national phase in 2018. National phase applications are pending in 13 jurisdictions in addition to the United States, including most major market countries. Composition of matter claims issuing from this application would not expire before 2037.

BA3071 is covered by a number of filings, including a published PCT application filed in 2019 that will enter the national phase in 2021. Additional filings were made in the non-PCT countries of Argentina and Taiwan. Composition of matter claims issuing from this application would not expire before 2039.

Our pre-clinical stage CAB antibody programs, including CAB-anti-EpCAM antibodies and CAB-anti-Nectin-4 antibodies, are covered by a number of filings, including, as of December 1, 2020, pending provisional applications that are due for conversion to a non-provisional applications in 2020 and 2021. Composition of matter claims issuing from these applications would not expire before either 2040 or 2041.

Core components of our product candidates are protected by company-owned platform applications directed to novel methods of protein evolution, methods of making conditionally active biologics, integrated selection and evolution of antibodies and proteins in expression production hosts, multi-specific antibodies and methods of making, modified antibody regions, conditionally active biological proteins, proteins targeting orthologs, discovery of and production of conditionally active biologic proteins in eukaryotic cell production hosts, conditionally active chimeric antigen receptors for modified T-cells, diagnostics using conditionally active antibodies, conditionally active polypeptides, antibodies targeted to senescent cells, conditionally active proteins for neurodegenerative diseases, and conditionally active proteins with pH selectivity. We also have 14 issued U.S. patents covering various aspects of the manufacturing methods used to generate CAB antibodies that have patent terms expiring from 2030 to 2036. We also have an issued patent in the U.S. protecting our method of manufacturing conditionally active multi-specific antibodies that has a patent term expiring in 2033.

Out-licensed patents

Himalaya Therapeutics SEZC has exclusive rights to patents/patent applications in China, Macao, Hong Kong and Taiwan relating to ROR2 (Patent applications 2017800294276 (China), and patent application 106115891 (Taiwan), both titled Anti-ROR2 antibodies and their immunoconjugates and uses thereof) and relating to AXL

(Patent applications 201780023876X (China), and patent application 106112687 (Taiwan), both titled Anti-AXL antibodies and their immunoconjugates and uses thereof). Additionally, Himalaya Therapeutics SEZC has exclusive worldwide rights to patents/patent applications relating to IL-22 (Patent applications 108119613 and PCT/US19/35395, both titled Anti-IL-22 antibodies, antibody fragments and their immunoconjugates and uses thereof) and relating to HER2 (Patent application USP 62/964,747 titled Conditionally active anti-HER2 antibodies).

BioAtla Holdings, LLC has exclusive worldwide rights to all patents for the field of ACT (CAR-T), excluding the targets licensed to F1 Oncology, Inc.

Inversagen, LLC has exclusive worldwide rights to all patents solely in the field of diseases associated with aging (outside of cancer), diagnostics related thereto and an immuno-oncology antibody.

F1 Oncology, Inc. has an exclusive worldwide license to all patents solely to develop, make, have made, use, sell, have sold, offer for sale and import adoptive cell therapy (CAR-T) products to four named targets for the treatment of cancer. F1 Oncology, Inc.'s rights under the agreement exclude the right to grant sublicenses to third parties to discover, develop or manufacture any CAB ACT or any component of our CAB ACT technology, except as used in or incorporated into F1 Oncology, Inc.'s ACTs for cancer.

Government regulation and product approval

Government authorities in the United States, at the federal, state and local level and in other countries and jurisdictions, including the European Union, extensively regulate, among other things, the research, development, testing, manufacture, quality control, import, export, safety, effectiveness, labeling, packaging, storage, distribution, record keeping, approval, advertising, promotion, marketing, post-approval monitoring and post-approval reporting of biological product candidates such as those we are developing. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state, local and foreign statutes and regulations require the expenditure of substantial time and financial resources and we may not be able to obtain the required regulatory approvals.

Licensure and regulation of biologics in the United States

In the United States, the FDA regulates biologic products under the Federal Food, Drug, and Cosmetic Act, or the FDCA, the Public Health Service Act, or the PHSA, and regulations and guidance implementing these laws. The FDCA, PHSA and their corresponding regulations govern, among other things, the testing, manufacturing, safety, purity, potency, labeling, packaging, storage, record keeping, distribution, reporting, advertising and other promotional practices involving biologic products. Biological products used for the prevention, treatment or cure of a disease or condition of a human being are subject to regulation under the FDCA, except the section of the FDCA that governs the approval of new drug applications, or NDAs. Biological products are approved for marketing under provisions of the PHSA, via a Biologic License Application, or BLA. However, the application process and requirements for approval of BLAs are very similar to those for NDAs, and biologics are associated with similar approval risks and costs as drugs. Failure to comply with applicable U.S. requirements may subject a company to a variety of administrative or judicial sanctions, such as clinical hold, FDA refusal to approve pending NDAs or BLAs, warning or untitled letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, civil penalties and criminal prosecution.

U.S. biologic products development process

Biological product candidates must be approved by the FDA pursuant to a BLA before they may be legally marketed in the United States. The process generally involves the following:

- Completion of extensive preclinical laboratory tests and *in vivo* studies in accordance with the FDA's current GLP regulations and applicable requirements for the humane use of laboratory animals or other applicable regulations;
- Submission to the FDA of an IND, which must become effective before clinical trials may begin;
- Approval by an independent institutional review board, or IRB, reviewing each clinical site before each clinical trial may be initiated;
- Performance of adequate and well-controlled clinical trials in accordance with the FDA's GCP regulations, and any additional requirements for the protection of human research subjects and their health information, to establish the safety and efficacy of the proposed biologic product candidate for its intended use;
- Preparation and submission to the FDA of a BLA for marketing approval that includes substantial evidence of safety, purity and potency from results of nonclinical testing and clinical trials;
- Review of the product by an FDA advisory committee, if applicable;
- A determination by the FDA within 60 days of its receipt of a BLA to file an application;
- Satisfactory completion of an FDA inspection of the manufacturing facility or facilities where the biologic product candidate is produced to assess compliance with current cGMPs and to assure that the facilities, methods and controls are adequate to preserve the biologic product candidate's identity, safety, strength, quality, potency and purity;
- Potential FDA audit of the nonclinical and clinical trial sites that generated the data in support of the BLA to assure compliance with GCPs and integrity of the clinical data;
- Payment of user fees and FDA review and approval, or licensure, of the BLA; and
- Compliance with any post-approval requirements, including a Risk Evaluation and Mitigation Strategy, or REMS, where applicable, and post-approval studies required by the FDA as a condition of approval.

Preclinical studies

Before testing any biologic product candidate in humans, the product candidate must undergo rigorous preclinical testing. Preclinical tests, also referred to as nonclinical studies, include laboratory evaluations of product chemistry, toxicity and formulation, as well as *in vivo* studies to assess the potential safety and activity of the product candidate and to establish a rationale for therapeutic use. The conduct of the preclinical tests must comply with federal regulations and requirements including GLPs.

The clinical trial sponsor must submit the results of the preclinical tests, together with manufacturing information, analytical data, any available clinical data or literature and a proposed clinical protocol, among other things, to the FDA as part of an IND. An IND is a request for authorization from the FDA to administer an investigational product to humans and must become effective before human clinical trials may begin. Some preclinical testing may continue even after the IND is submitted. An IND automatically becomes effective 30 days after receipt by the FDA, unless before that time the FDA raises concerns or questions related to a proposed clinical trial and places the trial on clinical hold, including concerns that human research subjects will

be exposed to unreasonable health risks. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. Accordingly, submission of an IND may or may not result in the FDA allowing clinical trials to commence.

Clinical trials under an IND

Clinical trials involve the administration of the biologic product candidate to healthy volunteers or patients under the supervision of qualified investigators, which generally are physicians not employed by, or under, the control of the trial sponsor. Clinical trials must be conducted: (i) in compliance with federal regulations; (ii) in compliance with GCPs, an international standard meant to protect the rights and health of patients and to define the roles of clinical trial sponsors, administrators and monitors and (iii) under protocols detailing, among other things, the objectives of the trial, the parameters to be used in monitoring safety and the effectiveness criteria to be evaluated in the trial. Further, each clinical trial must be reviewed and approved by an IRB at or servicing each institution at which the clinical trial will be conducted. An IRB is charged with protecting the welfare and rights of trial participants and considers items such as whether the risks to individuals participating in the clinical trials are minimized and are reasonable in relation to anticipated benefits. The IRB also approves the form and content of the informed consent that must be signed by each clinical trial subject, or his or her legal representative, reviews and approves the study protocol, and must monitor the clinical trial until completed.

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

- **Phase 1.** The biologic product candidate initially is introduced into a small number of healthy human subjects and tested for safety, dosage tolerance, absorption, metabolism, distribution or excretion. If possible, a Phase 1 clinical trial may also seek to gain an early understanding of the product candidate's effectiveness. In the case of some product candidates for severe or life-threatening diseases, especially when the product candidate may be too inherently toxic to ethically administer to healthy volunteers, the initial human testing is often conducted in patients.
- **Phase 2.** The biologic product candidate is evaluated in a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product candidate for specific targeted diseases and to determine dosage tolerance, optimal dosage and dosing schedule. Multiple Phase 2 clinical trials may be conducted to obtain information prior to beginning larger and more expensive Phase 3 clinical trials.
- **Phase 3.** The biologic product candidate is administered to an expanded patient population to further evaluate dosage, to provide statistically significant evidence of clinical efficacy and to further test for safety, generally at multiple geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall risk/benefit ratio of the investigational product and to provide an adequate basis for product approval.

Post-approval clinical trials, sometimes referred to as Phase 4 clinical trials, may be conducted after initial approval. These clinical trials are used to gain additional experience from the treatment of patients in the intended therapeutic indication, particularly for long-term safety follow-up.

These phases may overlap or be combined. For example, a Phase 1/2 clinical trial may contain both a dose-escalation stage and a dose-expansion stage, the latter of which may confirm tolerability at the recommended dose for expansion in future clinical trials (as in traditional Phase 1 clinical trials) and provide insight into the antitumor effects of the investigational therapy in selected subpopulation(s).

Typically, during the development of oncology therapies, all subjects enrolled in Phase 1 clinical trials are disease-affected patients and, as a result, considerably more information on clinical activity may be collected during such

trials than during Phase 1 clinical trials for non-oncology therapies. A single Phase 3 or Phase 2 trial may be sufficient in rare instances, including (i) where the trial is a large, multicenter trial demonstrating internal consistency and a statistically very persuasive finding of a clinically meaningful effect on mortality, irreversible morbidity or prevention of a disease with a potentially serious outcome and confirmation of the result in a second trial would be practically or ethically impossible or (ii) when in conjunction with other confirmatory evidence. Approval on the basis of a single trial may be subject to the requirement of additional post-approval studies.

Phase 1, Phase 2, Phase 3 and other types of clinical trials may not be completed successfully within any specified period, if at all. The FDA, the IRB, or the sponsor may suspend or terminate a clinical trial at any time on various grounds, including non-compliance with regulatory requirements or a finding that the patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements or if the drug or biologic has been associated with unexpected serious harm to patients. Additionally, some clinical trials are overseen by an independent group of qualified experts organized by the clinical trial sponsor, known as a data safety monitoring board or committee. This group provides authorization for whether a trial may move forward at designated checkpoints based on access to certain data from the trial.

Concurrent with clinical trials, companies usually must complete some long-term preclinical testing, such as animal tests of reproductive adverse events and carcinogenicity, and must also develop additional information about the chemistry and physical characteristics of the drug and finalize a process for manufacturing the drug in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the drug candidate and, among other things, the manufacturer must develop methods for testing the identity, strength, quality and purity of the final drug product. Additionally, appropriate packaging must be selected and tested and stability studies must be conducted to demonstrate that the drug candidate does not undergo unacceptable deterioration over its shelf life.

There are also requirements governing the reporting of ongoing clinical trials and completed clinical trial results to public registries. Sponsors of clinical trials of FDA-regulated products, including biologics, are required to register and disclose certain clinical trial information, which is publicly available at www.clinicaltrials.gov. Information related to the product, patient population, phase of investigation, study sites and investigators, and other aspects of the clinical trial is then made public as part of the registration. Sponsors are also obligated to discuss the results of their clinical trials after completion. Disclosure of the results of these trials can be delayed in certain circumstances for up to two years after the date of completion of the trial. Competitors may use this publicly available information to gain knowledge regarding the progress of development programs.

U.S. review and approval processes

FDA approval of a BLA must be obtained before commercial marketing of the biologic product. The results of the preclinical tests and clinical trials, together with detailed information relating to the product's CMC and proposed labeling, among other things, are submitted to the FDA as part of the BLA requesting approval to market the product for one or more indications.

The cost of preparing and submitting a BLA is substantial. Under the Prescription Drug User Fee Act, or PDUFA, each BLA must be accompanied by a significant user fee. The FDA adjusts the PDUFA user fees on an annual basis. The PDUFA also imposes an annual prescription drug program. Fee waivers or reductions are available in certain circumstances, including a waiver of the application fee for the first application filed by a small business. Additionally, no user fees are assessed on BLAs for products designated as orphan drugs, unless the product also includes a non-orphan indication.

The FDA reviews a BLA within 60 days of submission to determine if it is substantially complete before the agency files. The FDA may refuse to file any BLA that it deems incomplete or not properly reviewable at the time of submission and may request additional information. In that event, the BLA must be resubmitted with the additional information. The resubmitted application also is subject to review before the FDA files it. Once the submission is filed by the FDA, the FDA begins an in-depth, substantive review of the BLA.

The FDA reviews the BLA to determine, among other things, whether the proposed product candidate is safe and effective, for its intended use, has an acceptable purity profile and whether the product candidate is being manufactured in accordance with cGMPs to assure and preserve the product candidate's identity, safety, strength, quality, potency and purity. The FDA may refer applications for novel biologic products or biologic products that present difficult questions of safety or efficacy to an advisory committee, typically a panel that includes clinicians and other experts, for review, evaluation and a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions. During the product approval process, the FDA also will determine whether a REMS is necessary to assure the safe use of the product candidate. REMS involve additional risk minimization strategies to ensure that the benefits of the product outweigh the potential risks. A REMS can include medication guides, communication plans for healthcare professionals, and elements to assure safe use, or ETASU. ETASU can include, but are not limited to, special training or certification for prescribing or dispensing the product, dispensing the product only under certain circumstances, special monitoring, and the use of patient-specific registries. If the FDA concludes a REMS is needed, the sponsor of the BLA must submit a proposed REMS; the FDA will not approve the BLA without a REMS, if required.

Before approving a BLA, the FDA will inspect the facilities at which the product candidate is manufactured. The FDA will not approve the product candidate unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product candidate within required specifications. Additionally, before approving a BLA, the FDA typically will inspect one or more clinical sites to assure that the clinical trials were conducted in compliance with IND trial requirements and GCP requirements.

On the basis of the BLA and accompanying information, including the results of the inspection of the manufacturing facilities, the FDA may issue an approval letter or a complete response letter. An approval letter authorizes commercial marketing of the biologic product with specific prescribing information for specific indications. A complete response letter generally outlines the deficiencies in the submission and may require substantial additional testing or information in order for the FDA to reconsider the application. If a complete response letter is issued, the applicant may either resubmit the BLA, addressing all of the deficiencies identified in the letter, or withdraw the application or request an opportunity for a hearing. The FDA has committed to reviewing such resubmissions in two or six months, depending on the type of information included. Even if such data and information are submitted, the FDA may decide that the BLA does not satisfy the criteria for approval.

If a product candidate receives regulatory approval, the FDA may require post-marketing clinical trials, sometimes referred to as Phase 4 clinical trials, designed to further assess a biologic product's safety and effectiveness, and testing and surveillance programs to monitor the safety of approved products that have been commercialized.

The FDA has agreed to specified performance goals in the review of BLAs under the PDUFA. One such goal is to review standard BLAs in 10 months after the FDA files the BLA, and priority BLAs in six months, whereupon a review decision is to be made. The review process and the PDUFA goal date may be extended by three months if the FDA requests or the BLA sponsor otherwise provides additional information or clarification regarding information already provided in the submission within the last three months before the PDUFA goal date.

Compliance with cGMP requirements

Manufacturers of biologics must comply with applicable cGMP regulations, including quality control and quality assurance and maintenance of records and documentation. Manufacturers and others involved in the manufacture and distribution of such products also must register their establishments with the FDA and certain state agencies. Both domestic and foreign manufacturing establishments must register and provide additional information to the FDA upon their initial participation in the manufacturing process. Establishments may be subject to periodic, unannounced inspections by government authorities to ensure compliance with cGMP requirements and other laws. Discovery of problems may result in a government entity placing restrictions on a product, manufacturer or holder of an approved BLA, and may extend to requiring withdrawal of the product from the market. The FDA will not approve a BLA unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specification.

Expedited development and review programs

The FDA is authorized to designate certain products for expedited review if they are intended to address an unmet medical need in the treatment of a serious or life-threatening disease or condition.

Fast track designation may be granted for products that are intended to treat a serious or life-threatening disease or condition for which there is no effective treatment and preclinical or clinical data demonstrate the potential to address unmet medical needs for the condition. Fast track designation applies to both the product and the specific indication for which it is being studied. The sponsor of a new biologic candidate can request the FDA to designate the candidate for a specific indication for fast track status concurrent with, or after, the submission of the IND for the candidate. The FDA must determine if the biologic candidate qualifies for fast track designation within 60 days of receipt of the sponsor's request. For fast track products, sponsors may have greater interactions with the FDA and the FDA may initiate review of sections of a fast track product's BLA before the application is complete. This "rolling review" is available if the FDA determines, after preliminary evaluation of clinical data submitted by the sponsor, that a fast track product may be effective. The sponsor must also provide, and the FDA must approve, a schedule for the submission of the remaining information and the sponsor must pay applicable user fees. Any product submitted to the FDA for marketing, including under a fast track program, may be eligible for other types of FDA programs intended to expedite development and review, such as priority review and accelerated approval.

Breakthrough therapy designation may be granted for products that are intended, alone or in combination with one or more other products, to treat a serious or life-threatening condition and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over currently approved therapies on one or more clinically significant endpoints. Under the breakthrough therapy program, the sponsor of a new biologic candidate may request that the FDA designate the candidate for a specific indication as a breakthrough therapy concurrent with, or after, the submission of the IND for the biologic candidate. The FDA must determine if the biological product qualifies for breakthrough therapy designation within 60 days of receipt of the sponsor's request. The FDA may take certain actions with respect to breakthrough therapies, including holding meetings with the sponsor throughout the development process, providing timely advice to the product sponsor regarding development and approval, involving more senior staff in the review process, assigning a cross-disciplinary project lead for the review team and taking other steps to design the clinical trials in an efficient manner.

Priority review may be granted for products that are intended to treat a serious or life-threatening condition and, if approved, would provide a significant improvement in safety and effectiveness compared to available therapies. The FDA will attempt to direct additional resources to the evaluation of an application designated for priority review in an effort to facilitate the review.

Accelerated approval may be granted for products that are intended to treat a serious or life-threatening condition and that generally provide a meaningful therapeutic advantage to patients over existing treatments. A product eligible for accelerated approval may be approved on the basis of either a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity or prevalence of the condition and the availability or lack of alternative treatments. In clinical trials, a surrogate endpoint is a measurement of laboratory or clinical signs of a disease or condition that substitutes for a direct measurement of how a patient feels, functions or survives. 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 product, even if the effect on the surrogate or intermediate clinical endpoint occurs rapidly. Thus, accelerated approval has been used extensively in the development and approval of products 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 studies to demonstrate a clinical or survival benefit. The accelerated approval pathway is contingent on a sponsor's agreement to conduct additional post-approval confirmatory studies to verify and describe the product's clinical benefit. These confirmatory trials must be completed with due diligence and, in some cases, the FDA may require that the trial be designed, initiated and/or fully enrolled prior to submission of the application or approval. Failure to conduct required post-approval studies, or to confirm a clinical benefit during post-marketing studies, would allow the FDA to withdraw the product from the market on an expedited basis. All promotional materials for product candidates approved under accelerated regulations are subject to prior review by the FDA.

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

Post-approval requirements

Rigorous and extensive FDA regulation of biologic products continues after approval, particularly with respect to cGMP requirements. Manufacturers are required to comply with applicable requirements in the cGMP regulations, including quality control and quality assurance and maintenance of records and documentation, and are subject to periodic inspections by the FDA. In addition, changes to the manufacturing process or facility generally require prior FDA approval before being implemented and other types of changes to the approved product, such as adding new indications and additional labeling claims, are also subject to further FDA review and approval. Other post-approval requirements applicable to biologic products include reporting of cGMP deviations that may affect the identity, potency, purity and overall safety of a distributed product, record-keeping requirements, reporting of adverse effects, reporting updated safety and efficacy information and complying with electronic record and signature requirements. A sponsor also must comply with the FDA's advertising and promotion requirements, such as those related to direct-to-consumer advertising, the prohibition on promoting products for uses or in patient populations that are not described in the product's approved labeling (known as "off-label use"), industry-sponsored scientific and educational activities and promotional activities involving the internet. Discovery of previously unknown problems or the failure to comply with the applicable regulatory requirements may result in restrictions on the marketing of a product or withdrawal of the product from the market as well as possible civil or criminal sanctions.

Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process or after approval, may subject an applicant or manufacturer to administrative or judicial civil or criminal sanctions and adverse publicity. These actions could include refusal to approve pending applications

or supplemental applications, withdrawal of an approval, clinical hold, suspension or termination of clinical trials by an IRB, warning or untitled letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines or other monetary penalties, refusals of government contracts, mandated corrective advertising or communications with healthcare providers, debarment, restitution, disgorgement of profits or other civil or criminal penalties.

Orphan drug designation

Orphan drug designation in the United States is designed to encourage sponsors to develop products intended for treatment of rare diseases or conditions. In the United States, pursuant to the Orphan Drug Act, the FDA may grant orphan designation to a biological product intended to treat a rare disease or condition, which is statutorily defined as a condition that affects fewer than 200,000 individuals in the United States or that affects more than 200,000 individuals in the United States and for which there is no reasonable expectation that the cost of developing and making available the biologic for the disease or condition will be recovered from sales of the product in the United States.

Orphan drug designation qualifies a company for tax credits and market exclusivity for seven years following the date of the product's marketing approval if granted by the FDA. An application for designation as an orphan product can be made any time prior to the filing of an application for approval to market the product. A product becomes an orphan when it receives orphan drug designation from the Office of Orphan Products Development at the FDA based on acceptable confidential requests made under the regulatory provisions. The product must then go through the review and approval process like any other product. Orphan drug designation on its own does not convey any advantage in or shorten the duration of the regulatory review and approval process.

A sponsor may request orphan drug designation of a previously unapproved product or new orphan indication for an already marketed product. In addition, a sponsor of a product that is otherwise the same product as an already approved orphan drug may seek and obtain orphan drug designation for the subsequent product for the same rare disease or condition if it can present a plausible hypothesis that its product may be clinically superior to the first drug. More than one sponsor may receive orphan drug designation for the same product for the same rare disease or condition, but each sponsor seeking orphan drug designation must file a complete request for designation.

If a product with orphan designation receives the first FDA approval for the disease or condition for which it has such designation or for a select indication or use within the rare disease or condition for which it was designated, the product generally will receive orphan drug exclusivity. Orphan drug exclusivity means that the FDA may not approve another sponsor's marketing application for the same product for the same indication for seven years, except in certain limited circumstances. If a product designated as an orphan drug ultimately receives marketing approval for an indication broader than what was designated in its orphan drug application, it may not be entitled to exclusivity.

The period of exclusivity begins on the date that the marketing application is approved by the FDA and applies only to the indication for which the product has been designated. The FDA may approve a second application for the same product for a different use or a second application for a clinically superior version of the product for the same use. Because healthcare professionals are free to prescribe products for off-label uses, the competitor's product could be used for the orphan indication despite another product's orphan exclusivity. The FDA cannot, however, approve the same product made by another manufacturer for the same indication during the market exclusivity period unless it has the consent of the sponsor or the sponsor is unable to provide sufficient quantities.

The FDA's determination of whether two ADCs are the same product for purposes of orphan drug exclusivity is based on a determination of sameness of the monoclonal antibody element and the functional element of the

conjugated molecule. Two ADCs are deemed to be the same product if the complementarity determining region sequences of the antibody and the functional element of the conjugated molecule are the same. A difference in either of those two elements can result in a determination that the molecules are different.

FDA approval and regulation of companion diagnostics

If safe and effective use of our products depends on an *in vitro* diagnostic, then the FDA generally will require approval or clearance of that diagnostic, known as a companion diagnostic, at the same time that the FDA approves our product. In August 2014, the FDA issued final guidance clarifying the requirements that will apply to approval of therapeutic products and *in vitro* companion diagnostics. According to the guidance, if the FDA determines that a companion diagnostic device is essential to the safe and effective use of a biologic product or indication, the FDA generally will not approve the biologic product or new biologic product indication if the companion diagnostic device is not approved or cleared for that indication.

Approval or clearance of the companion diagnostic device will ensure that the device has been adequately evaluated and has adequate performance characteristics in the intended population. The review of *in vitro* companion diagnostics in conjunction with the review of our products will, therefore, likely involve coordination of review by CDER and the FDA's Office of In Vitro Diagnostics and Radiological Health.

Under the FDCA, *in vitro* diagnostics, including companion diagnostics, are regulated as medical devices. In the United States, the FDCA and its implementing regulations, and other federal and state statutes and regulations govern, among other things, medical device design and development, preclinical and clinical testing, premarket clearance or approval, registration and listing, manufacturing, labeling, storage, advertising and promotion, sales and distribution, export and import, and post-market surveillance. Unless an exemption applies, diagnostic tests require marketing clearance or approval from the FDA prior to commercial distribution. The two primary types of FDA marketing authorization applicable to a medical device are premarket notification, also called 510(k) clearance, and premarket approval, or PMA approval.

The PMA process, including the gathering of clinical and preclinical data and the submission to and review by the FDA, can take several years or longer. It involves a rigorous premarket review during which the applicant must prepare and provide the FDA with reasonable assurance of the device's safety and effectiveness and information about the device and its components regarding, among other things, device design, manufacturing and labeling. PMA applications are subject to an application fee. In addition, PMAs for certain devices must generally include the results from extensive preclinical and adequate and well-controlled clinical trials to establish the safety and effectiveness of the device for each indication for which FDA approval is sought. In particular, for a diagnostic, a PMA application typically requires data regarding analytical and clinical validation studies. As part of the PMA review, the FDA will typically inspect the manufacturer's facilities for compliance with the Quality System Regulation, or QSR, which imposes elaborate testing, control, documentation and other quality assurance requirements.

PMA approval is not guaranteed, and the FDA may ultimately respond to a PMA submission with a not approvable determination based on deficiencies in the application and require additional clinical trial or other data that may be expensive and time-consuming to generate and that can substantially delay approval. If the FDA's evaluation of the PMA application is favorable, the FDA typically issues an approvable letter requiring the applicant's agreement to specific conditions, such as changes in labeling, or specific additional information, such as submission of final labeling, in order to secure final approval of the PMA. If the FDA's evaluation of the PMA or manufacturing facilities is not favorable, the FDA will deny approval of the PMA or issue a not approvable letter. A not approvable letter will outline the deficiencies in the application and, where practical, will identify what is necessary to make the PMA approvable. The FDA may also determine that additional clinical trials are necessary, in which case the PMA approval may be delayed for several months or years while

the trials are conducted and then the data submitted in an amendment to the PMA. If the FDA concludes that the applicable criteria have been met, the FDA will issue a PMA for the approved indications, which can be more limited than those originally sought by the applicant. The PMA can include post-approval conditions that the FDA believes necessary to ensure the safety and effectiveness of the device, including, among other things, restrictions on labeling, promotion, sale and distribution. Once granted, PMA approval may be withdrawn by the FDA if compliance with post approval requirements, conditions of approval or other regulatory standards are not maintained or problems are identified following initial marketing.

After a device is placed on the market, it remains subject to significant regulatory requirements. Medical devices may be marketed only for the uses and indications for which they are cleared or approved. Device manufacturers must also register their establishments and list their devices with the FDA. A medical device manufacturer's manufacturing processes and those of its suppliers are required to comply with the applicable portions of the QSR, which cover the methods and documentation of the design, testing, production, processes, controls, quality assurance, labeling, packaging and shipping of medical devices. Domestic and foreign facility records and manufacturing processes are subject to periodic unscheduled inspections by the FDA.

Pediatric information

Under the Pediatric Research Equity Act, or PREA, a BLA or supplement to a BLA must contain data to assess the safety and effectiveness of the biologic product candidate for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product candidate is safe and effective. The FDA may grant deferrals for submission of data or full or partial waivers. Unless otherwise required by regulation, the PREA generally does not apply to any biologic product candidate for an indication for which orphan designation has been granted. However, beginning in 2020, PREA applies to BLAs for orphan-designated biologics if the biologic is a molecularly targeted cancer product intended for the treatment of an adult cancer and is directed at a molecular target that FDA has determined is substantially relevant to the growth or progression of a pediatric cancer.

The Best Pharmaceuticals for Children Act, or BPCA, provides a six-month extension of any exclusivity-patent or non-patent-for a biologic if certain conditions are met. Conditions for exclusivity include the FDA's determination that information relating to the use of a new biologic 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. Applications under the BPCA are treated as priority applications, with all of the benefits that designation confers.

Biosimilars and exclusivity

The ACA includes a subtitle called the Biologics Price Competition and Innovation Act of 2009, or BPCIA, which created an abbreviated approval pathway for biological products that are biosimilar to or interchangeable with an FDA-licensed reference biological product. The FDA has licensed numerous biosimilars under the BPCIA, and has issued several guidance documents outlining an approach to review and approval of biosimilars.

Biosimilarity, which requires that there be no clinically meaningful differences between the proposed biosimilar biological product and the reference product in terms of safety, purity and potency, can be shown through analytical studies, animal studies and a clinical trial or studies though the FDA has broad discretion to set biosimilar licensure data requirements. Interchangeability requires that a product is biosimilar to the reference product and the product must demonstrate that it can be expected to produce the same clinical results as the reference product in any given patient and, for products that are administered multiple times to an individual, the biologic and the reference biologic may be alternated or switched after one has been previously administered

without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biologic. However, complexities associated with the larger, and often more complex, structures of biological products, as well as the processes by which such products are manufactured, pose significant hurdles to implementation of the abbreviated approval pathway that are still being developed by the FDA.

Under the BPCIA, an application for a biosimilar product may not be submitted to the FDA until four years following the date that the reference product was first licensed by the FDA. In addition, the approval of a biosimilar product may not be made effective by the FDA until 12 years from the date on which the reference product was first licensed. During this 12-year period of exclusivity, another company may still market a competing version of the reference product if the FDA approves a full BLA for the competing product containing the applicant's own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, purity and potency of its product. The BPCIA also created an exclusivity period for biosimilars approved as interchangeable products. At this juncture, it is unclear whether products deemed "interchangeable" by the FDA will, in fact, be readily substituted by pharmacies, which are governed by state pharmacy law.

The BPCIA is complex and only beginning to be interpreted and implemented by the FDA. In addition, recent government proposals have sought to reduce the 12-year reference product exclusivity period. Other aspects of the BPCIA, some of which may impact the BPCIA exclusivity provisions, have also been the subject of recent litigation. As a result, the ultimate impact, implementation and meaning of the BPCIA is subject to significant uncertainty.

Patent term restoration and extension

In the United States, a patent claiming a new biologic product, its method of use or its method of manufacture may be eligible for a limited patent term extension under the Hatch-Waxman Act, which permits a patent extension of up to five years for patent term lost during product development and FDA regulatory review. Assuming grant of the patent for which the extension is sought, the restoration period for a patent covering a product is typically one-half the time between the effective date of the IND involving human beings and the submission date of the BLA, plus the time between the submission date of the BLA 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 in the United States. Only one patent applicable to an approved product is eligible for the extension, and the application for the extension must be submitted prior to the expiration of the patent for which extension is sought. A patent that covers multiple products for which approval is sought can only be extended in connection with one of the approvals. The USPTO reviews and approves the application for any patent term extension in consultation with the FDA.

Regulation and procedures governing approval of medicinal products in the European Union

In order to market any product outside of the United States, a company must also comply with numerous and varying regulatory requirements of other countries and jurisdictions regarding quality, safety and efficacy and governing, among other things, clinical trials, marketing authorization, commercial sales, post-market surveillance and distribution of products. Whether or not it obtains FDA approval for a product, an applicant will need to obtain the necessary approvals by the comparable foreign regulatory authorities before it can commence clinical trials or marketing of the product in those countries or jurisdictions. Specifically, the process governing approval of medicinal products in the European Union generally follows the same lines as in the United States. It entails satisfactory completion of preclinical studies and adequate and well-controlled clinical trials to establish the safety and efficacy of the product for each proposed indication. Except in limited cases of compassionate use, it also requires the submission to the relevant competent authorities of a marketing authorization application, or MAA, and granting of a marketing authorization by these authorities before the product can be marketed and sold in the European Union.

Clinical trial approval

Pursuant to the currently applicable Clinical Trials Directive 2001/20/EC and the Directive 2005/28/EC on GCP, a system for the approval of clinical trials (excluding non-interventional trials) conducted in the European Union has been implemented through national legislation of the member states. Under this system, the sponsor of a clinical trial must submit a request for authorization to the competent national authority of the European Union member state in which the clinical trial is to be conducted, or in multiple member states if the clinical trial is to be conducted in a number of member states. Furthermore, the applicant must obtain a favorable opinion from the competent ethics committee before starting a clinical trial. The clinical trial application must be accompanied by an investigational medicinal product dossier with supporting information prescribed by Directive 2001/20/EC and Directive 2005/28/EC and corresponding national laws of the member states and further detailed in applicable guidance documents.

In April 2014, the European Union adopted a new Clinical Trials Regulation (EU) No 536/2014, but it has not yet become effective. Its application is subject to the full functionality of the European Union clinical trials portal and database. According to the most recent official communications, the audit aiming to confirm the full functionality of the portal and database will be conducted in December 2020. The new Clinical Trials Regulation will overhaul the current system of approvals for clinical trials in the European Union. Specifically, the new legislation, which will be directly applicable in all member states, aims at simplifying and streamlining the approval of clinical trials in the European Union. For instance, the new Clinical Trials Regulation provides for a streamlined application procedure via a single-entry point and shorter deadlines for the assessment of clinical trial applications. The scientific assessment of a clinical trial to be conducted in more than one Member State would be carried out once for all the concerned Member States while other aspects (e.g., informed consent requirements) are assessed by each Member State for its territory. In addition, sponsors must post clinical trial information (e.g., a summary of trial results) at the EudraCT website.

PRIME designation in the European Union

In March 2016, the EMA launched an initiative to facilitate development of product candidates of major interest from the point of view of public health and in particular from the point of view of therapeutic innovation. The PRIority MEdicines, or PRIME, scheme is intended to encourage drug development in areas of unmet medical need and provides accelerated assessment of products representing substantial innovation reviewed under the centralized procedure. Eligibility for the PRIME scheme depends on the availability of adequate preclinical and clinical data to justify a potential major public health interest prior to the initiation of confirmatory clinical trials at the proof of concept stage. Products from micro, small and medium-sized enterprises may qualify for earlier entry into the PRIME scheme than larger companies and benefit from fee reductions with the EMA. Many benefits accrue to sponsors of product candidates with PRIME designation, including early and proactive regulatory dialogue with the EMA, frequent discussions on clinical trial designs and other development program elements, scientific advice on key decision points for the preparation of the MAA and accelerated MAA assessment once a dossier has been submitted. More specifically, a kick-off meeting initiates these relationships and includes a team of multidisciplinary experts at the EMA to provide guidance on the overall development and regulatory strategies. Importantly, a dedicated EMA contact (rapporteur) from the Committee for Human Medicinal Products, or CHMP, or Committee for Advanced Therapies in the case of an advanced therapy, are appointed early in the PRIME scheme to provide continuous support and help to build knowledge ahead of a MAA.

Marketing authorization

To obtain a marketing authorization for a product under the European Union regulatory system, an applicant must submit an MAA, either under a centralized procedure administered by the EMA or one of the procedures

administered by competent authorities in European Union Member States (decentralized procedure, national procedure, or mutual recognition procedure). A marketing authorization may be granted only to an applicant established in the European Union. In order to support the authorization of medicinal products for children, Regulation (EC) No 1901/2006 provides that prior to obtaining a marketing authorization in the European Union, an applicant must demonstrate compliance with all measures included in an EMA-approved Pediatric Investigation Plan, or PIP, covering all subsets of the pediatric population, unless the EMA has granted a product-specific waiver, class waiver or a deferral for one or more of the measures included in the PIP. The requirement for a PIP also applies to applications for new indications, pharmaceutical forms or routes of administration for medicinal products that are already authorized.

The centralized procedure provides for the grant of a single marketing authorization by the European Commission that is valid for all European Union Member States. Pursuant to Regulation (EC) No. 726/2004, 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 and products with a new active substance indicated for the treatment of certain diseases, including products for the treatment of cancer. For products with a new active substance indicated for the treatment of other diseases and products that are highly innovative or for which a centralized process is in the interest of patients, the centralized procedure is optional. Manufacturers must demonstrate the quality, safety and efficacy of their products to the EMA, which provides an opinion regarding the MAA through the CHMP responsible for conducting an initial assessment of the product.

The maximum timeframe for the evaluation of an MAA by the CHMP is 210 days, excluding clock stops when additional information or written or oral explanation is to be provided by the applicant in response to questions of the CHMP. Accelerated evaluation may be granted by the CHMP in exceptional cases, when a medicinal product is of major interest from the point of view of public health and, in particular, from the viewpoint of therapeutic innovation. If the CHMP accepts such a request, the time limit of 210 days will be reduced to 150 days, but it is possible that the CHMP may revert to the standard time limit for the centralized procedure if it determines that it is no longer appropriate to conduct an accelerated assessment. The final decision on the MAA is issued by the European Commission, in light of the opinion delivered by the EMA, and after the Member States have had an opportunity to comment on it.

With respect to medicinal products for which a centralized authorization is not mandatory, the applicant may choose between: (i) the national procedure provided for by a specific Member State, for the marketing of the product in its territory, (ii) the decentralized procedure, for drug candidates that are not marketed in any of the Member States but the applicant wishes to market them on more than one EU national territories or (iii) the mutual recognition procedure, which applies to products already authorized in a Member State and whose marketing in other Member States' territories is sought.

Regulatory data protection in the European Union

In the European Union, new chemical entities approved on the basis of a complete independent data package qualify for eight years of data exclusivity upon marketing authorization and an additional two years of market exclusivity pursuant to Regulation (EC) No 726/2004, as amended, and Directive 2001/83/EC, as amended. These exclusivity periods apply only once from the first authorization granted to an applicant for a given active substance and they cannot be renewed when the same marketing authorization holder is granted new authorizations for new indications, strengths, pharmaceutical forms, administration routes or presentations of the same active substance. Data exclusivity prevents regulatory authorities in the European Union from referencing the innovator's data to assess another product (either generic, hybrid or biosimilar) application for a period of eight years. During the additional two-year period of market exclusivity, a generic, hybrid or

biosimilar marketing authorization application can be submitted, and the innovator's data may be referenced, but no generic, hybrid or biosimilar medicinal product can be marketed until the expiration of the market exclusivity. The overall 10-year period will be extended to a maximum of 11 years if, during the first eight years of those 10 years, the marketing authorization holder obtains an authorization for one or more new therapeutic indications which, during the scientific evaluation prior to authorization, is held to bring a significant clinical benefit in comparison with existing therapies. Even if a compound is considered to be a new chemical entity so that the innovator gains the prescribed period of data exclusivity, another company may market another version of the product if such company obtained marketing authorization based on an MAA with a complete independent data package of pharmaceutical tests, preclinical tests and clinical trials.

Patent term extensions in the European Union and other jurisdictions

The European Union also provides for patent term extension through Supplementary Protection Certificates, or SPCs. The rules and requirements for obtaining a SPC are similar to those in the United States. An SPC may extend the term of a patent for up to five years after its originally scheduled expiration date. In certain circumstances, these periods may be extended for six additional months if pediatric exclusivity is obtained. Although SPCs are available throughout the European Union, sponsors must apply on a country-by-country basis. Similar patent term extension rights exist in certain other foreign jurisdictions outside the European Union.

Periods of authorization and renewals

A marketing authorization is valid for five years, in principle, and it may be renewed after five years on the basis of a reevaluation of the risk-benefit balance by the EMA or by the competent authority of the authorizing member state, depending on the procedure through which the marketing authorization has been granted. To that 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 nine 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 period. Any authorization that is not followed by the placement of the drug on the European Union market (in the case of the centralized procedure) or on the market of the authorizing member state within three years after authorization is granted ceases to be valid.

Regulatory requirements after marketing authorization

Following approval, the holder of the marketing authorization is required to comply with a range of requirements applicable to the manufacturing, marketing, promotion and sale of the medicinal product. These include compliance with the European Union's stringent pharmacovigilance or safety reporting rules, pursuant to which post-authorization studies and additional monitoring obligations can be imposed. In addition, the manufacturing of authorized products, for which a separate manufacturer's license is mandatory, must also be conducted in strict compliance with the EMA's GMP requirements and comparable requirements of other regulatory bodies in the European Union, which mandate the methods, facilities and controls used in the manufacturing, processing and packing of drugs to assure their safety and identity. Finally, the marketing and promotion of authorized products, including industry-sponsored continuing medical education and advertising directed toward the prescribers of drugs and/or the general public, are strictly regulated in the European Union under Directive 2001/83EC, as amended.

Orphan drug designation and exclusivity

Regulation (EC) No 141/2000 and Regulation (EC) No. 847/2000 provide that a product can be designated as an orphan drug by the European Commission if its sponsor can establish: that the product is intended for the diagnosis, prevention or treatment of (i) a life-threatening or chronically debilitating condition affecting not more than five in ten thousand persons in the European Union when the application is made, or (ii) a life-threatening, seriously debilitating or serious and chronic condition in the European Union and that without incentives it is unlikely that the marketing of the drug in the European Union would generate sufficient return to justify the necessary investment. For either of these conditions, the applicant must demonstrate that there exists no satisfactory method of diagnosis, prevention or treatment of the condition in question that has been authorized in the European Union or, if such method exists, the drug for which the orphan designation is requested will be of significant benefit to those affected by that condition.

An orphan drug designation provides a number of benefits, including fee reductions, regulatory and scientific assistance and the possibility to apply for a centralized European Union marketing authorization. In particular, an orphan drug designation leads to a 10-year period of market exclusivity from the granting of the concerned medicinal product marketing authorization for the particular indication. During this market exclusivity period, neither the EMA nor the member states can accept an application or grant a marketing authorization for a "similar medicinal product." A "similar medicinal product" is defined as a medicinal product containing a similar or identical active substance, or substances as contained in an authorized orphan medicinal product, and which is intended for the same therapeutic indication. The market exclusivity period for the authorized therapeutic indication may, however, be reduced to six years if, at the end of the fifth year, it is established that the product no longer meets the criteria for orphan drug designation because, for example, the product is sufficiently profitable so as to not to justify market exclusivity.

General Data Protection Regulation

The collection, use, disclosure, transfer or other processing of personal data regarding individuals in the European Union, including personal health data, is subject to the Regulation (EU) No. 2016/679, the GDPR, which became effective on May 25, 2018. The GDPR is wide-ranging in scope and imposes numerous requirements on companies that process personal data, including requirements relating to processing health and other sensitive data, obtaining consent of the individuals to whom the personal data relates, providing information to individuals regarding data processing activities, implementing safeguards to protect the security and confidentiality of personal data, providing notification of data breaches and taking certain measures when engaging third-party processors. The GDPR also imposes strict rules on the transfer of personal data to countries outside the European Union, including the United States, and permits data protection authorities to impose large penalties for violations of the GDPR, including potential fines of up to €20 million or 4% of annual global turnover of the preceding financial year, whichever is greater. The GDPR also confers a private right of action on data subjects and consumer associations to lodge complaints with supervisory authorities, seek judicial remedies and obtain compensation for damages resulting from violations of the GDPR. Compliance with the GDPR will be a rigorous and time-intensive process that may increase the cost of doing business or require companies to change their business practices to ensure full compliance.

Brexit and the regulatory framework in the United Kingdom

On June 23, 2016, the electorate in the United Kingdom voted in favor of leaving the European Union, commonly referred to as Brexit. Following protracted negotiations, the United Kingdom left the European Union on January 31, 2020. Under the withdrawal agreement, there is a transitional period until December 31, 2020, which is extendable up to two years. Discussions between the United Kingdom and the European Union have so

far mainly focused on finalizing withdrawal issues and transition agreements but have been extremely difficult to date. To date, only an outline of a trade agreement has been reached. Much remains open but the Prime Minister has indicated that the United Kingdom will not seek to extend the transitional period beyond the end of 2020. If no trade agreement has been reached before the end of the transitional period, there may be significant market and economic disruption. The Prime Minister has also indicated that the United Kingdom will not accept high regulatory alignment with the European Union.

Since the regulatory framework for pharmaceutical products in the United Kingdom covering quality, safety and efficacy of pharmaceutical products, clinical trials, marketing authorization, commercial sales and distribution of pharmaceutical products is derived from European Union directives and regulations, Brexit could materially impact the future regulatory regime that applies to products and the approval of product candidates in the United Kingdom although the United Kingdom has committed for recognition of EU laws. Any delay in obtaining, or an inability to obtain, any marketing approvals, as a result of Brexit or otherwise, may force us to restrict or delay efforts to seek regulatory approval in the United Kingdom for any product candidates we may develop, which could significantly and materially harm our business.

Furthermore, while the Data Protection Act of 2018 in the United Kingdom that "implements" and complements the GDPR achieved Royal Assent on May 23, 2018 and is now effective in the United Kingdom, it is still unclear whether transfer of data from the European Economic Area, or EEA, to the United Kingdom will remain lawful under GDPR. During the period of "transition" (i.e., until December 31, 2020), European Union law will continue to apply in the United Kingdom, including the GDPR, after which the GDPR will be converted into United Kingdom law. Beginning in 2021, the United Kingdom will be a "third country" under the GDPR. We may, however, incur liabilities, expenses, costs and other operational losses under GDPR and applicable European Union Member States and the United Kingdom privacy laws in connection with any measures we take to comply with them.

Coverage and reimbursement

Sales of our product candidates, if approved, will depend, in part, on the extent to which such products will be covered by third-party payors, such as government healthcare programs, commercial insurance and managed healthcare organizations. These third-party payors are increasingly limiting coverage or reducing reimbursements for medical products and services. In the United States, no uniform policy of coverage and reimbursement for products exists among third-party payors. Therefore, coverage and reimbursement for products can differ significantly from payor to payor. In addition, the U.S. government, state legislatures and foreign governments have continued implementing cost-containment programs, including price controls, restrictions on reimbursement and requirements for substitution of generic products. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit our net revenue and results. Decreases in third-party reimbursement for our product candidates or a decision by a third-party payor to not cover our product candidates could reduce physician usage of our product candidates, once approved, and have a material adverse effect on our sales, results of operations and financial condition.

Federal and state data privacy and security laws

Under HIPAA, the U.S. Department of Health and Human Services, or HHS, has issued regulations to protect the privacy and security of protected health information used or disclosed by covered entities including certain healthcare providers, health plans and healthcare clearinghouses. HIPAA also regulates standardization of data content, codes and formats used in healthcare transactions and standardization of identifiers for health plans and providers. HIPAA, as amended by HITECH, and their regulations, including the final omnibus rule published on January 25, 2013, also imposes certain obligations on the business associates of covered entities that obtain

protected health information in providing services to or on behalf of covered entities. In addition to federal privacy regulations, there are a number of state laws governing confidentiality and security of health information that are applicable to our business. In addition to possible federal administrative, civil and criminal penalties for HIPAA violations, state attorneys general are authorized to file civil actions for damages or injunctions in federal courts to enforce HIPAA and seek attorney's fees and costs associated with pursuing federal civil actions. Accordingly, state attorneys general have brought civil actions seeking injunctions and damages resulting from alleged violations of HIPAA's privacy and security rules. New laws and regulations governing privacy and security may be adopted in the future as well.

Additionally, California recently enacted legislation that has been dubbed the first "GDPR-like" law in the United States. Known as the California Consumer Privacy Act, or CCPA, it creates new individual privacy rights for consumers (as that word is broadly defined in the law) and places increased privacy and security obligations on entities handling personal data of consumers or households. The CCPA went into effect on January 1, 2020 and requires covered companies to provide new disclosures to California consumers, provide such consumers new ways to opt-out of certain sales of personal information, and allow for a new cause of action for data breaches. The CCPA could impact our business activities depending on how it is interpreted and exemplifies the vulnerability of our business to not only cyber threats but also the evolving regulatory environment related to personal data and protected health information.

Because of the breadth of these laws and the narrowness of the statutory exceptions and regulatory safe harbors available under such laws, it is possible that some of our current or future business activities, including certain clinical research, sales and marketing practices and the provision of certain items and services to our customers, could be subject to challenge under one or more of such privacy and data security laws. The heightening compliance environment and the need to build and maintain robust and secure systems to comply with different privacy compliance and reporting requirements in multiple jurisdictions could increase the possibility that a healthcare company may fail to comply fully with one or more of these requirements. If our operations are found to be in violation of any of the privacy or data security laws or regulations described above that are applicable to us, or any other laws that apply to us, we may be subject to penalties, including potentially significant criminal, civil and administrative penalties, damages, fines, imprisonment, contractual damages, reputational harm, diminished profits and future earnings, additional reporting requirements and oversight if we become subject to a consent decree or similar agreement to resolve allegations of non-compliance with these laws, and the curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations. To the extent that any product candidates we may develop, once approved, are sold in a foreign country, we may be subject to similar foreign laws.

Healthcare reform

In the United States and certain foreign jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes to the healthcare system. In March 2010, the ACA was signed into law, which substantially changed the way healthcare is financed by both governmental and private insurers in the United States. By way of example, the ACA increased the minimum level of Medicaid rebates payable by manufacturers of brand name drugs from 15.1% to 23.1%; required collection of rebates for drugs paid by Medicaid managed care organizations; imposed a non-deductible annual fee on pharmaceutical manufacturers or importers who sell certain "branded prescription drugs" to specified federal government programs; implemented a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected; expanded eligibility criteria for Medicaid programs; created a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such

research; and established the CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending, potentially including prescription drug spending.

Since its enactment, there have been judicial and Congressional challenges to certain aspects of the ACA, and we expect there will be additional challenges and amendments to the ACA in the future. Since January 2017, President Trump has signed several Executive Orders and other directives designed to delay the implementation of certain provisions of the ACA or otherwise circumvent some of the requirements for health insurance mandated by the ACA. Concurrently, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, two bills affecting the implementation of certain taxes under the ACA have passed. For example, in 2017, Congress enacted the TCJA, which eliminated the tax-based shared responsibility payment imposed by the ACA on certain individuals who fail to maintain qualifying health coverage for all or part of a year that is commonly referred to as the "individual mandate." In addition, the 2020 federal spending package permanently eliminates, effective January 1, 2020, the ACA-mandated "Cadillac" tax on high-cost employer-sponsored health coverage and medical device tax and, effective January 1, 2021, also eliminates the health insurer tax. On December 14, 2018, a Texas U.S. District Court Judge ruled that the individual mandate is a critical and inseverable feature of the ACA, and therefore, because it was repealed as part of the TCJA, the remaining provisions of the ACA are invalid as well. On December 18, 2019, the U.S. Court of Appeals for the Fifth Circuit ruled that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the ACA are invalid as well. On March 2, 2020, the U.S. Supreme Court granted the petitions for writs of certiorari to review the case, and oral arguments were held on November 10, 2020, although it is unclear when a decision will be made or how the Supreme Court will rule. In addition, there may be other efforts to challenge, repeal or replace the ACA. We are continuing to monitor any changes to the ACA that, in turn, may potentially impact our business in the future.

Other legislative changes have been proposed and adopted since the ACA was enacted, including aggregate reductions of Medicare payments to providers of 2% per fiscal year and reduced payments to several types of Medicare providers, which will remain in effect through 2030 absent additional congressional action. In addition, the CARES Act suspended the 2% Medicare sequester from May 1, 2020 to December 31, 2020. Moreover, there has recently been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which has resulted in several Congressional inquiries and proposed and enacted legislation designed, among other things, to bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs and reform government program reimbursement methodologies for pharmaceutical products. For example, at the federal level, the Trump administration released a "Blueprint" to lower drug prices and reduce out of pocket costs of drugs that contains additional proposals to increase manufacturer competition, increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products and reduce the other out of pocket costs of drug products paid by consumers. On March 10, 2020, the Trump administration sent "principles" for drug pricing to Congress, calling for legislation that would, among other things, cap Medicare Part D beneficiary out-of-pocket pharmacy expenses, provide an option to cap Medicare Part D beneficiary monthly out-of-pocket expenses and place limits on pharmaceutical price increases. Additionally, the Trump administration's budget proposal for the fiscal year 2020 contains further drug price control measures that could be enacted during the budget process or in future legislation, including, for example, measures to permit Medicare Part D plans to negotiate the price of certain drugs under Medicare Part B, to allow some states to negotiate prices under Medicaid, and to eliminate cost sharing for generic drugs for low-income patients. Although a number of these and other measures may require additional authorization to become effective, Congress and the Trump administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs. In addition, individual states in the United States have also become increasingly active in implementing regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on

certain product access and marketing cost disclosure and transparency measures and, in some cases, mechanisms to encourage importation from other countries and bulk purchasing. Furthermore, there has been increased interest by third-party payors and governmental authorities in reference pricing systems and publication of discounts and list prices.

Employees

As of December 1, 2020, we employed 36 employees. Of those 36 employees, 33 were full-time, 10 hold Ph.D. degrees, one an M.D. degree, 19 were engaged in research and development activities and 17 were engaged in business development, finance, information systems, facilities, human resources or administrative support. We also engaged 18 independent contractors located in China as of December 1, 2020 pursuant to our relationship with BioDuro, a U.S.-based provider of preclinical development services. None of our employees are subject to a collective bargaining agreement. We consider our relationship with our employees to be good.

Facilities

Our headquarters are located at 11085 Torreyana Road, San Diego, California 92121, where we lease approximately 43,377 square feet of office and laboratory space under a lease that terminates on February 28, 2025. We believe that our existing facilities are adequate to meet our current needs, and that suitable additional alternative spaces will be available in the future on commercially reasonable terms.

Legal proceedings

From time to time, we may be subject to various claims and suits arising in the ordinary course of business. We are not currently a party to any legal proceedings the outcome of which we believe, if determined adversely to us, would individually or in the aggregate have a material adverse effect on our business, operating results or financial condition.

Management

Executive officers, significant employees and directors

The following table sets forth certain information regarding our current executive officers, significant employees and directors as of December 5, 2020:

Name	Age	Position(s)
Executive Officers		
Jay M. Short, Ph.D.	62	Chairman and Chief Executive Officer
Scott Smith	58	President and Director
Richard A. Waldron	67	Chief Financial Officer
Carolyn Anderson Short	56	Chief of Intellectual Property and Strategy and Assistant Secretary
Eric Sievers, M.D.	57	Chief Medical Officer
Christian Vasquez	45	Vice President of Finance, Corporate Controller and Secretary
Significant Employees		
William Boyle, Ph.D.	64	Research Fellow
Hwai Wen (Cathy) Chang, Ph.D.	55	Vice President of Research & Development, Asia
Philippe Martin	45	Chief of Clinical Development & Operations
Non-Employee Directors		
Priyanka Belawat, Ph.D.	41	Director
Mary Ann Gray, Ph.D	68	Director
Guy Levy	39	Director
Susan Moran, M.D.	51	Director
Lawrence Steinman, M.D.	73	Director

Executive officers

Jay M. Short, Ph.D.

Dr. Short cofounded BioAtla in March 2007 and has served as Chairman and Chief Executive Officer since that time. He founded the E.O. Wilson Biodiversity Foundation, a public charity, and served as its President and Chairman from its inception in October 2005 through July 2008. From February 1999 to October 2005, Dr. Short was the President and Chief Executive Officer of Diversa Corporation (now BASF Corporation), a biotechnology company focusing on enzyme and antibody development which he cofounded. In 1998, he was named President of Diversa, and from 1994 to 2005, he served as Chief Technology Officer. From 1994 to 2008, Dr. Short served as a director of Invitrogen (now Life Technologies). From its founding until 1994, Dr. Short served as President of Stratacyte Corporation, an antibody engineering company and subsidiary of Stratagene Cloning Systems, Inc. (now Agilent Technologies, Inc.), a biotechnology company. From 1985 through 1994, he also served in various roles including as Vice President of Research & Development and Operations for Stratagene. In 2006, Dr. Short was shortlisted by the editors of Nature Biotechnology as a personality making the most significant contribution to biotech in the past decade. In 2001 Dr. Short received San Diego's 2001 E&Y Entrepreneur of the Year Award and was the recipient of the two first place awards granted by UCSD, Connect Innovative Product Program, for pioneering cloning of human antibodies in bacteria and transgenic genotoxicity assay systems. He has authored more than 100 peer reviewed publications and is named inventor of over 500 issued patents. Dr. Short received his Ph.D. in Biochemistry from Case Western Reserve University in Cleveland, Ohio and his B.A. with honors in

Chemistry from Taylor University in Upland, Indiana. Dr. Short has also attended and received Director Certification from the UCLA Anderson School of Business.

Our board of directors believes Dr. Short's perspective and experience as our co-founder and Chief Executive Officer, as well as his depth of operating and senior management experience in our industry, provide him with the qualifications and skills to serve on our board of directors as Chairman.

Dr. Short is married to our Chief of Intellectual Property and Strategy and Assistant Secretary, Ms. Anderson Short.

Scott Smith

Mr. Smith has served as President of BioAtla since September 2018 and has 30 years of biotechnology and biopharmaceutical industry experience. In his 10 years at Celgene, a global biopharmaceutical company, from September 2008 to April 2018, his leadership role expanded from Vice President of Global Marketing for Inflammation & Immunology, to Global Head of that division, to President of the Inflammation & Immunology Franchise to his appointment in 2017 as Celgene's President and Chief Operating Officer. With a particular emphasis and interest in immunology, Mr. Smith drove the growth of Celgene's Inflammation and Immunology division from 13 to more than 1,300 persons worldwide and oversaw the clinical development, global registration and commercial success of the blockbuster drug Otezla®. Mr. Smith served in various positions at Pharmacia, a pharmaceutical company, from August 1987 until it was acquired by Pfizer in 2003. He also served in various positions including General Manager Canada, General Manager US and Vice President and Head of Global Commercial Operations from July 2003 to August 2008 at Biovail, where he was responsible for sales and marketing, creating and executing commercial and business development strategies and contributing to regulatory and clinical development strategies. Mr. Smith also serves on the board of directors of Titan Pharmaceuticals, Triumvira Immunologics and Spring Bank Pharmaceuticals. Mr. Smith received both his BSc degree in Chemistry and Biology and his HBSc degree in Pharmacology and Toxicology from the University of Western Ontario and his Masters of International Business Management from the Thunderbird School of Global Management.

Our board of directors believes Mr. Smith's broad experience in the biotechnology and biopharmaceutical industry, as well as his proven management experience in our industry, provide him with the qualifications and skills to serve on our board of directors.

Richard A. Waldron

Mr. Waldron has served as the Senior Vice President and Chief Financial Officer of BioAtla since November 2013. Prior to joining us, from January 2011 until his appointment at BioAtla, Mr. Waldron served as an independent consultant to biotechnology, biopharmaceutical and information technology companies, advising management in the areas of finance, strategic planning, corporate partnering and mergers and acquisitions. Prior to his time as an independent consultant, he served as Chief Financial Officer of the Protein Production Division of Intrexon Corporation, a synthetic biology company, from December 2009 to December 2010. Before Intrexon Corporation, Mr. Waldron served as the Chief Financial Officer of SciClone Pharmaceuticals, Inc., a publicly-traded specialty pharmaceutical company, from March 2001 to April 2008. Prior to SciClone, he served as the Chief Financial Officer of Genelabs, Inc., a publicly-traded biotechnology company, from June 1999 to August 2000, and as the Chief Financial Officer of GeneMedicine, Inc., a publicly-traded biotechnology company, from July 1995 to March 1999. GeneMedicine was acquired by Valentis Inc. in 1999. Prior to GeneMedicine, from May 1990 to July 1995, Mr. Waldron served as a Managing Director of Rauscher Pierce Refsnes, Inc., a brokerage and investment banking firm, which merged with Dain Bosworth Inc. in 1997. Prior to Rauscher, Mr. Waldron served

as a senior healthcare investment banker at Cowen & Company, LLC from 1985 to 1990. He graduated with honors from Harvard Business School, and magna cum laude from Princeton University.

Carolyn Anderson Short

Ms. Anderson Short cofounded BioAtla in March 2007 and is Chief of Intellectual Property and Strategy for the company. She also founded Capia IP LLC, a company specializing in business and intellectual property strategy for customers in healthcare and clean energy, in February 2006, serving as President since its founding. From 1994 until 2006, Ms. Anderson Short held several positions with Diversa Corporation (now BASF Corporation), including Vice President of Intellectual Property. From 1988 to 1994, she held various roles in sales, business development, marketing and product management at Stratagene Cloning Systems, Inc. (now Agilent Technologies, Inc.). Prior to that, Ms. Anderson Short was a QA scientist at Pacific Biotech. Ms. Anderson Short holds a degree in Biochemistry & Cell Biology from the University of California, San Diego, and is a registered patent agent with the United States Patent & Trademark Office.

Ms. Anderson Short is married to our Chief Executive Officer, Dr. Short.

Christian Vasquez

Mr. Vasquez has served as Corporate Controller and Secretary of BioAtla since November 2015, and as Vice President of Finance of BioAtla since July 2020. Mr. Vasquez has over 20 years of finance and business experience working with both public and private companies. Prior to joining BioAtla, he spent seven years at Cricket Communications through its acquisition by AT&T, from October 2008 to October 2015, where his leadership role expanded to Associate Director of Accounting. He began his career with KPMG in their San Diego office's audit practice. Mr. Vasquez received his BS degree in Accountancy from San Diego State University and is a Certified Public Accountant in the state of California.

Eric Sievers, M.D.

Dr. Sievers has served as Chief Medical Officer of BioAtla since June 2019 and has over 25 years of clinical and translational biomedical research experience in multiple settings, including the biotechnology industry, hospital- and clinic-based clinical practice and academia. Dr. Sievers' most recent position prior to joining us was Chief Medical Officer at Symvivo Corporation, a biotechnology company, from April 2018 to June 2019 where he continues as an advisor. He was Chief Medical Officer at Trillium Therapeutics, an immuno-oncology company, from March 2015 to January 2018, where he developed clinical trial strategies and oversaw all clinical development employing a decoy receptor to block the CD47 "do not eat" signal overexpressed by cancer cells. He spent nine years at Seattle Genetics, a biotechnology company, from May 2006 to March 2015, where his leadership role expanded from Senior Medical Director to Senior Vice President of Clinical Development. At Seattle Genetics, Dr. Sievers was closely involved with the development and regulatory approval of ADCETRIS (brentuximab vedotin), an ADC, and led the clinical team and worked closely with Takeda (Millennium) as development partner to design, initiate and enroll four randomized Phase 3 registration trials for ADCETRIS, each of which ultimately resulted in new indications approved by the FDA. Prior to his career at Seattle Genetics, Dr. Sievers was Medical Director at ZymoGenetics, a biopharmaceutical company, from 2003 to May 2006 where he designed and supervised clinical trials of recombinant human interleukin 21 and TACI-Fc5 for patients with cancer and evaluated new oncology opportunities. Before ZymoGenetics, Dr. Sievers was with the Fred Hutchinson Cancer Research Center and the University of Washington for 12 years, from June 1992 to June 2003, where he attained the positions of Assistant Member and Assistant Professor of Pediatrics, respectively, from July 1999 to June 2003. During this time, he served as the lead investigator of Phase 1 and pivotal trials that resulted in the approval of an antibody drug conjugate MYLOTARG® indicated for patients with acute

myeloid leukemia. Dr. Sievers performed his pediatrics training at the University of Washington from June 1988 to July 1991. Dr. Sievers received both his medical degree and his B.A. degree from Brown University.

Significant employees

William Boyle, Ph.D.

Dr. Boyle has served as Research Fellow of BioAtla since September 2020, and prior to that served in various roles at BioAtla from 2013 to 2020, most recently as Chief of Translational Medicine. Dr. Boyle has over 25 years of pharmaceutical and biotechnology industry experience including leadership roles in private start-up and multinational companies. Dr. Boyle was most recently President of VivaMab from December 2010 to August 2012, a historical drug development division of BioAtla involved in the discovery and development of therapeutic antibodies. Prior to that he was President and Chief Science Officer at AnaptysBio, and former Director of Research at Amgen, Inc. where he led the discovery and early preclinical development of Denosumab, a RANKL-targeted therapeutic antibody approved for the treatment of osteoporosis (Prolia) and cancer (Xgeva). Dr. Boyle holds a Doctoral degree in Experimental Pathology from the UCLA School of Medicine and was a Howard Hughes Medical Institute Postdoctoral Fellow of the Life Sciences Research Foundation at the Salk Institute in La Jolla.

Hwai Wen (Cathy) Chang, Ph.D.

Dr. Chang has served as Vice President of Research & Development, Asia since April 2007. Dr. Chang's expertise is in the areas of molecular virology, metagenomics and gene expression. She was formerly a Director at Synthetic Genomics, Inc., where she helped to establish its La Jolla laboratory. Before joining the research management team at Synthetic Genomics, Dr. Chang was a Director at Diversa Corporation where she led the Molecular Diversity group and was responsible for the discovery and recovery of novel enzymes and microorganisms from environmental samples. Prior to working at Diversa, Dr. Chang was an Associate Director at Digital Gene Technologies, Inc., where she managed the TOGA Technology group that produced gene expression data for their corporate partners. Dr. Chang started her biotechnology career at Stratagene as a Staff Scientist, where she engineered the first mammalian cell line that could be infected by bacteriophage lambda for efficient gene delivery. Dr. Chang earned her B.S. in Chemistry at the California Institute of Technology, and her Ph.D. in Molecular and Cellular Biology at Arizona State University. Dr. Chang received her postdoctoral training as a Damon Runyon Fellow at The Scripps Research Institute where she discovered the oncogene p3k with Dr. Peter Vogt.

Philippe Martin

Mr. Martin has served as our Chief of Clinical Development & Operations since January 2020 and previously served as our Vice President of Alliance Management & Project Leadership from November 2018 to December 2019. Mr. Martin has 20 years of biotechnology and pharmaceutical industry experience developing and commercializing innovative therapies in the fields of immunology, oncology and neurology. In his ten years at Celgene from April 2008 to June 2018 his leadership role expanded from Executive Director, Project Leadership where he led the development and commercialization of the blockbuster drug Otezla®, to Corporate Vice President where he oversaw the development and operations in the inflammation and immunology area. Prior to his tenure at Celgene, Mr. Martin held multiple positions of increasing responsibility at Schering-Plough (acquired by Merck) where he oversaw the anti-TNF alpha collaboration with Johnson & Johnson and led the REMICADE lifecycle strategy and operations, as well as SIMPONI development, regulatory approvals and preparation for launch in multiple indications. Prior to Schering-Plough, Mr. Martin held multiple positions at Aventis/Chirex Inc. Mr. Martin received his MS degree in Organic Chemistry from the PARIS VI University in France and his Masters of Business Management from E.M Lyon business school in Lyon, France.

Non-employee directors

Priyanka Belawat, Ph.D.

Dr. Belawat has served as a member of our board of directors since July 2020. Dr. Belawat has over 13 years of experience in venture and private equity investing in the healthcare space and has served as an Investment Advisor at HBM Partners AG since February 2007. Dr. Belawat actively manages investments in the biopharmaceutical industry, especially drug development in oncology, neurology, sepsis and fibrosis in geographies like the US, Europe and selected emerging markets like China and India. Dr. Belawat holds a Ph.D. in molecular biology and genetics from the University of Zurich and completed her post-doctorate work at the Hong Kong University of Science and Technology. Dr. Belawat is a board member of Neurelis Inc., iTeos and Adrenomed AG and a board observer to Forbius and Sai Lifesciences.

Our board of directors believes Dr. Belawat's expertise and experience in the life sciences industry, her experience as a director of other companies in our industry and her educational background provide her with the qualifications and skills to serve on our board of directors.

Mary Ann Gray, Ph.D.

Dr. Gray has served as a member of our board of directors since December 2020. Dr. Gray has been a board member of public biotechnology companies for over 15 years and has held positions of audit committee chair, compensation committee chair and lead independent director. She has served on the board of Rapt Therapeutics since December 2019, Seneca Biopharmaceuticals, Inc. since July 2019 and Sarepta Therapeutics Inc. since December 2018. During her career as a board member she has also served on several other boards including Dyax Corp. from November 2004 until January 2016, Juniper Pharmaceuticals from April 2016 to August 2018, Senomyx from 2010 to December 2018, Galena Biopharma from April 2016 to December 2017, TetraLogic from November 2014 to November 2016 and Acadia Pharmaceuticals from 2005 to June 2016. Dr. Gray has been President of Gray Strategic Advisors, LLC since April 2004, a biotechnology strategic planning and advisory firm. Following an early career as a research scientist, she spent time in scientific positions at biotech and pharmaceutical companies. This was followed by over 7 years as a sell-side research analyst and over 4 years as a portfolio manager at the Federated Kaufmann Fund. Dr. Gray holds a B.S. in biology from University of South Carolina, a Ph.D. in pharmacology from the University of Vermont, and completed her post-doctoral work at Northwestern University Medical School and at the Yale University School of Medicine.

Our board of directors believes Dr. Gray's expertise and experience in the life sciences industry, her experience as a director of other companies in our industry and her educational background provide her with the qualifications and skills to serve on our board of directors.

Guy Levy

Guy Levy has served as a member of our board of directors since July 2020. Mr. Levy is the founder and has served as the Chief Executive Officer and Chief Investment Officer of Soleus Capital Management, L.P. since September 2017. His career spans 18 years in healthcare and life sciences. Prior to founding Soleus, Mr. Levy worked at Paulson & Co. from 2010 to September 2017, where he was most recently a partner and portfolio manager. Prior to that, Mr. Levy worked as an investment analyst at Shumway Capital and Warburg Pincus. Mr. Levy began his career at Morgan Stanley, where he worked in the mergers & acquisitions and healthcare investment banking divisions. Mr. Levy holds a B.A. from Yale University, where he graduated *summa cum laude*.

Our board of directors believes Mr. Levy's expertise and experience in the life sciences industry, as well as his educational background provide him with the qualifications and skills to serve on our board of directors.

Susan Moran, M.D., M.S.C.E.

Dr. Moran has served as a member of our board of directors since December 2020. Dr. Moran has over 20 years of industry and academic experience, successfully leading clinical trials from Phase 1 to Phase 3, as well as NDA and MAA submissions for various investigational products including the successful approval of Nerlynx. Most recently, Dr. Moran has served as Chief Medical Officer of QED Therapeutics, a BridgeBio affiliate, since March 2018. Prior to that, Dr. Moran was at Puma Biotechnology, Inc. from 2014 to February 2018. She was Senior Medical Director until December 2016, when her role expanded to Vice President and Head of Clinical Development. Dr. Moran has played roles in the development, registration, and post-marketing support of products for breast, prostate, thyroid, bile duct, and urothelial cancer as well as multiple sclerosis and other disorders. She is a board-certified internist and has served on the faculty of the University of Pennsylvania School of Medicine and Harvard Medical School. Dr. Moran received her B.A. from the University of Virginia, M.D. from Duke University, and M.S. in Clinical Epidemiology from the University of Pennsylvania School of Medicine.

Our board of directors believes Dr. Moran's expertise and experience in the life sciences industry and her educational background provide her with the qualifications and skills to serve on our board of directors.

Lawrence Steinman, M.D.

Dr. Steinman served as a member of the advisory board of BioAtla, LLC from April 2016 to July 2020, and has served on our board of directors since July 2020. Previously, Dr. Steinman served as a scientific advisor from April 2014 to May 2016. He is a professor of neurology and neurological sciences, pediatrics and genetics at Stanford University, where he has been a professor since 1980. Dr. Steinman's research focuses on the causes of relapses and remissions in multiple sclerosis, or MS, the molecules that serve as a constraint on brain inflammation and the search for vaccines for autoimmune diseases. To date, Dr. Steinman has developed two antigen-specific therapies, using DNA vaccines, for MS and type 1 diabetes. Specifically, research in Dr. Steinman's laboratory led to the development of the drug Tysabri (natalizumab), which is used to treat patients with Crohn's Disease. He has received a host of awards for his research and has been elected to the National Academy of Sciences and the National Academy of Medicine. Dr. Steinman served on the board of directors of Atreca, Inc., a biotechnology company focusing on developing novel therapeutics for applications in cancer treatment from January 2012 to August 2019. Dr. Steinman received his B.A. from Dartmouth College and his M.D. from Harvard University.

Our board of directors believes Dr. Steinman's extensive scientific research and experience as a director of various biotechnology companies, combined with his world-renowned expertise in biological molecules and immunology, provide him with the qualifications and skills to serve on our board of directors.

Board composition

Our business and affairs are overseen by our board of directors, which we expect to consist of seven members: Dr. Short, Mr. Smith, Dr. Belawat, Mr. Levy, Dr. Steinman, Dr. Gray and Dr. Moran. The primary responsibilities of our board of directors will be to provide oversight, strategic guidance, counseling and direction to our management. Our board of directors will meet on a regular basis and additionally as required.

In accordance with the terms of our amended and restated certificate of incorporation and amended and restated bylaws, which will be effective upon completion of this offering, our board of directors will be divided into three classes, class I, class II and class III, with members of each class serving staggered three-year terms.

Effective upon the completion of this offering, our board of directors will be comprised of the following classes:

- Class I, which will consist of Mr. Levy and Dr. Belawat, whose terms will expire at our annual meeting of stockholders to be held in 2021;

- Class II, which will consist of Dr. Steinman, Dr. Gray and Dr. Moran, whose terms will expire at our annual meeting of stockholders to be held in 2022; and
- Class III, which will consist of Dr. Short and Mr. Smith, whose terms will expire at our annual meeting of stockholders to be held in 2023.

At each annual meeting of stockholders to be held after the initial classification, the successors to directors whose terms then expire will serve until the third annual meeting following their election and until their successors are duly elected and qualified. The authorized size of our board of directors is currently members. The authorized number of directors may be changed only by resolution by a majority of the board of directors. This classification of the board of directors may have the effect of delaying or preventing changes in our control or management. Our directors may be removed for cause by the affirmative vote of the holders of at least 66 2/3% of our voting stock.

Director independence

Upon the completion of this offering, we anticipate that our common stock will be listed on the Nasdaq Global Select Market. Under the rules of Nasdaq, independent directors must comprise a majority of a listed company's board of directors within one year of the completion of this offering. In addition, the rules of Nasdaq require that, subject to specified exceptions, each member of a listed company's audit, compensation and corporate governance and nominating committees be independent. Audit committee members and compensation committee members must also satisfy the independence criteria set forth in Rule 10A-3 and Rule 10C-1, respectively, under the Exchange Act. Under the rules of Nasdaq, a director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. To be considered to be independent for purposes of Rule 10A-3 and under the rules of Nasdaq, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors or any other board committee: (i) accept, directly or indirectly, any consulting, advisory or other compensatory fee from the listed company or any of its subsidiaries or (ii) be an affiliated person of the listed company or any of its subsidiaries.

Our board of directors has determined that all of our directors, except Dr. Short and Mr. Smith, are independent directors, as defined by Rule 5605(a)(2) of the Nasdaq Listing Rules.

Voting arrangements

The election of the members of our board of directors is currently governed by the voting agreement that we entered into with certain holders of our common stock and Series D preferred stock and the related provisions of our certificate of incorporation. Pursuant to our voting agreement and certificate of incorporation, our current directors were elected as follows:

- Dr. Belawat and Mr. Levy were elected as the designees of HBM Healthcare Investments (Cayman) Ltd. and Soleus Private Equity Fund I, L.P., respectively;
- Dr. Short was elected and designated as our then-serving and current Chairman or officer of us;
- Mr. Smith was elected and designated as a then-serving and current officer of us;
- Dr. Steinman, as a person who previously served on the board of managers of BioAtla, LLC, was designated by Dr. Short and approved by the designees of HBM Healthcare Investments (Cayman) Ltd. and Soleus Private Equity Fund I, L.P.;

- Dr. Gray was elected and designated by a majority of the holders of our Series D preferred stock; and
- Dr. Moran was designated by Dr. Short and the designees of HBM Healthcare Investments (Cayman) Ltd. and Soleus Private Equity Fund I, L.P.

Our voting agreement will terminate and the provisions of our current certificate of incorporation by which our directors were elected will be amended and restated in connection with the completion of this offering. After this offering, the number of directors will be fixed by our board of directors, subject to the terms of our amended and restated certificate of incorporation and amended and restated bylaws that will become effective upon the completion of this offering. Each of our current directors will continue to serve as a director until the election and qualification of his or her successor, or until his or her earlier death, resignation or removal.

Leadership structure and risk oversight

Our board of directors is currently chaired by Jay M. Short, Ph.D., who also serves as our Chief Executive Officer. Our board of directors does not have a policy regarding the separation of the roles of Chief Executive Officer and Chairman of the board of directors, as our board of directors believes it is in our best interest to make that determination based on our position and direction and the membership of the board of directors. Our board of directors has determined that having an employee director serve as Chairman is in the best interest of our stockholders at this time because of the efficiencies achieved in having the role of Chief Executive Officer and Chairman combined, and because the detailed knowledge of our day-to-day operations and business that the Chief Executive Officer possesses greatly enhances the decision-making processes of our board of directors as a whole. We have a governance structure in place, including independent directors, designed to ensure the powers and duties of the dual role are handled responsibly. We do not have a lead independent director.

Our board of directors oversees the management of risks inherent in the operation of our business and the implementation of our business strategies. Our board of directors performs this oversight role by using several different levels of review. In connection with its reviews of our operations and corporate functions, our board of directors addresses the primary risks associated with those operations and corporate functions. In addition, our board of directors reviews the risks associated with our business strategies periodically throughout the year as part of its consideration of undertaking any such business strategies.

Upon the completion of this offering, each of our board committees will also oversee the management of our risks that fall within the committee's areas of responsibility. In performing this function, each committee will have full access to management, as well as the ability to engage advisors. Our Chief Executive Officer will report to the audit committee and will be responsible for identifying, evaluating and implementing risk management controls and methodologies to address any identified risks. In connection with its risk management role, our audit committee will meet privately with representatives from our independent registered public accounting firm and our Chief Executive Officer. The audit committee will oversee the operation of our risk management program, including the identification of the primary risks associated with our business and periodic updates to such risks, and will report to our board of directors regarding these activities.

Board committees

Prior to the completion of this offering, our board of directors will have an audit committee, a compensation committee and a corporate governance and nominating committee, each of which will have the composition and the responsibilities described below.

Audit committee

Upon the effectiveness of the registration statement of which this prospectus forms a part, the members of our audit committee will consist of Dr. Belawat, Dr. Gray and Mr. Levy. Our board of directors has determined that

each of Dr. Belawat, Dr. Gray and Mr. Levy satisfies the Nasdaq Stock Market and SEC independence requirements. Each member of our audit committee will be able to read and understand fundamental financial statements in accordance with Nasdaq audit committee requirements.

Dr. Gray will serve as the chair of our audit committee. Our board of directors has determined that Dr. Gray qualifies as an audit committee financial expert within the meaning of SEC regulations and meets the financial sophistication requirements of the Nasdaq Listing Rules. In making this determination, our board has considered Dr. Gray's formal education and previous and current experience in financial roles. Both our independent registered public accounting firm and management periodically will meet privately with our audit committee.

The functions of this committee will include, among other things:

- evaluating the performance, independence and qualifications of our independent auditors and determining whether to retain our existing independent auditors or engage new independent auditors;
- reviewing and approving the engagement of our independent auditors to perform audit services and any permissible non-audit services;
- monitoring the rotation of partners of our independent auditors on our engagement team as required by law;
- prior to engagement of any independent auditor, and at least annually thereafter, reviewing relationships that may reasonably be thought to bear on their independence, and assessing and otherwise taking the appropriate action to oversee the independence of our independent auditor;
- reviewing our annual and quarterly financial statements and reports, including the disclosures contained under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations," and discussing the statements and reports with our independent auditors and management;
- reviewing with our independent auditors and management significant issues that arise regarding accounting principles and financial statement presentation and matters concerning the scope, adequacy and effectiveness of our financial controls;
- reviewing with management and our auditors any earnings announcements and other public announcements regarding material developments;
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding financial controls, accounting or auditing matters and other matters;
- preparing the audit committee report that the SEC requires in our annual proxy statement;
- reviewing and providing oversight of any related-person transactions in accordance with our related-person transaction policy and reviewing and monitoring compliance with legal and regulatory responsibilities, including our code of business conduct and ethics;
- reviewing our major financial risk exposures, including the guidelines and policies to govern the process by which risk assessment and risk management is implemented; and
- reviewing and evaluating on an annual basis the performance of the audit committee, including compliance of the audit committee with its charter.

We believe that the composition and functioning of our audit committee will comply with all applicable requirements of the Sarbanes-Oxley Act, and all applicable SEC and Nasdaq rules and regulations.

Compensation committee

Upon the effectiveness of the registration statement of which this prospectus forms a part, the members of our compensation committee will consist of Dr. Belawat, Dr. Moran and Dr. Steinman. Dr. Belawat will serve as the chair of our compensation committee. Our board of directors has determined that each of the members of our compensation committee will be a non-employee director, as defined in Rule 16b-3 promulgated under the Exchange Act, and satisfies the Nasdaq Stock Market independence requirements. The functions of this committee will include, among other things:

- reviewing, modifying and approving (or if it deems appropriate, making recommendations to the full board of directors regarding) our overall compensation strategy and policies;
- making recommendations to the full board of directors regarding the compensation and other terms of employment of our executive officers;
- reviewing and making recommendations to the full board of directors regarding performance goals and objectives relevant to the compensation of our executive officers and assessing their performance against these goals and objectives;
- reviewing and approving (or if it deems it appropriate, making recommendations to the full board of directors regarding) the equity incentive plans, compensation plans and similar programs advisable for us, as well as modifying, amending or terminating existing plans and programs;
- evaluating risks associated with our compensation policies and practices and assessing whether risks arising from our compensation policies and practices for our employees are reasonably likely to have a material adverse effect on us;
- reviewing and making recommendations to the full board of directors regarding the type and amount of compensation to be paid or awarded to our non-employee board members;
- establishing policies with respect to votes by our stockholders to approve executive compensation to the extent required by Section 14A of the Exchange Act and, if applicable, determining our recommendations regarding the frequency of advisory votes on executive compensation;
- reviewing and assessing the independence of compensation consultants, legal counsel and other advisors as required by Section 10C of the Exchange Act;
- administering our equity incentive plans;
- establishing policies with respect to equity compensation arrangements;
- reviewing the competitiveness of our executive compensation programs and evaluating the effectiveness of our compensation policy and strategy in achieving expected benefits to us;
- reviewing and making recommendations to the full board of directors regarding the terms of any employment agreements, severance arrangements, change in control protections and any other compensatory arrangements for our executive officers;
- reviewing the adequacy of its charter on a periodic basis;
- reviewing with management and approving our disclosures under the caption “Compensation Discussion and Analysis” in our periodic reports or proxy statements to be filed with the SEC, to the extent such caption is included in any such report or proxy statement;

- preparing the report that the SEC requires in our annual proxy statement; and
- reviewing and assessing on an annual basis the performance of the compensation committee.

We believe that the composition and functioning of our compensation committee will comply with all applicable requirements of the Sarbanes-Oxley Act, and all applicable SEC and Nasdaq rules and regulations.

Nominating and corporate governance committee

Upon the effectiveness of the registration statement of which this prospectus forms a part, the members of our nominating and corporate governance committee will consist of Dr. Gray, Dr. Moran and Dr. Steinman. Our board of directors has determined that each of the members of this committee will satisfy the Nasdaq Stock Market independence requirements. Dr. Steinman will serve as the chair of our nominating and corporate governance committee. The functions of this committee will include, among other things:

- identifying, reviewing and evaluating candidates to serve on our board of directors consistent with criteria approved by our board of directors;
- determining the minimum qualifications for service on our board of directors;
- evaluating director performance on the board and applicable committees of the board and determining whether continued service on our board is appropriate;
- evaluating, nominating and recommending individuals for membership on our board of directors;
- evaluating nominations by stockholders of candidates for election to our board of directors;
- considering and assessing the independence of members of our board of directors;
- developing a set of corporate governance policies and principles, including a code of business conduct and ethics, periodically reviewing and assessing these policies and principles and their application and recommending to our board of directors any changes to such policies and principles;
- considering questions of possible conflicts of interest of directors as such questions arise;
- reviewing the adequacy of its charter on an annual basis; and
- annually evaluating the performance of the nominating and corporate governance committee.

We believe that the composition and functioning of our nominating and corporate governance committee will comply with all applicable requirements of the Sarbanes-Oxley Act, and all applicable SEC and Nasdaq rules and regulations.

Compensation committee interlocks and insider participation

None of the individuals serving on our compensation committee will have ever been an executive officer or employee of ours. None of our executive officers currently serves, or has served during the last completed fiscal year, on the compensation committee or board of directors of any other entity that has one or more executive officers serving as a member of our board of directors or compensation committee.

Limitation on liability and indemnification of directors and officers

Our amended and restated certificate of incorporation and amended and restated bylaws, which will be effective upon the completion of this offering, limit our directors' and officers' liability to the fullest extent

permitted under Delaware corporate law. Delaware corporate law provides that directors of a corporation will not be personally liable for monetary damages for breach of their fiduciary duties as directors, except for liability:

- for any transaction from which the director derives an improper personal benefit;
- for any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- under Section 174 of the Delaware General Corporation Law (unlawful payment of dividends or redemption of shares); or
- for any breach of a director's duty of loyalty to the corporation or its stockholders.

If the Delaware General Corporation Law is amended to authorize corporate action further eliminating or limiting the personal liability of directors or officers, then the liability of our directors or officers shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended.

Delaware law and our amended and restated bylaws provide that we will, in certain situations, indemnify any person made or threatened to be made a party to a proceeding by reason of that person's former or present official capacity with us against judgments, penalties, fines, settlements and reasonable expenses. Any such person is also entitled, subject to certain limitations, to payment or reimbursement of reasonable expenses (including attorneys' fees and disbursements) in advance of the final disposition of the proceeding.

In addition, we have entered, and intend to continue to enter, into separate indemnification agreements with our directors and executive officers. These agreements, among other things, require us to indemnify our directors and executive officers for certain expenses, including attorneys' fees, judgments, fines and settlement amounts incurred by a director or executive officer in any action or proceeding arising out of their services as one of our directors or executive officers or any other company or enterprise to which the person provides services at our request.

We maintain a directors' and officers' insurance policy pursuant to which our directors and officers are insured against liability for actions taken in their capacities as directors and officers. We believe that these provisions in our amended and restated certificate of incorporation and amended and restated bylaws and these indemnification agreements are necessary to attract and retain qualified persons as directors and officers.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or control persons, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Executive and director compensation

Our named executive officers for the year ended December 31, 2019, which consist of our principal executive officer and our two other most highly compensated executive officers, are:

- Jay M. Short, Ph.D., our Chairman and Chief Executive Officer;
- Scott Smith, our President and Director; and
- Carolyn Anderson Short, our Executive Vice President and Chief of Intellectual Property and Strategy.

Summary compensation table

The following table provides information regarding the compensation of our named executive officers during the year ended December 31, 2019.

Name and principal position	Year	Salary ($)	Bonus ($)	Stock awards ($)	Nonqualified deferred compensation earnings ($)	All other compensation ($)	Total ($)
Jay M. Short, Ph.D. *Chairman and Chief Executive Officer*	2019	609,840	348,480	—	—	—	958,320
Scott Smith *President and Director*	2019	508,750	67,876	—(1)	—	—	576,626
Carolyn Anderson Short *Executive Vice President and Chief of Intellectual Property and Strategy and Assistant Secretary*	2019	510,426(2)	193,206	—	—	—	703,632

(1) In connection with the LLC Division in March 2019, Mr. Smith's previously existing profits interests awards were converted into equivalent awards in each of BioAtla Holdings, LLC, Inversagen, LLC and BioAtla LLC. See "Related party transactions—LLC Division".

(2) Reflects salary received on a 95% schedule during nine months of 2019.

Annual base salary

Prior to the LLC Conversion, the compensation of our named executive officers was generally determined and approved by our managers, based on the recommendation of our advisory board. The 2019 base salaries that were in effect as of December 31, 2019 were as follows:

Name	2019 base salary ($)
Jay M. Short, Ph.D.	609,840
Scott Smith	508,750
Carolyn Anderson Short	530,232

Bonus opportunity

In addition to base salaries, our named executive officers are eligible to receive discretionary cash bonuses, which, prior to the LLC Conversion, have been approved by our managers after consultation with and upon the

recommendation of the compensation committee of our advisory board. Target bonus percentages for each of our named executive officers are set in each officer's offer letter or by us at the beginning of each fiscal year, but no pre-established performance goals and no minimum bonus amounts have been established for our named executive officers. Instead, bonuses have been paid after the close of the fiscal year solely on a discretionary basis. No bonus amount is guaranteed, and the bonus amounts vary from year to year at the discretion of our managers in consultation with the compensation committee of our advisory board.

Equity-based incentive awards

Our executives generally are awarded an initial new hire grant upon commencement of employment. Additional grants may occur periodically in order to specifically incentivize executives with respect to achieving certain corporate goals or to reward executives for exceptional performance.

Profits interest awards

Our equity-based incentive awards are designed to align the interests of our employees and consultants, including our named executive officers, with our interests. Prior to the LLC Conversion, our managers were responsible for approving grants under the BioAtla, LLC profits interest plan. Upon the LLC Conversion all individuals' grants under the profits interest plan were replaced by equivalent awards in Himalaya Parent LLC and grants in BioAtla LLC are no longer outstanding. See Note 7 to the consolidated financial statements included elsewhere in this prospectus.

Agreements with our named executive officers

We have entered into offer letter agreements or employment agreements with each of our named executive officers, as further described below. Each of our named executive officers' employment is "at-will" and may be terminated at any time.

Dr. Short. In March 2007, we entered into a verbal agreement with Dr. Short, which was later memorialized by an employment letter agreement. Pursuant to the employment letter agreement, beginning April 2, 2007, Dr. Short was entitled to an annual base salary of $250,000, which was increased to $609,840 in 2019 and $634,233 in 2020. In July 2018, we entered into a severance agreement with Dr. Short which provides that, in the event that Dr. Short's employment is terminated following a Change in Control (as defined in the severance agreement) for any reason then, subject to his execution of a release of claims in favor of us, Dr. Short will receive severance payments equal to 24 months of his then-current base salary, a pro-rated bonus payment equal to his target bonus for the year in which the termination occurred, and, if applicable, his time-based vesting equity awards will vest in full. The severance and bonus payments to Dr. Short are paid as a lump sum within 20 days of the effective date of his release or such later date as required under Section 409A of the U.S. Internal Revenue Code of 1986, as amended, or the Code.

Mr. Smith. On August 2, 2018, we entered into an offer letter agreement with Mr. Smith, whereby Mr. Smith agreed to serve as our President. Pursuant to the agreement, Mr. Smith was entitled to an annual base salary of $500,000 and a target discretionary bonus amount of 50% of his base salary, which was increased to $508,750 in 2019 and $529,100 in 2020. Pursuant to the agreement, Mr. Smith also received 1,750,000 time-vesting profits interest awards and 1,750,000 performance-based profits interest awards pursuant to the profits interest plan and 1,750,000 units in BioAtla Holdings, LLC. In connection with the LLC Conversion, all of Mr. Smith's profits interest awards were replaced by equivalent awards in Himalaya Parent LLC. In August 2018, we entered into a severance agreement with Mr. Smith which provides that, in the event that Mr. Smith's employment is terminated without Cause (as defined in the severance agreement) or he resigns for Good

Reason (as defined in the severance agreement) within the time period beginning three months before a Change of Control (as defined in the severance agreement) and ending 12 months after a Change of Control, then subject to his execution of a release of claims in favor of us, Mr. Smith will receive severance payments equal to 12 months of his then-current base salary, a pro-rated bonus payment equal to his target bonus for the year in which the termination occurred, and accelerated vesting of all outstanding units, shares or options and continuation of exercise period for all units, shares or options under a separate consulting agreement between us and Mr. Smith. The severance and bonus payments to Mr. Smith are paid as a lump sum within 20 days of the effective date of his release.

Ms. Anderson Short. On November 30, 2015, we entered into an offer letter agreement with Ms. Anderson Short, whereby Ms. Anderson Short agreed to serve as our Chief of Intellectual Property and Strategy. Pursuant to the agreement, Ms. Anderson Short was required to dedicate 75% of her time to the business and entitled to an annual base salary of $320,000, which was increased to $530,232 in 2019 and $551,441 in 2020, and a target discretionary bonus amount of 50% of her base salary. In April 2020, we entered into a severance agreement with Ms. Anderson Short which provides that, in the event that Ms. Short's employment is terminated prior to a Change of Control (as defined in the severance agreement) for any reason other than for Cause (as defined in the severance agreement) then, subject to her execution of a release of claims in favor of us, Ms. Anderson Short will receive severance payments equal to 24 months of her then-current base salary, subject to certain adjustments, a bonus payment equal to her target bonus for the year in which the termination occurred, and, if applicable, her time-based vesting equity awards will vest in full. The severance payment to Ms. Anderson Short is payable in 24 monthly payments beginning on the effective date of her release, and the bonus payment is payable in 12 monthly payments within 20 days of the effective date of her release.

Outstanding equity awards at fiscal year-end

The following table sets forth certain information regarding equity awards granted to our named executive officers that remain outstanding as of December 31, 2019.

		Stock awards[1]	
Name	**Grant date**	**Number of shares or units of stock that have not vested (#)**	**Market value of shares or units of stock that have not vested ($)[2]**
Jay M. Short, Ph.D.	—	—	—
Scott Smith	11/9/18[3]	2,916,667	233,333
Carolyn Anderson Short	—	—	—

(1) The stock awards reflect profits interests granted under BioAtla LLC's Profits Interest Plan.

(2) Market value is based on an estimate of the fair market value of the profits interests on December 31, 2019, as determined by multiplying the number of units underlying each of the profits interests by the estimated fair value per unit as of such date. See "Management's discussion and analysis of financial condition and results of operations".

(3) Units vest as follows (a) 1,750,000 of the units vest over a period of four years, with 25% vesting on the first anniversary of August 23, 2018 ("Vesting Commencement Date") and the remaining 75% vesting in equal monthly installments of each of the first 36 months after such first anniversary and (b) 1,750,000 of the units vest as follows: (i) if Mr. Smith is appointed CEO and President on or before the first anniversary of the Vesting Commencement Date (the date of such appointment, the "Appointment Date"), on the first anniversary of the Vesting Commencement Date, 25% of such units vest, and the remaining 75% of such units vest in equal monthly installments on each of the first 36 months after such first anniversary; (ii) if the Appointment Date occurs after the first anniversary of the Vesting Commencement Date, a number of such units equal to the product of (x) 1/48 and (y) the number of months elapsed between the Vesting Commencement Date and the Appointment Date vest on the Appointment Date, and thereafter the remaining units vest in equal monthly installments on the first day of each months during the period from the Appointment Date until the fourth anniversary of the Vesting Commencement Date and (iii) if the Appointment Date does not occur prior to the fourth anniversary of the Vesting Commencement Date, all such units vest on the fourth

anniversary of the Vesting Commencement Date. In connection with the LLC Conversion, all of Mr. Smith's profits interest awards were replaced by equivalent awards in Himalaya Parent LLC.

Recent Equity Grants

Stock Option Awards

Our board of directors approved grants of stock options pursuant to the 2020 Plan to certain of our employees, including our executive officers, in connection with and subject to this offering covering an aggregate of 615,106 shares of our common stock, to be effective as of immediately prior to the initial public offering. Included in such grants are stock option awards to: Dr. Short, options to purchase 30,988 shares of common stock; Mr. Smith, options to purchase 154,943 shares of common stock; Mr. Waldron, options to purchase 30,988 shares of common stock; Ms. Short, options to purchase 7,747 shares of common stock; Dr. Sievers, options to purchase 77,471 shares of common stock; and Mr. Vasquez, options to purchase 9,296 shares of common stock. These stock options will have an exercise price per share equal to the initial public offering price per share of our common stock. The stock options will vest as to 25% of the shares underlying the option on the one-year anniversary of the grant date and monthly thereafter in substantially equal installments until fully vested at the fourth anniversary of the grant date, subject to the recipient's continued service through the applicable vesting dates. The stock options have a ten-year term from the grant date, subject to earlier termination in certain events.

Restricted Stock Unit Awards

Our board of directors approved the issuance of an aggregate of 1,920,037 restricted stock unit, or RSU, awards under the 2020 Plan to certain of our employees and service providers, including our executive officers and nonemployee directors described below, in October 2020 and December 2020. Included in such grants of RSUs are: Dr. Short, 569,230 RSUs; Mr. Smith, 353,000 RSUs; Mr. Waldron, 134,615 RSUs; Ms. Short, 138,461 RSUs; Dr. Sievers, 76,923 RSUs; Mr. Vasquez, 26,923 RSUs; Mr. Levy, 14,871 RSUs; Dr. Steinman, 14,871 RSUs; Dr. Gray, 12,307 RSUs; and Dr. Moran, 12,307 RSUs. The RSU awards granted to Mr. Levy and Dr. Steinman reflect grants made in connection with their service on our board of directors since July 2020. The RSU awards will vest based on one of two vesting schedules. For certain of the grantees, the RSUs granted to such individuals will vest as follows: 50% of the RSUs shall vest on the one-year anniversary of the grant date and the remaining RSUs shall vest monthly thereafter in substantially equal installments until fully vested at the third anniversary of the grant date, subject to the recipient's continued employment or service through the applicable vesting dates. For certain other grantees, the RSUs granted to such individuals will vest as follows: 25% of the RSUs shall vest on the one-year anniversary of the grant date and the remaining RSUs shall vest monthly thereafter in substantially equal installments until fully vested at the fourth anniversary of the grant date, subject to the recipient's continued employment or service through the applicable vesting dates. Notwithstanding the foregoing, no RSUs will begin to vest until the occurrence of a change in control or an initial public offering. Each RSU represents the right to receive, upon vesting, one share of our common stock.

Perquisites, health, welfare and retirement benefits

All of our current named executive officers are eligible to participate in our employee benefit plans, including our medical, dental, vision, life, disability and accidental death and dismemberment insurance plans, in each case on the same basis as all of our other employees. We pay the premiums for the life, disability, accidental death and dismemberment insurance for all of our employees, including our named executive officers. In addition, we provide a 401(k) plan to our employees, including our named executive officers, as discussed in "—401(k) plan." We do not provide perquisites or personal benefits to our named executive officers.

401(k) plan

We maintain a defined contribution employee retirement plan, or 401(k) plan, for our employees. Our named executive officers are also eligible to participate in the 401(k) plan on the same basis as our other employees. The 401(k) plan is intended to qualify as a tax-qualified plan under Section 401(k) of the Code. The plan provides that each participant may contribute 100% of his or her eligible compensation or the statutory limit, which was $19,000 for calendar year 2019. Participants that are 50 years or older can also make "catch-up" contributions, which in calendar year 2019 may be up to an additional $6,000 above the statutory limit. We may also elect to provide for discretionary profit sharing contributions, but we did not provide any such contributions in 2019. The 401(k) plan currently does not offer the ability to invest in our securities.

Except as described above, none of our named executive officers participate in or have account balances in nonqualified defined contribution plans or other nonqualified deferred compensation plans maintained by us. Our board of directors may elect to provide our officers and other employees with nonqualified defined contribution or other nonqualified deferred compensation benefits in the future if it determines that doing so is in our best interests.

Equity benefit plans

2020 Equity Incentive Plan

Our board of directors adopted the 2020 Plan in October 2020 and our stockholders approved the 2020 Plan in December 2020. Each of our board of directors and our stockholders approved an amendment to the 2020 Plan in December 2020. Under the 2020 Plan, we may grant awards in respect of our common shares to our and our subsidiaries employees, consultants and non-employee directors pursuant to option awards, stock appreciation rights, or SAR, awards, restricted stock awards, restricted stock unit, or RSU, awards, performance stock awards, performance stock unit, or PSU, awards, and other stock-based awards.

Eligibility

Any employee, consultant or non-employee director of ours and our subsidiaries, if any, is eligible to receive awards under the 2020 Plan. As of December 1, 2020, we employed 36 people, had 18 independent contractors and had three non-employee members of the board of directors.

Our board of directors approved grants of stock options pursuant to the 2020 Plan in connection with and subject to this offering covering an aggregate of 615,106 shares of our common stock, to be effective as of immediately prior to the initial public offering. These stock options will have an exercise price per share equal to the initial public offering price per share of our common stock. The stock options will vest as to 25% of the shares underlying the option on the one-year anniversary of the grant date and monthly thereafter in substantially equal installments until fully vested at the fourth anniversary of the grant date, subject to the recipient's continued service through the applicable vesting dates. The stock options have a ten year term from the grant date, subject to earlier termination in certain events.

Our board of directors approved the issuance of an aggregate of 1,920,037 RSUs under the 2020 Plan in October 2020 and December 2020. The RSU awards will vest based on one of two vesting schedules. For certain of the grantees, the RSUs granted to such individuals will vest as follows: 50% of the RSUs shall vest on the one-year anniversary of the grant date and the remaining RSUs shall vest monthly thereafter in substantially equal installments until fully vested at the third anniversary of the grant date, subject to the recipient's continued employment or service through the applicable vesting dates. For certain other grantees, the RSUs granted to such individuals will vest as follows: 25% of the RSUs shall vest on the one-year anniversary of the grant date

and the remaining RSUs shall vest monthly thereafter in substantially equal installments until fully vested at the fourth anniversary of the grant date, subject to the recipient's continued employment or service through the applicable vesting dates. Notwithstanding the foregoing, no RSUs will begin to vest until the occurrence of a change in control or an initial public offering. Each RSU represents the right to receive, upon vesting, one share of our common stock.

Administration

The 2020 Plan is administered by our compensation committee. The compensation committee has full and final authority in its discretion to: (i) select the employees, non-employee members of our board of directors and consultants who will receive awards under the 2020 Plan, provided that awards to non-employee members of the board of directors will be subject to ratification by the full board of directors; (ii) determine the type or types of awards to be granted to each participant; (iii) determine the number of common shares to which an award will relate, the terms and conditions of any award granted under the 2020 Plan (including restrictions as to vesting, performance goals relating to an award, transferability or forfeiture, exercisability or settlement of an award, waivers or accelerations thereof and waivers of or modifications to performance goals relating to an award) and all other matters to be determined in connection with an award; (iv) determine the exercise price or purchase price (if any) of an award; (v) determine whether, to what extent, and under what circumstances an award may be cancelled, forfeited, or surrendered; (vi) determine whether, and to certify that, performance goals to which an award is subject are satisfied; (vii) determine whether participants will be permitted to defer the settlement of certain awards; (viii) correct any defect or supply any omission or reconcile any inconsistency in the 2020 Plan and award agreements, and to adopt, amend and rescind such rules, regulations, guidelines, forms of agreements and instruments as, in its opinion, may be advisable; (ix) construe and interpret the 2020 Plan and award agreements and (x) make all other determinations as it may deem necessary or advisable for the administration of the 2020 Plan and award agreements. No awards may be repriced without stockholder approval.

The compensation committee may delegate some or all of its authority to any of our executive officers or any other person or persons designated by the compensation committee. However, the compensation committee may not delegate its authority to grant awards to the following persons: (i) employees subject to the requirements of Rule 16b-3 of the Securities Exchange Act of 1934; (ii) employees who have been delegated authority under the preceding sentence or (iii) members of our board of directors.

Common shares available under the 2020 plan

The total number of common shares available for awards under the 2020 Plan is 4,939,678, provided that such number shall be automatically increased on each January 1, beginning on January 1, 2021, by 4% of the outstanding number of shares of our common stock on the immediately preceding December 31 or such lesser number of shares as determined by our board of directors. No more than 4,939,678 common shares issued under the 2020 Plan may be issued pursuant to the exercise of incentive stock options, provided that such number shall be automatically increased on each January 1, beginning on January 1, 2021, by the lesser of 4% of the outstanding number of shares of our common stock on the immediately preceding December 31 or 1,538,461 common shares. Common shares issued by us in connection with the assumption or substitution of outstanding grants or under certain stockholder approved plans from an acquired company shall not reduce the number of common shares available for awards under the 2020 Plan. Common shares issued by us in connection with the assumption or substitution of outstanding grants or under certain stockholder approved plans from an acquired company shall not reduce the number of common shares available for awards under the 2020 Plan. Common shares underlying the portion of an award that is cancelled, forfeited or terminated, in any case, without the issuance of common shares, will be added back to the number of common shares available for

grant under the 2020 Plan. No non-employee director may be granted awards under the 2020 Plan in any one calendar year covering a number of common shares that have a fair market value on the grant date in excess of $750,000 in the first calendar year of such non-employee director's initial service as a non-employee director and $500,000 in any other calendar year of such non-employee director's service as a non-employee director.

As of the date of this registration statement, 2,404,535 common shares remain available for issuance under the 2020 Plan, after giving effect to the approved grants of stock options covering an aggregate of 615,106 shares of our common stock, to be effective as of immediately prior to the initial public offering, and the issuance of an aggregate of 1,920,037 RSUs.

Awards—Generally

Awards may be granted on the terms and conditions described below. In addition, the compensation committee may impose on any award or the settlement or exercise thereof, at the date of grant or thereafter, such additional terms and conditions, not inconsistent with the provisions of the 2020 Plan, as the compensation committee shall determine, including without limitation terms requiring forfeiture of awards in the event of the termination of service of the participant. The right of a participant to exercise or receive a grant or settlement of any Award, and the timing thereof, may be subject to such performance goals as may be determined by the compensation committee. Each award, and the terms and conditions applicable thereto, shall be evidenced by an award agreement.

Awards—Performance goals

In the discretion of the compensation committee, the vesting, earning and/or settlement of any award may be conditioned upon the achievement of specified performance goals. Performance goals may be described in terms of company-wide objectives or objectives that are related to the performance of the individual participant or a subsidiary, division, department or function within the company or a subsidiary. Performance goals may be measured on an absolute or relative basis. Relative performance may be measured by a group of peer companies or by a financial market index. Performance goals may include: achievement of specified research and development, publication, clinical and/or regulatory milestones, total shareholder return, earnings before interest, taxes, depreciation and amortization, net income (loss) (either before or after interest, taxes, depreciation and/or amortization), changes in the market price of the common shares, economic value-added, funds from operations or similar measure, sales or revenue, acquisitions or strategic transactions, operating income (loss), cash flow (including operating cash flow and free cash flow), return on capital, assets, equity or investment, return on sales, gross or net profit levels, productivity, expense, margins, operating efficiency, customer satisfaction, working capital, earnings (loss) per share, sales or market share and number of customers, any of which may be measured either in absolute terms or as compared to any incremental increase or as compared to results of a peer group, and any combination of any of the foregoing criteria.

If the compensation committee determines that a change in the business, operations, corporate structure or capital structure of the Company or a subsidiary, or the manner in which it conducts its business, or other events or circumstances render the performance goals unsuitable, then the compensation committee may modify such performance goals and/or the related minimum, target, maximum and/or other acceptable levels of achievement as the compensation committee deems appropriate and equitable.

Awards—Types of awards

Options. Options give a participant the right to purchase a specified number of common shares from us for a specified time period at a fixed exercise price. Options granted under the 2020 Plan may be either incentive

stock options, or ISOs, or non-qualified stock options. The price at which common shares may be purchased upon exercise shall be determined by the compensation committee, but shall not be less than the fair market value of one common share on the date of grant, or, in the case of an ISO granted to a ten-percent stockholder, less than 110% of the fair market value of a common share on the date of grant. The compensation committee may grant options that have a term of up to 10 years, or, in the case of an ISO granted to a ten-percent stockholder, five years. The award agreement shall specify the exercise price, term, vesting requirements, including any performance goals, and any other terms and conditions applicable to the granted option.

Unless otherwise provided in an award agreement or an effective employment, consulting, severance or similar agreement with us or a subsidiary, upon a participant's termination of service for any reason, the unvested portion of each award of options granted generally will be forfeited with no compensation due the participant.

Stock Appreciation Rights. A grant of a SAR entitles a participant to receive, upon exercise of the SAR, the excess of (i) the fair market value of one common share on the date of exercise, over (ii) the grant price of the SAR as determined by the compensation committee. No payment from the participant is required upon the exercise of a SAR. The compensation committee shall determine and specify in each award agreement the number of SARs granted, the grant price of the SAR (which shall not be less than 100% of the fair market value of a common share on the date of grant), the time or times at which a SAR may be exercised in whole or in part, the method by which common shares will be delivered or deemed to be delivered to a participant, the term of the SAR (which shall not be greater than 10 years) and any other terms and conditions of the SAR.

Unless otherwise provided in an award agreement or an effective employment, consulting, severance or similar agreement with us or a subsidiary, upon a participant's termination of service for any reason, the unvested portion of each award of SARs granted generally will be forfeited with no compensation due the participant.

Restricted Stock. An award of restricted stock is a grant of a specified number of common shares, which common shares are subject to forfeiture upon the happening of certain events during a specified restriction period. Each award of restricted stock shall specify the duration of the restriction period, the conditions under which the common shares may be forfeited, and the amount, if any, the participant must pay to receive the common shares. During the restriction period, the participant shall have all of the rights of a stockholder with respect to the restricted stock, including to vote the common shares of restricted stock and to receive dividends. However, dividends may, at the discretion of the compensation committee, be paid currently or subject to the same restrictions as the underlying stock (and the compensation committee may withhold cash dividends paid on restricted stock until the applicable restrictions have lapsed), provided that, dividends paid on unvested restricted stock that is subject to performance goals shall not be paid or released until the applicable performance goals have been achieved. Provided that the restrictions, including any applicable performance goals, on such award have lapsed, and that the restricted stock subject to the award has not previously been forfeited, common shares (or cash, if applicable) shall be released to the participant at the end of the restriction period.

Unless otherwise provided in an award agreement or an effective employment, consulting, severance or similar agreement with us or a subsidiary, upon a participant's termination of service for any reason, the unvested portion of each award of restricted stock granted generally will be forfeited with no compensation due the participant.

Restricted Stock Units. An RSU award is a grant of the right to receive a payment in common shares or cash, or a combination thereof, equal to the fair market value of a common share on the expiration of the applicable restriction period. RSUs are solely a device for determining amounts to be paid to a participant, do not constitute shares and will not be treated as a trust fund of any kind. During the restriction period, the participant will have no rights as a stockholder with respect to any such common shares. Notwithstanding the

previous sentence, the compensation committee may provide in an award agreement that amounts equal to dividends declared during the restriction period on the common shares covered by the award will be credited to the participant's account and settled in common shares at the same time as the RSUs to which such dividend equivalents relate. Awards of RSUs will be settled in common shares, unless otherwise provided in an award agreement. Provided that the restrictions, including any applicable performance goals, on such award have lapsed, the participant shall receive common shares covered by the award at the end of the restriction period.

Unless otherwise provided in an award agreement or an effective employment, consulting, severance or similar agreement with us or a subsidiary, upon a participant's termination of service for any reason, the unvested portion of each award of RSUs generally will be forfeited with no compensation due the participant.

Performance Stock. An award of performance stock is a grant of a specified number of common shares to a participant, which common shares are conditional on the achievement of performance goals during a performance period and subject to forfeiture upon the occurrence of certain events during a restriction period. Each award agreement shall specify the duration of the performance period and restriction period (if any), performance goals applicable to the performance stock, the conditions under which the performance stock may be forfeited and the amount (if any) that the participant must pay to receive the performance stock. Provided that the restrictions, including any applicable performance goals, on such award have lapsed, and that the performance stock subject to the award has not previously been forfeited, common shares shall be released to the participant at the end of the performance period as specified in the award agreement. Unless otherwise provided in an award agreement, during the restriction period, the participant will have all the rights of a stockholder with respect to the performance stock, including, without limitation, the right to receive dividends and to vote with respect to the underlying common shares, provided that dividends shall be subject to the same restrictions (and performance goals) as the underlying performance stock and the compensation committee shall withhold any cash dividends paid on performance stock until the performance goals are achieved and restrictions applicable to such performance stock have lapsed.

Unless otherwise provided in an award agreement or an effective employment, consulting, severance or other agreement with us or a subsidiary, upon a participant's termination of service for any reason, the unvested portion of each award of performance stock generally will be forfeited with no compensation due the participant.

Performance Stock Units. A PSU award is a grant of the right to receive a payment in common shares or cash, or a combination thereof, equal to the fair market value of a common share on the expiration of the applicable restriction period conditioned on the achievement of performance goals. PSUs are solely a device for determining amounts to be paid to a participant, do not constitute shares, and will not be treated as a trust fund of any kind. During such period, the participant will have no rights as a stockholder with respect to any such common shares. Notwithstanding the previous sentence, the compensation committee may provide in an award agreement that amounts equal to dividends declared during the restriction period on the common shares covered by the award will be credited to the participant's account and settled in cash or common shares at the same time or a different time (and subject to the same forfeiture restrictions and performance goals) as the PSUs to which such dividend equivalents relate. Awards of PSUs will be settled in common shares, unless otherwise provided in an award agreement. Provided that the participant is continuously employed from the grant date through the expiration of the restriction period, the vested portion of an award of PSUs shall be settled in common shares or cash, as applicable, within 60 days after the expiration of the restriction period as specified in the applicable award agreement.

Unless otherwise provided in an award agreement or an effective employment, consulting, severance or similar agreement with us or a subsidiary, upon a participant's termination of service for any reason, the unvested portion of each award of PSUs generally will be forfeited with no compensation due the participant.

Other Stock-Based Awards. The compensation committee may grant, subject to applicable law, any other type of award under the 2020 Plan that is payable in, or valued in whole or in part by reference to, common shares, and that is deemed by the compensation committee to be consistent with the purposes of the 2020 Plan, including, without limitation, fully vested common shares and dividend equivalents.

Change in control and other corporate transactions

Unless otherwise provided in an award agreement or an effective employment, consulting, severance or other similar agreement with us or one of our subsidiaries, a change in control shall not, in and of itself, accelerate the vesting, settlement, or exercisability of outstanding awards. Notwithstanding the foregoing and unless otherwise provided in an award agreement or an effective employment, consulting or similar agreement with us or a subsidiary, if (i) the successor corporation (or its direct or indirect parent) does not agree to assume an outstanding award or does not agree to substitute or replace such award with an award involving the ordinary equity securities of such successor corporation (or its direct or indirect parent) on terms and conditions necessary to preserve the rights of the applicable participant with respect to such award, (ii) the securities of the company or the successor corporation (or its direct or indirect parent) will not be publicly traded on a U.S. securities exchange immediately following such change in control or (iii) the change in control is not approved by a majority of the Board of Directors immediately prior to such change in control, then the compensation committee, in its sole discretion, may take one or more of the following actions with respect to all, some or any such awards: (a) accelerate the vesting and, if applicable, exercisability of such awards such that the awards are fully vested and, if applicable, exercisable (effective immediately prior to such change in control); (b) with respect to any awards that do not constitute "non-qualified deferred compensation" within the meaning of Section 409A of the Code, accelerate the settlement of such awards upon such change in control; (c) with respect to awards that constitute "non-qualified deferred compensation" within the meaning of Section 409A of the Code, terminate all such awards and settle all such awards for a cash payment equal to the fair market value of the common shares underlying such awards less the amount the participant is required to pay for such common shares, if any, provided that (I) such change in control satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(v), (vi) or (vii) and (II) all other arrangements that would be aggregated with such awards under Section 409A of the Code are terminated and liquidated within 30 days before or 12 months after such change in control; (d) cancel outstanding options or SARs in exchange for a cash payment in an amount equal to the excess, if any, of the fair market value of the common shares underlying the unexercised portion of the option or SAR as of the date of the change in control over the exercise price or grant price, as the case may be, of such portion, provided that any option or SAR with a per common share exercise price or grant price, as the case may be, that equals or exceeds the fair market value of one common share on the date of the change in control shall be cancelled with no payment due the participant and (e) take such other actions as the compensation committee deems appropriate. With respect to any action described above, any applicable performance goals will be deemed satisfied based on actual performance as of date of the change in control or, if determined by the compensation committee, at target level performance.

Unless provided otherwise in an award agreement, or an effective employment, consulting or other similar agreement, or as otherwise may be determined by the compensation committee prior to a change in control, in the event that awards are assumed in connection with a change in control or substituted with new awards, and a participant's employment or other service with the company and its subsidiaries is terminated without cause or as the result of the participant's death or disability, in any case, within 24 months following a change in control, (i) the unvested portion of such participant's awards shall vest in full (with any applicable performance goals being deemed to have been achieved at target or, if greater, actual levels of performance), (ii) awards of options and SARs shall remain exercisable by the participant or the participant's beneficiary or legal representative, as the case may be, for a period of one-year (but not beyond the stated term of the option or

SAR), (iii) all RSUs and PSUs shall be settled within 30 days after such termination and (iv) all other stock-based awards shall be settled within 30 days after such termination.

In the event of a common share dividend, recapitalization, forward share split or reverse share split, reorganization, division, merger, consolidation, amalgamation, spin-off, combination, repurchase or share exchange, extraordinary or unusual cash distribution or other similar corporate transaction or event, the compensation committee shall make equitable adjustments in (i) the number and/or kind of shares which may thereafter be issued in connection with awards, (ii) the number and kind of shares issuable in respect of outstanding awards, (iii) the aggregate number and kind of shares available under the 2020 Plan and (iv) the exercise or grant price relating to any award, or, if deemed appropriate, the compensation committee may also make provision for a cash payment with respect to any outstanding award. In addition, the compensation committee is authorized to make adjustments in the terms and conditions of, and the criteria included in, awards, including any performance goals, in recognition of unusual or nonrecurring events affecting the Company or its subsidiaries or in response to changes in applicable laws, regulations or accounting principles.

Clawback and recoupment

Any award granted under the 2020 Plan (and all shares acquired thereunder) shall be subject to mandatory repayment and clawback pursuant to the terms of our corporate governance guidelines, as in effect from time to time, and as may otherwise be required by any federal or state laws or listing requirements of any applicable securities exchange. Additional recoupment and clawback policies may be provided in an award agreement.

Share ownership

All awards granted under the 2020 Plan (and all shares acquired thereunder) shall be subject to the holding periods set forth in our stock ownership guidelines, as in effect from time to time.

Amendment and termination

The Board of Directors has the power to amend, alter, suspend, discontinue or terminate the 2020 Plan, provided that, except for adjustments upon certain changes to the corporate structure of the Company affecting the shares (as described above), the Board of Directors must obtain stockholder approval for actions which would: (i) increase the number of shares subject to the 2020 Plan; (ii) decrease the price at which awards may be granted or (iii) require stockholder approval under any applicable federal, state or foreign law or regulation or the rules of any stock exchange or automated quotation system on which the shares may then be listed or quoted. No award of options or SARs may be repriced, replaced or regranted through cancellation without the approval of the Company's stockholders.

The compensation committee may waive any conditions or rights under, or amend, alter, suspend, discontinue or terminate any award without the consent of any affected participant, provided, that no such amendment, alteration, suspension, discontinuation or termination that adversely affects the rights of a participant shall be effective without such participant's consent.

Unless earlier terminated, the 2020 Plan shall terminate with respect to the grant of new awards on .

2020 Employee Stock Purchase Plan

Our board of directors adopted the ESPP in December 2020 and our stockholders approved the ESPP in December 2020. The ESPP became effective upon approval by our stockholders. The purpose of the ESPP is to provide eligible employees the opportunity to increase their proprietary interest in us.

Share Reserve. The aggregate number of shares of our common stock available for purchase under the ESPP is 464,829, provided that such number is automatically increased on January 1 of each calendar year, from January 1, 2021 through January 1, 2030 by the least of (i) 1.0% of the total number of common shares of our common stock outstanding on December 31 of the immediately preceding calendar year, (ii) 929,658 shares of our common stock or (iii) a number determined by our board of directors that is less than the foregoing clauses (i) and (ii). The ESPP is intended to qualify as an "employee stock purchase plan" within the meaning of Section 423 of the Code, provided that the ESPP also permits grants that are not intended to qualify under Section 423 of the Code. As of the date hereof, no shares of our common stock have been purchased under the ESPP. Shares of our common stock issued under the ESPP may be such shares already outstanding or newly issued or treasury shares.

Administration. Our board of directors has delegated its authority to administer the ESPP to our compensation committee, who has the right and power to interpret the provisions of the ESPP and make all determinations deemed necessary or advisable for the administration of the ESPP. The ESPP is implemented through a series of offerings of purchase rights to eligible employees. Under the ESPP, we may specify offerings with durations of not more than 6 months, and may specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which shares of our common stock will be purchased for employees participating in the offering. An offering may be terminated under certain circumstances.

Payroll Deductions. Generally, all employees who do not own 5% or more of the total combined voting power or value of all of our, our parent's or any of our subsidiaries' classes of stock pursuant to Section 424(d) of the Code and who are employed by us, our parent or any of our subsidiaries or affiliates, may participate in the ESPP and may contribute, normally through payroll deductions, up to 15% of their earnings for the purchase of shares of our common stock under the ESPP. Unless otherwise determined by our board of directors, shares of common stock will be purchased for accounts of employees participating in the ESPP at a price per share equal to the lower of (i) 85% of the fair market value of a share of our common stock on the first date of an offering or (ii) 85% of the fair market value of a share of our common stock on the date of purchase.

Limitations. No employee may purchase more than 10,000 shares of our common stock under the ESPP during any offering period. Finally, no employee will be eligible for the grant of any purchase rights under the ESPP, if immediately after such rights are granted, such employee owns 5% or more of the total combined voting power or value of all of our, our parent's or any of our subsidiaries' classes of stock pursuant to Section 424(d) of the Code.

Changes to Capital Structure. In the event that there occurs a change in our capital structure through such actions as a stock split, merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares or change in corporate structure or similar transaction, our board of directors will make appropriate adjustments to (i) the number of shares of common stock reserved under the ESPP, (ii) the maximum number of shares of common stock by which the share reserve may increase automatically each year, (iii) the number of shares of common stock subject to, and purchase price of, all outstanding purchase rights and (iv) the maximum number of shares of common stock each employee may purchase.

Corporate Transactions. In the event of certain significant corporate transactions, including the consummation of (i) the acquisition of more than 50% of the combined voting power of our then outstanding voting securities, (ii) a change in the composition of our board of directors such that such individuals cease to constitute a majority of our board of directors at any time during the 24-month period immediately following the date of such change, (iii) our complete liquidation or dissolution or winding down or (iv) the sale of all or substantially all of our and our subsidiaries' assets, the ESPP will terminate and shares will be purchased as if the offering period was scheduled to end on the day immediately preceding such transaction, unless the ESPP is expressly assumed by the surviving corporation, the buyer or an affiliate of such corporation or buyer.

Plan Amendments, Termination. Our board of directors has the authority to amend, suspend or terminate the ESPP, and to shorten an offering period (and refund contributions in the event of such shortening, suspension or termination), at any time and without notice, provided, however, that any increase in the aggregate number of shares of common stock to be issued under the ESPP will be subject to approval by our stockholders. We also will obtain stockholder approval of any amendment to the ESPP as required by applicable law or listing requirements.

Potential payments upon termination or change in control

We do not have a formal plan with respect to severance benefits payable to our named executive officers and other key employees. From time to time, we entered into severance agreement with certain key employees, including our named executive officers, that provide for bonus payments or accelerated vesting of equity awards in the event such key employee's employment was terminated under certain circumstances. For additional information regarding these severance agreements, see "Agreements with our named executive officers" above.

Non-employee director compensation

Dr. Short and Ms. Anderson Short were the only members of our board of managers during 2019. See "—Summary compensation table" for a discussion of their compensation earned during 2019.

Our board of directors adopted a new compensation policy in December 2020 that will become effective upon the execution and delivery of the underwriting agreement related to this offering and will be applicable to all of our non-employee directors. This compensation policy provides that each such non-employee director will receive the following compensation for service on our board of directors:

- an annual cash retainer of $40,000;
- an additional annual cash retainer of $7,500, $5,000 and $4,000 for service as a member of each of the audit committee, compensation committee and the nominating and corporate governance committee;
- an additional annual cash retainer of $15,000, $10,000 and $8,000 for service as chairman of the audit committee, compensation committee and the nominating and corporate governance committee, respectively;
- an initial option grant to purchase 24,615 shares of our common stock on the date of each such non-employee director's appointment to our board of directors; and
- an annual option grant to purchase 12,307 shares of our common stock on the date of each of our annual stockholder meetings.

Certain relationships and related party transactions

The following includes a summary of transactions since January 1, 2017 to which we have been a party, in which the amount involved in the transaction exceeded $120,000, and in which any of our directors, executive officers or, to our knowledge, beneficial owners of more than 5% of our capital stock or any member of the immediate family of any of the foregoing persons had or will have a direct or indirect material interest, other than equity and other compensation, termination, change of control and other arrangements, which are described under "Executive and director compensation."

Series D preferred stock financing

In July 2020, we sold an aggregate of 140,626,711 shares of our Series D preferred stock at a purchase price of $0.51554931 per share for an aggregate amount of $72,500,003.82.

Purchasers of our Series D preferred stock include venture capital funds that beneficially own more than 5% of our outstanding capital stock and/or are represented on our board of directors. The following table summarizes the number of shares and the total purchase price paid by these entities:

Purchaser[1]	Shares of Series D preferred stock purchased	Aggregate purchase price($)
Himalaya Parent LLC[2]	32,009,307	—
Pfizer Ventures (US) LLC[3]	29,095,180	1,000,000
Soleus Private Equity Fund I, L.P. [4]	23,276,145	12,000,000
HBM Healthcare Investments (Cayman) Ltd.[5]	22,306,305	11,500,000
Entities affiliated with Baker Bros. Advisors LP	19,396,788	10,000,001
Entities affiliated with Cormorant Asset Management	19,396,788	10,000,001
Zone II Healthcare Holdings, LLC	19,396,787	10,000,000

(1) For additional information regarding these stockholders and their equity holdings, see "Principal stockholders."

(2) Himalaya Parent LLC was issued 59,164,808 Series D preferred stock upon the conversion of BioAtla, LLC to BioAtla, Inc., and subsequently distributed 27,155,501 shares of Series D preferred stock to Pfizer Ventures (US) LLC, one of its members. The owners of Himalaya Parent LLC include Dr. Jay Short, Ms. Carolyn Anderson Short, Scott Smith, members of our board of directors, other employees of us and other equity holder of BioAtla, LLC prior to the LLC Conversion. See "LLC conversion" for more information. Dr. Jay Short, our Chairman and Chief Executive Officer, and Carolyn Anderson Short, our Chief of Intellectual Property and Strategy and Assistant Secretary, serve as managers of Himalaya Parent LLC.

(3) Pfizer Ventures (US) LLC purchased 1,939,679 shares of Series D preferred stock but subsequently received a distribution of 27,155,501 shares of Series D preferred stock from Himalaya Parent LLC.

(4) Mr. Guy Levy was designated to serve as a member of our board of directors by Soleus Private Equity Fund I, L.P. ("Soleus PE"). Mr. Levy is the Chief Executive Officer and Chief Investment Officer of Soleus Capital Management, L.P., the investment manager of Soleus PE, and, in such capacity, employed by a company that is an affiliate of Soleus PE.

(5) Dr. Priyanka Belawat was designated to serve as a member of our board of directors by HBM Healthcare Investments (Cayman) Ltd. Dr. Belawat is an Investment Advisor of HBM Partners AG, and, in such capacity, employed by a corporation that is an affiliate of HBM Healthcare Investments (Cayman) Ltd.

In connection with our Series D preferred stock financing, we entered into an Investor Rights Agreement, a Voting Agreement, and a Right of First Refusal and Co-Sale Agreement with certain holders of our Series D preferred stock and certain holders of our common stock.

Our Right of First Refusal and Co-Sale Agreement provides for rights of first refusal and co-sale and drag-along rights in respect of sales by certain holders of our capital stock. Our Voting Agreement also contains provisions with respect to the elections of our board of directors and its composition. Upon the consummation of this offering, the Right of First Refusal and Co-Sale Agreement and the Voting Agreement each will terminate. Additionally, the Investor Rights Agreement provides for certain registration rights which will survive the completion of this offering, as more fully described in "Description of capital stock—registration rights."

Convertible promissory notes

From December 2015 to March 2020, BioAtla, LLC issued convertible promissory notes to certain investors for gross proceeds of $21.8 million, including to Dr. Jay Short and Carolyn Anderson Short, Pfizer Ventures (US) LLC and Biotech Investment Group II, LLC. Dr. Jay Short and Carolyn Anderson Short currently serve as our executive officers and Dr. Short currently serves as a member of our board of directors. Pfizer Ventures (US) LLC is a beneficial owner of more than 5% of our capital stock and, at the time of the transaction, BIG was a beneficial owner of more than 5% of our capital stock. In July 2020, upon our LLC Conversion and in connection with the closing of the Series D preferred stock financing, the convertible promissory notes were amended so that they automatically converted into a number of Class D Units of Himalaya Parent LLC equal to the quotient of (x) the outstanding principal balance of the convertible promissory note, together with all accrued and unpaid interest thereon, divided by (y) eighty-percent (80%) of the purchase price per share for each share of Series D preferred stock sold pursuant to the Series D preferred stock financing, except in the case of the convertible promissory note issued to Pfizer Ventures (US) LLC. The convertible promissory note issued to Pfizer Ventures (US) LLC was amended in March 2019 to provide the lender additional accrued interest upon conversion, and converted into a number of Class D Units of Himalaya Parent LLC equal to the quotient of (x) the outstanding principal balance of the convertible promissory note, together with all accrued and unpaid interest thereon, divided by (y) one hundred percent (100%) of the purchase price per share for each share of Series D preferred stock sold pursuant to the Series D preferred stock financing. In connection with the Series D preferred stock financing in July 2020, all principal and accrued interest under the convertible notes was converted into our Series D preferred stock, and we were not required to repay any principal or interest in cash.

Lease agreement with Alliance Diversified Holdings LLC

From August 2014 to February 2018, we were party to a lease agreement with Alliance Diversified Holdings LLC, or ADH. ADH is owned and controlled by a subsidiary of Bridgewest Business Group, LLC, or Bridgewest. We incurred expenses of $0.6 million and $0.1 million in 2017 and 2018, respectively, related to rent, including common area maintenance, for a combined 10,440 square feet of lab and office space, and also paid certain pass-through expenses to ADH, such as utilities. The lease agreement with ADH was completed in February 2018, and as of December 31, 2018, we had no outstanding accounts payable and accrued expenses due to ADH.

BioDuro, LLC contract research services agreement

In March 2007, we entered into a master contract research services agreement with BioDuro, LLC, or BioDuro, a preclinical research organization that provides biopharmaceutical clients with drug discovery services. BioDuro was previously a wholly owned subsidiary of Bridgewest. Bridgewest's Chief Executive Officer is Masood Tayebi, Ph.D., who is affiliated with Biotech Investment Group, LLC, or BIG. Dr. Tayebi beneficially owned 50% of Bridgewest. In 2019, Bridgewest sold its ownership interest, such that we no longer consider BioDuro to be a related party as of January 1, 2020

Under the agreement, BioDuro provides us with preclinical research labor and supplies in China in exchange for a quarterly fee. The fees we pay to BioDuro are based on the number of full-time equivalent contractors assigned under the agreement to perform services to us, and such fees include the cost of labor for the contractors and lab supplies needed to perform lab work on designated projects. The rates paid to BioDuro per full-time equivalent contractor and associated materials costs are fixed for the contract term and are re-negotiated every two years. As of December 1, 2020, we had 18 full-time equivalent independent contractors assigned under the BioDuro agreement. During the two-year period ended December 31, 2019, we incurred expenses of approximately $4.3 million in connection with services provided by BioDuro under the agreement.

Sinobioway and SWTIC

In March 2015, we entered into a Collaboration and License Agreement with Sinobioway to develop and commercialize CAB antibody products in China, Hong Kong, Macau and Taiwan, or the Sinobioway Territory. The agreement was amended several times between 2015 and 2017. In March 2017, we also entered into an Amended and Restated Master Services Agreement with Sinobioway for certain development and manufacturing services to be performed by Sinobioway.

In 2018, we entered into an agreement to terminate the Amended and Restated Collaboration Agreement and the Amended and Restated Master Services Agreement with Sinobioway, or the Sinobioway Termination Agreement. Under the Sinobioway Termination Agreement, Sinobioway terminated its rights to develop and commercialize CAB antibody products in the Sinobioway Territory, and we are no longer obligated to present new CAB antibodies to Sinobioway for selection, funding and development in the Sinobioway Territory. As consideration for the Termination Agreement, we issued a noncontrolling interest in Himalaya Therapeutics SEZC to Sinobioway in the form of 34,976,744 ordinary shares with a fair value of $0. See “Himalaya Therapeutics SEZC” below for more information about this entity.

In May 2017, we entered into a Services and Unit Purchase Agreement with Shanghai Weitong Investment Center Limited Partnership, or SWTIC, whereby we issued 2,946,253 Class C Preferred Units of BioAtla, LLC to SWTIC as payment for advisory services to be rendered by SWTIC during the 24-month period following the date of the agreement. In connection with the LLC Conversion, the Class C Preferred Units of BioAtla, LLC issued to SWTIC were converted into Class C Units of Himalaya Parent LLC.

F1 Oncology, Inc.

In September 2017, we provided a $250,000 non-interest bearing loan to Brevicar KY, a Cayman Islands company jointly owned at the time by us and F1 Oncology, Inc. The loan was fully repaid in November 2017. F1 Oncology was previously a related party of ours. As of December 31, 2019, we and F1 Oncology are no longer related parties since we no longer hold any common or preferred stock of F1 Oncology.

Himalaya Therapeutics SEZC

On January 1, 2020, we entered into an Amended and Restated Exclusive Rights Agreement with Himalaya Therapeutics SEZC, a Cayman Islands exempted company. Under the terms of the agreement, Himalaya Therapeutics SEZC acquired the rights to 10 CAB-antibodies for the territory of China, Macao, Hong Kong and Taiwan, global rights to a CAB-HER2-bispecific-antibody and global co-development rights with us to an IL-22 non-CAB-antibody. Payments to us may include upfront payments, milestone payments and double digit royalties, but no payments have been made to date. Dr. Jay Short and Carolyn Anderson Short serve as directors of Himalaya Therapeutics SEZC, and Carolyn Anderson Short serves as an officer of such entity. Prior to July 10, 2020, Himalaya Therapeutics SEZC was a majority-owned subsidiary of BioAtla, LLC, after which BioAtla, LLC distributed to Himalaya Parent LLC all of its equity interests in Himalaya Therapeutics SEZC. See “LLC conversion” for more information.

Inversagen, LLC

On March 15, 2019, we entered into an Exclusive License Agreement with Inversagen, LLC. Under the terms of the agreement, Inversagen acquired the rights to CAB-antibodies for the field of diseases associated with aging, outside of cancer, and a immuno-oncology antibody. Commencing on the first commercial sale of the CAB-antibodies and immuno-oncology antibody subject to the Exclusive License Agreement, Inversagen, LLC will pay us milestone payments and royalties. On July 7, 2020, we and Inversagen, LLC entered into the First

Amendment to Exclusive License Agreement, which grants us an option for a period of 10 years to acquire the immuno-oncology antibody in return for royalty payments in the low-single digits during the applicable royalty term. No payments have been made to date. Dr. Jay Short and Carolyn Anderson Short serve as managers of Inversagen, LLC.

LLC Division

In March 2019, our predecessor, BioAtla, LLC was divided into three separate and distinct Delaware limited liability companies, which we refer to as the LLC Division. In connection with the LLC Division, our predecessor BioAtla, LLC was renamed to BioAtla Holdings, LLC and new legal entities Inversagen, LLC and BioAtla, LLC were formed. After the LLC Division, each LLC had substantially the same form of operating agreement and capital structure as our predecessor, with certain exceptions. In connection with the LLC Division, our predecessor's holdings of F1 Oncology, Inc. common and preferred stock remained in BioAtla Holdings and certain rights related to the application of CAB technology in senescent cell therapy were transferred to us and simultaneously licensed to Inversagen. The remaining assets, liabilities and operations of our predecessor, including all existing employees and ownership of Himalaya Therapeutics SEZC and its wholly-owned subsidiary, Himalaya Therapeutics HK Limited, were transferred to us. Each of our predecessor's members at the time of the LLC Division continued as a member in us, BioAtla Holdings and Inversagen and each entity has Mr. Short and Ms. Anderson Short as its LLC managers. See Note 1 to our consolidated financial statements included elsewhere in this prospectus for further discussion of the LLC Division.

BioAtla Holdings, LLC

Effective January 1, 2020, we entered into an Exclusive License Agreement with BioAtla Holdings, LLC. Under the terms of the agreement, BioAtla Holdings, LLC acquired the rights to CAB antibodies for certain targets in the field of Adoptive Cell Therapy (CAR-T format). On July 7, 2020, we and BioAtla Holdings entered into the First Amendment to Exclusive License Agreement, which grants us an option for a period of 10 years to acquire the ACT Preparations and ACT Treatments in return for royalty payments in the low-single digits during the applicable royalty term. No payments have been made to date. Dr. Jay Short and Carolyn Anderson Short serve as managers of BioAtla Holdings, LLC.

LLC conversion

See "LLC conversion" for a description of the LLC Conversion.

Employment agreements

We have entered into employment agreements or consulting agreements with each of our executive officers. See "Executive compensation—Employment agreements with our named executive officers" for a further discussion of these arrangements.

Indemnification agreements

In connection with this offering, we intend to enter into separate indemnification agreements with our directors and executive officers, in addition to the indemnification provided for in our amended and restated bylaws. These agreements, among other things, will require us to indemnify our directors and executive officers for certain expenses, including attorneys' fees, judgments, fines and settlement amounts incurred by a director or executive officer in any action or proceeding arising out of their services as one of our directors or executive officers or as a director or executive officer of any other company or enterprise to which the person provides services at our request. For more information regarding these indemnification arrangements, see

"Management—Limitation on liability and indemnification of directors and officers." We believe that these bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers.

The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws that will be in effect upon the completion of this offering may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against directors and officers, even though an action, if successful, might benefit us and our stockholders. A stockholder's investment may decline in value to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

Policies and procedures for transactions with related persons

We will adopt a written related-person transactions policy that sets forth our policies and procedures regarding the identification, review, consideration and oversight of "related-person transactions" in connection with the completion of this offering. For purposes of our policy only, a "related-person transaction" is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which we and any "related person" are participants involving an amount that exceeds $120,000.

Transactions involving compensation for services provided to us as an employee, consultant or director are not considered related-person transactions under this policy. A related person is any executive officer, director or a holder of more than 5% of our common stock, including any of their immediate family members and any entity owned or controlled by such persons.

Under the policy, where a transaction has been identified as a related-person transaction, management must present information regarding the proposed related-person transaction to our audit committee (or, where review by our audit committee would be inappropriate, to another independent body of our board of directors) for review. The presentation must include a description of, among other things, the material facts, the direct and indirect interests of the related persons, the benefits of the transaction to us and whether any alternative transactions are available. To identify related-person transactions in advance, we rely on information supplied by our executive officers, directors and certain significant stockholders. In considering related-person transactions, our audit committee or another independent body of our board of directors takes into account the relevant available facts and circumstances including:

- the risks, costs and benefits to us;
- the impact on a director's independence in the event the related person is a director, immediate family member of a director or an entity with which a director is affiliated;
- the terms of the transaction;
- the availability of other sources for comparable services or products; and
- the terms available to or from, as the case may be, unrelated third parties or to or from our employees generally.

In the event a director has an interest in the proposed transaction, the director must recuse himself or herself from the deliberations and approval.

Principal stockholders

The following table sets forth information regarding beneficial ownership of our common stock as of December 1, 2020:

- each person, or group of affiliated persons, known by us to beneficially own more than 5% of our common stock;
- each of our directors;
- each of our named executive officers; and
- all of our current executive officers and directors as a group.

Information with respect to beneficial ownership has been furnished by each director, officer or beneficial owner of more than 5% of our common stock. We have determined beneficial ownership in accordance with the rules of the SEC. These rules generally attribute beneficial ownership of securities to persons who possess sole or shared voting power or investment power with respect to those securities. Unless otherwise indicated, the persons or entities identified in this table have sole voting and investment power with respect to all shares shown as beneficially owned by them, subject to applicable community property laws.

Applicable percentage ownership immediately prior to the completion of this offering is based on 21,588,619 shares of common stock outstanding immediately prior to the completion of this offering, after giving effect to the conversion upon completion of this offering of all of our outstanding shares of Series D preferred stock. Applicable percentage ownership after this offering is based on shares of common stock outstanding that will be outstanding upon the completion of this offering, after giving effect to (i) the conversion upon completion of this offering of all of our outstanding shares of Series D preferred stock and (ii) the issuance of shares of our common stock in this offering. The information in the table below assumes no exercise of the underwriters' option to purchase additional shares and does not give effect to the conversion of shares of Series D preferred stock into shares of Class B common stock instead of common stock upon the completion of this offering. In computing the number of shares of common stock beneficially owned by a person and the percentage ownership of such person, we do not take into account the issuance of any shares of common stock upon the exercise of warrants to purchase up to 717,674 shares of common stock that are outstanding.

Except as otherwise noted below, the address for each person or entity listed in the table is c/o BioAtla Corporation, 11085 Torreyana Road, San Diego, California 92121.

	Beneficial ownership prior to the offering		Beneficial ownership after the offering	
	Shares	Percentage	Shares	Percentage
Greater than 5% stockholders:				
Himalaya Parent LLC(1)	8,682,304	40.22%		%
Pfizer Ventures (US) LLC(2)	2,238,090	10.37%		%
Soleus Private Equity Fund I, L.P.(3)	1,790,472	8.29%		%
HBM Healthcare Investments (Cayman) Ltd.(4)	1,715,869	7.95%		%
Entities affiliated with Baker Bros. Advisors LP(5)	1,492,059	6.91%		%
Entities affiliated with Cormorant Asset Management(6)	1,492,060	6.91%		%
Zone II Healthcare Holdings, LLC(7)	1,492,060	6.91%		%
Directors and named executive officers:				
Priyanka Belawat, Ph.D.	—	—		—
Mary Ann Gray, Ph.D.	—	—		—
Guy Levy(8)	1,790,472	8.29%		%
Susan Moran, M.D.	—	—		—
Carolyn Anderson Short(9)	8,682,304	40.22%		%
Jay M. Short, Ph.D.(9)	8,682,304	40.22%		%
Scott Smith	—	—		—
Lawrence Steinman, M.D.	—	—		—
All directors and executive officers as a group (11 persons)	10,472,776	48.51%		%

(1) Consists of (i) 2,462,254 shares of common stock issuable upon the conversion of shares of Series D preferred stock held by Himalaya Parent LLC and (ii) 6,220,050 shares of common stock held by Himalaya Parent LLC. Dr. Jay Short and Carolyn Anderson Short are the managers of Himalaya Parent LLC and collectively make investment decisions on behalf of Himalaya Parent LLC. Dr. Short is also a member of our board of directors. Dr. Short and Ms. Anderson Short disclaim beneficial ownership of the shares listed, except to the extent of his or her pecuniary interest therein, if any. The address of Himalaya Parent LLC is 11085 Torreyana Road, San Diego, California 92121.

(2) Consists of 2,238,090 shares of common stock issuable upon the conversion of the Series D preferred stock held by Pfizer Ventures (US) LLC. The address of Pfizer Ventures (US) LLC is c/o Pfizer Inc., 235 E 42nd Street, New York, New York 10017. Pfizer Inc. is the parent company of Pfizer Ventures (US) LLC and may be deemed to beneficially own the shares directly owned by Pfizer Ventures (US) LLC. As of December 2, 2020, the board of directors of Pfizer Inc. is comprised of the following individuals: Ronald E. Blaylock, Albert Bourla, Susan Desmond-Hellmann, Joseph J. Echevarria, Scott Gottlieb, Helen H. Hobbs, Susan Hockfield, Dan R. Littman, Shantanu Narayen, Suzanne Nora Johnson, James Quincey and James C. Smith. Pfizer Inc. is a publicly traded company. The address for Pfizer Inc. is 235 East 42nd St., New York, New York 10017.

(3) Consists of 1,790,472 shares of common stock issuable upon the conversion of the Series D preferred stock held by Soleus Private Equity Fund I, L.P. (“Soleus PE”). Soleus Private Equity GP I, LLC (“Soleus GP”) is the sole general partner of Soleus PE. Soleus GP holds voting and dispositive power over the shares held by Soleus PE. Soleus PE GP I, LLC (“Soleus PE GP”) is the sole manager of Soleus GP. Guy Levy is the sole managing member of Soleus PE GP. Each of Soleus GP, Soleus PE GP and Mr. Levy disclaims beneficial ownership of such shares, except to the extent of any pecuniary interest therein. The address of Soleus PE is 104 Field Point Road, Greenwich, CT 06830.

(4) Consists of 1,715,869 shares of common stock issuable upon the conversion of the Series D preferred stock held by HBM Healthcare Investments (Cayman) Ltd. The board of directors of HBM Healthcare Investments (Cayman) Ltd. has sole voting and investment power with respect to the shares by held by such entity. The board of directors of HBM Healthcare Investments (Cayman) Ltd. is comprised of Jean-Marc Lesieur, Richard Coles, Sophia Harris, Dr. Andreas Wicki, Paul Woodhouse and Mark Kronenfeld, none of whom has individual voting or investment power with respect to such shares, and each disclaims beneficial ownership of such shares except to the extent of any pecuniary interest therein. The address for HBM Healthcare Investments (Cayman) Ltd. is Governor’s Square, Suite #4-212-2, 23 Lime Tree Bay Avenue, PO Box 30852, Grand Cayman, KY1-1204, Cayman Islands.

(5) Consists of (i) 1,390,339 shares of common stock issuable upon the conversion of shares of Series D preferred stock held by Baker Brothers Life Sciences, L.P. and (ii) 101,720 shares of common stock issuable upon the conversion of shares of Series D preferred stock held by 667, L.P., together with Baker Brothers Life Sciences, L.P., the BBA Funds. Upon the completion of this offering, the 19,396,788 shares of Series D preferred stock held by the BBA Funds will automatically convert into 1,492,059 shares of Class B common stock instead of common stock. Baker Bros. Advisors LP, or BBA, is the management company and investment adviser to the BBA Funds and has complete and unlimited discretion and authority with respect to the BBA Funds investments and voting power over investments. Baker Bros. Advisors (GP) LLC, or BBA-GP, is the sole general partner of BBA. The managing members of BBA-GP are Julian C. Baker and Felix J. Baker. BBA-GP, Felix J. Baker, Julian C. Baker and BBA may be deemed to be beneficial owners of the securities directly held by the BBA Funds. Julian C. Baker, Felix J. Baker, BBA-GP and BBA disclaim beneficial ownership of the securities held directly by the BBA Funds except to the extent of their pecuniary interest therein. The address for the above referenced entities is 860 Washington Street, 3rd Floor, New York, NY 10014.

(6) Consists of (i) 1,181,115 shares of common stock issuable upon the conversion of shares of Series D preferred stock held by Cormorant Private Healthcare Fund II, LP, or Fund II, and (ii) 310,945 shares of common stock issuable upon the conversion of shares of Series D preferred stock held by Cormorant Global Healthcare Master Fund, LP, or Master Fund. Cormorant Private Healthcare GP II, LLC and Cormorant Asset Management, LP, serve as the general partner and investment manager of Fund II, respectively. Cormorant Global Healthcare GP, LLC and Cormorant Asset Management, LP, serve as the general partner and investment manager of Master Fund, respectively. Bihua Chen serves as the managing member of each of Cormorant Private Healthcare GP II, LLC, Cormorant Global Healthcare GP, LLC, and Cormorant Asset Management GP, LLC. Each of such entities and Ms. Chen disclaims beneficial ownership of the shares except to the extent of its or her pecuniary interest therein. The address of the principal business office for the above referenced entities is 200 Clarendon Street, 52nd Floor, Boston, MA 02116.

(7) Consists of 1,492,060 shares of common stock issuable upon the conversion of the Series D preferred stock held by Zone II Healthcare Holdings LLC, or Zone II. Farallon Capital Management, L.L.C., or FCM, as the manager of Zone II, may be deemed to beneficially own such shares of common stock issuable to Zone II. Each of Philip D. Dreyfuss, Michael B. Fisch, Richard B. Fried, David T. Kim, Michael G. Linn, Rajiv A. Patel, Thomas G. Roberts, Jr., William Seybold, Andrew J.M. Spokes, John R. Warren and Mark D. Wehrly, or the Managing Members, as a senior managing member or managing member, as the case may be, of FCM, in each case with the power to exercise investment discretion, may be deemed to beneficially own such shares of common stock issuable to Zone II. Each of FCM and the Managing Members disclaims beneficial ownership of any such shares of common stock. The address for each of the entities and individuals identified in this footnote is c/o Farallon Capital Management, L.L.C., One Maritime Plaza, Suite 2100, San Francisco, California 94111.

(8) Consists of the shares described in footnote (3) above. Mr. Levy is a member of our board of directors. The shares listed are owned directly by Soleus Private Equity Fund I, L.P. (“Soleus PE”). Soleus Private Equity GP I, LLC (“Soleus GP”) is the sole general partner of Soleus PE. Soleus GP holds voting and dispositive power over the shares held by Soleus PE. Soleus PE GP I, LLC (“Soleus PE GP”) is the sole manager of Soleus GP. Guy Levy is the sole managing member of Soleus PE GP. Each of Soleus GP, Soleus PE GP and Mr. Levy disclaims beneficial ownership of such shares, except to the extent of any pecuniary interest therein.

(9) Consists of the shares described in footnote (1) above. Dr. Short and Ms. Anderson Short are managers of Himalaya Parent LLC and collectively make investment decisions on behalf of Himalaya Parent LLC. Dr. Short and Ms. Anderson Short disclaim beneficial ownership of the shares listed, except to the extent of his or her pecuniary interest therein, if any.

Description of capital stock

The following is a summary of the rights of our common and preferred stock and some of the provisions of our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective upon the completion of this offering, and of the Delaware General Corporation Law. This summary is not complete. For more detailed information, please see our amended and restated certificate of incorporation and amended and restated bylaws, which are filed as exhibits to the registration statement of which this prospectus is a part, as well as the relevant provisions of the Delaware General Corporation Law.

General

As of September 30, 2020, there were 21,588,619 shares of our common stock outstanding, held by approximately 16 stockholders of record, and no shares of our preferred stock outstanding, assuming (i) the conversion upon completion of this offering of all of our outstanding shares of Series D preferred stock, and (ii) no issuances of shares of non-voting Class B common stock upon the completion of this offering.

Common stock and class B common stock

We are authorized to issue up to a total of 350,000,000 shares of common stock, par value $0.0001 per share and up to a total of 15,368,569 shares of Class B common stock, par value $0.0001 per share. The holders of our common stock and Class B common stock have identical rights, provided that (i) except as otherwise expressly provided in our amended and restated certificate of incorporation or as required by applicable law, on any matter that is submitted to a vote by our stockholders, holders of our common stock are entitled to one vote per share of common stock, and holders of our Class B common stock are not entitled to any votes per share of Class B common stock, including for the election of directors and (ii) holders of our common stock have no conversion rights, while holders of our Class B common stock shall have the right to convert each share of our Class B common stock into one share of common stock at such holder's election, provided that as a result of such conversion, such holder would not beneficially own in excess of 4.99% of any class of our securities registered under the Exchange Act, unless otherwise as expressly provided for in our amended and restated certificate of incorporation. However, this ownership limitation may be increased or decreased to any other percentage designated by such holder of Class B common stock upon 61 days' notice to us.

Our common stock and Class B common stock have no preemptive rights or other subscription rights or redemption or sinking fund provisions. Upon our liquidation, dissolution or winding-up, holders of our common stock and Class B common stock are entitled to share ratably in all assets remaining after payment of all liabilities and the liquidation preferences of any of our outstanding shares of preferred stock. Subject to preferences that may be applicable to any outstanding shares of preferred stock, holders of our common stock and Class B common stock are entitled to receive dividends only if declared from time to time by our board of directors out of assets which are legally available.

In December 2020, certain holders of our preferred stock elected to have such shares convert into shares of Class B common stock following the closing of this offering.

As of September 30, 2020, there were 6,220,050 shares of common stock issued and outstanding and there was one holder of record of our common stock. As of September 30, 2020, there were no shares of Class B common stock issued and outstanding. All of the shares of common stock to be issued in this offering will be, fully paid and nonassessable.

Preferred stock

Under our amended and restated certificate of incorporation that will be in effect upon the completion of this offering, our board of directors has the authority, without further action by the stockholders, to issue up to 200,000,000 shares of preferred stock in one or more series, to establish from time to time the number of shares to be included in each such series, to fix the rights, preferences and privileges of the shares of each wholly unissued series and any qualifications, limitations or restrictions thereon and to increase or decrease the number of shares of any such series, but not below the number of shares of such series then outstanding.

Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of the common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in our control that may otherwise benefit holders of our common stock and may adversely affect the market price of the common stock and the voting and other rights of the holders of common stock.

As of September 30, 2020, there were 199,791,519 shares of Series D preferred stock issued and outstanding and there were approximately 16 holders of record of our Series D preferred stock. All of our outstanding Series D Preferred Stock are entitled to automatically convert into 15,368,569 shares of common stock upon the completion of this offering. Certain of our stockholders have elected to convert their Series D preferred stock into shares of Class B common stock, instead of common stock, upon the completion of this offering.

Warrants

As of September 30, 2020, we had 717,674 outstanding warrants.

On February 29, 2016, we issued a warrant to purchase 339,952 shares of common stock at an exercise price of $88.25 per share, which warrant was subsequently amended and restated. The warrant is exercisable during the period commencing on the first day following the completion of this offering and ending on the 365th day following the completion of this offering, and provides for cashless exercise at the option of the warrant holder.

On March 24, 2016, we issued warrants to purchase an aggregate of 226,634 shares of common stock at an exercise price of $88.25 per share, which warrants were subsequently amended and restated. The warrants are exercisable during the period commencing on the first day following the completion of this offering and ending on the 365th day following the completion of this offering, and provide for cashless exercise at the option of the warrant holder.

On June 6, 2016, we issued warrants to purchase an aggregate of 151,088 shares of common stock at an exercise price of $132.37 per share, which warrants were subsequently amended and restated. The warrants are exercisable during the period commencing on the first day following the completion of this offering and ending on the 450th day following the completion of this offering, and provide for cashless exercise at the option of the warrant holder.

Registration rights

Upon the completion of this offering and subject to the lock-up agreements entered into in connection with this offering and federal securities laws, certain holders of shares of our common stock, including those shares of our common stock that will be issued upon the conversion of our Series D preferred stock in connection with this offering, will initially be entitled to certain rights with respect to registration of such shares under the Securities Act. These shares are referred to as registrable securities. The holders of these registrable securities possess registration rights pursuant to the terms of our Investor Rights Agreement and are described in additional detail below. The registration of shares of our common stock pursuant to the exercise of the

registration rights described below would enable the holders to trade these shares without restriction under the Securities Act when the applicable registration statement is declared effective. We will pay the registration expenses, other than underwriting discounts, selling commissions and stock transfer taxes, of the shares registered pursuant to the demand, piggyback and Form S-3 registrations described below.

Generally, in an underwritten offering, the managing underwriter, if any, has the right, subject to specified conditions and limitations, to limit the number of shares the holders may include. The demand, piggyback and Form S-3 registration rights described below will terminate upon the earliest of (i) with respect to each stockholder, such date, on or after the completion of this offering, on which all registrable shares held by such stockholder may immediately be sold during any three month period pursuant to Rule 144, (ii) the occurrence of a deemed liquidation event, as defined in our certificate of incorporation, as currently in effect and (iii) the fifth anniversary of the completion of this offering.

Demand registration rights

Upon the completion of this offering, holders of approximately 12,906,315 shares of our common stock issuable upon conversion of outstanding Series D preferred stock will be entitled to certain demand registration rights. Beginning 180 days following the effectiveness of the registration statement of which this prospectus is a part, investors holding, collectively, a majority of registrable securities having an anticipated aggregate offering price of at least $5.0 million may, on not more than two occasions, request that we register all or a portion of their shares, subject to certain specified exceptions. If any of these holders exercises its demand registration rights, then holders of approximately 15,368,569 shares of our common stock issuable upon the conversion of our Series D preferred stock in connection with this offering will be entitled to register their shares, subject to specified conditions and limitations in the corresponding offering.

Piggyback registration rights

In connection with this offering, holders of approximately 12,906,315 shares of our common stock issuable upon conversion of outstanding Series D preferred stock are entitled to their rights to notice of this offering and to include their shares of registrable securities in this offering. These stockholders' rights to notice of this offering and to include their shares of registrable securities in this offering have been waived in connection with this offering. In the event that we propose to register any of our securities under the Securities Act in another offering, either for our own account or for the account of other security holders, the holders of registrable securities will be entitled to certain "piggyback" registration rights allowing them to include their shares in such registration, subject to specified conditions and limitations.

S-3 registration rights

Upon the completion of this offering, the holders of approximately 12,906,315 shares of our common stock issuable upon conversion of outstanding Series D preferred stock will initially be entitled to certain Form S-3 registration rights. Certain major investors holding at least 10% of registrable securities may, on not more than two registrations on Form S-3 within any 12-month period, request that we register all or a portion of their shares on Form S-3 if we are qualified to file a registration statement on Form S-3, subject to specified exceptions. Such request for registration on Form S-3 must cover securities with an aggregate offering price which equals or exceeds $3.0 million, net of selling expenses. The right to have such shares registered on Form S-3 is further subject to other specified conditions and limitations.

Anti-takeover effects of provisions of our certificate of incorporation, our bylaws and Delaware law

Certain provisions of Delaware law and certain provisions included in the amended and restated certificate of incorporation and amended and restated bylaws to be in effect upon the completion of this offering, summarized below, may be deemed to have an anti-takeover effect and may delay or discourage transactions involving an actual or potential change in our control or change in our management, including transactions in which stockholders might otherwise receive a premium for their shares or transactions that our stockholders might otherwise deem to be in their best interests. Therefore, these provisions could adversely affect the price of our common stock.

Delaware anti-takeover law

We are subject to Section 203 of the Delaware General Corporation Law, or Section 203. Section 203 generally prohibits a public Delaware corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction in which the person became an interested stockholder, unless:

- prior to the date of the transaction, the board of directors of the corporation approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- the interested stockholder owned at least 85% of the voting stock of the corporation outstanding upon consummation of the transaction, excluding for purposes of determining the number of shares outstanding (a) shares owned by persons who are directors and also officers and (b) shares owned by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or subsequent to the consummation of the transaction, the business combination is approved by the board and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock which is not owned by the interested stockholder.

Section 203 defines a business combination to include:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, pledge or other disposition involving the interested stockholder of 10% or more of the assets of the corporation;
- subject to exceptions, any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder;
- subject to exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder; and
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by the entity or person.

Preferred stock

The amended and restated certificate of incorporation that will be in effect upon the completion of this offering will contain provisions that permit our board of directors to issue, without any further vote or action by the stockholders, shares of preferred stock in one or more series and, with respect to each such series, to fix the number of shares constituting the series and the designation of the series, the voting rights (if any) of the shares of the series and the powers, preferences or relative, participation, optional and other special rights, if any, and any qualifications, limitations or restrictions, of the shares of such series.

Classified board

The amended and restated certificate of incorporation that will be in effect upon the completion of this offering will provide that our board of directors is divided into three classes, designated Class I, Class II and Class III. Each class will be an equal number of directors, as nearly as possible, consisting of one third of the total number of directors constituting the entire board of directors.

Removal of directors

The amended and restated certificate of incorporation that will be in effect upon the completion of this offering will provide that stockholders may only remove a director for cause by a vote of at least 66 2/3% of the voting power of all of our then outstanding common stock and that the authorized number of directors may be changed only by resolution adopted by a majority of the board of directors.

Director vacancies

The amended and restated certificate of incorporation that will be in effect upon the completion of this offering will provide that all vacancies, including newly created directorships, may, except as otherwise required by law or subject to the rights of holders of preferred stock as designated from time to time, be filled by the affirmative vote of a majority of directors then in office, even if less than a quorum.

Special meetings of stockholders

The amended and restated certificate of incorporation and our amended and restated bylaws that will be in effect upon the completion of this offering will provide that, except as otherwise required by law, special meetings of our stockholders may be called only by the chairman of the board, our Chief Executive Officer or by the board of directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exists any vacancies).

Advance notice procedures for director nominations

The amended and restated certificate of incorporation and amended and restated bylaws that will be in effect upon the completion of this offering will provide that stockholders seeking to nominate candidates for election as directors at an annual or special meeting of stockholders must provide timely notice thereof in writing and also specify requirements as to the form and content of a stockholder's notice.

Action by written consent

The amended and restated certificate of incorporation and amended and restated bylaws that will be in effect upon the completion of this offering will require that any action to be taken by our stockholders must be effected at a duly called annual or special meeting of stockholders and not be taken by written consent.

Cumulative voting

The amended and restated certificate of incorporation that will be in effect upon the completion of this offering will not provide for cumulative voting rights (therefore allowing the holders of a majority of the shares of common stock entitled to vote in any election of directors to elect all of the directors standing for election, if they should so choose).

Amending our certificate of incorporation and bylaws

The amendment of any of the provisions in our amended and restated certificate of incorporation that will be in effect upon the completion of this offering, with the exception of the ability of our board of directors to issue shares of preferred stock and designate any rights, preferences and privileges thereto, would require the affirmative vote of the holders of at least 66 2/3% of the voting power of all of our then outstanding common stock. Additionally, our amended and restated certificate of incorporation will provide that our bylaws may be amended, altered or repealed by the board of directors.

Exclusive forum provision

Our amended and restated certificate of incorporation to be effective upon the completion of this offering provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery of the State of Delaware does not have jurisdiction, the federal district court for the District of Delaware) shall be the sole and exclusive forum for the following types of proceedings: (i) any derivative action or proceeding brought on behalf of our company, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, employees or stockholders to our company or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the General Corporation Law of the State of Delaware or as to which the General Corporation Law of the State of Delaware confers jurisdiction on the Court of Chancery of the State of Delaware or (iv) any action asserting a claim arising pursuant to any provision of our amended and restated certificate of incorporation or amended and restated bylaws (in each case, as they may be amended from time to time) or governed by the internal affairs doctrine. This provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the U.S. federal courts have exclusive jurisdiction. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. Our amended and restated bylaws further provide that the federal district courts of the United States of America will be the exclusive forum to the fullest extent permitted by law, for resolving any complaint asserting a cause of action arising under the Securities Act. This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage such lawsuits against us and our directors, officers and employees. Alternatively, if a court were to find these provisions of our amended and restated certificate of incorporation and amended and restated bylaws inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and to have consented to the provisions of our amended and restated certificate of incorporation and amended and restated bylaws described above.

Nasdaq Global Market listing

We have applied for listing of our common stock on The Nasdaq Global Market under the symbol "BCAB."

Transfer agent and registrar

The transfer agent and registrar for our common stock and Class B common stock is Philadelphia Stock Transfer, Inc. The transfer agent and registrar's address is 2320 Haverford Rd., Suite 230, Ardmore, PA 19003.

Shares eligible for future sale

Prior to this offering, there has been no public market for our common stock, and a liquid trading market for our common stock may not develop or be sustained after this offering. As described below, only a limited number of shares will be available for sale shortly after this offering due to contractual and legal restrictions on resale. Future sales of substantial amounts of common stock in the public market after the completion of this offering, or the perception that those sales may occur, could adversely affect the prevailing market price for our common stock from time to time and could impair our ability to raise capital through sales of equity securities.

Based on the number of shares of common stock outstanding as of December 1, 2020, upon the completion of this offering, assuming (i) the LLC Conversion, (ii) the conversion upon completion of this offering of all of our outstanding shares of Series D preferred stock and (iii) no issuances of shares of non-voting Class B common stock upon the completion of this offering, shares of common stock will be outstanding, assuming no exercise of the underwriters' option to purchase additional shares and no exercise of options or warrants. All of the shares sold in this offering will be freely tradable unless held by an "affiliate" of ours, as that term is defined in Rule 144 under the Securities Act. Except as set forth below, the remaining shares of common stock outstanding after this offering will be restricted as a result of securities laws or lock-up agreements. In addition, any shares sold in this offering to entities affiliated with our existing stockholders and directors will be subject to lock-up agreements. These remaining shares will generally become available for sale in the public market as follows:

- No restricted shares will be eligible for immediate sale upon the completion of this offering;
- Up to restricted shares will be eligible for sale under Rule 144 or Rule 701, subject to the volume limitations, manner of sale and notice provisions described below under "Rule 144," upon expiration of lock-up agreements at least 180 days after the date of this offering; and
- The remainder of the restricted shares will be eligible for sale from time to time thereafter upon expiration of their respective holding periods under Rule 144, but could be sold earlier if the holders exercise any available registration rights.

Rule 144

In general, under Rule 144 as currently in effect, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, any person who is not an affiliate of ours and has held their shares for at least six months, including the holding period of any prior owner other than one of our affiliates, may sell shares without restriction, provided current public information about us is available. In addition, under Rule 144, any person who is not an affiliate of ours and has held their shares for at least one year, including the holding period of any prior owner other than one of our affiliates, would be entitled to sell an unlimited number of shares immediately upon the completion of this offering without regard to whether current public information about us is available.

Beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is an affiliate of ours and who has beneficially owned restricted securities for at least six months, including the holding period of any prior owner other than one of our affiliates, is entitled to sell a number of restricted shares within any three-month period that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately shares immediately after this offering; or
- the average weekly trading volume of our common stock on The Nasdaq Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale.

Sales of restricted shares under Rule 144 held by our affiliates are also subject to requirements regarding the manner of sale, notice and the availability of current public information about us. Rule 144 also provides that affiliates relying on Rule 144 to sell shares of our common stock that are not restricted shares must nonetheless comply with the same restrictions applicable to restricted shares, other than the holding period requirement.

Notwithstanding the availability of Rule 144, the holders of substantially all of our restricted shares have entered into lock-up agreements as described below and their restricted shares will become eligible for sale at the expiration of the restrictions set forth in those agreements.

Rule 701

Under Rule 701, shares of our common stock acquired upon the exercise of options or pursuant to other rights granted under our stock plans may be resold by:

- persons other than affiliates, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, subject only to the manner-of-sale provisions of Rule 144; and
- our affiliates, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, subject to the manner-of-sale and volume limitations and current public information and filing requirements of Rule 144, in each case, without compliance with the six-month holding period requirement of Rule 144.

Lock-up agreements

We, along with our directors, executive officers and substantially all of our shareholders, have agreed with the underwriters that for a period of 180 days, after the date of this prospectus, subject to specified exceptions, we or they will not offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock or enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the common stock. These agreements are described in “Underwriting.”

After this offering, certain of our employees, including our executive officers and/or directors, may enter into written trading plans that are intended to comply with Rule 10b5-1 under the Exchange Act. Sales under these trading plans would not be permitted until the expiration of the lock-up agreements relating to the offering described above.

In addition to the restrictions contained in the lock-up agreements described above, we have entered into agreements with certain security holders, including the Investor Right Agreement, Right of First Refusal and Co-Sale Agreement that contain market stand-off provisions imposing restrictions on the ability of such security holders to offer, sell or transfer our equity securities for a period of 180 days following the date of this prospectus.

Equity incentive plans

We intend to file with the SEC a registration statement on Form S-8 under the Securities Act covering the shares of common stock reserved for issuance under the 2020 Plan and the ESPP. The registration statement is expected to be filed and become effective as soon as practicable after the completion of this offering.

Accordingly, shares registered under the registration statement will be available for sale in the open market following the registration statement's effective date, subject to Rule 144 volume limitations and the lock-up agreements described above, if applicable.

Registration rights

Upon the completion of this offering, the holders of shares of common stock will have rights, subject to certain conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. After registration pursuant to these rights, these shares will become freely tradable without restriction under the Securities Act. These stockholders' rights to notice of this offering and to include their shares of registrable securities in this offering have been waived in connection with this offering. See "Description of capital stock—Registration rights" for additional information regarding these registration rights.

Material U.S. federal income tax consequences to non-U.S. holders of common stock

The following summary describes the material U.S. federal income tax consequences of the acquisition, ownership and disposition of our common stock acquired in this offering by Non-U.S. Holders (as defined below). This discussion does not address all aspects of U.S. federal income tax law that may be relevant to Non-U.S. Holders in light of their particular circumstances, does not consider the potential application of the alternative minimum or Medicare contribution tax, and does not deal with foreign, state, local, estate or gift tax consequences. Special rules different from those described below may apply to certain Non-U.S. Holders that are subject to special treatment under the Code, such as banks, financial institutions, insurance companies, tax-qualified retirement plans and qualified foreign pension funds, regulated investment companies, tax-exempt organizations, foreign governments, international organizations, broker-dealers and traders in securities, U.S. expatriates, controlled foreign corporations, passive foreign investment companies, corporations that accumulate earnings to avoid U.S. federal income tax, persons that hold our common stock as part of a straddle, hedge, conversion transaction, synthetic security or integrated investment or other risk reduction strategy, partnerships and other pass-through entities, and investors in such pass-through entities or an entity that is treated as a disregarded entity for U.S. federal income tax purposes (regardless of its place of organization or formation). Such Non-U.S. Holders are urged to consult their own tax advisors to determine the U.S. federal, state, local and other tax consequences that may be relevant to them. Furthermore, the discussion below is based upon the provisions of the Code, and Treasury regulations, rulings and judicial decisions thereunder as of the date hereof, and such authorities may be repealed, revoked or modified, perhaps retroactively, so as to result in U.S. federal income tax consequences different from those discussed below. We have not requested a ruling from the U.S. Internal Revenue Service, or IRS, with respect to the statements made and the conclusions reached in the following summary, and we cannot assure you that the IRS will agree with such statements and conclusions. This discussion assumes that the Non-U.S. Holder holds our common stock as a “capital asset” within the meaning of Section 1221 of the Code (generally, property held for investment).

The following discussion is for general information only and is not tax advice. Persons considering the purchase of our common stock pursuant to this offering should consult their own tax advisors concerning the U.S. federal income tax consequences of acquiring, owning and disposing of our common stock in light of their particular situations as well as any consequences arising under other U.S. federal tax laws or the laws of any other taxing jurisdiction, including any state, local or foreign tax consequences.

For the purposes of this discussion, a “Non-U.S. Holder” is, for U.S. federal income tax purposes, a beneficial owner of common stock that has not been excluded from this discussion and is not a U.S. Holder. A “U.S. Holder” means a beneficial owner of our common stock that is for U.S. federal income tax purposes (a) an individual who is a citizen or resident of the United States, (b) a corporation or other entity treated as a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (c) an estate the income of which is subject to U.S. federal income taxation regardless of its source or (d) a trust if it (i) is subject to the primary supervision of a court within the United States and one or more U.S. persons have the authority to control all substantial decisions of the trust or (ii) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

Distributions

Subject to the discussion below, distributions, if any, made on our common stock to a Non-U.S. Holder of our common stock to the extent made out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles) generally will constitute dividends for U.S. tax purposes and, provided such dividends are not effectively connected with the Non-U.S. Holder’s conduct of a trade or business within the

United States, will be subject to withholding tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. To obtain a reduced rate of withholding under a treaty, a Non-U.S. Holder generally will be required to provide us with a properly executed IRS Form W-8BEN, W-8BEN-E or other appropriate form, certifying the Non-U.S. Holder's entitlement to benefits under that treaty. In the case of a Non-U.S. Holder that is an entity, Treasury regulations and the relevant tax treaty provide rules to determine whether, for purposes of determining the applicability of a tax treaty, dividends will be treated as paid to the entity or to those holding an interest in that entity. If a Non-U.S. Holder holds stock through a financial institution or other agent acting on the holder's behalf, the holder will be required to provide appropriate documentation to such agent. The holder's agent will then be required to provide certification to us or our paying agent, either directly or through other intermediaries. If you are eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty, you should consult with your own tax advisor to determine if you are able to obtain a refund or credit of any excess amounts withheld by timely filing an appropriate claim for a refund with the IRS.

We generally are not required to withhold tax on dividends paid to a Non-U.S. Holder that are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, are attributable to a permanent establishment that such holder maintains in the United States) if a properly executed IRS Form W-8ECI, stating that the dividends are so connected, is furnished to us (or, if stock is held through a financial institution or other agent, to such agent). In general, such effectively connected dividends will be subject to U.S. federal income tax, on a net income basis at the regular graduated rates, unless a specific treaty exemption applies. A Non-U.S. Holder that is a corporation for U.S. federal income tax purposes that receives effectively connected dividends may also be subject to an additional "branch profits tax," which is imposed, under certain circumstances, at a rate of 30% (or such lower rate as may be specified by an applicable treaty) on the corporate Non-U.S. Holder's effectively connected earnings and profits, subject to certain adjustments.

To the extent distributions on our common stock, if any, exceed our current and accumulated earnings and profits, they will constitute a non-taxable return of capital and will first reduce your adjusted basis in our common stock, but not below zero, and then will be treated as gain and taxed in the same manner as gain realized from a sale or other disposition of common stock as described in the next section.

Gain on disposition of our common stock

Subject to the discussion below regarding backup withholding and foreign accounts, a Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to gain realized on a sale or other disposition of our common stock unless (a) the gain is effectively connected with a trade or business of such holder in the United States (and, if required by an applicable income tax treaty, is attributable to a permanent establishment that such holder maintains in the United States), (b) the Non-U.S. Holder is a nonresident alien individual and is present in the United States for 183 or more days in the taxable year of the disposition and certain other conditions are met, or (c) we are or have been a "United States real property holding corporation" within the meaning of Code Section 897(c)(2) at any time within the shorter of the five-year period preceding such disposition or such holder's holding period. In general, we would be a United States real property holding corporation if interests in U.S. real estate comprised (by fair market value) at least half of our total worldwide interests in real property plus our business assets. We believe that we are not, and do not anticipate becoming, a United States real property holding corporation. Even if we are treated as a United States real property holding corporation, such treatment will not cause gain realized by a Non-U.S. Holder on a disposition of our common stock to be subject to U.S. federal income tax so long as (1) the Non-U.S. Holder owned, directly, indirectly and constructively, no more than 5% of our common stock at all times within the shorter of (i) the five-year period preceding the disposition or (ii) the holder's holding period and (2) our common stock is

regularly traded on an established securities market. We cannot assure you that our common stock will qualify or continue to qualify as regularly traded on an established securities market.

If you are a Non-U.S. Holder described in (a) above, you will be required to pay tax on the net gain derived from the sale at regular graduated U.S. federal income tax rates, unless a specific treaty exemption applies, and corporate Non-U.S. Holders described in (a) above may be subject to the additional branch profits tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. If you are an individual Non-U.S. Holder described in (b) above, you will be required to pay a flat 30% tax on the gain derived from the sale, which gain may be offset by U.S. source capital losses (even though you are not considered a resident of the United States).

Information reporting requirements and backup withholding

Generally, we or certain financial middlemen must report information to the IRS with respect to any dividends we pay on our common stock including the amount of any such dividends, the name and address of the recipient, and the amount, if any, of tax withheld. A similar report is sent to the holder to whom any such dividends are paid. Pursuant to tax treaties or certain other agreements, the IRS may make its reports available to tax authorities in the recipient's country of residence.

Dividends paid by us (or our paying agents) to a Non-U.S. Holder may also be subject to U.S. backup withholding. U.S. backup withholding generally will not apply to a Non-U.S. Holder who provides a properly executed appropriate IRS Form W-8 or otherwise establishes an exemption. The current backup withholding rate is 24%.

Under current U.S. federal income tax law, U.S. information reporting and backup withholding requirements generally will apply to the proceeds from a disposition of our common stock effected by or through a U.S. office of any broker, U.S. or foreign, except that information reporting and such requirements may be avoided if the holder provides a properly executed appropriate IRS Form W-8 or otherwise meets documentary evidence requirements for establishing Non-U.S. Holder status or otherwise establishes an exemption. Generally, U.S. information reporting and backup withholding requirements will not apply to a payment of disposition proceeds to a Non-U.S. Holder where the transaction is considered effected outside the United States through a non-U.S. office of a non-U.S. broker. Information reporting and backup withholding requirements may, however, apply to a payment of disposition proceeds if the broker has actual knowledge, or reason to know, that the holder is, in fact, a U.S. person. For information reporting purposes, certain non-U.S. brokers with substantial U.S. ownership or operations will generally be treated in a manner similar to U.S. brokers.

If backup withholding is applied to you, you should consult with your own tax advisor to determine if you are able to obtain a refund or credit with respect to such backup withholding.

Additional withholding tax on payments made to foreign accounts

Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such Sections commonly referred to as the Foreign Account Tax Compliance Act, or FATCA) on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or gross proceeds from the sale or other disposition of, our common stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (i) the foreign financial institution undertakes certain diligence and reporting obligations, (ii) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign

financial institution and is subject to the diligence and reporting requirements in (i) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under the applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on our common stock. Under proposed Treasury Regulations, withholding under FATCA does not apply to gross proceeds from any sale or disposition of our common stock. While taxpayers may generally rely on those proposed regulations until final regulations are issued, prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in our common stock.

THE PRECEDING DISCUSSION OF U.S. FEDERAL INCOME TAX CONSIDERATIONS IS FOR GENERAL INFORMATION ONLY. IT IS NOT TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF PURCHASING, HOLDING AND DISPOSING OF OUR COMMON STOCK, INCLUDING THE CONSEQUENCES OF ANY APPLICABLE INCOME TAX TREATY, ANY PROPOSED CHANGE IN APPLICABLE LAW, AND ANY STATE, LOCAL, NON-U.S. OR U.S. FEDERAL NON-INCOME TAX LAWS.

Underwriting

We are offering the shares of common stock described in this prospectus through a number of underwriters. J.P. Morgan Securities LLC, Jefferies LLC and Credit Suisse Securities (USA) LLC are acting as joint book-running managers of the offering and as representatives of the underwriters. We have entered into an underwriting agreement with the underwriters. Subject to the terms and conditions of the underwriting agreement, we have agreed to sell to the underwriters, and each underwriter has severally agreed to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, the number of shares of common stock listed next to its name in the following table:

Name	Number of shares
J.P. Morgan Securities LLC	
Jefferies LLC	
Credit Suisse Securities (USA) LLC	
BTIG, LLC	
Total	

The underwriters are committed to purchase all the shares of common stock offered by us if they purchase any shares. The underwriting agreement also provides that if an underwriter defaults, the purchase commitments of non-defaulting underwriters may also be increased or the offering may be terminated.

The underwriters propose to offer the shares of common stock directly to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers at that price less a concession not in excess of $ per share. After the initial offering of the shares to the public, if all of the shares of common stock are not sold at the initial public offering price, the underwriters may change the offering price and the other selling terms. Sales of any shares made outside of the United States may be made by affiliates of the underwriters.

The underwriters have an option to buy up to additional shares of common stock from us to cover sales of shares by the underwriters which exceed the number of shares specified in the table above. The underwriters have 30 days from the date of this prospectus to exercise this option to purchase additional shares. If any shares are purchased with this option to purchase additional shares, the underwriters will purchase shares in approximately the same proportion as shown in the table above. If any additional shares of common stock are purchased, the underwriters will offer the additional shares on the same terms as those on which the shares are being offered.

The underwriting fee is equal to the public offering price per share of common stock less the amount paid by the underwriters to us per share of common stock. The underwriting fee is $ per share. The following table shows the per share and total underwriting discounts and commissions to be paid to the underwriters assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Without option to purchase additional shares exercise	With full option to purchase additional shares exercise
Per Share	$	$
Total	$	$

We estimate that the total expenses of this offering, including registration, filing and listing fees, printing fees and legal and accounting expenses, but excluding the underwriting discounts and commissions, will be

approximately $ million. We have agreed to reimburse the underwriters for certain expenses related to clearance of this offering with the Financial Industry Regulatory Authority, Inc. in an amount up to $40,000.

A prospectus in electronic format may be made available on the web sites maintained by one or more underwriters, or selling group members, if any, participating in the offering. The underwriters may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the representatives to underwriters and selling group members that may make Internet distributions on the same basis as other allocations.

We have agreed that we will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the SEC a registration statement under the Securities Act relating to, any shares of our common stock or securities convertible into or exercisable or exchangeable for any shares of our common stock, or publicly disclose the intention to undertake any of the foregoing, or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of any shares of common stock or any such other securities (regardless of whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of shares of common stock or such other securities, in cash or otherwise), in each case without the prior written consent of J.P. Morgan Securities LLC, Jefferies LLC and Credit Suisse Securities (USA) LLC for a period of 180 days after the date of this prospectus, other than the shares of our common stock to be sold in this offering.

The restrictions on our actions, as described above, do not apply to certain transactions, including (i) the issuance of shares of common stock or securities convertible into or exercisable for shares of our common stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of RSUs (including net settlement), in each case outstanding on the date of the underwriting agreement and described in this prospectus; (ii) grants of stock options, stock awards, restricted stock, RSUs, or other equity awards and the issuance of shares of our common stock or securities convertible into or exercisable or exchangeable for shares of our common stock (whether upon the exercise of stock options or otherwise) to our employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the completion of this offering and described in this prospectus, provided that such recipients enter into a lock-up agreement with the underwriters for the remainder of the 180-day lock-up period; (iii) the issuance of up to 5% of the outstanding shares of our common stock, or securities convertible into, exercisable for, or which are otherwise exchangeable for, our common stock, immediately following the completion of this offering, in connection with one or more acquisitions of a company or business, assets or technology of another person or entity, joint ventures, commercial relationships or strategic alliances (including marketing or distribution arrangements, collaboration agreements or intellectual property licensing agreements) or other similar strategic transactions, provided that such recipients enter into a lock-up agreement with the underwriters for the remainder of the 180-day lock-up period or (iv) our filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to any plan in effect on the date of the underwriting agreement and described in this prospectus or any assumed benefit plan pursuant to an acquisition or similar strategic transaction.

Our directors and executive officers, and substantially all of our shareholders (such persons, the “lock-up parties”) have entered into lock-up agreements with the underwriters prior to the commencement of this offering pursuant to which each lock-up party, with limited exceptions, for a period of 180 days after the date of this prospectus (such period, the “restricted period”), may not (and may not cause any of their direct or indirect affiliates to), without the prior written consent of J.P. Morgan Securities LLC, Jefferies LLC and Credit Suisse Securities (USA) LLC, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any shares of our common stock or any securities convertible into or exercisable or

exchangeable for our common stock (including without limitation, common stock or such other securities which may be deemed to be beneficially owned by such lock-up parties in accordance with the rules and regulations of the SEC and securities which may be issued upon exercise of a stock option or warrant (collectively with the common stock, the "lock-up securities")), (ii) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the lock-up securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of lock-up securities, in cash or otherwise, (iii) make any demand for, or exercise any right with respect to, the registration of any lock-up securities or (iv) publicly disclose the intention to do any of the foregoing. Such persons or entities have further acknowledged that these undertakings preclude them from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (by any person or entity, whether or not a signatory to such agreement) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any lock-up securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of lock-up securities, in cash or otherwise.

The restrictions described in the immediately preceding paragraph and contained in the lock-up agreements between the underwriters and the lock-up parties do not apply, subject in certain cases to various conditions, to certain transactions, including (a) transfers or disposals of lock-up securities: (i) as bona fide gifts, or for bona fide estate planning purposes, (ii) by will, other testamentary document or intestacy, (iii) to any trust for the direct or indirect benefit of the lock-up party or any immediate family member, (iv) to a corporation, partnership, limited liability company, trust or other entity of which the lock-up party and its immediate family members are directly or indirectly the legal and beneficial owner of all of the outstanding equity securities or similar interests, (v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv), (vi) in the case of a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate of the lock-up party, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the lock-up party or its affiliates or (B) as part of a distribution or other transfer to general or limited partners, members or stockholders of, or other holders of equity in, the lock-up party; (vii) by operation of law, (viii) to us from an employee or other service provider upon death, disability or termination of employment or service relationship, in each case, of such employee or service provider, (ix) as part of a sale of lock-up securities acquired in open market transactions after the completion of this offering, (x) to us in connection with the vesting, settlement or exercise of restricted stock units, options, warrants or other rights to purchase shares of our common stock (including "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments, or (xi) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction approved by our board of directors and made to all shareholders involving a change in control, provided that if such transaction is not completed, all such lock-up securities would remain subject to the restrictions in the immediately preceding paragraph; (b) exercise of the options, settlement of RSUs or other equity awards, or the exercise of warrants granted pursuant to plans described in this prospectus, provided that any lock-up securities received upon such exercise, vesting or settlement would be subject to restrictions similar to those in the immediately preceding paragraph; (c) the conversion of outstanding preferred stock, warrants to acquire preferred stock, or convertible securities into shares of our common stock or warrants to acquire shares of our common stock, provided that any common stock or warrant received upon such conversion would be subject to restrictions similar to those in the immediately preceding paragraph and (d) the establishment by lock-up parties of trading plans under Rule 10b5-1 under the Exchange Act, provided that such plan does not provide for the transfer of lock-up securities during the restricted period.

J.P. Morgan Securities LLC, Jefferies LLC and Credit Suisse Securities (USA) LLC, in their sole discretion, may release the securities subject to any of the lock-up agreements with the underwriters described above, in whole or in part at any time.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act.

We have applied to list our common stock on The Nasdaq Global Market under the symbol “BCAB”.

In connection with this offering, the underwriters may engage in stabilizing transactions, which involves making bids for, purchasing and selling shares of common stock in the open market for the purpose of preventing or retarding a decline in the market price of the common stock while this offering is in progress. These stabilizing transactions may include making short sales of common stock, which involves the sale by the underwriters of a greater number of shares of common stock than they are required to purchase in this offering, and purchasing shares of common stock on the open market to cover positions created by short sales. Short sales may be “covered” shorts, which are short positions in an amount not greater than the underwriters’ option to purchase additional shares referred to above, or may be “naked” shorts, which are short positions in excess of that amount. The underwriters may close out any covered short position either by exercising their option to purchase additional shares, in whole or in part, or by purchasing shares in the open market. In making this determination, the underwriters will consider, among other things, the price of shares available for purchase in the open market compared to the price at which the underwriters may purchase shares through the option to purchase additional shares. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the common stock in the open market that could adversely affect investors who purchase in this offering. To the extent that the underwriters create a naked short position, they will purchase shares in the open market to cover the position.

The underwriters have advised us that, pursuant to Regulation M of the Securities Act, they may also engage in other activities that stabilize, maintain or otherwise affect the price of the common stock, including the imposition of penalty bids. This means that if the representatives of the underwriters purchase common stock in the open market in stabilizing transactions or to cover short sales, the representatives can require the underwriters that sold those shares as part of this offering to repay the underwriting discount received by them.

These activities may have the effect of raising or maintaining the market price of the common stock or preventing or retarding a decline in the market price of the common stock, and, as a result, the price of the common stock may be higher than the price that otherwise might exist in the open market. If the underwriters commence these activities, they may discontinue them at any time. The underwriters may carry out these transactions on The Nasdaq Global Market, in the over-the-counter market or otherwise.

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters. In determining the initial public offering price, we and the representatives of the underwriters expect to consider a number of factors including:

- the information set forth in this prospectus and otherwise available to the representatives;
- our prospects and the history and prospects for the industry in which we compete;
- an assessment of our management;
- our prospects for future earnings;
- the general condition of the securities markets at the time of this offering;

- the recent market prices of, and demand for, publicly traded common stock of generally comparable companies; and
- other factors deemed relevant by the underwriters and us.

Neither we nor the underwriters can assure investors that an active trading market will develop for our common shares, or that the shares will trade in the public market at or above the initial public offering price.

Directed share program

At our request, the underwriters have reserved for sale, at the initial public offering price, up to 5% of the shares offered hereby for certain persons with relationships with us. If purchased by these persons, these shares will not be subject to a lock-up restriction. The number of shares of common stock available for sale to the general public will be reduced to the extent these individuals purchase such reserved shares. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus. The underwriters will receive the same underwriting discount on any shares purchased pursuant to this program as they will on any other shares sold to the public in this offering. We have agreed to indemnify the underwriters against certain liabilities and expenses, including liabilities under the Securities Act, in connection with the sales of the shares reserved for the directed share program.

Other relationships

Certain of the underwriters and their affiliates have provided in the past to us and our affiliates and may provide from time to time in the future certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in our debt or equity securities or loans, and may do so in the future.

Selling restrictions

Other than in the United States, no action has been taken by us or the underwriters that would permit a public offering of the securities offered by this prospectus in any jurisdiction where action for that purpose is required. The securities offered by this prospectus may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such securities be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about and to observe any restrictions relating to the offering and the distribution of this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any securities offered by this prospectus in any jurisdiction in which such an offer or a solicitation is unlawful.

Notice to prospective investors in Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to prospective investors in the European Economic Area and the United Kingdom

In relation to each Member State of the European Economic Area and the United Kingdom, or each, a Relevant State, no shares have been offered or will be offered pursuant to this offering to the public in that Relevant State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

(i) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the underwriters; or

(iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with each of the underwriters and the Company that it is a "qualified investor" within the meaning of Article 2(e) of the Prospectus Regulation. In the case of any shares being offered to a financial intermediary as that term is used in the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any shares to the public other than their offer or resale in a Relevant State to qualified investors as so defined or in circumstances in which the prior consent of the underwriters have been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an "offer to the public" in relation to shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Notice to prospective investors in the United Kingdom

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in the Prospectus Regulation) (i) who have professional experience in matters relating to investments falling within

Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, or the Order, and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons") or otherwise in circumstances which have not resulted and will not result in an offer to the public of the shares in the United Kingdom within the meaning of the Financial Services and Markets Act 2000, as amended.

Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this document relates to may be made or taken exclusively by relevant persons.

Notice to prospective investors in Switzerland

This prospectus is not intended to constitute an offer or solicitation to purchase or invest in the shares. The shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act, or FinSA, and no application has or will be made to admit the shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this prospectus nor any other offering or marketing material relating to the shares constitutes a prospectus pursuant to the FinSA, and neither this prospectus nor any other offering or marketing material relating to the shares may be publicly distributed or otherwise made publicly available in Switzerland.

Notice to prospective investors in the Dubai International Financial Centre

This document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority, or DFSA. This document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this document. The securities to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this document you should consult an authorized financial advisor.

In relation to its use in the Dubai International Financial Centre, or DIFC, this document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

Notice to prospective investors in the United Arab Emirates

The shares have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the DIFC) other than in compliance with the laws of the United Arab Emirates (and the DIFC) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the DIFC) and is not intended to be a public offer. This prospectus has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the DFSA.

Notice to prospective investors in Australia

This prospectus:

- does not constitute a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth), or the Corporations Act;
- has not been, and will not be, lodged with the Australian Securities and Investments Commission, or ASIC, as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document for the purposes of the Corporations Act; and
- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, available under section 708 of the Corporations Act, or Exempt Investors.

The shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the shares may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of shares under this document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the shares you undertake to us that you will not, for a period of 12 months from the date of issue of the shares, offer, transfer, assign or otherwise alienate those shares to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Notice to prospective investors in Japan

The shares have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the shares nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any “resident” of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Notice to prospective investors in Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), or the SFO, of Hong Kong and any rules made thereunder; or (ii) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, or the CO, or which do not constitute an offer to the public within the meaning of the CO. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong

Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

Notice to prospective investors in Singapore

Each representative has acknowledged that this prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each representative has represented and agreed that it has not offered or sold any shares or caused the shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any shares or cause the shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares, whether directly or indirectly, to any person in Singapore other than:

(i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time, or the SFA) pursuant to Section 274 of the SFA;

(ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or

(iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

(A) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(B) where no consideration is or will be given for the transfer;

(C) where the transfer is by operation of law;

(D) as specified in Section 276(7) of the SFA; or

(E) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Singapore SFA Product Classification — In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of Notes, the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Notice to prospective investors in Bermuda

Shares may be offered or sold in Bermuda only in compliance with the provisions of the Investment Business Act of 2003 of Bermuda which regulates the sale of securities in Bermuda. Additionally, non-Bermudian persons (including companies) may not carry on or engage in any trade or business in Bermuda unless such persons are permitted to do so under applicable Bermuda legislation.

Notice to prospective investors in Qatar

The shares described in this prospectus have not been, and will not be, offered, sold or delivered, at any time, directly or indirectly in the State of Qatar in a manner that would constitute a public offering. This prospectus has not been, and will not be, registered with or approved by the Qatar Financial Markets Authority or Qatar Central Bank and may not be publicly distributed. This prospectus is intended for the original recipient only and must not be provided to any other person. It is not for general circulation in the State of Qatar and may not be reproduced or used for any other purpose.

Notice to prospective investors in Kuwait

Unless all necessary approvals from the Kuwait Capital Markets Authority pursuant to Law No. 7/2010, its Executive Regulations, and the various Resolutions and Announcements issued pursuant thereto or in connection therewith have been given in relation to the marketing of and sale of the shares, these may not be offered for sale, nor sold in the State of Kuwait, or Kuwait. Neither this prospectus nor any of the information contained herein is intended to lead to the conclusion of any contract of whatsoever nature within Kuwait. With regard to the contents of this document we recommend that you consult a licensee as per the law and specialized in giving advice about the purchase of shares and other securities before making the subscription decision.

Notice to prospective investors in Saudi Arabia

This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations as issued by the board of the Saudi Arabian Capital Market Authority, or CMA, pursuant to resolution number 2-11-2004 dated 4 October 2004 as amended by resolution number 1-28-2008, as amended. The CMA does not make any representation as to the accuracy or completeness of this document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document, you should consult an authorized financial adviser.

Notice to prospective investors in the British Virgin Islands

The shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on our behalf. The shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands), or BVI Companies, but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

Notice to prospective investors in China

This prospectus will not be circulated or distributed in the PRC and the shares will not be offered or sold, and will not be offered or sold to any person for re-offering or resale directly or indirectly to any residents of the

PRC except pursuant to any applicable laws and regulations of the PRC. Neither this prospectus nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with applicable laws and regulations.

Notice to prospective investors in Korea

The shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder, or the FSCMA, and the shares have been and will be offered in Korea as a private placement under the FSCMA. None of the shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder, or the FETL. The shares have not been listed on any of the securities exchanges in the world including, without limitation, the Korea Exchange in Korea. Furthermore, the purchaser of the shares shall comply with all applicable regulatory requirements (including requirements under the FETL) in connection with the purchase of the shares. By the purchase of the shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the shares pursuant to the applicable laws and regulations of Korea.

Notice to prospective investors in Malaysia

No prospectus or other offering material or document in connection with the offer and sale of the shares has been or will be registered with the Securities Commission of Malaysia, or Commission, for the Commission's approval pursuant to the Capital Markets and Services Act 2007. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Malaysia other than (i) a closed end fund approved by the Commission; (ii) a holder of a Capital Markets Services License; (iii) a person who acquires the shares, as principal, if the offer is on terms that the shares may only be acquired at a consideration of not less than RM250,000 (or its equivalent in foreign currencies) for each transaction; (iv) an individual whose total net personal assets or total net joint assets with his or her spouse exceeds RM3 million (or its equivalent in foreign currencies), excluding the value of the primary residence of the individual; (v) an individual who has a gross annual income exceeding RM300,000 (or its equivalent in foreign currencies) per annum in the preceding twelve months; (vi) an individual who, jointly with his or her spouse, has a gross annual income of RM400,000 (or its equivalent in foreign currencies), per annum in the preceding twelve months; (vii) a corporation with total net assets exceeding RM10 million (or its equivalent in a foreign currencies) based on the last audited accounts; (viii) a partnership with total net assets exceeding RM10 million (or its equivalent in foreign currencies); (ix) a bank licensee or insurance licensee as defined in the Labuan Financial Services and Securities Act 2010; (x) an Islamic bank licensee or takaful licensee as defined in the Labuan Financial Services and Securities Act 2010; and (xi) any other person as may be specified by the Commission; provided that, in the each of the preceding categories (i) to (xi), the distribution of the shares is made by a holder of a Capital Markets Services License who carries on the business of dealing in securities. The distribution in Malaysia of this prospectus is subject to Malaysian laws. This prospectus does not constitute and may not be used for the purpose of public offering or an issue, offer for subscription or purchase, invitation to subscribe for or purchase any securities requiring the registration of a prospectus with the Commission under the Capital Markets and Services Act 2007.

Notice to prospective investors in Taiwan

The shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the shares in Taiwan.

Notice to prospective investors in South Africa

Due to restrictions under the securities laws of South Africa, no "offer to the public" (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted), or the South African Companies Act) is being made in connection with the issue of the shares in South Africa. Accordingly, this document does not, nor is it intended to, constitute a "registered prospectus" (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. The shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions stipulated in section 96 (1) applies:

Section 96 (1)(a) the offer, transfer, sale, renunciation or delivery is to:

(i) persons whose ordinary business, or part of whose ordinary business, is to deal in securities, as principal or agent;

(ii) the South African Public Investment Corporation;

(iii) persons or entities regulated by the Reserve Bank of South Africa;

(iv) authorized financial service providers under South African law;

(v) financial institutions recognized as such under South African law;

(vi) a wholly owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorized portfolio manager for a pension fund, or as manager for a collective investment scheme (in each case duly registered as such under South African law); or

(vii) any combination of the person in (i) to (vi); or

Section 96 (1)(b) the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000 or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to section 96(2)(a) of the South African Companies Act.

Information made available in this prospectus should not be considered as "advice" as defined in the South African Financial Advisory and Intermediary Services Act, 2002.

Notice to prospective investors in Israel

This document does not constitute a prospectus under the Israeli Securities Law, 5728-1968, or the Israeli Securities Law, and has not been filed with or approved by the Israel Securities Authority. In Israel, this

prospectus is being distributed only to, and is directed only at, and any offer of the shares of common stock is directed only at, (i) a limited number of persons in accordance with the Israeli Securities Law and (ii) investors listed in the first addendum, or the Addendum, to the Israeli Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters, venture capital funds, entities with equity in excess of NIS 50 million and "qualified individuals," each as defined in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors (in each case, purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors are required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of same and agree to it.

Notice to prospective investors in Chile

The shares are not registered in the Securities Registry (Registro de Valores) or subject to the control of the Chilean Securities and Exchange Commission (Superintendencia de Valores y Seguros de Chile). This prospectus and other offering materials relating to the offer of the shares do not constitute a public offer of, or an invitation to subscribe for or purchase, the shares in the Republic of Chile, other than to individually identified purchasers pursuant to a private offering within the meaning of Article 4 of the Chilean Securities Market Act (Ley de Mercado de Valores) (an offer that is not "addressed to the public at large or to a certain sector or specific group of the public").

Notice to prospective investors in Brazil

The shares have not been, and will not be, registered with the Brazilian Securities Commission (Comissão de Valores Mobiliários), or the CVM. The shares may not be offered or sold in Brazil, except in circumstances that do not constitute a public offering or unauthorized distribution under Brazilian laws and regulations. The shares are not being offered into Brazil. Documents relating to the offering of the shares, as well as information contained therein, may not be supplied to the public in Brazil, nor be used in connection with any public offer for subscription or sale of the shares to the public in Brazil.

Notice to prospective investors in the Cayman Islands

No invitation, whether directly or indirectly, may be made to the public in the Cayman Islands to subscribe for our securities.

Legal matters

The validity of the shares of common stock being offered by this prospectus will be passed upon for us by Dechert LLP, Washington, D.C. The underwriters are being represented by Cravath, Swaine & Moore LLP, New York, New York.

Experts

Ernst & Young LLP, independent registered public accounting firm, has audited our consolidated financial statements at December 31, 2019 and 2018, and for each of the two years in the period ended December 31, 2019, as set forth in their report. We've included our financial statements in the prospectus and elsewhere in the registration statement in reliance on Ernst & Young LLP's report, given on their authority as experts in accounting and auditing.

Where you can find additional information

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of common stock being offered by this prospectus. This prospectus, which constitutes part of the registration statement, does not include all of the information contained in the registration statement or the exhibits, schedules and amendments to the registration statement. For further information with respect to us and our common stock, we refer you to the registration statement and to the exhibits and schedules to the registration statement. Statements contained in this prospectus as to the contents of any contract or any other document referred to are not necessarily complete. If a contract or other document has been filed as an exhibit to the registration statement, please see the copy of the contract or other document that has been filed. Each statement in this prospectus relating to a contract or other document filed as an exhibit is qualified in all respects by the filed exhibit.

Upon the completion of this offering, we will be subject to the information reporting requirements of the Exchange Act, and we will file annual, quarterly and current reports, proxy statements and other information with the SEC. The SEC maintains an Internet website that contains reports, proxy statements and other information about registrants, like us, that file electronically with the SEC. The address of that site is www.sec.gov. We also maintain a website at www.bioatla.com, at which, following the completion of this offering, you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Information contained on or accessible through our website is not a part of this prospectus, and the inclusion of our website address in this prospectus is an inactive textual reference only.

BioAtla, Inc.

Index to consolidated financial statements

Report of independent registered public accounting firm

To the Stockholders and the Board of Directors of
BioAtla, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of BioAtla, LLC. (the Company, renamed BioAtla, Inc. after the Corporate Reorganization as discussed in Note 1 to the financial statements) as of December 31, 2018 and 2019, the related consolidated statements of operations and comprehensive loss, members' deficit and cash flows, for each of the two years in the period ended December 31, 2019, 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 at December 31, 2018 and 2019, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2019, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2016

San Diego, California
October 5, 2020

except for the last paragraph of Note 12, as to which the date is
December 8, 2020

BioAtla, Inc.
Consolidated balance sheets
(in thousands, except unit/share amounts)

	December 31, 2018	December 31, 2019	September 30, 2020 (unaudited)
Assets			
Current assets:			
Cash and cash equivalents	$ 10,863	$ 3,704	$ 56,757
Prepaid expenses and other current assets	1,799	803	778
Total current assets	12,662	4,507	57,535
Property and equipment, net	3,878	4,675	3,982
Other assets	97	154	1,256
Total assets	$ 16,637	$ 9,336	$ 62,773
Liabilities and Members'/Stockholders' Deficit			
Current liabilities:			
Accounts payable and accrued expenses (includes related party amounts of $514, $421 and $0, respectively)	$ 8,691	$ 11,972	$ 15,575
Accrued interest	—	3,253	—
Current portion of deferred rent	336	367	380
Current portion of deferred revenue	169	1,420	19,806
Current portion of convertible debt, less debt discount	—	9,706	—
Total current liabilities	9,196	26,718	35,761
Profits interest liability	15,992	8,592	—
Long-term accrued interest (includes related party amounts of $0, $27 and $0, respectively)	2,600	623	3
Deferred rent, less current portion	1,986	2,185	2,071
Deferred revenue, less current portion	309	18,815	—
Convertible debt, less current portion and debt discount (includes related party amounts of $0, $1,396 and $0, respectively)	15,000	8,414	—
Other debt	—	—	682
Total liabilities	45,083	65,347	38,517
Commitments and contingencies (Note 5)			
Convertible preferred stock, $0.0001 par value; 0, 0 and 200,000,000 shares authorized at December 31, 2018 and 2019 and September 30, 2020 (unaudited), respectively; 0, 0 and 199,791,519 shares issued and outstanding at December 31, 2018, 2019 and September 30, 2020 (unaudited), respectively; liquidation preference of $154.5 million at September 30, 2020 (unaudited)	—	—	98,777
Members'/stockholders' deficit:			
Class C preferred units—23,968,178 units issued and outstanding at December 31, 2018 and 2019 and no units outstanding at September 30, 2020 (unaudited)	89,345	89,345	—
Class A units—54,600,000 units issued and outstanding at December 31, 2018 and 2019 and no units outstanding at September 30, 2020 (unaudited)	750	750	—
Common stock, $0.0001 par value; 0, 0 and 350,000,000 shares authorized at December 31, 2018 and 2019 and September 30, 2020 (unaudited), respectively; 0, 0 and 6,220,050 shares issued and outstanding at December 31, 2018, 2019 and September 30, 2020 (unaudited), respectively	—	—	1
Additional paid-in capital	—	2,295	—
Accumulated deficit	(118,560)	(148,354)	(74,522)
Total members'/stockholders' deficit—BioAtla LLC/BioAtla, Inc.	(28,465)	(55,964)	(74,521)
Noncontrolling interest	19	(47)	—
Total members'/stockholders' deficit	(28,446)	(56,011)	(74,521)
Total liabilities, convertible preferred stock and members'/stockholders' deficit	$ 16,637	$ 9,336	$ 62,773

See accompanying notes.

BioAtla, Inc.
Consolidated statements of operations and comprehensive loss
(in thousands, except unit/share and per unit/share amounts)

	Years ended December 31,		Nine months ended September 30,	
	2018	2019	2019	2020
			(unaudited)	
Collaboration revenue (includes related party amounts of $10,458, $0, $0 and $0, respectively)	$ 10,627	$ 5,200	$ 2,998	$ 429
Operating expenses:				
Research and development expense (includes related party amounts of $2,440, $1,885, $1,483 and $0, respectively)	26,305	25,919	22,583	9,448
General and administrative expense (includes related party amounts of $77, $15, $15 and $0, respectively)	12,556	7,549	7,891	4,625
Total operating expenses	38,861	33,468	30,474	14,073
Loss from operations	(28,234)	(28,268)	(27,476)	(13,644)
Other income (expense):				
Interest income	209	128	119	37
Interest expense (includes related party amounts of $0, $52, $8 and $147, respectively)	(949)	(1,630)	(1,117)	(1,387)
Change in fair value of derivative liability	—	(63)	(11)	(1,581)
Extinguishment of convertible debt	—	—	—	(2,883)
Other income (expense)	(5)	(22)	(12)	—
Total other income (expense)	(745)	(1,587)	(1,021)	(5,814)
Consolidated net loss and comprehensive loss	(28,979)	(29,855)	(28,497)	(19,458)
Net loss attributable to noncontrolling interests	—	61	64	—
Net loss attributable to BioAtla LLC/BioAtla, Inc.	(28,979)	(29,794)	(28,433)	$ (19,458)
Net loss allocable to Class C preferred unit holders	8,840	9,089	8,674	
Class C preferred return	(8,025)	(8,026)	(6,003)	
Net loss attributable to Class A unit holders	$ (28,164)	$ (28,731)	$ (25,762)	
Net loss per unit attributable to Class A unit holders, basic and diluted	$ (0.52)	$ (0.53)	$ (0.47)	
Weighted-average Class A units outstanding, basic and diluted	54,600,000	54,600,000	54,600,000	
Net loss attributable to common stockholders[1]				$ (10,482)
Net loss per common share, basic and diluted[1]				$ (1.69)
Weighted-average shares of common stock outstanding, basic and diluted				6,220,050

(1) The net loss attributable to common stockholders and related per share amounts are based on the period from July 10, 2020 to September 30, 2020, the period where the Company had outstanding common stock (see Note 1).

See accompanying notes.

BioAtla, Inc.
Consolidated statements of convertible preferred stock and members'/stockholders' deficit
(in thousands, except unit/share amounts)

	Series D convertible preferred stock		Class C preferred units		Class A units		Common stock		Additional paid-in capital	Accumulated deficit	Noncontrolling interest	Total members'/ stockholders' deficit
	Shares	Amount	Units	Amount	Units	Amount	Shares	Amount				
Balance at December 31, 2017	—	$ —	23,968,178	$ 89,345	54,600,000	$ 750	—	$ —	$ —	$ (89,581)	$ —	$ 514
Noncontrolling interest	—	—	—	—	—	—	—	—	—	—	19	19
Net loss	—	—	—	—	—	—	—	—	—	(28,979)	—	(28,979)
Balance at December 31, 2018	—	—	23,968,178	89,345	54,600,000	750	—	—	—	(118,560)	19	(28,446)
Noncontrolling interest	—	—	—	—	—	—	—	—	—	—	(5)	(5)
Warrants issued by affiliates in connection with modification of convertible promissory notes	—	—	—	—	—	—	—	—	764	—	—	764
Assumption of unvested profits interest liability by affiliates	—	—	—	—	—	—	—	—	197	—	—	197
Assumption of vested profits interest liability by affiliates	—	—	—	—	—	—	—	—	800	—	—	800
Beneficial conversion feature in convertible promissory notes	—	—	—	—	—	—	—	—	534	—	—	534
Net loss	—	—	—	—	—	—	—	—	—	(29,794)	(61)	(29,855)
Balance at December 31, 2019	—	—	23,968,178	89,345	54,600,000	750	—	—	2,295	(148,354)	(47)	(56,011)
Issuance of Series D convertible preferred stock for cash, net of $4,317 of issuance costs (unaudited)	140,626,711	68,183	—	—	—	—	—	—	—	—	—	—
Issuance of Series D convertible preferred stock in connection with settlement of convertible promissory notes (unaudited)	59,164,808	30,594	—	—	—	—	—	—	—	—	—	—
Assumption of profits interest liability by affiliate (unaudited)	—	—	—	—	—	—	—	—	991	—	—	991
Change in profits interest liability pushed down from affiliate (unaudited)	—	—	—	—	—	—	—	—	(24)	—	—	(24)
Noncontrolling interest—distribution of net assets to affiliate and related deconsolidation (unaudited)	—	—	—	—	—	—	—	—	(66)	—	47	(19)
LLC Conversion (unaudited)	—	—	(23,968,178)	(89,345)	(54,600,000)	(750)	6,220,050	1	(3,196)	93,290	—	—
Net loss (unaudited)	—	—	—	—	—	—	—	—	—	(19,458)	—	(19,458)
Balance at September 30, 2020 (unaudited)	199,791,519	$ 98,777	—	$ —	—	$ —	6,220,050	$ 1	—	$ (74,522)	$ —	$ (74,521)

See accompanying notes.

BioAtla, Inc.
Consolidated statements of convertible preferred stock and members'/stockholders' deficit
(in thousands, except unit/share amounts)

	Series D convertible preferred stock		Class C preferred units		Class A units		Common stock		Additional paid-in capital	Accumulated deficit	Noncontrolling interest	Total members'/ stockholders' deficit
	Shares	Amount	Units	Amount	Units	Amount	Shares	Amount				
Balance at December 31, 2018	—	$ —	23,968,178	$ 89,345	54,600,000	$ 750	—	$ —	$ —	$ (118,560)	$ 19	$ (28,446)
Noncontrolling interest (unaudited)	—	—	—	—	—	—	—	—	—	—	(5)	(5)
Warrants issued by affiliates in connection with modification of convertible promissory notes (unaudited)	—	—	—	—	—	—	—	—	764	—	—	764
Assumption of unvested profits interest liability by affiliates (unaudited)	—	—	—	—	—	—	—	—	197	—	—	197
Assumption of vested profits interest liability by affiliates (unaudited)	—	—	—	—	—	—	—	—	800	—	—	800
Beneficial conversion feature in convertible promissory notes (unaudited)	—	—	—	—	—	—	—	—	450	—	—	450
Net loss (unaudited)	—	—	—	—	—	—	—	—	—	(28,433)	(64)	(28,497)
Balance at September 30, 2019 (unaudited)	—	$ —	23,968,178	$ 89,345	54,600,000	$ 750	—	$ —	$ 2,211	$ (146,993)	$ (50)	$ (54,737)

See accompanying notes.

BioAtla, Inc.
Consolidated statements of cash flows
(in thousands)

	Years ended December 31,		Nine months ended, September 30,	
	2018	2019	2019	2020
			(unaudited)	
Cash flows from operating activities				
Net loss	$ (28,979)	$ (29,855)	$ (28,497)	$ (19,458)
Adjustments to reconcile net loss to net cash used in operating activities:				
Depreciation and amortization	794	860	644	716
Loss on disposal of property and equipment	20	3	—	—
Change in fair value of derivative liability	—	63	11	1,581
Change in fair value of profits interest liability	2,637	(6,403)	(1,107)	(7,625)
Loss on extinguishment of debt	—	—	—	2,883
Non-cash interest	—	355	206	525
Deferred rent	(85)	230	249	(101)
Changes in operating assets and liabilities:				
Prepaid expenses and other assets	(470)	939	1,084	25
Accounts payable and accrued expenses	636	3,218	1,673	(1,307)
Accounts payable and accrued expenses—related parties	(190)	(88)	74	—
Accrued interest	947	1,276	912	862
Deferred revenue	(170)	19,757	17,002	(429)
Deferred revenue—related parties	(10,457)	—	—	—
Net cash used in operating activities	(35,317)	(9,645)	(7,749)	(22,328)
Cash flows from investing activities				
Purchases of property and equipment	(988)	(1,509)	(1,136)	(195)
Net cash used in investing activities	(988)	(1,509)	(1,136)	(195)
Cash flows from financing activities				
Noncontrolling interest	19	(5)	(5)	(19)
Proceeds from issuance of convertible debt	5,000	4,000	2,500	2,750
Proceeds from issuance of convertible preferred stock, net of issuance costs	—	—	—	72,283
Proceeds from PPP loan	—	—	—	682
Initial public offering costs	—	—	—	(120)
Net cash provided by financing activities	5,019	3,995	2,495	75,576
Net increase/(decrease) in cash and cash equivalents	(31,286)	(7,159)	(6,390)	53,053
Cash and cash equivalents, beginning of period	42,149	10,863	10,863	3,704
Cash and cash equivalents, end of period	$ 10,863	$ 3,704	$ 4,473	$ 56,757
Supplemental disclosure of non-cash investing and financing activities				
Tenant improvement allowance	$ 913	$ —	$ —	$ —
Property and equipment additions included in accounts payable and accrued expenses	$ 21	$ 172	$ 571	$ —
Fair value of warrants issued by affiliates in connection with modification of convertible promissory notes	$ —	$ 764	$ —	$ —
Assumption of profits interest liability by affiliates	$ —	$ 997	$ —	$ 991
Equity issuance costs included in accounts payable and accrued expenses	$ —	$ —	$ 997	$ 5,082
Carrying value of convertible promissory notes settled in connection with Corporate Reorganization	$ —	$ —	$ —	$ 27,711
Fair value of consideration issued in connection with settlement of convertible promissory notes	$ —	$ —	$ —	$ 30,594

See accompanying notes.

BioAtla, Inc.
Notes to consolidated financial statements

(Information as of September 30, 2020 and thereafter and for the nine months ended September 30, 2019 and 2020 is unaudited)

1. Organization and summary of significant accounting policies

Organization

BioAtla, LLC (the "Pre-Division Predecessor") was formed in Delaware in March 2007. In March 2019, the Pre-Division Predecessor was divided into three separate and distinct Delaware limited liability companies (the "Division") as follows: 1) BioAtla, LLC renamed to BioAtla Holdings, LLC ("BioAtla Holdings"), 2) a new legal entity named Inversagen, LLC ("Inversagen"), and 3) a new legal entity named BioAtla, LLC (the "Post-Division Successor" and together with BioAtla Holdings and Inversagen, the "Post-Division LLCs"). Upon the Division, each Post-Division LLC had substantially the same form of operating agreement and capital structure as the Pre-Division Predecessor, with the following exceptions: i) 1,750,000 Class B units issued by the Post-Division Successor but not by BioAtla Holdings or Inversagen, ii) the outstanding warrants of the Pre-Division Predecessor at the Division date were transferred to the Post-Division Successor (see Note 6), and iii) the Class C units of the Post-Division Successor had liquidation preferences and a preferred return not included in the operating agreements of BioAtla Holdings and Inversagen.

In connection with the Division, the Pre-Division Predecessor's holdings of F1 Oncology, Inc. ("F1 Oncology") common and preferred stock (see Note 11) remained in BioAtla Holdings and certain rights related to the application of CAB technology in senescent cell therapy were transferred to the Post-Division Successor and simultaneously licensed to Inversagen (see Note 9). The remaining assets and liabilities (including ownership of Himalaya Therapeutics SEZC and its wholly-owned subsidiary, Himalaya Therapeutics HK Limited as described below in "Principles of consolidation and deconsolidation"), and substantially all of the operations of the Pre-Division Predecessor, including all existing employees, were transferred to the Post-Division Successor. Each of the Pre-Division Predecessor's members at the time of the Division continued as a member in the Post-Division Successor, BioAtla Holdings and Inversagen, and each entity has Dr. Jay Short and Carolyn Anderson Short as its LLC managers. There are no shared services agreements between the Company and BioAtla Holdings or Inversagen. The Company has determined that Inversagen is a variable interest entity ("VIE"), the Company is not the primary beneficiary of Inversagen, and that the Post-Division LLCs are under the common control of Jay and Carolyn Short. The Company does not consolidate either BioAtla Holdings or Inversagen (see Note 9). In addition, the Company has no direct equity investment in either BioAtla Holdings or Inversagen that require either equity method or cost method accounting.

The assets, liabilities, and employees transferred to the Post-Division Successor in the Division met the definition of a business and the transfer qualifies as a change in reporting entity under Accounting Standards Codification ("ASC") 250-10-45-21. As such, the historical financial statements of the Pre-Division Predecessor are deemed to be those of the Post-Division Successor, even for periods prior to its formation. As a transfer of a business to an entity under common control, the assets and liabilities of the Pre-Division Predecessor were transferred to the Post-Division Successor at historical carrying values. At the Division date, the Pre-Division Predecessor's investment in F1 Oncology and the assets licensed to Inversagen had a zero carrying value and neither F1 Oncology nor Inversagen had material operations. As such, the Pre-Division historical financial statements presented herein are the historical financial statements of the Pre-Division Predecessor without adjustment.

In connection with the Division, certain modifications were made to then outstanding debt agreements and units, including: i) the participation threshold of each Class B unit in each Post-Division LLC was adjusted for the

BioAtla, Inc.
Notes to consolidated financial statements — (Continued)
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impact of the Division (see Note 7), ii) the amendment of the Pfizer Note and 2018 Notes (as defined and described in Note 4), and iii) the issuance, to both Pfizer and the holders of the 2018 Notes, of conditional warrants by BioAtla Holdings and Inversagen which become exercisable upon the conversion of the Pfizer Note and 2018 Notes into capital stock of the Post-Division Successor (see Note 4).
The Post-Division Successor converted to a Delaware corporation in July 2020 as part of the Corporate Reorganization defined and described below, and was renamed BioAtla, Inc. BioAtla, Inc. is the final successor to the Pre-Division Predecessor and the Post-Division Successor, and collectively these entities are referred to as "the Company." The historical financial statements of the Company prior to the Corporate Reorganization are those of the Pre-Division Predecessor and the Post-Division Successor without adjustment. The Company has a proprietary platform for creating biologics, including its conditionally active biologics ("CAB" or "CABs"). CABs have been designed to be active only under certain conditions found in diseased tissue, while remaining inactive in normal tissue. The Company is currently in clinical development of its two lead CAB antibody drug conjugates ("CAB ADC") targeting AXL and ROR2 receptors.

Corporate reorganization and Series D financing

In July 2020, BioAtla, LLC (the Post-Division Successor) completed a series of transactions (the "Corporate Reorganization") in connection with the conversion from a limited liability company into a Delaware corporation, the spin-off of Himalaya Therapeutics SEZC, and the completion of a Series D convertible preferred stock financing. The Corporate Reorganization involved the formation of Himalaya Parent LLC as a wholly owned subsidiary of BioAtla, LLC and the formation of BioAtla MergerSub LLC, as a wholly owned subsidiary of Himalaya Parent LLC. Under the Agreement and Plan of Merger (the "Merger Agreement"), BioAtla, LLC was merged into and with BioAtla MergerSub LLC, with BioAtla, LLC surviving, and the members of BioAtla, LLC immediately prior to the effective time of the Merger Agreement received membership interests, on a one-for-one basis, of Himalaya Parent LLC as consideration, and the then-outstanding warrants to purchase equity of BioAtla, LLC were converted into warrants to purchase common shares of common stock of BioAtla, Inc. (see Note 6). The Himalaya Parent LLC operating agreement provided identical equity rights for the then outstanding units of BioAtla, LLC. In addition: (i) the membership interests of BioAtla, LLC held by Himalaya Parent LLC were exchanged for 6,220,050 shares of BioAtla, Inc. common stock, (ii) BioAtla, Inc. issued an aggregate of 59,164,808 shares of Series D convertible preferred stock to Himalaya Parent LLC and Himalaya Parent LLC issued an aggregate of 59,164,808 Class D units to the holders of convertible notes of BioAtla, LLC in connection with the conversion of their convertible notes into Class D units of Himalaya Parent LLC (see Note 4), (iii) BioAtla, LLC distributed to Himalaya Parent LLC its equity interests in Himalaya Therapeutics SEZC, a majority-owned subsidiary which is engaged in the development of a set of antibodies in the field of oncology primarily in Greater China, (iv) Himalaya Parent LLC assumed the profits interest liability of BioAtla, LLC (see Note 7) and (v) BioAtla, LLC converted into a Delaware corporation pursuant to a statutory conversion and changed its name to BioAtla, Inc. Following the Corporate Reorganization, Himalaya Parent LLC owned 59,164,808 shares of BioAtla, Inc. Series D convertible preferred stock and 6,220,050 shares of BioAtla, Inc. common stock. As a result of the subsequent sale of 140,626,711 shares of Series D convertible preferred stock to new investors in July 2020 (see Note 6), BioAtla, Inc. is not controlled by Himalaya Parent LLC (see further discussion in "Principles of consolidation" below). All pre-Corporate Reorganization operations, employees,

BioAtla, Inc.
Notes to consolidated financial statements — (Continued)
(Information as of September 30, 2020 and thereafter and for the nine months ended September 30, 2019 and 2020 is unaudited)

property, assets and obligations of BioAtla, LLC (exclusive of the profits interest liability and Himalaya Therapeutics SEZC now held by Himalaya Parent LLC) are held by BioAtla, Inc.

Principles of consolidation and deconsolidation

Prior to the Corporate Reorganization in July 2020, the consolidated financial statements included the accounts of BioAtla, LLC and those of its majority owned subsidiary Himalaya Therapeutics SEZC that had no material operations. Himalaya Therapeutics SEZC also had a wholly owned subsidiary, Himalaya Therapeutics HK Limited that had no material operations. All intercompany balances were eliminated in consolidation. In connection with the Corporate Reorganization, Himalaya Therapeutics SEZC and Himalaya Therapeutics HK Limited were deconsolidated without material impact to the consolidated financial statements. Subsequent to the Corporate Reorganization, Himalaya Parent LLC does not control, is not under common control with, and is not consolidated by BioAtla, Inc. (see Note 9).

Liquidity and going concern

The Company has incurred cumulative operating losses and negative cash flows from operations since its inception and expects to continue to incur significant expenses and operating losses for the foreseeable future as it continues the development of its product candidates. As of December 31, 2019 and September 30, 2020, the Company had an accumulated deficit of $148.4 million and $74.5 million, respectively. The Company plans to continue to fund its losses from operations and capital funding needs through public or private equity or debt financings or other sources. If the Company is not able to secure adequate additional funding, the Company may be forced to make reductions in spending, extend payment terms with suppliers, liquidate assets where possible, or suspend or curtail planned programs. Any of these actions could materially harm the Company's business, results of operations and future prospects.

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business, and do not include any adjustments to reflect the possible future effects on the recoverability and classification of assets or amounts and classification of liabilities that may result should the Company not continue as a going concern. Management is required to perform a two-step analysis of the Company's ability to continue as a going concern. Management must first evaluate whether there are conditions and events that raise substantial doubt about the Company's ability to continue as a going concern (Step 1). If management concludes that substantial doubt is raised, management is also required to consider whether its plans alleviate that doubt (Step 2). Management's assessment included the preparation of cash flow forecasts resulting in management's conclusion that there is not substantial doubt about the Company's ability to continue as a going concern for 12 months after the respective dates the consolidated financial statements for the year ended December 31, 2019 and the nine months ended September 30, 2020 were issued.

Variable interest entities

The Company consolidates entities in which it has a controlling financial interest. The Company determines whether it has a controlling financial interest in an entity by first evaluating whether the entity is a voting interest entity ("VIE"). Voting interest entities are entities in which (i) the total equity investment at risk is

BioAtla, Inc.
Notes to consolidated financial statements — (Continued)
(Information as of September 30, 2020 and thereafter and for the nine months ended September 30, 2019 and 2020 is unaudited)

sufficient to enable the entity to finance its activities independently, (ii) the equity holders have the power to direct the activities of the entity that most significantly impact its economic performance, the obligation to absorb the losses of the entity and the right to receive the residual returns of the entity and (iii) the legal entity is structured with substantive voting rights. A VIE is an entity that lacks one or more of the characteristics of a voting interest entity. The Company has a controlling financial interest in a VIE when the Company has a variable interest or interests that provide it with (i) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. The Company evaluates its relationships with its VIEs on an ongoing basis to determine whether or not it has a controlling financial interest (see Notes 9 and 11).

Use of estimates

The Company's consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The preparation of the Company's consolidated financial statements requires it to make estimates and assumptions that impact the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in the Company's consolidated financial statements and accompanying notes. The most significant estimates in the Company's consolidated financial statements relate to revenue recognition, accruals for research and development costs, equity-based compensation and fair value measurements. These estimates and assumptions are based on current facts, historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of revenue and expenses that are not readily apparent from other sources. Actual results may differ materially and adversely from these estimates. To the extent there are material differences between the estimates and actual results, the Company's future results of operations will be affected.

Unaudited interim financial information

The accompanying interim balance sheet as of September 30, 2020, the consolidated statements of operations and comprehensive loss, consolidated statements of convertible preferred stock and members'/stockholders' deficit and consolidated statements of cash flows for the nine months ended September 30, 2019 and 2020 and the related footnote disclosures are unaudited. In management's opinion, the unaudited interim financial statements have been prepared on the same basis as the audited financial statements and include all adjustments, which include only normal recurring adjustments, necessary for the fair presentation of the Company's financial position as of September 30, 2020 and its results of operations and cash flows for the nine months ended September 30, 2019 and 2020 in accordance with GAAP. The results for the nine months ended September 30, 2020 are not necessarily indicative of the results expected for the full fiscal year or any other interim period.

Segment reporting

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision-maker in making decisions regarding

BioAtla, Inc.
Notes to consolidated financial statements — (Continued)
(Information as of September 30, 2020 and thereafter and for the nine months ended September 30, 2019 and 2020 is unaudited)

resource allocation and assessing performance. The Company views its operations and manages its business in one operating segment.

Cash and cash equivalents

The Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents.

Concentrations of risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and cash equivalents. The Company maintains deposits in federally insured financial institutions in excess of federally insured limits. The Company has not experienced any losses in such accounts and management believes that the Company is not exposed to significant credit risk due to the financial position of the depository institutions in which those deposits are held.

For the year ended December 31, 2018, Beijing Sinobioway Group Co., Ltd (“Sinobioway”), a related party as further described in Note 8, represented approximately 98% of total revenues. For the year ended December 31, 2019, BeiGene, as defined and described in Note 8, represented approximately 91% of total revenues. For the nine months ended September 30, 2019, BeiGene and Pfizer represented 85% and 15%, respectively, of total revenues. For the nine months ended September 20, 2020, BeiGene represented 100% of total revenues.

Property and equipment

Property and equipment are stated at cost and depreciated on a straight-line basis over the estimated useful life of the related assets. Leasehold improvements are stated at cost and amortized on a straight-line basis over the lesser of the remaining term of the related lease or the estimated useful life of the leasehold improvements. Repairs and maintenance costs are charged to expense as incurred and expenditures that materially extend the useful lives of assets are capitalized.

Impairment of long-lived assets

The Company reviews long-lived assets, such as property and equipment, for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured as the amount by which the carrying amount of the assets exceeds the fair value of the assets. Fair value would be assessed using discounted cash flows or other appropriate measures of fair value. The Company has not recognized any impairment losses for the years ended December 31, 2018 and 2019 and the nine months ended September 30, 2019 and 2020.

Deferred offering costs

The Company has deferred offering costs consisting of legal, accounting and other fees and costs directly attributable to its planned IPO. The deferred offering costs will be offset against the proceeds received upon the

BioAtla, Inc.
Notes to consolidated financial statements — (Continued)
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completion of the planned IPO. In the event the planned IPO is terminated, all of the deferred offering costs will be expensed within the Company's consolidated statements of operations and comprehensive loss. As of September 30, 2020, $1.1 million of deferred offering costs were recorded within other assets in the accompanying consolidated balance sheets. As of December 31, 2018 and 2019, no such costs were deferred.

Deferred rent

Rent expense is recognized using the straight-line method over the lease term, which includes the period of time from when the Company takes possession of the leased space until leasehold improvements are completed and the space is occupied. The difference between rent expense and amounts paid under the lease agreement is deferred in the accompanying consolidated balance sheets. Tenant improvement allowances and other lease incentives are recorded as liabilities and are amortized on the straight-line basis over the lease term as reductions to rent expense.

Beneficial conversion features

A beneficial conversion feature is a non-detachable conversion feature that is "in the money" at the commitment date, which requires recognition of interest expense for underlying debt instruments and a deemed dividend for underlying equity instruments. A conversion option is "in the money" if the effective conversion price is lower than the commitment date fair value of the share into which it is convertible.

Accounting for derivatives

The Company evaluates its convertible instruments and other contracts to determine if those contracts or embedded components of those contracts are required to be recognized under Accounting Standards Codification ("ASC") Topic 815, *Derivatives and Hedging*. The result of this accounting treatment is that the derivative is carried at fair value as an asset or liability with changes in fair value recognized in earnings as they occur. Although separately measured at fair value, the fair value of bifurcated embedded derivatives is presented with the host contract in the consolidated balance sheet. Changes in the fair value of derivatives are recorded in the accompanying consolidated statements of operations and comprehensive loss as a component of other income (expense).

Revenue recognition

Effective January 1, 2019, the Company adopted Accounting Standards Update ("ASU") 2014-09, *Revenue from Contracts with Customers (Topic 606)* ("Topic 606") using the modified retrospective method. Topic 606 supersedes the revenue recognition requirements in ASC Topic 605, *Revenue Recognition* ("Topic 605"). There was no material cumulative effect of adopting Topic 606. All periods prior to the adoption date of Topic 606 have not been restated to reflect the impact of the adoption of Topic 606, but are accounted for and presented under Topic 605.

Revenue recognition under Topic 606

The Company recognizes revenue in a manner that depicts the transfer of control of a product or a service to a customer and reflects the amount of the consideration the Company is entitled to receive in exchange for such

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product or service. In doing so, the Company follows a five-step approach: (i) identify the contract 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, and (v) recognize revenue when (or as) the customer obtains control of the product or service. The Company considers the terms of a contract and all relevant facts and circumstances when applying the revenue recognition standard.

A customer is a party that has entered into a contract with the Company, where the purpose of the contract is to obtain a product or a service that is an output of the Company's ordinary activities in exchange for consideration. To be considered a contract, (i) the contract must be approved (in writing, orally, or in accordance with other customary business practices), (ii) each party's rights regarding the product or the service to be transferred can be identified, (iii) the payment terms for the product or the service to be transferred can be identified, (iv) the contract must have commercial substance (that is, the risk, timing or amount of future cash flows is expected to change as a result of the contract), and (v) it is probable that the Company will collect substantially all of the consideration to which it is entitled to receive in exchange for the transfer of the product or the service.

A performance obligation is defined as a promise to transfer a product or a service to a customer. The Company identifies each promise to transfer a product or a service (or a bundle of products or services, or a series of products and services that are substantially the same and have the same pattern of transfer) that is distinct. A product or a service is distinct if both (i) the customer can benefit from the product or the service either on its own or together with other resources that are readily available to the customer and (ii) the Company's promise to transfer the product or the service to the customer is separately identifiable from other promises in the contract. Each distinct promise to transfer a product or a service is a unit of accounting for revenue recognition. If a promise to transfer a product or a service is not separately identifiable from other promises in the contract, such promises should be combined into a single performance obligation.

The transaction price is the amount of consideration the Company is entitled to receive in exchange for the transfer of control of a product or a service to a customer. To determine the transaction price, the Company considers the existence of any significant financing component, the effects of any variable elements, noncash considerations and consideration payable to the customer. If a significant financing component exists, the transaction price is adjusted for the time value of money. If an element of variability exists, the Company must estimate the consideration it expects to receive and uses that amount as the basis for recognizing revenue as the product or the service is transferred to the customer. There are two methods for determining the amount of variable consideration: (i) the expected value method, which is the sum of probability-weighted amounts in a range of possible consideration amounts, and (ii) the mostly likely amount method, which identifies the single most likely amount in a range of possible consideration amounts.

If a contract has multiple performance obligations, the Company allocates the transaction price to each distinct performance obligation in an amount that reflects the consideration the Company is entitled to receive in exchange for satisfying each distinct performance obligation. For each distinct performance obligation, revenue is recognized when (or as) the Company transfers control of the product or the service applicable to such performance obligation.

In those instances where the Company first receives consideration in advance of satisfying its performance obligation, the Company classifies such consideration as deferred revenue until (or as) the Company satisfies

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such performance obligation. In those instances where the Company first satisfies its performance obligation prior to its receipt of consideration, the consideration is recorded as accounts receivable.

The Company expenses incremental costs of obtaining and fulfilling a contract as and when incurred if the expected amortization period of the asset that would be recognized is one year or less, or if the amount of the asset is immaterial. Otherwise, such costs are capitalized as contract assets if they are incremental to the contract and amortized to expense proportionate to revenue recognition of the underlying contract.

Revenue recognition under Topic 605

Prior to the adoption of Topic 606, the Company recognized revenue under Topic 605 when all four of the following criteria were met: (1) there was persuasive evidence that an arrangement existed; (2) delivery of the products and/or services had occurred; (3) the selling price was fixed or determinable; and (4) collectibility was reasonably assured. Amounts received prior to satisfying the revenue recognition criteria were recorded as deferred revenue. Amounts not expected to be recognized as revenue within the 12 months following the balance sheet date were classified as long-term deferred revenue.

The Company evaluated multiple-element arrangements, including service contracts and collaboration and license agreements, to determine: (1) the deliverables included in the arrangement and (2) whether the individual deliverables represented separate units of accounting or whether they must be accounted for as a combined unit of accounting.

Arrangement consideration that was fixed or determinable was allocated among the separate units of accounting using the relative selling price method. The Company used the following hierarchy of values to estimate the selling price of each deliverable: (1) vendor-specific objective evidence of fair value; (2) third-party evidence of selling price; and (3) best estimate of selling price (“BESP”). The BESP reflected the Company’s best estimate of what the selling price would be if the Company regularly sold the deliverable on a standalone basis.

The Company applied the applicable revenue recognition criteria to each of the separate units of accounting in determining the appropriate period and pattern of recognition. If there was no discernible pattern of performance and/or objectively measurable performance measures did not exist, then the Company recognized revenue under the arrangement on a straight-line basis over the period the Company expected to complete its performance obligations.

Research and development expenses

The Company’s research and development expenses consist primarily of salaries, payroll taxes, employee benefits, and equity-based compensation charges for those individuals involved in ongoing research and development efforts; as well as consulting expenses, laboratory supplies, third party research and development expenses, animal studies and overhead, including facilities and depreciation costs. Research and development expenses are charged to expense as incurred.

The Company has entered into various research and development contracts with research institutions, clinical research organizations, clinical manufacturing organizations and other companies. Payments for these activities are based on the terms of the individual agreements, which may differ from the pattern of costs

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incurred, and are reflected in the accompanying consolidated balance sheets as prepaid or accrued expenses. The Company records accruals for estimated ongoing research and development costs. When evaluating the adequacy of the accrued liabilities, the Company analyzes progress of the services, including the phase or completion of events, invoices received and contracted costs. Significant judgments and estimates may be made in determining the accrued balances at the end of any reporting period. Actual results could differ from the Company's estimates.

Patent costs

Costs related to filing and pursuing patent applications are recorded as general and administrative expenses and expensed as incurred since recoverability of such expenditures is uncertain.

Equity-based compensation

Prior to the Corporate Reorganization in July 2020, the Company had a profits interest plan that was a liability award plan in accordance with ASC Topic 718, *Compensation – Stock Compensation (Topic 718)*. The Company measured the fair value of each award on the grant date and recognized such fair value over the requisite service period (usually the vesting period) on a straight-line basis. The fair value of the award was remeasured at each reporting date until the award was settled, with a true-up of compensation cost for changes in fair value prorated for the portion of the requisite service period rendered. Once vested, any subsequent change in fair value was recognized immediately. The fair value of any awards that expired or were forfeited or canceled for no value were adjusted to zero, as they occur, such that any previously recorded compensation cost would be fully reversed. Subsequent to the Corporate Reorganization, the Company will continue to reflect compensation cost and a corresponding capital contribution associated with future vesting and the ongoing mark-to-market of the Class B profits interests held by Himalaya Parent LLC, as the equity-based payments are being provided to the Company's employees by a stockholder. Any new profits interest awards granted by Himalaya Parent LLC to BioAtla, Inc.'s employees, or modifications to the existing awards made by Himalaya Parent LLC, will also result in additional compensation cost and a corresponding capital contribution in accordance with ASC Topic 718.

Income taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, deferred tax assets and liabilities are determined on the basis of the differences between the financial statements and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized as income in the period that includes the enactment date.

The Company recognizes net deferred tax assets to the extent that the Company believes these assets are more likely than not to be realized. In making such a determination, management considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, exclusive of reversing temporary difference, tax-planning strategies and the results of recent operations. If management determines that the Company would be able to realize its deferred tax assets in the

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future in excess of their net recorded amount, management would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The Company records uncertain tax positions on the basis of a two-step process whereby (1) management determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, management recognizes the largest amount of tax benefit that is more than 50% likely to be realized upon ultimate settlement with the related tax authority. The Company recognizes interest and penalties related to unrecognized tax benefits within income tax expense. Any accrued interest and penalties are included within the related tax liability.

In connection with the Company's conversion to a Delaware corporation pursuant to a statutory conversion, BioAtla, Inc. became subject to US federal and state income tax, and recorded a net deferred tax asset based on the difference between the book value and tax basis of its assets and liabilities as of the date of the conversion. BioAtla, Inc. recorded a full valuation allowance against its net deferred tax asset based on the determination that it was not more likely than not that the net deferred tax assets would be realized. Prior to the conversion in July 2020, BioAtla, LLC had elected to be treated as a partnership for U.S. federal income tax purposes. Accordingly, all income and deductions of the LLC were reported on the LLC member's individual income tax returns. The LLC was subject to certain immaterial state income taxes. No provision or benefit for U.S. federal or state income taxes has been included in the accompanying consolidated statements of operations and comprehensive loss for the year ended December 31, 2019 and the nine months ended September 30, 2020 and prior periods.

The Company has analyzed its inventory of tax positions taken with respect to all applicable income tax issues for all open tax years (in each respective jurisdiction) and has concluded that no material uncertain tax positions exist as of December 31, 2018 and 2019. The Company has not been, nor is it currently, under examination by the U.S. federal or any state or foreign tax authority. The Company's federal returns from 2017 forward, state returns from 2016 forward, and foreign returns from 2014 forward remain open to examination by tax authorities.

Comprehensive loss

Comprehensive loss is defined as a change in equity during a period from transactions and other events and circumstances from non-owner sources. There have been no items qualifying as other comprehensive loss and, therefore, for all periods presented, the Company's comprehensive loss was the same as its reported net loss.

Net loss per unit/share

The Company applies the two-class method for calculating and presenting net loss per unit/share. In applying the two-class method, earnings are hypothetically allocated between the common, preferred, and other participating securities based on their respective rights to receive non-forfeitable distributions, whether or not declared.

Prior to the Corporate Reorganization, the Company considered its Class A units to be its "common units" since Class A units were the most subordinate class of equity with respect to preference in liquidation. In addition,

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the Class C units were entitled to a preferred return equal to 10% per annum, simple interest, on the Class C issuance price. The Company's Class B units were excluded from the net loss per unit calculations based on the presumption that the units would be settled in cash pursuant to the terms of the Company's operating agreement. Basic net loss per Class A unit was calculated by dividing net loss allocable to Class A unit holders (after adjustment for Class C preferred return and allocation of net losses to Class C units) by the weighted-average number of Class A units outstanding during the period. The Company calculated diluted net loss per unit using the more dilutive of 1) the treasury stock method, if-converted method, or contingently issuable share method, as applicable, or 2) the two-class method. For the years ended December 31, 2018 and 2019 and the nine months ended September 30, 2019, the basic and diluted net loss per unit were the same as the inclusion of outstanding warrants, convertible debt or Class C preferred units would be antidilutive.

Subsequent to the Corporate Reorganization, basic net loss per share is computed by dividing the net loss by the weighted-average number of common shares outstanding for the period, without consideration for potentially dilutive securities. For the nine months ended September 30, 2020, the basic and diluted net loss per share were the same as the inclusion of the outstanding convertible preferred stock or common stock warrants would be antidilutive.

For the nine months ended September 30, 2020, the Company determined that the attribution of pre-Corporate Reorganization net losses based on the post-Corporate Reorganization capital structure would not meaningfully represent the economic rights of the unit holders. As a result, the Company presents net loss per share information only for the period subsequent to the Corporate Reorganization. The basic and diluted net loss per share for the nine months ended September 30, 2020 represents only the period from July 10, 2020 to September 30, 2020, the period where the Company had outstanding common stock.

The following table presents the calculation of basic and diluted net loss per share for the periods following the Corporate Reorganization (in thousands, except share and per share data):

	July 10, 2020 through September 30, 2020
Numerator:	
Net loss	$ (10,482)
Denominator:	
Weighted-average shares of common stock outstanding, basic and diluted	6,220,050
Net loss per common share, basic and diluted	$ (1.69)

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Potentially dilutive securities not included in the calculation of diluted net loss per share because to do so would be anti-dilutive are as follows (in common stock equivalents):

	September 30, 2020
Convertible preferred stock	15,368,569
Common stock warrants	717,674
Total	16,086,243

Recent accounting pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued ASU No. 2016-02, *Leases*. The new standard establishes a right-of-use model and requires a lessee to recognize on the balance sheet a right-of-use asset and corresponding lease liability for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. ASU No. 2016-02 is effective for annual periods beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022 and early adoption is permitted. While management is currently assessing the impact this new standard will have, the expected primary impact to its consolidated financial position upon adoption will be the recognition, on a discounted basis, of its minimum commitments under noncancelable operating leases on its consolidated balance sheets resulting in the recording of right of use assets and lease liabilities. The Company's current minimum commitments under its noncancelable operating lease is disclosed in Note 5.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses,* to improve financial reporting by requiring timely recording of credit losses on loans and other financial instruments held by financial institutions and other organizations. The ASU requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions and reasonable and supportable forecasts. The early adoption of this guidance, effective January 1, 2019, had no material impact on the Company's consolidated financial statements.

In June 2018, the FASB issued ASU No. 2018-07, *Compensation-Stock Compensation (Topic 718)*, which simplifies the accounting for nonemployee share-based payment transactions. The amendments in the new guidance specify that Topic 718 applies to all share-based payment transactions in which a grantor acquires goods or services to be used or consumed in a grantor's own operations by issuing share-based payment awards. This guidance is effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted. The Company will adopt ASU No. 2018-07 effective October 1, 2020 and does not expect the adoption of this guidance will have a material impact on its consolidated financial statements.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework— Changes to the Disclosure Requirements for Fair Value Measurement*, which eliminates, modifies and adds disclosure requirements on fair value measurements. The early adoption of this guidance, effective January 1, 2019, had no material impact on the Company's consolidated financial statements.

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In July 2017, the FASB issued ASU No. 2017-11, *Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815): (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception*. The ASU allows companies to exclude a down round feature when determining whether a financial instrument (or embedded conversion feature) is considered indexed to the entity's own stock. As a result, financial instruments (or embedded conversion features) with down round features may no longer be required to be accounted classified as liabilities. A company will recognize the value of a down round feature only when it is triggered and the strike price has been adjusted downward. For equity-classified freestanding financial instruments, such as warrants, an entity will treat the value of the effect of the down round, when triggered, as a dividend and a reduction of income available to common shareholders in computing basic earnings per share. For convertible instruments with embedded conversion features containing down round provisions, entities will recognize the value of the down round as a beneficial conversion discount to be amortized to earnings. For non-public companies, the guidance in ASU 2017-11 is effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted, and the guidance is to be applied using a full or modified retrospective approach. The early adoption of this guidance, effective January 1, 2020, had no material impact on the Company's consolidated financial statements.

2. Balance sheet details

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

	December 31,		September 30,
	2018	2019	2020
Prepaid research and development	$ 1,518	$ 589	$ 618
Other prepaid expenses and current assets	281	214	160
	$ 1,799	$ 803	$ 778

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

	Useful life (years)	December 31,		September 30,
		2018	2019	2020
Furniture, fixtures and office equipment	3 – 7	$ 1,092	$ 1,198	$ 1,440
Lab equipment	5	1,691	1,826	1,826
Leasehold improvements	2 – 3	2,475	2,475	3,646
Construction in process	—	—	1,390	—
		5,258	6,889	6,912
Less accumulated depreciation and amortization		(1,380)	(2,214)	(2,930)
		$ 3,878	$ 4,675	$ 3,982

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Accounts payable and accrued expenses consist of the following (in thousands):

	December 31,		
	2018	2019	
Accounts payable (includes related party amounts of $447, $381 and $0, respectively)	$1,961	$ 5,139	$ 4,370
Accrued compensation	1,864	2,297	1,846
Accrued research and development	3,721	4,050	4,044
Accrued equity issuance costs	—	—	4,771
Other accrued expenses (includes related party amounts of $67, $40 and $0, respectively)	1,145	486	544
	$8,691	$11,972	$15,575

3. Fair value measurements

The carrying amounts of the Company's current financial assets and current financial liabilities are considered to be representative of their respective fair values because of the short-term nature of those instruments. Based on the borrowing rates available to the Company for loans with similar terms, the Company believed that the carrying value of its outstanding convertible debt as of December 31, 2019 approximated fair value. As of December 31, 2018 and 2019, the Company had no financial assets measured at fair value on a recurring basis. As of December 31, 2018, the Company had no financial liabilities measured at fair value on a recurring basis and, as of December 31, 2019 and through the date of settlement in July 2020, the financial liabilities measured at fair value on a recurring basis include the embedded derivative liability described below. Profits interest liabilities are accounted for in accordance with the provisions of ASC 718 – *Stock Compensation* and, as such, are excluded from the fair value disclosures below.

The accounting guidance defines fair value, establishes a consistent framework for measuring fair value and expands disclosure for each major asset and liability category measured at fair value on either a recurring or non-recurring basis. Fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering such assumptions, the accounting guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

Level 1: Observable inputs such as quoted prices in active markets.

Level 2: Inputs, other than the quoted prices in active markets that are observable either directly or indirectly.

Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

None of the Company's non-financial assets and liabilities are recorded at fair value on a non-recurring basis. No transfers between levels have occurred during the periods presented.

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Liabilities measured at fair value on a recurring basis are as follows as of December 31, 2019 (in thousands):

		Fair value measurements at reporting date using		
	Total	Quoted prices in active markets for identical assets (level 1)	Significant other observable inputs (level 2)	Significant unobservable inputs (level 3)
Embedded derivative liability	$1,856	$ —	$ —	$ 1,856
Total	$1,856	$ —	$ —	$ 1,856

The 2018 Notes (as amended in 2020), the 2019 Notes and the 2020 Notes (each as defined and described in Note 4) contain a redemption feature which was determined to be an embedded derivative requiring bifurcation and separate accounting. The fair value of the derivative was determined based on an income approach that identified the cash flows using a “with-and-without” valuation methodology. The inputs used to determine the estimated fair value of the derivative instrument were based primarily on the probability of an underlying event triggering the embedded derivative occurring and the timing of such event.

The following table provides a reconciliation of the embedded derivative liability measured at fair value using Level 3 unobservable inputs (in thousands):

	Embedded derivative liability
Balance at December 31, 2018	$ —
Initial fair value of embedded derivatives issued	1,793
Change in fair value	63
Balance at December 31, 2019	1,856
Initial fair value of embedded derivatives issued	3,415
Change in fair value	1,581
Settlement	(6,852)
Balance at September 30, 2020	$ —

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4. Convertible and other debt

Convertible debt consists of the following (in thousands):

	December 31,	
	2018	**2019**
Convertible debt	$15,000	$ 19,000
Unamortized debt discount	—	(2,736)
Fair value of embedded derivative	—	1,856
Total convertible debt	15,000	18,120
Less: current portion of convertible debt	—	(10,000)
Less: current portion of unamortized debt discount	—	294
Convertible debt, less current portion and debt discount	$15,000	$ 8,414

Pfizer convertible promissory note

In December 2015, the Company issued a $10.0 million unsecured convertible promissory note (“Pfizer Note”) to certain affiliates of Pfizer, Inc. (“Pfizer”). The Pfizer Note accrues interest at 8.0% per annum with a maturity date in December 2020 and may not be prepaid without the consent of the note holder. Prior to amendment in March 2019 as described below, the Pfizer Note, including accrued interest, was convertible at the election of the holder into Class C preferred units at a price of $3.394142 per unit and is automatically convertible into i) common shares upon the completion of an IPO based on the price per share paid by investors in the IPO or ii) qualified financing shares upon the completion of a qualified financing based on the price per share paid by investors in the qualified financing. The Company assessed the terms of the Pfizer Note and concluded that it was not share-settled debt, did not contain any embedded derivative features requiring bifurcation and did not contain a beneficial conversion feature. As a result, the Pfizer Note was carried at cost since the Company did not incur a material amount of issuance costs in connection with the debt.

The Pfizer Note was amended in March 2019 in connection with the Division to provide the lender additional accrued interest upon conversion. The amended conversion amount of the Pfizer Note was equal to the greater of a) the then outstanding principal plus accrued interest, or b) principal plus accrued interest through December 7, 2020. In connection with the March 2019 amendment, Pfizer received conditional warrants in BioAtla Holdings and Inversagen which allows Pfizer to acquire an equity interest in each of BioAtla Holdings and Inversagen upon conversion of the Pfizer Note of the Post-Division Successor. The amendment of the Pfizer Note was accounted for as a modification, which requires prospective consideration of the revised terms. The Company recognized the initial fair value of the warrants of $0.5 million as a fee paid by the Company to the lenders, which was recorded as debt discount on the modified debt and as a capital contribution, as the warrants are written on two entities under common control that were not consolidated with the Company. The debt discount was amortized to interest expense using the effective interest method over the term of the Pfizer Note. The fair value of the conditional warrants was determined using the Option Pricing Method based on the underlying value of the assets allocated to BioAtla Holdings and Inversagen. As of December 31, 2018 and 2019, outstanding accrued interest on the Pfizer Note was $2.5 million and $3.3 million, respectively. As of December 31, 2018 and 2019, unamortized debt issuance costs were $0 and $0.3 million, respectively. The

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Company incurred interest expense in connection with the Pfizer Note of $0.8 million, $1.0 million, $0.8 million and $0.6 million for the years ended December 31, 2018 and 2019 and the nine months ended September 30, 2019 and 2020, respectively. As further described below, the Pfizer Note was amended and settled in connection with the Corporate Reorganization in July 2020.

2018 convertible promissory notes

In August 2018, the Company issued unsecured convertible promissory notes for an aggregate of $5.0 million (the “2018 Notes”). The 2018 Notes accrued interest at 8.0% per annum with a maturity date in July 2023 and could not be prepaid without the consent of the note holder. Prior to amendment in March 2019 as described below, the then outstanding principal plus accrued interest under the 2018 Notes were convertible at the election of the holder into Class C preferred units at a price of $3.394142 per unit and were automatically convertible into i) common shares upon the completion of an IPO based on the price per share paid by investors in the IPO or ii) qualified financing shares upon the completion of a qualified financing based on the price per share paid by investors in the qualified financing. The Company assessed the terms of the 2018 Notes and concluded that they were not share-settled debt, did not contain any embedded derivative features requiring bifurcation and did not contain a beneficial conversion feature. As a result, the 2018 Notes were carried at cost since the Company did not incur a material amount of issuance costs in connection with the issuance of the promissory notes.

The 2018 Notes were amended in March 2019 in connection with the Division to provide the lenders additional accrued interest upon conversion. The amended conversion amount of the 2018 Notes was equal to the greater of a) the then outstanding principal plus accrued interest, or b) principal plus accrued interest through December 7, 2020. In connection with the March 2019 amendment, the lenders received conditional warrants in BioAtla Holdings and Inversagen which allows them to acquire an equity interest in each of BioAtla Holdings and Inversagen upon conversion of the 2018 Notes of the Post-Division Successor. The amendment of the 2018 Notes was accounted for as a modification, which requires prospective consideration of the revised terms. The Company recognized the initial fair value of the warrants of $0.2 million as a fee paid by the Company to the lenders, which was recorded as debt discount on the modified debt and as a capital contribution, as the warrants were written on two entities under common control that were not consolidated with the Company. The debt discount was amortized to interest expense using the effective interest method over the term of the 2018 Notes. The fair value of the conditional warrants was determined using the Option Pricing Method based on the underlying value of the assets allocated to BioAtla Holdings. The underlying value of the assets allocated to Inversagen was immaterial.

The 2018 Notes were amended in April 2020 to add a discount to the conversion prices such that they are convertible (i) automatically into preferred stock upon a qualified equity financing, with a conversion price of 80% of the lowest purchase price per share of preferred stock paid by investors in such qualified equity financing, (ii) automatically convert into common stock upon an initial public offering, with a conversion price of 80% of the price per share of common stock paid by investors in such initial public offering, and (iii) upon the election of each note holder, into Class C preferred units, with a conversion price per share of $2.7153136. The Company concluded that the amendment was an extinguishment and the fair value of the amended 2018 Notes was equal to the then outstanding principal and accrued interest of the 2018 Notes. As a result, the Company recognized a loss on extinguishment for the $0.2 million of unamortized discounts at the extinguishment date.

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In addition, the Company assessed the terms and concluded the amended 2018 Notes: (i) were not share-settled debt, (ii) contained a redemption feature that was determined to be an embedded derivative requiring bifurcation and (iii) did not contain a beneficial conversion feature. The $2.2 million issuance date fair value of the embedded derivative liability was recorded as a debt discount and amortized to interest expense using the effective interest method over the remaining term of the 2018 Notes.

As of December 31, 2018 and 2019, outstanding accrued interest on the 2018 Notes was $0.1 million and $0.5 million, respectively. As of December 31, 2018 and 2019, unamortized debt issuance costs were $0 and $0.2 million, respectively. The Company incurred interest expense, including coupon interest and amortization of debt discounts, in connection with the 2018 Notes of $0.1 million, $0.4 million, $0.3 million, and $0.4 million for the years ended December 31, 2018 and 2019 and the nine months ended September 30, 2019 and 2020, respectively. As further described below, the 2018 Notes were amended and settled in connection with the Corporate Reorganization in July 2020.

2019 convertible promissory notes

Between August and December 2019, the Company issued unsecured convertible promissory notes payable to various entities in an aggregate principal amount of $4.0 million (the “2019 Notes”), of which $1.5 million was to related parties. The 2019 Notes accrued interest at 8.0% per annum with maturity dates of five years after issuance and could not be prepaid without the consent of the note holder. The outstanding principal amount and any accrued and unpaid interest on the 2019 Notes was due and payable on the earlier to occur of (i) the maturity date, (ii) an event of default, or (iii) immediately prior to an acquisition event. The 2019 Notes were convertible (i) automatically into preferred stock upon a qualified equity financing, with a conversion price of 80% of the lowest purchase price per share of preferred stock paid by investors in such qualified equity financing, (ii) automatically into common stock upon an initial public offering, with a conversion price of 80% of the price per share of common stock paid by investors in such initial public offering, and (iii) upon the election of each note holder, into Class C preferred units, with a conversion price per share of $2.7153136. The number of shares or units issuable upon conversion is determined by dividing the conversion amount by the conversion price, with the conversion amount equal to the greater of a) the then outstanding principal plus accrued interest, or b) principal plus accrued interest through December 7, 2020.

The Company assessed the terms and concluded the 2019 Notes: (i) were not share-settled debt, (ii) contained a redemption feature that was determined to be an embedded derivative requiring bifurcation and (iii) certain of the notes contained a beneficial conversion feature because the fair value of the securities into which the 2019 Notes were convertible at the time of issuance, the Class C preferred units, was greater than the effective conversion price of the 2019 Notes. The $0.5 million beneficial conversion feature was recorded as additional paid-in capital and a debt discount and the $1.8 million issuance date fair value of the embedded derivative liability was recorded as a debt discount, both of which discounts were amortized to interest expense using the effective interest method over the term of the 2019 Notes.

In April and May of 2020 certain of the 2019 Notes, representing $2.5 million of the then outstanding principal balance, were amended such that the conversion shares or units issuable upon conversion is the greater of: (i) the then outstanding principal plus accrued interest divided by $0.86866 or (ii) the amount determined by dividing the conversion amount by the conversion price, with the conversion amount equal to the greater of

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a) the then outstanding principal plus accrued interest, or b) principal plus accrued interest through December 7, 2020. The amendment of the 2019 Notes was accounted for as a modification, which requires prospective consideration of the revised terms.

For the year ended December 31, 2019 and the nine months ended September 30, 2019 and 2020, the Company recognized interest expense, including coupon interest and amortization of debt discounts, in connection with the 2019 Notes of $0.1 million, $27,000 and $0.3 million, respectively. As of December 31, 2019, outstanding accrued interest and unamortized debt discount on the 2019 Notes were $0.1 million and $2.3 million, respectively, and no principal or interest had been repaid. As further described below, the 2019 Notes were amended and settled in connection with the Corporate Reorganization in July 2020.

2020 convertible promissory notes

During March, April and May of 2020 the Company issued unsecured convertible promissory notes (the "2020 Notes") payable to various entities in an aggregate principal amount of $2.8 million, of which $0.5 million was to related parties. The 2020 Notes accrued interest at 8.0% per annum with maturity dates of five years after issuance. The Company assessed the terms and concluded the 2020 Notes: (i) were not share-settled debt, (ii) contained a redemption feature that was determined to be an embedded derivative requiring bifurcation and (iii) did not contain a beneficial conversion feature. The $1.2 million issuance date fair value of the embedded derivative liability was recorded as a debt discount which was amortized to interest expense using the effective interest method over the term of the 2020 Notes. In May of 2020 certain of the 2020 Notes, representing $0.1 million of the then outstanding principal balance, were amended such that the conversion shares or units issuable upon conversion is the greater of: (i) the then outstanding principal plus accrued interest divided by $0.86866 or (ii) the amount determined by dividing the conversion amount by the conversion price, with the conversion amount equal to the greater of a) the then outstanding principal plus accrued interest, or b) principal plus accrued interest through December 7, 2020. The amendment of the 2020 Notes was accounted for as a modification, which requires prospective consideration of the revised terms.

For the nine months ended September 30, 2020, the Company recognized interest expense, including coupon interest and amortization of debt discounts, in connection with the 2020 Notes of $0.1 million. As further described below, the 2020 Notes were amended and settled in connection with the Corporate Reorganization in July 2020.

Amendment and settlement of convertible notes

As a condition of the closing of the Series D financing in July 2020, the Pfizer Note, 2018 Notes, 2019 Notes and 2020 Notes (and together, the "Convertible Notes") were amended to settle the Convertible Notes into 59,164,808 Class D units of Himalaya Parent LLC. As of the settlement date, the aggregate outstanding principal and accrued interest of the Convertible Notes was $21.8 million and $4.7 million, respectively. The Pfizer Note converted into Class D units at a conversion price of $0.51554931 and the 2018 Notes and 2019 Notes converted into Class D units at a conversion price of $0.412439448, which is 80% of the price paid by investors in the Series D financing. As of the July 10, 2020 settlement date, the Convertible Notes had a carrying value of $27.9 million, including related accrued interest, embedded derivatives and unamortized debt discounts. The fair value of the Class D units of Himalaya Parent LLC issued to the noteholders in exchange for the Convertible

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Notes was $30.6 million, resulting in a loss on extinguishment of convertible debt of $2.7 million. The fair value per unit of the Class D units of Himalaya Parent LLC was based on the fair value per share paid by investors in the Company's Series D financing.

Other debt

On April 22, 2020, the Company received proceeds from a loan in the amount of $0.7 million (the "PPP Loan") from City National Bank, as lender, pursuant to the Paycheck Protection Program ("PPP") of the CARES Act. The PPP Loan is evidenced by a promissory note (the "Note"), which contains customary events of default relating to, among other things, payment defaults and breaches of representations, warranties or terms of the PPP Loan documents. The PPP Loan matures on April 22, 2022 and bears interest at an annual rate of approximately 1%. Beginning on November 22, 2020, the Company is required to make 18 equal monthly payments of principal and interest. The PPP Loan may be prepaid by the Company at any time prior to maturity with no prepayment penalties. The proceeds from the PPP Loan may only be used for payroll costs (including benefits), rent and utility obligations, and interest on certain of the Company's other debt obligations.

All or a portion of the PPP Loan may be forgiven by the U.S. Small Business Administration ("SBA") upon application by the Company beginning 60 days but not later than 120 days after loan approval and upon documentation of expenditures in accordance with the SBA requirements. In the event the PPP Loan, or any portion thereof, is forgiven pursuant to the PPP, the amount forgiven is applied to outstanding principal. If it is determined that the Company was not eligible to receive the PPP Loan, the Company may be subject to penalties and could be required to repay the PPP Loan in its entirety.

5. Commitments and contingencies

Operating leases

In August 2014, the Company entered into a non-cancelable operating lease, as amended, with Alliance Diversified Holdings LLC ("Alliance Holdings"), a related party (see Note 9). The lease included certain tenant improvement allowances, rent escalations and additional charges for common area maintenance and other costs. The lease commenced in December 2014 and expired in February 2018.

In June 2017, as amended in January 2019, the Company entered into a non-cancellable operating lease for its corporate headquarters and laboratory space in San Diego, California. The lease commenced in January 2018, the period the Company gained access to the leased space and began recognizing rent expense. The lease expires in July 2025 and the Company has an option to extend the term of the lease for an additional five years. The lease includes certain rent abatement, rent escalations, tenant improvement allowances and additional charges for common area maintenance and other costs. Rent expense for the years ended December 31, 2018 and 2019 and the nine months ended September 30, 2019 and 2020 was $0.9 million, $1.1 million, $0.8 million and $1.3 million, respectively.

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Expected future minimum payments under the non-cancelable operating lease are as follows (in thousands):

Years ending December 31:	Operating lease
2020	$ 1,192
2021	1,374
2022	1,555
2023	1,636
2024	1,685
Thereafter	845
	$ 8,287

Contingencies

From time to time, the Company may be subject to various claims and suits arising in the ordinary course of business. The Company is not currently a party to any legal proceedings the outcome of which the Company believes, if determined adversely to the Company, would individually or in the aggregate have a material adverse effect on the Company's business, operating results or financial condition.

6. Convertible preferred stock and members'/stockholders' deficit

Subsequent to the Corporate Reorganization, BioAtla, Inc. is a Delaware corporation with the authority to issue 350,000,000 shares of common stock, $0.0001 par value, and 200,000,000 shares of preferred stock, $0.0001 par value as further described below.

Convertible Preferred Stock

The Company's convertible preferred stock has been classified as temporary equity in the accompanying consolidated balance sheets in accordance with authoritative guidance for the classification and measurement of potentially redeemable securities whose redemption is based upon certain change in control events outside of the Company's control, including liquidation, sale or change of control of the Company. Because these change in control events are not probable, the Company has not adjusted the carrying values of the convertible preferred stock to redemption value.

Series D financing

On July 13, 2020, BioAtla, Inc. entered into a Series D Preferred Stock Purchase Agreement (the "Series D SPA"), pursuant to which it issued 140,626,711 shares of Series D convertible preferred stock at $0.51554931 per share, for aggregate cash proceeds of $72.5 million. The Company incurred $4.3 million of issuance costs.

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Description of securities of Delaware corporation

Dividends

No dividends may be declared, paid or set aside on common stock unless the holders of Series D preferred stock then outstanding shall first receive, or simultaneously receive, an equivalent dividend on as-converted to common stock basis.

Liquidation preferences

Upon any liquidation, dissolution or winding up of the Company, the Series D preferred stock has a liquidation preference of $0.77 per share, plus any declared but unpaid dividends. Thereafter, any remaining assets of the Company will be distributed to the holders of common stock on a pro rata basis. The Series D preferred stock would be deemed converted to common stock in the event such conversion would result in a liquidation payment greater than its liquidation preference.

Conversion

Each 13 shares of Series D preferred stock are convertible into one share of common stock, at the option of the holder, subject to certain anti-dilution adjustments and down round adjustments upon the issuance of certain securities for a consideration per share less than the then effective Series D preferred stock conversion price. Each share of Series D preferred stock is automatically converted into common stock upon either (a) the closing of the sale of shares of common stock to the public at a price per share of at least $13.40, in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $50.0 million of gross proceeds to the Company and in connection with such offering the common stock is listed for trading on the Nasdaq Stock Market or the New York Stock Exchange or (b) upon the vote of the holders of at least a majority of the outstanding shares of the Series D preferred stock voting together as a single class.

Voting rights

The holder of each share of Series D preferred stock is entitled to one vote for each share of common stock into which it would convert and to vote as one class with the common stockholders. Certain matters require the vote of the holders of at least a majority of the Series D preferred stock, including material changes to the corporate structure, capitalization and the incurrence of certain corporate obligations.

Operating agreement

Prior to the Corporate Reorganization, the Company's operating agreement, as amended and restated, provided for classes of units, allocation of profits and losses, distribution preferences, other member rights and management of the LLC. The operating agreement designated Class A units, Class B units and Class C preferred units. The Class B units and Class C preferred units were non-voting, except as required by law. The Class B units were liability awards pursuant to authoritative guidance and, as such, were reported at fair value outside of members' deficit. Members were limited in their liability to their capital contributions.

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Conversion

Class C preferred units were convertible, at the option of the member, into Class A units on a one-for-one basis, subject to adjustment for any split, reverse split, distribution or other event affecting the Class C preferred units. The Class C preferred units would have automatically converted into Class A units upon the earlier to occur of (i) immediately prior to the closing of the Company's first firm commitment underwritten public offering of its common equity and (ii) the vote of at least two-thirds of the Class C preferred units outstanding.

Distributions

Distributions, other than tax distributions, were to be made to each unit holder based on such unit holder's pro-rata share of total outstanding units; however, Class B units were subject to threshold limitations.

Preferred return

The preferred return was an amount separately determined for each Class C member equal to (i) the cumulative return that would have been earned from the date(s) of such Class C members' capital contribution in respect to their Class C preferred units at a rate of 10% per annum, simple interest, on the Class C issue price, plus (b) such Class C member's capital contributions. As of December 31, 2018 and 2019, the aggregate Class C preferred return was $106.2 million and $114.3 million, respectively.

Liquidation

The proceeds from a liquidation or winding up of the Company would have been distributed in the following order and priority:

- First, to the payment of creditors of the Company;
- Second, to the creation of any reserves that the managers deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company;
- Third, to the repayment of any outstanding loans made by any member of the Company;
- Fourth, to the Class C members, in proportion to their unreturned preferred return, until each Class C member has received total distributions equal to such Class C member's preferred return; and
- Thereafter, to each member pro rata according to the percentage derived by dividing the number of outstanding units (excluding Class C preferred units already distributed) owned by such member by the total number of outstanding units (excluding Class C preferred units already distributed) owned by all members; however, Class B units are subject to threshold limitations.

Warrants

The Company has issued the warrants described below in connection with certain advisory services. The then fair value of these warrants will be recognized upon the completion of a public offering since they do not vest until the completion of such offering, and will be recognized as a reduction to revenue since the warrants are consideration paid to an affiliate of a related party collaborator. Upon adoption of ASU No. 2018-07 on October 1, 2020, the measurement date of these warrants became fixed in accordance with the guidance. As of October 1, 2020, the fair value of these warrants was nominal as they were deeply out-of-the-money.

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In February 2016, the Company issued a warrant to Genius Earn Limited, an affiliate of Sinobioway. The warrant is exercisable for 339,952 shares of the Company's common equity at a price of $88.25 per share. The warrant becomes exercisable for a period of 365 days, beginning on the first business day after the closing of a public offering by the Company.

In March 2016, the Company issued warrants to Harmonia (China) Holding Limited ("Harmonia"), an affiliate of Sinobioway, after assignment of rights to the warrants by Green Valley Industries Limited ("Green Valley"). The warrants are exercisable for an aggregate of 226,634 shares of the Company's common equity at a price of $88.25 per share. The warrants become exercisable for a period of 365 days, beginning on the first business day after the closing of a public offering by the Company.

In June 2016, the Company issued warrants to Harmonia, an affiliate of Sinobioway, after assignment of rights to the warrants by Green Valley. The warrants are exercisable for an aggregate of 151,088 shares of the Company's common stock at a price of $132.37 per share. The warrants become exercisable for a period of 450 days, beginning on the first business day after the closing of a public offering by the Company.

Noncontrolling interests

In December 2018, the Company issued a noncontrolling interest in HTKY to Sinobioway and affiliates in form of ordinary shares in connection with the termination of its Collaboration and License Agreement (see Note 8). In addition to the ordinary shares issued to Sinobioway and affiliates, certain employees and shareholders of the Company purchased 19,000,000 ordinary shares of HTKY for an aggregate purchase price of $19,000, of which 5,000,000 were repurchased for $5,000 in March 2019. As of December 31, 2018 and 2019, the Company holds all of the outstanding HTKY preferred equity, consisting of 97,183,256 Series B convertible preference shares, and 1,000 ordinary shares. The Series B convertible preference shares have a liquation preference equal to the greater of $1.00 per share, plus declared and unpaid dividends, or the if-converted value, and pay non-cumulative dividends in preference to the holders of ordinary shares at an annual rate of 7% of the purchase price per share when, as and if declared by the board. The net income (loss) of HTKY will be allocated to the ordinary shareholders on a pro rata basis. However, any net income will initially be allocated to the preference shares until the liquidation preference is met. Thereafter, preference shares will only be allocated dividends declared by the board of directors of HTKY. For the year ended December 31, 2019, substantially all of the $61,000 net loss of HTKY was allocated to the noncontrolling interest. No material net losses were allocated to the noncontrolling interest for the year ended December 31, 2018.

7. Profits interest incentive plan

Prior to the Corporate Reorganization in July 2020, the Company maintained a Profits Interest Incentive Plan (the "Plan") for selected employees, consultants and other service providers. In connection with the Corporate Reorganization, Himalaya Parent LLC assumed the Plan and the $1.0 million fair value of the liability was reclassified to additional paid-in capital. As of December 31, 2019, the Company had reserved a total of 16,665,977 Class B units for issuance under the Plan. In accordance with the Company's operating agreement, in the event the total outstanding Class B units represented in excess of 17.5% of the Company's total units outstanding, the percentage interest in the Company represented by the Class B units would be re-adjusted to 17.5%. The Class B units generally vested over four years, were subject to continued service requirements, and

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only provide the participants with benefits (in the form of distributions) if the distributions from BioAtla exceed specified threshold values. Generally, upon termination of services, all unvested Class B units were forfeited to the Company and the Company had the right, but not the obligation, to repurchase the vested Class B units within two years at the termination date fair value. The Class B unit repurchase would be settled in cash, at all times at the option of the Company, and the holder did not have the right to put the Class B units to the Company under any condition. Vested Class B units that are neither repurchased by the Company nor forfeited remain subject to the terms of the Company's operating agreement. The Class B units were not subject to sale, assignment, transfer, pledge, or allowed to be otherwise encumbered or disposed of without prior written consent of the Company. As of December 31, 2019, no Class B units had been repurchased. As of December 31, 2019, there were 2,187,028 Class B units available for future issuance under the Plan.

Activity under the Plan is summarized as follows:

Outstanding at December 31, 2017	8,764,304
Granted	4,230,000
Cancelled	(127,035)
Outstanding at December 31, 2018	12,867,269
Granted	2,277,586
Cancelled	(665,906)
Outstanding at December 31, 2019	14,478,949
Cancelled	(170,836)
Assumption of Plan by Himalaya Parent LLC on July 10, 2020	(14,308,113)
Outstanding at September 30, 2020	—

Vesting of Class B units under the Plan is summarized as follows:

Unvested at December 31, 2017	3,292,922
Granted	4,230,000
Cancelled	(127,035)
Vested	(1,403,786)
Unvested at December 31, 2018	5,992,101
Granted	2,277,586
Cancelled	(665,906)
Vested	(1,445,453)
Unvested at December 31, 2019	6,158,328
Cancelled	(170,836)
Vested	(1,310,807)
Assumption of unvested Class B units by Himalaya Parent LLC on July 10, 2020	(4,676,685)
Unvested at September 30, 2020	—

The Class B units were liability awards pursuant to authoritative guidance, which required the Company to record a liability based on the fair value of the Class B units as of each reporting period. For the years ended

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December 31, 2018 and 2019 and July 10, 2020, the fair value of the liability awards was determined based on the Company's estimated enterprise value, which is allocated based on a hybrid model that, in addition to the option pricing model, considers the Company's expected IPO. Under the option pricing method, units are valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each unit class.

In connection with the Division, the distribution thresholds that must be achieved before the Class B unit holders were entitled to distributions were adjusted, resulting in a $0.9 million reduction to the aggregate profits interest liability between the Predecessor and the Post-Division LLCs at the date of the Division. The thresholds of the Post-Division Successor were changed in order to reflect the impact of the assets assigned to BioAtla Holdings and Inversagen in the Division. For the year ended December 31, 2019, the profits interest liability decreased $7.4 million, including the $0.9 million reduction described above, and $0.8 million recognized as additional paid-in capital related to the fair value of vested Class B units assumed by BioAtla Holdings and Inversagen in connection with the Division. In addition, the Company recognized stock-based compensation expense and additional paid-in capital of $0.2 million related to the fair value of the unvested Class B units assumed by BioAtla Holdings and Inversagen in connection with the Division since these Class B unit holders are employees of the Post-Division Successor, and were not expected to provide services to BioAtla Holdings or Inversagen.

The following table provides a reconciliation of the profits interest liability (in thousands):

Balance at December 31, 2018	$ 15,992
Increase in fair value of vested liability (Pre-Division) recognized as stock-based compensation expense	168
Balance at March 15, 2019 (Pre-Division)	16,160
Fair value of vested liability assumed by BioAtla Holdings and Inversagen in connection with Division recognized as additional paid-in capital	(800)
Decrease in liability related to changes in distribution thresholds recognized as a reduction to stock-based compensation	(870)
Balance at March 15, 2019 (Post-Division)	14,490
Decrease in fair value of vested liability recognized as a reduction to stock-based compensation expense	(5,898)
Balance at December 31, 2019	8,592
Decrease in fair value of vested liability (Pre-Corporate Reorganization) recognized as decrease to stock-based compensation expense	(7,601)
Fair value of vested liability assumed by Himalaya Parent LLC on July 10, 2020 recognized as additional paid-in capital	(991)
Balance at September 30, 2020	$ —

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The outstanding Class B units as of December 31, 2019 are summarized as follows (in thousands, except threshold, unit and per unit data):

Threshold (in millions)	Units outstanding	Vested units outstanding	Unvested units outstanding	Fair value per unit	Profits interest liability
$ 1.0	2,166,000	2,166,000	—	$ 1.67	$ 3,617
29.2	395,000	395,000	—	1.47	581
42.1	285,804	285,804	—	1.38	394
51.9	1,650,000	1,650,000	—	1.31	2,162
59.7	330,000	330,000	—	1.27	419
64.8	90,000	90,000	—	1.23	111
74.8	591,956	591,956	—	1.17	693
115.5	86,875	84,375	2,500	0.94	79
149.7	181,250	175,833	5,417	0.76	134
169.4	20,000	17,083	2,917	0.66	11
254.0	305,000	236,248	68,752	0.24	57
265.2	58,750	54,375	4,375	0.19	10
270.7	250,000	133,332	116,668	0.17	23
279.1	1,386,762	1,056,338	330,424	0.12	127
279.9	100,000	43,750	56,250	0.12	5
283.0	273,966	273,966	—	0.11	30
304.6	2,277,586	—	2,277,586	0.08	33
305.9	70,000	28,958	41,042	0.08	2
308.7	3,960,000	707,603	3,252,397	0.08	104
	14,478,949	8,320,621	6,158,328		$ 8,592

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The outstanding Class B units as of December 31, 2018 are summarized as follows (in thousands, except threshold, unit and per unit data):

Threshold (in millions)	Units outstanding	Vested units outstanding	Unvested units outstanding	Fair value per unit	Profits interest liability
$ 0.8	2,166,000	2,166,000	—	$ 3.19	$ 6,910
22.5	395,000	395,000	—	2.87	1,134
32.5	285,804	285,804	—	2.72	777
40.0	1,650,000	1,610,500	39,500	2.62	4,300
46.0	330,000	321,250	8,750	2.53	816
50.0	90,000	86,250	3,750	2.47	217
70.9	593,905	551,091	42,814	2.19	1,214
115.9	90,000	63,750	26,250	1.59	103
150.2	215,000	143,333	71,667	1.14	167
176.3	20,000	12,083	7,917	0.81	10
264.3	305,000	159,998	145,002	0.26	41
276.0	95,000	46,250	48,750	0.25	12
281.6	250,000	62,498	187,502	0.24	16
290.4	1,475,000	715,958	759,042	0.24	170
291.2	100,000	—	100,000	0.24	5
294.4	676,560	250,403	426,157	0.23	65
318.3	170,000	5,000	165,000	0.22	3
321.2	3,960,000	—	3,960,000	0.21	32
	12,867,269	6,875,168	5,992,101		$15,992

The allocation of stock-based compensation for all Class B units is as follows (in thousands):

	Years ended December 31,		Nine months ended September 30,	
	2018	2019	2019	2020
Research and development	$1,142	$(2,997)	$ (635)	$(3,355)
General and administrative	1,495	(3,406)	(472)	(4,270)
	$2,637	$(6,403)	$(1,107)	$(7,625)

8. Collaboration, license and option agreements

Global Co-Development and Collaboration Agreement with BeiGene

In April 2019, the Company entered into a Global Co-Development and Collaboration agreement (the “BeiGene Collaboration”) with BeiGene, Ltd. and BeiGene Switzerland GmbH (collectively “BeiGene”), a commercial-stage biopharmaceutical company, for the development, manufacturing and commercialization of the Company’s investigational CAB CTLA-4 antibody (BA3071).

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The Company will co-develop the CAB-CTLA-4 antibody to reach defined early clinical objectives ("POC Milestone"), whereby the Company will perform the development activities ("Development Services") and BeiGene will reimburse the Company for a portion of the costs incurred by the Company for these Development Services subsequent to the filing of an Investigational New Drug Application ("IND"). Following the POC Milestone, BeiGene will then lead the parties' joint efforts to develop the product candidate and be responsible for global regulatory filings and commercialization. Subject to the terms of the agreement, BeiGene will hold a co-exclusive license with the Company to develop and manufacture the product candidate globally and an exclusive license to commercialize the product candidate globally. BeiGene will be responsible for all costs of development, manufacturing and commercialization in China, parts of the Middle East and Asia (excluding Japan), Australia and New Zealand (the "BeiGene Territory"), and the parties will share development and manufacturing costs and commercial profits and losses upon specified terms in the rest of the world that are not part of the BeiGene Territory (the "ROW"). In December 2019, the agreement was amended to clarify certain existing terms that did not change the performance obligations under the original agreement.

Subject to certain opt-out clauses, the BeiGene Collaboration shall remain in effect until the earlier of ten years following commercial sale or upon such time that the parties cease pursuing commercialization. Unless terminated early, at the expiration date BeiGene retains all licensing rights in the applicable territories. BeiGene may terminate the BeiGene Collaboration at any time after the one-year anniversary of the agreement subject to 90 days written notice, or any time subject to 45 days' notice if it is determined that the proof of concept milestone or technological or scientific feasibility will not be achieved. The BeiGene Collaboration also contains customary provisions for termination by either party, including the event of breach of the BeiGene Collaboration, subject to cure.

In 2019, BeiGene paid the Company an upfront non-refundable payment of $20.0 million and paid the Company $5.0 million for the reimbursement of manufacturing costs. Additionally, the Company is eligible to receive up to $249.0 million of variable consideration for subsequent development and regulatory milestones globally and commercial milestones in the BeiGene Territory. Finally, the Company is eligible to receive tiered royalties ranging from the mid-single digits to the mid-double digits based on net sales in the BeiGene Territory.

The Company concluded that the BeiGene Collaboration is a contract with a customer and applied relevant guidance from Topic 606 through reaching the POC milestone as the licenses to intellectual property granted to BeiGene and the obligation to perform research and development services are outputs of the Company's ongoing activities. Following achievement of the POC milestone, the Company will apply ASC Topic 808, Collaborative Arrangements, because the BeiGene Collaboration is no longer a contract with a customer since all performance obligations under the contract will be fulfilled.

The Company identified material promises in the BeiGene Collaboration through POC milestone, consisting of the licenses described above and the Development Services. It was determined that the licenses are not distinct from the development services resulting in a single performance obligation.

In accordance with Topic 606, the Company determined the transaction price of the agreement is limited to the $25.0 million received, and excluded the variable consideration of expense reimbursements, milestone payments and royalties as they are fully constrained. The expense reimbursements are included in the transaction price in the reporting period the Company concludes it is probable that inclusion of such amounts in the transaction price will not result in a significant reversal in revenue recognized. As part of the Company's

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evaluation of the milestone constraints, the Company determined the achievement of such milestones are contingent upon success in future developments, regulatory approvals and commercial activities which are not within its control and are uncertain at this stage. Variable consideration related to royalties will be recognized when the related sales occur.

The Company recognizes revenue over time using an input method, which the Company considers and appropriate measure of overall progress, based on actual costs incurred compared to estimated total costs expected to be incurred to fulfill its performance obligations. For the year ended December 31, 2019 and the nine months ended September 30, 2019 and 2020, the Company recognized revenue of $4.7 million, $2.5 million and $0.4 million, respectively, related to the BeiGene collaboration. As of December 31, 2019 and September 30, 2020, the Company had $20.2 million and $19.8 million, respectively, of related deferred revenue, of which $1.4 million and $19.8 million, respectively, is classified as current. The deferred revenue is expected to be earned over an estimated remaining service period of 3.2 years. In October 2020, the BeiGene collaboration was amended (see Note 12).

Collaboration and License Agreement with Sinobioway

In March 2015, the Company, through its subsidiary HTHK, entered into a Collaboration and License Agreement with Sinobioway to develop and commercialize CAB Antibody products in China, Hong Kong, Macau, and Taiwan (the “Territory”). The agreement was amended several times between 2015 and 2017 and was terminated in December 2018.

Under the terms of the agreement, Sinobioway was granted the following rights in the Territory: (1) an exclusive license to certain know-how related to selected CAB antibodies and indications in the Territory, and (2) a non-exclusive license of certain patents to the extent related to the manufacture and formulation of selected CAB antibodies in the Territory. As consideration for the four Initial CAB Antibodies, Sinobioway paid the Company $40.0 million.

The Company concluded that the agreement contained two units of accounting: 1) licenses and know-how for each of the four Initial CAB Antibodies, and 2) the obligation to present three CAB antibody indications quarterly after the one-year anniversary of the agreement. The arrangement consideration was allocated to the units of accounting based on the relative selling price method. Based on the results of the Company’s analysis, the $40.0 million in upfront payments under the agreement was allocated as follows: i) $4.5 million to each Initial CAB Antibody which includes the licensed rights, transfer of know-how, and animal efficacy study data, and ii) $22.0 million for the obligation to develop and provide three CAB antibody indications to Sinobioway quarterly beginning on the anniversary of the agreement. Revenue allocated to the Initial CAB Antibody units of accounting was recognized when each Initial CAB Antibody and the related animal efficacy study data were delivered to Sinobioway. Revenue allocated to the obligation to develop and provide CAB antibody indications would be recognized on a ratable basis over the estimated service period of 2.3 years.

The agreement was amended in May 2017, whereby Sinobioway paid the Company a payment of $5.0 million related to the future selection of additional CAB antibodies under the agreement. The Company’s obligations and the deliverables for the future CAB antibodies to be selected were similar to those for the previous four CAB antibodies selected. The Company allocated the arrangement consideration for the future CAB antibodies to the

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units of accounting based on the relative selling price method limited to amounts that were fixed and determinable. Revenue allocated to the obligation to develop and provide CAB antibody candidates will be recognized on a ratable basis over the estimated service period of 1.8 years.

In 2018, the Company entered into an agreement to terminate its Amended and Restated Collaboration Agreement with Sinobioway (the "Termination Agreement"). Under the Termination Agreement, Sinobioway terminated its rights to develop and commercialize CAB Antibody products, including the four Initial CAB Antibodies, in the Territory and the Company will no longer be obligated to present new CAB Antibodies to Sinobioway for selection, funding, and development in the Territory. As consideration for the Termination Agreement, the Company issued a noncontrolling interest in Himalaya Therapeutics SEZC to Sinobioway in the form of 34,976,744 ordinary shares with a fair value of $0.

In March 2018, as it has no further deliverables or performance obligations upon the effectiveness of the Termination Agreement, the Company recognized all remaining deferred revenue under the agreement. The Company recognized collaboration revenue of $10.5 million for the year ended December 31, 2018 and had deferred revenue of $0 as of December 31, 2018.

License and Option Agreement with Pfizer, Inc.

The Company was party to a license and option agreement with Pfizer that was terminated in December 2019. Under the agreement, the parties granted to each other the exclusive option to obtain an exclusive, worldwide, sublicensable, transferable license to develop and commercialize a certain number of Antibody Drug Conjugates ("ADC") CAB antibodies, with such ADC CAB antibodies to be jointly selected by the parties. As of December 2019, no ADC CAB Antibodies had been optioned by either party.

Pfizer paid the Company $1.0 million in December 2015 upon execution of the agreement. The Company had identified a single deliverable at inception of the agreement, which consisted of the company's obligation to nominate targets, perform certain preclinical research, efficacy studies and related reports ("research and development services"). These services were prerequisites to Pfizer's exercise of Pfizer's substantive options under the agreement. As such, the Company recognized revenue for the $1.0 million of consideration received over the four-year period over which it delivered its research and development services. In connection with the license and option agreement with Pfizer, the Company recognized collaboration revenue of $0.2 million and $0.5 million for the years ended December 31, 2018 and 2019, respectively, and had deferred revenue of $0.5 million and $0, respectively, as of December 31, 2018 and 2019.

9. Other related party transactions

Biotech Investment Group, LLC

Prior to the Corporate Reorganization, Biotech Investment Group, LLC ("BIG"), was a principal owner, related party of the Company and affiliated with Alliance Holdings, BioDuro, LLC ("BioDuro") and Biotech Investment Group II LLC ("BIG II"). Subsequent to the Corporate Reorganization, BIG is no longer a principal owner and, as a result, neither BIG nor its affiliates are related parties of the Company.

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Alliance Diversified Holdings

During the year ended December 31, 2018, the Company leased its facility from Alliance Holdings. Rent expense, including common area maintenance, during the year ended December 31, 2018 was $0.1 million. As of December 31, 2018, the Company had no outstanding accounts payable and accrued expenses due to Alliance Holdings. The lease agreement with Alliance Holdings was completed in February 2018.

BioDuro

BioDuro is a contract research organization that provides services to the Company. For the years ended December 31, 2018 and 2019, the Company incurred expenses of $2.4 million and $1.9 million, respectively, in connection with services provided by BioDuro. As of December 31, 2018 and 2019, the Company had outstanding accounts payable and accrued expenses due to BioDuro in the aggregate amount of $0.5 million and $0.4 million, respectively. During 2019, an affiliate of BIG sold a majority interest in BioDuro to an unaffiliated entity. Effective January 1, 2020, BioDuro is no longer considered a related party of the Company.

Biotech Investment Group II LLC

BIG II loaned the Company $0.5 million under the terms of the 2019 Notes described in Note 4 above. As of December 31, 2019, the Company had outstanding 2019 Notes due to BIG II in the amount of $0.5 million and accrued interest payable to BIG II of $11,000. For the year ended December 31, 2019 and the nine months ended September 30, 2019 and 2020, the Company recognized interest expense (including amortization of debt discounts) of $20,000, $1,000 and $42,000, respectively on outstanding 2019 Notes payable to BIG II.

Dr. Jay Short and Carolyn Anderson Short

Dr. Jay Short and Carolyn Anderson Short, principal owners and officers of the Company, loaned the Company $1.0 million and $0.5 million, respectively, under the terms of the 2019 Notes and 2020 Notes described in Note 4 above. As of December 31, 2019, the Company had outstanding 2019 Notes due to Dr. Jay Short and Carolyn Anderson Short in the amount of $1.0 million and accrued interest payable to Dr. Jay Short and Carolyn Anderson Short of $16,000. For the year ended December 31, 2019 and the nine months ended September 30, 2019 and 2020, the Company recognized interest expense (including amortization of debt discounts) of $32,000, $7,000 and $0.1 million, respectively, on outstanding 2019 Notes and 2020 Notes payable to Dr. Jay Short and Carolyn Anderson Short. The 2019 Notes and 2020 Notes payable to Dr. Jay Short and Carolyn Anderson Short were settled in connection with the Corporate Reorganization in July 2020.

F1 Oncology, Inc. and F1 Oncology SEZC

The Company is a named party to a lease where F1 Oncology SEZC, a subsidiary of F1 Oncology, is the primary tenant. F1 Oncology SEZC pays the landlord directly for all payments due under the lease and is reimbursed by the Company for its share of the payments. For the years ended December 31, 2018 and 2019, the Company expensed $20,000 and $15,000, respectively, for its share of payments due under the lease. In addition, the Company expensed $10,000 related to amendment of the license agreement described in Note 11. As of December 31, 2018 and 2019, the Company had outstanding accounts payable and accrued expenses due to F1

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Oncology in the aggregate amount of $5,000 and $0, respectively. As of December 31, 2019, the Company and F1 Oncology are no longer related parties since none of the Post-Division LLCs own any common or preferred stock of F1 Oncology and have no ongoing contractual relationships other than the license agreement described below (see Note 11).

Inversagen, LLC

Inversagen was formed in conjunction with the LLC Division. On March 15, 2019, the Company entered into an Exclusive License Agreement with Inversagen (the "Inversagen License"). Under the terms of the agreement, Inversagen acquired the rights to CAB-antibodies for the field of diseases associated with aging, outside of cancer, and a immuno-oncology antibody. The Company may perform development services under the agreement and will be reimbursed by Inversagen for its costs. Commencing on the first commercial sale of the CAB-antibodies and immuno-oncology antibody subject to the Inversagen License, Inversagen will pay the Company milestone payments and royalties, which represent a variable interest held by the Company. On July 7, 2020, the Company and Inversagen entered into the First Amendment to Exclusive License Agreement ("Amended Inversagen License"), which grants the Company an option for a period of 10 years to acquire the immuno-oncology antibody in return for royalty payments in the low-single digits during the applicable royalty term. No payments have been made to date.

Inversagen has only nominal assets and liabilities and is a VIE as the entity lacks sufficient equity to finance its activities without additional subordinated financial support. The Company does not consolidate Inversagen as it is not the primary beneficiary; Inversagen License and the Amended Inversagen License did not and do not provide the Company with any decision-making power over the activities that are most significant to the entity's economic success, such as the direction of its development efforts or the search for or terms of any future financing arrangements. The Company has no equity interest in Inversagen, and no exposure to its losses. Inversagen is currently inactive, and the Company has not provided any services to Inversagen, has not provided any support to Inversagen and has no obligation to do so, and Inversagen's creditors have no recourse to the general credit of the Company. The Company does not have any assets or liabilities associated with its variable interest in Inversagen at December 31, 2019 or September 30, 2020.

Inversagen is a related party of the Company. Dr. Jay Short and Carloyn Anderson Short serve as managers of Inversagen.

Himalaya Therapeutics SEZC

Prior to the Corporate Reorganization, Himalaya Therapeutics SEZC met the definition of a VIE under ASC 810-10, as the entity did not have enough equity to finance its activities without additional subordinated financial support. The Company consolidated Himalaya Therapeutics SEZC as the primary beneficiary, as it had (i) the power to direct activities of a VIE that most significantly impact the VIE's economic performance and (ii) the right to receive benefits from the VIE that could potentially be significant to the VIE, resulting from its control of the board of directors, and voting control of the entity via a voting agreement among its shareholders, and its equity holdings. The Company was not obligated to provide financial support to Himalaya Therapeutics SEZC. Himalaya Therapeutics SEZC's creditors had no recourse in the general credit of the Company. Himalaya Therapeutics SEZC held intellectual property related to certain CAB Antibodies under an

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Exclusive Rights Agreement with the Company dated December 20, 2018. As of December 31, 2019, Himalaya Therapeutics SEZC had no material operations, did not have any employees and the carrying value of its assets and liabilities was nominal.

On January 1, 2020, the Company entered into an Amended and Restated Exclusive Rights Agreement (the "Amended Rights Agreement") with Himalaya Therapeutics SEZC. Under the terms of the Amended Rights Agreement, Himalaya Therapeutics SEZC acquired the rights to 10 CAB-antibodies for the territory of China, Macao, Hong Kong and Taiwan, global rights to a CAB-HER2-bispecific-antibody and global co-development rights with us to an IL-22 non-CAB-antibody. Payments to the Company may include upfront payments, milestone payments and double digit royalties, which represent a variable interest held by the Company, but no payments have been made to the Company to date.

As part of the Corporate Reorganization, Himalaya Therapeutics SEZC was distributed to Himalaya Parent LLC at the carrying value of its assets and liabilities, which were nominal, and no gain or loss was recorded on the transaction in the Company's financial statements for the nine months ended September 30, 2020. Himalaya Therapeutics SEZC continues to be a variable interest entity as it does not have sufficient equity to finance its activities without additional subordinated financial support. The Company is not obligated to provide financial support to Himalaya Therapeutics SEZC. The Company is not the primary beneficiary of Himalaya Therapeutics SEZC, however, as the Amended Rights Agreement does not provide BioAtla, Inc. with the power to direct activities of a VIE that most significantly impact the VIE's economic performance, such as decision-making power over the direction of its development efforts or the search for or terms of any future financing arrangements. The Company does not have any assets or liabilities recorded at September 30, 2020 associated with its variable interest in Himalaya Therapeutics SEZC, and has no exposure to Himalaya Therapeutics SEZC losses. The Company does not have a variable interest in Himalaya Parent LLC.

Himalaya Therapeutics SEZC is a related party whose controlling shareholder is Himalaya Parent LLC. Dr. Jay Short and Carolyn Anderson Short serve as directors of Himalaya Therapeutics SEZC, and Carolyn Anderson Short serves as an officer of such entity.

BioAtla Holdings, LLC

Effective January 1, 2020, the Company entered into an Exclusive License Agreement (the "BioAtla Holdings License") with BioAtla Holdings. Under the terms of the agreement, BioAtla Holdings acquired the rights to CAB antibodies for certain targets in the field of Adoptive Cell Therapy (CAR-T format) in exchange for potential royalty payments on future net sales. On July 7, 2020, the Company and BioAtla Holdings entered into the First Amendment to Exclusive License Agreement (the "Amended BioAtla Holdings License"), which grants the Company an option for a period of 10 years to acquire the ACT Preparations and ACT Treatments in return for royalty payments in the low-single digits during the applicable royalty term. The Company has not exercised its option and no payments have been made to date under these agreements.

In addition, effective January 1, 2020, the Company entered into a Royalty Sharing Agreement whereby the Company agreed to share with BioAtla Holdings 50% of the royalties it receives under the Amended and Restated F1 License defined and described in Note 11 below.

BioAtla Holdings is a variable interest entity as it does not have sufficient equity to finance its activities without additional subordinated financial support. The royalty payments and option to acquire assets represent

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variable interests held by the Company in BioAtla Holdings. The Company is not the primary beneficiary of BioAtla Holdings, however, as the BioAtla Holdings License and Amended BioAtla Holdings License did not and do not provide the Company with any decision-making power over the activities that are most significant to the entity's economic success, such as the direction of its development efforts or the search for or terms of any future financing arrangements. The Company has no equity interest in BioAtla Holdings, and no exposure to its losses. BioAtla Holdings is currently inactive, and the Company has not provided any support to BioAtla Holdings and has no obligation to do so, and BioAtla Holdings' creditors have no recourse to the general credit of the Company. The Company does not have any assets or liabilities associated with its variable interests in BioAtla Holdings at December 31, 2019 or September 30, 2020.

BioAtla Holdings is a related Party of the Company. Dr. Jay Short and Carolyn Anderson Short serve as managers of BioAtla Holdings.

Himalaya Parent LLC

In connection with the Corporate Reorganization, Himalaya Parent assumed the Company's profits interest plan, including equity awards to employees of the Company. For the nine months ended September 30, 2020, the Company recognized $24,000 of compensation cost and a related capital adjustment in connection with the assumed profits interest plan. Dr. Jay Short and Carolyn Anderson Short serve as managers of Himalaya Parent LLC.

10. 401(k) plan

The Company maintains a defined contribution 401(k) plan available to eligible employees. Employee contributions are voluntary and are determined on an individual basis, limited to the maximum amount allowable under federal tax regulations. The Company, at its discretion, may make certain matching contributions to the 401(k) plan. As of December 31, 2019 and September 30, 2020, the Company had not made any matching contributions.

11. F1 Oncology, Inc.

Exclusive License Agreement

Under an Exclusive License Agreement entered into in May 2016, the Company granted F1 Oncology and its affiliates an exclusive, worldwide, sublicensable license under certain patents and know-how controlled by the Company to develop, manufacture and commercialize Adoptive Cellular Therapy ("ACT") preparations and treatments for cancer. F1 Oncology's rights under the agreement exclude the right to grant sublicenses to third parties to discover, develop or manufacture any CAB ACT or any component of the Company's CAB ACT technology, except as used in or incorporated into F1 Oncology's ACTs for cancer. The license to F1 Oncology, which was amended in November 2017, is royalty bearing.

F1 Oncology granted the Company an exclusive, worldwide, royalty free, fully paid-up, sublicensable license under certain patents and know-how controlled by F1 Oncology and F1 Oncology's interest in technology jointly developed under the agreement to develop, manufacture and commercialize non-ACT CAB products for any indication.

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F1 Oncology is obligated to pay the Company during the royalty term, on a product-by-product basis and country-by-country basis, mid-single digit royalties based on annual net sales of certain F1 Oncology ACT products, subject to certain adjustments. The term during which F1 Oncology is obligated to pay royalties under the agreement with respect to any particular product in any particular country, will begin on the first commercial sale of such product in such country and will end on the date of expiration of the last-to-expire of certain product-related patent rights in such country. All royalties to be paid under the agreement are subject to certain adjustments. Future royalties will be recognized when earned.

Unless earlier terminated, the agreement continues in effect so long as F1 Oncology or any of its affiliates, licensees or sublicensees are developing or commercializing any F1 Oncology products in the ACT field or the Company or any of its affiliates, licensees or sublicensees are developing or commercializing any CAB products for any indication outside the ACT field. The agreement may be terminated only by the mutual written agreement of the parties.

In connection with the Exclusive License Agreement, the Company received common and preferred stock of F1 Oncology. The preferred stock was accounted for as a cost method investment and the common stock was accounted for as an equity method investment. Both the cost method investment and equity method investment had initial carrying values of zero and neither resulted in adjustments to the consolidated statements of operations for the years ended December 31, 2018 and 2019. These holdings of F1 Oncology common and preferred stock were retained by BioAtla Holdings in connection with the LLC Division.

In November 2019, the Company entered into an Amended and Restated Exclusive License Agreement with F1 Oncology (the “Amended and Restated F1 License”). The Amended and Restated F1 License curtailed the rights to certain CAB intellectual property previously licensed to F1 Oncology in exchange for a one-time, non-refundable, non-creditable license fee of $10,000. More specifically, the Amended and Restated F1 License limits CAB ACT products to four specified targets, and BioAtla is no longer obligated to provide new targets to F1 Oncology. The Amended and Restated F1 License does not change F1 Oncology’s obligation to pay BioAtla royalties on licensed products. In connection with the Amended and Restated F1 License, BioAtla Holdings sold its F1 Oncology common and preferred holdings back to F1 Oncology for consideration of $25,000. The Company concluded that the Amended and Restated F1 License was priced at fair value and was not influenced by the pricing of the contemporaneous related party stock sale.

F1 Oncology is a VIE, and the Company has a variable interest in F1 Oncology due to its right to receive royalties during the royalty term under the Amended and Restated F1 License. As of November 2019 and through September 30, 2020, the Company has determined it is not the primary beneficiary of F1 Oncology and, as such, the Company does not consolidate F1 Oncology. The Company has no equity ownership in F1 Oncology, no representation on the F1 Oncology board of directors, and the Amended and Restated F1 License does not provide the Company with the ability to make decisions regarding the execution of business strategy that most significantly impact the economic performance of F1 Oncology. The Company has not funded and has no commitment to fund F1 Oncology’s losses, and has no exposure to loss as a result of its Amended and Restated F1 License. The Company’s financial statements do not include any assets or liabilities related to the Amended and Restated F1 License at December 31, 2019 and September 30, 2020.

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12. Subsequent events

The Company has completed an evaluation of all subsequent events through October 5, 2020 for the financial statements as of and for the years ended December 31, 2018 and 2019 and through November 13, 2020 for the interim financial statements as of and for the nine months ended September 30, 2019 and 2020, to ensure these consolidated financial statements include appropriate disclosure of events both recognized in the consolidated financial statements and events which occurred but were not recognized in the consolidated financial statements. The Company has further evaluated subsequent events for disclosure purposes through December 8, 2020. Except as described below or elsewhere in these consolidated financial statements, the Company has concluded that no subsequent event has occurred that requires disclosure.

Amendment of BeiGene Collaboration

In October 2020, the Company and BeiGene amended the Global Co-Development and Collaboration agreement (the “Amended BeiGene Collaboration”). Under the terms of the Amended BeiGene Collaboration, BeiGene is generally responsible for developing BA3071 and is responsible for global regulatory filings and commercialization. Subject to the terms of Amended BeiGene Collaboration, BeiGene holds an exclusive license with the Company to develop and manufacture the BA3071 candidate globally, and BeiGene is responsible for all costs of development, manufacturing and commercialization globally. The Amended BeiGene Collaboration provides that the Company is eligible to receive tiered royalties, ranging from the high-single digits to the low twenties, on sales worldwide, up to $225.5 million in subsequent development and regulatory milestone payments globally and commercial milestones in the BeiGene territory (reduced from $249 million under the BeiGene Collaboration), and a $5 million milestone payment upon the completion of the Company’s amended performance obligations, including the transfer of the master cell bank for BA3071 and other know-how.

Amendment of Certificate of Incorporation

In December 2020, the Company’s board of directors and stockholders approved the amendment of the Company’s certificate of incorporation to provide the Company’s stockholders the right to elect to receive non-voting common stock, instead of common stock, in respect of such stockholder’s Series D convertible preferred stock that automatically converts upon the closing of a public offering. The non-voting shares of common stock shall have the same rights and preferences as the common stock, but shall be non-voting.

Approval of 2020 Equity Incentive Plan

On October 29, 2020, the Company’s board of directors approved the adoption of the BioAtla, Inc. 2020 Equity Incentive Plan (the “2020 Plan”) and approved certain amendments to the 2020 Plan in December 2020. The Company’s stockholders approved the 2020 Plan, as amended, in December 2020. Under the 2020 Plan, the Company may grant awards of common stock to the Company’s employees, consultants and non-employee directors pursuant to option awards, stock appreciation rights awards, restricted stock awards, restricted stock unit awards, performance stock awards, performance stock unit awards and other stock-based awards. The total number of common shares available for awards under the 2020 Plan is 4,939,678. On January 1st of each year, commencing with the first January 1st following the effective date of

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the 2020 Plan, the shares available for awards under the 2020 Plan shall be increased by a number of shares equal to the lessor of 4% of the total number of shares outstanding on the immediately preceding December 31st and such lesser number of shares determined by the Company's board of directors.

In October and December 2020, the Company's board of directors approved the issuance of an aggregate of 1,920,037 restricted stock units ("RSUs") to certain of the Company's employees and service providers, including executive officers and non-employee directors. The RSUs will not begin to vest until the occurrence of a change in control or an initial public offering. In addition, in December 2020, the Company's board of directors approved the issuance of 615,106 stock options to certain of the Company's employees and service providers, including executive officers, subject to the occurrence of the Company's initial public offering. These stock options will have an exercise price per share equal to the initial public offering price per share of the Company's common stock.

Approval of Employee Stock Purchase Plan

The Company's board of directors adopted the BioAtla, Inc. Employee Stock Purchase Plan (the "ESPP") in December 2020 and the Company's stockholders approved the ESPP in December 2020. The ESPP permits participants to purchase common stock through payroll deductions of up to 15% of their eligible compensation. A total of 464,829 shares of common stock were approved to be initially reserved for issuance under the ESPP. The number of shares of common stock reserved for issuance will automatically increase on January 1 of each calendar year, from January 1, 2021 through January 1, 2030 by the least of (i) 1.0% of the total number of common shares of our common stock outstanding on December 31 of the preceding calendar year, (ii) 929,658 common shares or (iii) a number determined by the Company's board of directors that is less than (i) and (ii).

Reverse Stock Split

On December 2, 2020, the Company effected a 1-for-13 reverse stock split of its common stock. The par value and the authorized shares of the common stock were not adjusted as a result of the reverse stock split. The reverse stock split resulted in an adjustment to the convertible preferred stock conversion price to reflect a proportional decrease in the number of shares of common stock to be issued upon conversion. The accompanying financial statements and notes to the financial statements give retroactive effect to the reverse stock split for all periods presented. No adjustments have been made to any period for the units outstanding prior to the LLC Conversion.

shares

Common stock

Prospectus

J.P. Morgan **Jefferies** **Credit Suisse**

BTIG

, 2020

Through and including , 2020 (25 days after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This delivery is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to their unsold allotment or subscription.

Part II
Information not required in prospectus

Item 13. Other expenses of issuance and distribution.

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by BioAtla, Inc., or the Registrant, in connection with the sale of the common stock being registered. All amounts shown are estimates except for the Securities and Exchange Commission, or SEC, registration fee, the Financial Industry Regulatory Authority, Inc., or FINRA, filing fee and the Nasdaq Global Market listing fee.

	Amount to be paid
SEC registration fee	$ 10,910
FINRA filing fee	15,500
Nasdaq Global Market listing fee	150,000
Printing expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Transfer agent and registrar fees and expenses	*
Miscellaneous expenses	*
Total	$ *

* To be provided by amendment.

Item 14. Indemnification of directors and officers.

Upon the completion of this offering, the Registrant's amended and restated certificate of incorporation will contain provisions that eliminate, to the maximum extent permitted by the General Corporation Law of the State of Delaware, the personal liability of the Registrant's directors and executive officers for monetary damages for breach of their fiduciary duties as directors or officers. The Registrant's amended and restated certificate of incorporation and amended and restated bylaws will provide that the Registrant must indemnify its directors and executive officers and may indemnify its employees and other agents to the fullest extent permitted by the General Corporation Law of the State of Delaware.

Section 145 of the Delaware General Corporation Law provides that a Delaware corporation may indemnify any persons who were, are, or are threatened to be made, parties to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation), by reason of the fact that such person is or was an officer, director, employee or agent of such corporation, or is or was serving at the request of such corporation as an officer, director, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided that such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was illegal. A Delaware corporation may indemnify any persons who were, are, or are threatened to be made, a party to any threatened, pending or completed action or suit by or in the right of the corporation by reason of the fact that such person is or was a director, officer, employee or agent of such corporation, or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit provided such person acted in

good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests except that no indemnification is permitted without judicial approval if the officer or director is adjudged to be liable to the corporation. Where an officer or director is successful on the merits or otherwise in the defense of any action referred to above, the corporation must indemnify him or her against the expenses (including attorneys' fees) actually and reasonably incurred.

The Registrant's amended and restated certificate of incorporation and amended and restated bylaws, each of which will become effective upon to the completion of this offering, provide for the indemnification of its directors and officers to the fullest extent permitted under the Delaware General Corporation Law.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duties as a director, except for liability for any:

- transaction from which the director derives an improper personal benefit;
- act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payment of dividends or redemption of shares; or
- breach of a director's duty of loyalty to the corporation or its stockholders.

The Registrant's amended and restated certificate of incorporation includes such a provision. Expenses incurred by any officer or director in defending any such action, suit or proceeding in advance of its final disposition shall be paid by the Registrant upon delivery to it of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified by the Registrant.

Section 174 of the Delaware General Corporation Law provides, among other things, that a director who willfully or negligently approves of an unlawful payment of dividends or an unlawful stock purchase or redemption, may be held liable for such actions. A director who was either absent when the unlawful actions were approved or dissented at the time may avoid liability by causing his or her dissent to such actions to be entered in the books containing minutes of the meetings of the board of directors at the time such action occurred or immediately after such absent director receives notice of the unlawful acts.

As permitted by the Delaware General Corporation Law, the Registrant will enter into indemnity agreements with each of its directors and executive officers, that will require the Registrant to indemnify such persons against any and all costs and expenses (including attorneys', witness or other professional fees) actually and reasonably incurred by such persons in connection with any action, suit or proceeding (including derivative actions), whether actual or threatened, to which any such person may be made a party by reason of the fact that such person is or was a director or officer or is or was acting or serving as an officer, director, employee or agent of the Registrant or any of its affiliated enterprises. Under these agreements, the Registrant is not required to provided indemnification for certain matters, including:

- indemnification beyond that permitted by the Delaware General Corporation Law;
- indemnification for any proceeding with respect to the unlawful payment of remuneration to the director or officer;
- indemnification for certain proceedings involving a final judgment that the director or officer is required to disgorge profits from the purchase or sale of the Registrant's stock;

- indemnification for proceedings involving a final judgment that the director's or officer's conduct was in bad faith, knowingly fraudulent or deliberately dishonest or constituted willful misconduct or a breach of his or her duty of loyalty, but only to the extent of such specific determination;
- indemnification for proceedings or claims brought by an officer or director against us or any of the Registrant's directors, officers, employees or agents, except for (i) claims to establish a right of indemnification or proceedings, (ii) claims approved by the Registrant's board of directors, (iii) claims required by law, (iv) when there has been a change of control as defined in the indemnification agreement with each director or officer, or (v) by the Registrant in its sole discretion pursuant to the powers vested to the Registrant under Delaware law;
- indemnification for settlements the director or officer enters into without the Registrant's consent; or
- indemnification in violation of any undertaking required by the Securities Act or in any registration statement filed by the Registrant.

The indemnification agreements will also set forth certain procedures that will apply in the event of a claim for indemnification thereunder.

There is at present no pending litigation or proceeding involving any of the Registrant's directors or executive officers as to which indemnification is required or permitted, and the Registrant is not aware of any threatened litigation or proceeding that may result in a claim for indemnification.

The Registrant has an insurance policy in place that covers its officers and directors with respect to certain liabilities, including liabilities arising under the Securities Act or otherwise.

The Registrant plans to enter into an underwriting agreement which provides that the underwriters are obligated, under some circumstances, to indemnify the Registrant's directors, officers and controlling persons against specified liabilities, including liabilities under the Securities Act.

Item 15. Recent sales of unregistered securities.

The following list sets forth information regarding all unregistered securities issued and sold by the Registrant since January 1, 2017:

(1) On May 23, 2017, pursuant to a Services and Unit Purchase Agreement, the Registrant issued and sold to Shanghai Weitong Investment Center Limited Partnership 2,946,253 Class C Preferred units as payment for advisory services to be rendered during the 24 month period following the date of the agreement.

(2) Between January 2017 and October 2019, the Registrant granted an aggregate of 9,402,586 Profits Interest units pursuant to its profits interest plan to employees and consultants in connection with the provision of services to the Registrant.

(3) Between July 2018 and May 2020, the Registrant issued and sold to investors convertible promissory notes for an aggregate principal amount of $11.8 million.

(4) On July 13, 2020, pursuant to the Series D Preferred Stock Purchase Agreement, the Registrant sold an aggregate of 140,626,711 shares of our Series D preferred stock at a purchase price of $0.51554931 per share for an aggregate amount of $72,500,003.82 to a group of venture capital funds.

(5) Between October 2020 and December 2020, the Registrant granted an aggregate of 1,920,037 restricted stock units pursuant to the Registrant's 2020 Equity Incentive Plan to employees and consultants in connection with the provision of services to the Registrant.

The offers, sales and issuances of the securities described in paragraphs (1), (3), and (4) above were deemed to be exempt from registration under the Securities Act in reliance on Section 4(a)(2) of the Securities Act and Rule 506 promulgated under Regulation D promulgated thereunder as transactions by an issuer not involving a public offering. The recipients of securities in each of these transactions acquired the securities for investment only and not with a view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the securities issued in these transactions. Each of the recipients of securities in these transactions was an accredited investor within the meaning of Rule 501 of Regulation D under the Securities Act and had adequate access, through employment, business or other relationships, to information about the Registrant. No underwriters were involved in these transactions.

The offers, sales and issuances of the securities described in paragraphs (2) and (5) above were deemed to be exempt from registration under the Securities Act in reliance on Rule 701 in that the transactions were under compensatory benefit plans and contracts relating to compensation as provided under Rule 701, except for the issuance of 285,804 profits interest units issued to a former employee and accredited investor within the meaning of Rule 501 of Regulation D under the Securities Act, which issuance was deemed to be exempt from registration under the Securities Act in reliance on Section 4(a)(2) of the Securities Act. The recipients of such securities were the Registrant's employees, directors or consultants. The recipients of the securities described in paragraph (2) received the securities under the Registrant's Amended and Restated Profits Interest Plan. The recipients of the securities described in paragraph (5) received the securities under the Registrant's 2020 Equity Incentive Plan. Appropriate legends were affixed to the securities issued in these transactions. Each of the recipients of securities in these transactions had adequate access, through employment, business or other relationships, to information about the Registrant.

Item 16. Exhibits and financial statement schedules.

(a) Exhibits.

See the Exhibit Index immediately preceding the signature page hereto for a list of exhibits filed as part of this registration statement on Form S-1, which Exhibit Index is incorporated herein by reference.

(b) Financial statement schedules.

No financial statement schedules are provided because the information called for is not required or is shown either in the financial statements or the notes thereto.

Item 17. Undertakings.

The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer, or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(a) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(b) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Exhibit index

Exhibit number	Description of document
1.1	Form of Underwriting Agreement
3.1	Certificate of Incorporation of BioAtla, Inc., as currently in effect
3.2	Form of Amended and Restated Certificate of Incorporation of BioAtla, Inc., to be effective upon the completion of this offering
3.3	Bylaws of BioAtla, Inc., as currently in effect
3.4	Form of Amended and Restated Bylaws of BioAtla, Inc., to be effective upon the completion of this offering
4.1	Specimen Common Stock Certificate evidencing the shares of common stock
4.2	Investors' Rights Agreement, dated July 13, 2020
4.3	Right of First Refusal and Co-Sale Agreement, dated July 13, 2020
4.4	Voting Agreement, dated July 13, 2020
5.1†	Opinion of Dechert LLP
10.1+	2020 Equity Incentive Plan
10.2+	Form of Restricted Stock Agreement
10.3+	2020 Employee Stock Purchase Plan
10.4*^	Exclusive Rights Agreement with Himalaya Therapeutics SEZC, dated January 1, 2020
10.5*^	Exclusive License Agreement with Inversagen, LLC, dated March 15, 2019, as amended by First Amendment to Exclusive License Agreement, dated July 7, 2020
10.6*^	Exclusive License Agreement with BioAtla Holdings, LLC, dated January 1, 2020, as amended by First Amendment to Exclusive License agreement, dated July 7, 2020
10.7*^	Amended and Restated Exclusive License Agreement with F1 Oncology, Inc., dated November 22, 2019
10.8*^	Global Co-Development and Collaboration Agreement with BeiGene, Ltd. and BeiGene Switzerland GmbH, dated April 8, 2019, as amended by First Amendment, dated December 24, 2019 and as amended by Second Amendment, October 5, 2020
10.9*^	Cell Line License Agreement with Life Technologies Corporation, dated June 28, 2018
10.10^	Royalty Sharing Agreement with BioAtla Holdings, LLC, dated January 1, 2020
10.11+	Employment Letter Agreement between BioAtla, LLC and Jay Short, as amended by the Letter Amendment dated October 1, 2011
10.12+	Offer Letter between BioAtla, LLC and Carolyn Short, dated November 30, 2015
10.13+	Severance Agreement between BioAtla, LLC and Jay Short, dated July 1, 2018
10.14+	Offer Letter between BioAtla, LLC and Scott Smith, dated August 2, 2018
10.15+	Letter Agreement between BioAtla, LLC and Scott Smith, dated August 3, 2018
10.16+	Severance Agreement between BioAtla, LLC and Scott Smith, dated August 20, 2018
10.17+	Severance Agreement between BioAtla, LLC and Carolyn Short, as amended by the Amended Severance Agreement between BioAtla, LLC and Carolyn Short, dated April 1, 2020

Exhibit number	Description of document
10.18	Form of Indemnification Agreement between the Registrant and each of its executive officers
10.19	Lease Agreement with HCP Torreyana, LLC, dated June 2, 2017, as amended by First Amendment to Lease, dated January 16, 2019
10.20^	Payment Protection Program Promissory Note dated April 22, 2020, by and between BioAlta, LLC and City National Bank.
23.1	Consent of Independent Registered Public Accounting Firm
23.2†	Consent of Dechert LLP (included in Exhibit 5.1)
24.1	Power of Attorney (included on signature page)

† To be filed by amendment.

+ Indicates management contract or compensatory plan.

* Portions of this exhibit have been omitted because they are both (i) not material and (ii) would likely cause competitive harm to the Registrant if publicly disclosed.

^ Previously filed

Signatures

Pursuant to the requirements of the Securities Act, the Registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Diego, State of California, on the 8th day of December, 2020.

BIOATLA, INC.

By: /s/ Jay M. Short
Jay M. Short, Ph.D.
Chief Executive Officer

Power of attorney

KNOW ALL BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Jay M. Short, Ph.D. and Richard A. Waldron, and each of them, as his or her true and lawful attorneys-in-fact and agents, each with the full power of substitution, for him or her and in his or her name, place or stead, in any and all capacities, to sign any and all amendments to this registration statement (including post-effective amendments), and to sign any registration statement for the same offering covered by this registration statement that is to be effective upon filing pursuant to Rule 462(b) promulgated under the Securities Act, and all post-effective amendments thereto, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or their or her substitute or substitutes, may lawfully do or cause to be done by — virtue hereof.

Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Jay M. Short Jay M. Short, Ph.D.	Chief Executive Officer and Director *(Principal Executive Officer)*	December 8, 2020
/s/ Richard A. Waldron Richard A. Waldron	Chief Financial Officer *(Principal Financial and Accounting Officer)*	December 8, 2020
* Scott Smith	President and Director	December 8, 2020
* Priyanka Belawat, Ph.D.	Director	December 8, 2020
* Guy Levy	Director	December 8, 2020
* Lawrence Steinman	Director	December 8, 2020
/s/ Mary Ann Gray Mary Ann Gray, Ph.D.	Director	December 8, 2020
/s/ Susan Moran Susan Moran, M.D.	Director	December 8, 2020

*By: /s/ Jay M. Short
Jay M. Short, Ph.D. Attorney-in-Fact

Exhibit 1.1

BIOATLA, INC.

[●] Shares of Common Stock

Underwriting Agreement

December [●], 2020

J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Jefferies LLC
520 Madison Avenue
New York, New York 10022

Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, New York 10010

As Representatives of the
several Underwriters listed
in Schedule 1 hereto

Ladies and Gentlemen:

BioAtla, Inc., a Delaware corporation (the "Company"), proposes to issue and sell to the several underwriters listed in Schedule 1 hereto (the "Underwriters"), for whom you are acting as representatives (the "Representatives"), an aggregate of [●] shares of common stock, par value $0.0001 per share, of the Company (the "Underwritten Shares") and, at the option of the Underwriters, up to an additional [●] shares of common stock of the Company (the "Option Shares"). The Underwritten Shares and the Option Shares are herein referred to as the "Shares". The shares of common stock of the Company to be outstanding after giving effect to the sale of the Shares are referred to herein as the "Stock".

J.P. Morgan Securities LLC (the "Directed Share Underwriter") has agreed to reserve a portion of the Shares to be purchased by it under this Agreement, up to [●] Shares, for sale to certain persons with relationships with the Company (collectively, "Participants"), as set forth in the Prospectus (as hereinafter defined) under the heading "Underwriting" (the "Directed Share Program"). The Shares to be sold by the Directed Share Underwriter and its affiliates pursuant to the Directed Share Program are referred to hereinafter as the "Directed Shares". Any Directed Shares not orally confirmed for purchase by any Participant by [●] [A/P].M., New York City time on the business day on which this Agreement is executed will be offered to the public by the Underwriters as set forth in the Prospectus.

The Company hereby confirms its agreement with the several Underwriters concerning the purchase and sale of the Shares, as follows:

1. Registration Statement. The Company has prepared and filed with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Securities Act"), a registration statement (File No. 333-250093), including a prospectus, relating to the Shares. Such registration statement, as amended at the time it became effective, including the information, if any, deemed pursuant to Rule 430A, 430B or 430C under the Securities Act to be part of the registration statement at the time of its effectiveness ("Rule 430 Information"), is referred to herein as the "Registration Statement"; and as used herein, the term "Preliminary Prospectus" means each prospectus included in such registration statement (and any amendments thereto) before effectiveness, any prospectus filed with the Commission pursuant to Rule 424(a) under the Securities Act and the prospectus included in the Registration Statement at the time of its effectiveness that omits Rule 430 Information, and the term "Prospectus" means the prospectus in the form first used (or made available upon request of purchasers pursuant to Rule 173 under the Securities Act) in connection with confirmation of sales of the Shares. If the Company has filed an abbreviated registration statement pursuant to Rule 462(b) under the Securities Act (the "Rule 462 Registration Statement"), then any reference herein to the term "Registration Statement" shall be deemed to include such Rule 462 Registration Statement. Capitalized terms used but not defined herein shall have the meanings given to such terms in the Registration Statement and the Prospectus.

At or prior to the Applicable Time (as defined below), the Company had prepared the following information (collectively with the pricing information set forth on Annex A, the "Pricing Disclosure Package"): a Preliminary Prospectus dated [●], 2020 and each "free-writing prospectus" (as defined pursuant to Rule 405 under the Securities Act) listed on Annex A hereto.

"Applicable Time" means [●] [A/P].M., New York City time, on December [●], 2020.

2. Purchase of the Shares.

(a) The Company agrees to issue and sell the Underwritten Shares to the several Underwriters as provided in this underwriting agreement (this "Agreement"), and each Underwriter, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, agrees, severally and not jointly, to purchase at a price per share of $[●] (the "Purchase Price") from the Company the respective number of Underwritten Shares set forth opposite such Underwriter's name in Schedule 1 hereto.

In addition, the Company agrees to issue and sell the Option Shares to the several Underwriters as provided in this Agreement, and the Underwriters, on the basis of the representations, warranties and agreements set forth herein and subject to the conditions set forth herein, shall have the option to purchase, severally and not jointly, from the Company the Option Shares at the Purchase Price less an amount per share equal to any dividends or distributions declared by the Company and payable on the Underwritten Shares but not payable on the Option Shares.

If any Option Shares are to be purchased, the number of Option Shares to be purchased by each Underwriter shall be the number of Option Shares which bears the same ratio to the aggregate number of Option Shares being purchased as the number of Underwritten Shares set forth opposite the name of such Underwriter in Schedule 1 hereto (or such number increased as set forth in Section 10 hereof) bears to the aggregate number of Underwritten Shares being purchased from the Company by the several Underwriters, subject, however, to such adjustments to eliminate any fractional Shares as the Representatives in their sole discretion shall make.

The Underwriters may exercise the option to purchase Option Shares at any time in whole, or from time to time in part, on or before the thirtieth day following the date of the Prospectus, by written notice from the Representatives to the Company. Such notice shall set forth the aggregate number of Option Shares as to which the option is being exercised and the date and time when the Option Shares are to be delivered and paid for, which may be the same date and time as the Closing Date (as hereinafter defined) but shall not be earlier than the Closing Date nor later than the tenth full business day (as hereinafter defined) after the date of such notice (unless such time and date are postponed in accordance with the provisions of Section 10 hereof). Any such notice shall be given at least two business days prior to the date and time of delivery specified therein.

(b) The Company understands that the Underwriters intend to make a public offering of the Shares, and initially to offer the Shares on the terms set forth in the Pricing Disclosure Package. The Company acknowledges and agrees that the Underwriters may offer and sell Shares to or through any affiliate of an Underwriter.

(c) Payment for the Shares shall be made by wire transfer in immediately available funds to the account specified by the Company to the Representatives in the case of the Underwritten Shares, at the offices of Cravath, Swaine & Moore LLP, 825 Eighth Avenue, New York, New York 10019 at 10:00 A.M. New York City time on December [●], 2020, or at such other time or place on the same or such other date, not later than the fifth business day thereafter, as the Representatives and the Company may agree upon in writing or, in the case of the Option Shares, on the date and at the time and place specified by the Representatives in the written notice of the Underwriters' election to purchase such Option Shares. The time and date of such payment for the Underwritten Shares is referred to herein as the "Closing Date", and the time and date for such payment for the Option Shares, if other than the Closing Date, is herein referred to as the "Additional Closing Date".

Payment for the Shares to be purchased on the Closing Date or the Additional Closing Date, as the case may be, shall be made against delivery to the Representatives for the respective accounts of the several Underwriters of the Shares to be purchased on such date or the Additional Closing Date, as the case may be, with any transfer taxes payable in connection with the sale of such Shares duly paid by the Company. Delivery of the Shares shall be made through the facilities of The Depository Trust Company ("DTC") unless the Representatives shall otherwise instruct.

(d) The Company acknowledges and agrees that the Representatives and the other Underwriters are acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of Shares contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or any other person. Additionally, neither the Representatives nor any other Underwriter is advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and neither the Representatives nor the other Underwriters shall have any responsibility or liability to the Company with respect thereto. Any review by the Representatives and the other Underwriters of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Underwriters and shall not be on behalf of the Company.

3. Representations and Warranties of the Company. The Company represents and warrants to each Underwriter that:

(a) *Preliminary Prospectus*. No order preventing or suspending the use of any Preliminary Prospectus has been issued by the Commission, and each Preliminary Prospectus included in the Pricing Disclosure Package, at the time of filing thereof, complied in all material respects with the Securities Act, and no Preliminary Prospectus included in the Pricing Disclosure Package, at the time of filing thereof, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in any Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof.

(b) *Pricing Disclosure Package*. The Pricing Disclosure Package as of the Applicable Time did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Pricing Disclosure Package, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof. No statement of material fact included in the Prospectus has been omitted from the Pricing Disclosure Package and no statement of material fact included in the Pricing Disclosure Package that is required to be included in the Prospectus has been omitted therefrom.

(c) *Issuer Free Writing Prospectus.* Other than the Registration Statement, the Preliminary Prospectus and the Prospectus, the Company (including its agents and representatives, other than the Underwriters in their capacity as such) has not prepared, made, used, authorized, approved or referred to and will not prepare, make, use, authorize, approve or refer to any "written communication" (as defined in Rule 405 under the Securities Act) that constitutes an offer to sell or solicitation of an offer to buy the Shares (each such communication by the Company or its agents and representatives (other than a communication referred to in clause (i) below) an "Issuer Free Writing Prospectus") other than (i) any document not constituting a prospectus pursuant to Section 2(a)(10)(a) of the Securities Act or Rule 134 under the Securities Act or (ii) the documents listed on Annex A hereto, each electronic road show and any other written communications approved in writing in advance by the Representatives. Each such Issuer Free Writing Prospectus complies in all material respects with the Securities Act, has been or will be (within the time period specified in Rule 433) filed in accordance with the Securities Act (to the extent required thereby) and does not conflict with the information contained in the Registration Statement or the Pricing Disclosure Package, and, when taken together with all other Issuer Free Writing Prospectuses and the Preliminary Prospectus accompanying, or delivered prior to delivery of, such Issuer Free Writing Prospectus, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in each such Issuer Free Writing Prospectus or Preliminary Prospectus in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in such Issuer Free Writing Prospectus or Preliminary Prospectus, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof.

(d) *Emerging Growth Company*. From the time of initial confidential submission of the Registration Statement to the Commission (or, if earlier, the first date on which the Company engaged directly or through any person authorized to act on its behalf in any Testing-the-Waters Communication undertaken in reliance on Section 5(d) of the Securities Act) through the date hereof, the Company has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act (an "Emerging Growth Company"). "Testing-the-Waters Communication" means any oral or written communication with potential investors undertaken in reliance on either Section 5(d) of, or Rule 163B under, the Securities Act.

(e) *Testing-the-Waters Materials.* The Company (i) has not alone engaged in any Testing-the-Waters Communications other than Testing-the-Waters Communications with the consent of the Representatives (x) with entities that are qualified institutional buyers ("QIBs") within the meaning of Rule 144A under the Securities Act or institutions that are accredited investors within the meaning of Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act ("IAIs") and otherwise in compliance with the

requirements of Section 5(d) of the Securities Act or (y) with entities that the Company reasonably believed to be QIBs or IAIs and otherwise in compliance with the requirements of Rule 163B under the Securities Act and (ii) has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Company reconfirms that the Representatives have been authorized to act on its behalf in undertaking Testing-the-Waters Communications by virtue of a writing substantially in the form of Exhibit A hereto. The Company has not distributed or approved for distribution any Written Testing-the-Waters Communications other than those listed on Annex B hereto. "Written Testing-the-Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Securities Act. Any individual Written Testing-the-Waters Communication does not conflict with the information contained in the Registration Statement or the Pricing Disclosure Package, complied in all material respects with the Securities Act, and when taken together with the Pricing Disclosure Package as of the Applicable Time, did not, and as of the Closing Date and as of the Additional Closing Date, as the case may be, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) *Registration Statement and Prospectus.* The Registration Statement has been declared effective by the Commission. No order suspending the effectiveness of the Registration Statement has been issued by the Commission, and no proceeding for that purpose or pursuant to Section 8A of the Securities Act against the Company or related to the offering of the Shares has been initiated or, to the knowledge of the Company, threatened by the Commission; as of the applicable effective date of the Registration Statement and any post-effective amendment thereto, the Registration Statement and any such post-effective amendment complied and will comply in all material respects with the Securities Act, and did not and will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading; and as of the date of the Prospectus and any amendment or supplement thereto and as of the Closing Date and as of the Additional Closing Date, as the case may be, the Prospectus will comply in all material respects with the Securities Act and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that the Company makes no representation or warranty with respect to any statements or omissions made in reliance upon and in conformity with information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement and the Prospectus and any amendment or supplement thereto, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in Section 7(b) hereof.

(g) *Financial Statements.* The financial statements (including the related notes thereto) of the Company and its consolidated subsidiaries included in the Registration Statement, the Pricing Disclosure Package and the Prospectus comply in all material respects with the applicable requirements of the Securities Act and present fairly

in all material respects the financial position of the Company and its consolidated subsidiaries as of the dates indicated and the results of their operations and the changes in their cash flows for the periods specified; such financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") in the United States applied on a consistent basis throughout the periods covered thereby, except in the case of any unaudited financial statements, which are subject to normal year-end adjustments and do not contain certain footnotes as permitted by the applicable rules of the Commission, and any supporting schedules included in the Registration Statement present fairly in all material respects the information required to be stated therein; the other financial information included in the Registration Statement, the Pricing Disclosure Package and the Prospectus has been derived from the accounting records of the Company and its consolidated subsidiaries and presents fairly in all material respects the information shown thereby; all disclosures included in the Registration Statement, the Pricing Disclosure Package and the Prospectus regarding "non-GAAP financial measures" (as such term is defined by the rules and regulations of the Commission) comply with Regulation G of the Exchange Act and Item 10 of Regulation S-K of the Securities Act, to the extent applicable; and the *pro forma* financial information and the related notes thereto included in the Registration Statement, the Pricing Disclosure Package and the Prospectus have been prepared in accordance with the applicable requirements of the Securities Act and the assumptions underlying such pro forma financial information are reasonable and are set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(h) *No Material Adverse Change.* Since the date of the most recent financial statements of the Company included in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (i) there has not been any change in the capital stock (other than the issuance of shares of Common Stock upon exercise of stock options and warrants described as outstanding in, and the grant of options and awards under existing equity incentive plans described in, the Registration Statement, the Pricing Disclosure Package and the Prospectus), short-term debt or long-term debt of the Company, or any dividend or distribution of any kind declared, set aside for payment, paid or made by the Company on any class of capital stock, or any material adverse change, or any development that would reasonably be expected to result in a material adverse change, in or affecting the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company; (ii) the Company has not entered into any transaction or agreement (whether or not in the ordinary course of business) that is material to the Company or incurred any liability or obligation, direct or contingent, that is material to the Company; and (iii) the Company has not sustained any loss or interference with its business that is material to the Company and that is either from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor disturbance or dispute or any action, order or decree of any court or arbitrator or governmental or regulatory authority, except in each case as otherwise disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(i) *Organization and Good Standing.* The Company has been duly organized and is validly existing and in good standing under the laws of Delaware, is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or lease of property or the conduct of its businesses requires such qualification, and has all power and authority necessary to own or hold its properties and to conduct the businesses in which it is engaged, except where the failure to be so qualified or in good standing or have such power or authority would not, individually or in the aggregate, have a material adverse effect on the business, properties, management, financial position, stockholders' equity, results of operations or prospects of the Company or on the performance by the Company of its obligations under this Agreement (a "Material Adverse Effect"). The Company does not own or control, directly or indirectly, any corporation, association or other entity.

(j) *Capitalization.* The Company has an authorized capitalization as set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Capitalization"; all the outstanding shares of capital stock of the Company have been duly and validly authorized and issued and are fully paid and non-assessable and are not subject to any pre-emptive or similar rights; except as described in or expressly contemplated by the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no outstanding rights (including, without limitation, pre-emptive rights), warrants or options to acquire, or instruments convertible into or exchangeable for, any shares of capital stock or other equity interest in the Company, or any contract, commitment, agreement, understanding or arrangement of any kind relating to the issuance of any capital stock of the Company, any such convertible or exchangeable securities or any such rights, warrants or options; and the capital stock of the Company conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(k) *Stock Options and Other Equity Awards.* With respect to the stock options (the "Stock Options") and other equity awards granted pursuant to the stock-based compensation plans of the Company (the "Company Stock Plans"), (i) each Stock Option intended to qualify as an "incentive stock option" under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code") so qualifies, (ii) each grant of a Stock Option was duly authorized no later than the date on which the grant of such Stock Option was by its terms to be effective (the "Grant Date") by all necessary corporate action, including, as applicable, approval by the board of directors of the Company (or a duly constituted and authorized committee thereof) and any required stockholder approval by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto, (iii) each such grant was made in accordance with the terms of the Company Stock Plans, the Exchange Act and all other applicable laws and regulatory rules or requirements, including the rules of the Nasdaq Global Market and any other exchange on which Company securities are traded, and (iv) each such grant was properly accounted for in accordance with GAAP in the financial statements (including the related notes) of the Company. The Company has not knowingly granted, and there is no and has been no policy or practice of the Company of granting, Stock Options or other equity awards prior

to, or otherwise coordinating the grant of Stock Options or other equity awards with, the release or other public announcement of material information regarding the Company or its results of operations or prospects.

(l) *Due Authorization.* The Company has full right, power and authority to execute and deliver this Agreement and to perform its obligations hereunder; and all action required to be taken for the due and proper authorization, execution and delivery by it of this Agreement and the consummation by it of the transactions contemplated hereby has been duly and validly taken.

(m) *Underwriting Agreement.* This Agreement has been duly authorized, executed and delivered by the Company.

(n) *The Shares.* The Shares to be issued and sold by the Company hereunder have been duly authorized by the Company and, when issued and delivered and paid for as provided herein, will be duly and validly issued, will be fully paid and nonassessable and will conform in all material respects to the descriptions thereof in the Registration Statement, the Pricing Disclosure Package and the Prospectus; and the issuance of the Shares is not subject to any preemptive or similar rights.

(o) *Descriptions of the Underwriting Agreement.* This Agreement conforms in all material respects to the description thereof contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(p) *No Violation or Default.* The Company is not (i) in violation of its charter or by-laws or similar organizational documents; (ii) in default, and no event has occurred that, with notice or lapse of time or both, would constitute such a default, in the due performance or observance of any term, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any property or asset of the Company is subject; or (iii) in violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority, except, in the case of clauses (ii) and (iii) above, for any such default or violation that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(q) *No Conflicts.* The execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares by the Company and the consummation by the Company of the transactions contemplated by this Agreement or the Pricing Disclosure Package and the Prospectus will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, result in the termination, modification or acceleration of, or result in the creation or imposition of any lien, charge or encumbrance upon any property, right or asset of the Company pursuant to the terms of, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any property, right or asset of the Company is subject, (ii) result in any violation of the provisions of the charter or by-laws or similar organizational documents of the

Company or (iii) result in the violation of any law or statute or any judgment, order, rule or regulation of any court or arbitrator or governmental or regulatory authority having jurisdiction over the Company, except, in the case of clauses (i) and (iii) above, for any such conflict, breach, violation, default, lien, charge or encumbrance that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(r) *No Consents Required.* No consent, approval, authorization, order, registration or qualification of or with any court or arbitrator or governmental or regulatory authority is required for the execution, delivery and performance by the Company of this Agreement, the issuance and sale of the Shares and the consummation by the Company of the transactions contemplated by this Agreement, except for the registration of the Shares under the Securities Act and such consents, approvals, authorizations, orders and registrations or qualifications as may be required by the Financial Industry Regulatory Authority, Inc. ("FINRA") and under applicable state securities laws in connection with the purchase and distribution of the Shares by the Underwriters.

(s) *Legal Proceedings.* Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no legal, governmental or regulatory investigations, actions, demands, claims, suits, arbitrations, inquiries or proceedings ("Actions") pending to which the Company is or may reasonably be expected to become a party or to which any property of the Company is or may reasonably be expected to become the subject that, individually or in the aggregate, if determined adversely to the Company, would reasonably be expected to have a Material Adverse Effect; to the knowledge of the Company, no such Actions are threatened or contemplated by any governmental or regulatory authority or threatened by others; and (i) there are no current or pending Actions that are required under the Securities Act to be described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so described in the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) there are no statutes, regulations or contracts or other documents that are required under the Securities Act to be filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package or the Prospectus that are not so filed as exhibits to the Registration Statement or described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(t) *Independent Accountants*. Ernst & Young LLP, who have certified certain financial statements of the Company and its subsidiaries is an independent registered public accounting firm with respect to the Company and its subsidiaries within the applicable rules and regulations adopted by the Commission and the Public Company Accounting Oversight Board (United States) and as required by the Securities Act.

(u) *Title to Real and Personal Property*. The Company has good and marketable title in fee simple (in the case of real property) to, or has valid rights to lease or otherwise use, all items of real and personal property that are necessary to the business

of the Company, in each case free and clear of all liens, encumbrances, claims and defects and imperfections of title except those that (i) do not materially interfere with the use made and proposed to be made of such property by the Company or (ii) would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

(v) *Title to Intellectual Property.* Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, (i) the Company owns, or possesses valid and enforceable licensed rights to use, all material patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, trade dress, designs, data, database rights, Internet domain names, copyrights, works of authorship, licenses, proprietary information and know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures) necessary for the conduct of its business as currently conducted and as proposed to be conducted in the Registration Statement, the Pricing Disclosure Package and the Prospectus(collectively, "Company Intellectual Property"), (ii) the Company Intellectual Property has not been adjudged by a court of competent jurisdiction to be invalid or unenforceable, in whole or in part, and, to the knowledge of the Company, there are no acts which would form a reasonable basis for any such adjudication and (iii) the Company has not received any written notice of any claim of infringement, misappropriation or conflict with any intellectual property rights of another, and, to the knowledge of the Company, there are no acts which would form a reasonable basis for any such notice or claim. To the knowledge of the Company: (i) there are no third parties who have rights to any material Company Intellectual Property, except for customary reversionary rights of third-party licensors with respect to such material Company Intellectual Property that is disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus as owned by or licensed to the Company; and (ii) there is no infringement by third parties of any Company Intellectual Property. Except as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there is no pending or, to the knowledge of the Company, threatened action, suit, proceeding or claim by others against the Company: (A) challenging the Company's rights in or to any Company Intellectual Property; (B) challenging the validity, enforceability or scope of any Company Intellectual Property; or (C) asserting that the Company infringes, misappropriates, or otherwise violates, or would, upon the commercialization of any product or service described in the Registration Statement, the Pricing Disclosure Package and the Prospectus as under development, infringe, misappropriate, or otherwise violate, any intellectual property rights of others. The Company has complied with the terms of each agreement in all material respects pursuant to which material intellectual property has been licensed to the Company, and all such agreements are in full force and effect. To the knowledge of the Company, there are no material defects in any of the patents or patent applications included in the Company Intellectual Property. To the knowledge of the Company, the patents included in the Company Intellectual Property are subsisting and have not lapsed and the patent applications in the Company Intellectual Property are subsisting and have not been abandoned. The Company has taken commercially reasonable steps to protect,

maintain and safeguard the Company Intellectual Property, including the execution of appropriate nondisclosure agreements, confidentiality agreements and invention assignment agreements and invention assignments with their employees, and, to the knowledge of the Company, no employee of the Company is in or has been in violation of any term of any employment contract, patent disclosure agreement, invention assignment agreement, non-competition agreement, non-solicitation agreement, nondisclosure agreement, or any restrictive covenant to or with a former employer where the basis of such violation relates to such employee's employment with the Company. To the knowledge of the Company, the duty of candor and good faith as required by the United States Patent and Trademark Office during the prosecution of the Company owned United States patents and patent applications included in the Company Intellectual Property have been complied with; and in all foreign offices having similar requirements, to the knowledge of the Company, all such requirements have been complied with for the Company owned foreign patents and patent applications included in the Company Intellectual Property. To the knowledge of the Company, none of the Company Intellectual Property has been obtained or is being used by the Company in violation of any material contractual obligation binding on the Company or any of its officers, directors or employees. The product candidates described in the Registration Statement, the Pricing Disclosure Package and the Prospectus as under development by the Company fall within the scope of the claims of one or more patents or patent applications owned by, or exclusively licensed to, the Company.

(w) *Trade Secrets*. The Company has taken reasonable and customary actions to protect its rights in and prevent the unauthorized use and disclosure of material trade secrets and confidential business information (which may include confidential source code, ideas, research and development information, know-how, formulas, compositions, technical data, designs, drawings, specifications, research records, records of inventions, test information, financial, marketing and business data, customer and supplier lists and information, pricing and cost information, business and marketing plans and proposals) owned by the Company, and, to the knowledge of the Company, there has been no unauthorized use or disclosure.

(x) *IT Assets*. Except as would not reasonably be expected to have a Material Adverse Effect, (i) the computers, software, hardware, applications, databases, servers, networks, data communications lines, and other information technology assets or systems owned, licensed, leased or otherwise used by the Company (excluding any public networks) (collectively, the "IT Assets") are adequate for, and operate and perform as is necessary for the operation of the business of the Company as currently conducted and as proposed to be conducted as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus and (ii) to the knowledge of the Company, such IT Assets are not infected by viruses, disabling code or other harmful code. The Company has implemented and maintained commercially reasonable controls, policies, procedures, and safeguards designed to maintain and protect Personal Data (as defined below) and sensitive, confidential or regulated information (collectively, "Confidential Data") and the integrity, continuous operation, redundancy and security of all IT Assets used in connection with their businesses. To the knowledge of the Company, (1) there

have been no breaches, violations, outages or unauthorized uses of or accesses to the IT Assets, Personal Data or Confidential Data, except for those that have been remedied without material cost or liability or the duty to notify any other person, nor (2) any incidents under internal review or investigations relating to the same. "Personal Data" means any information that constitutes "personal data," "personal information," "personally identifiable information" or "protected health information" under applicable law.

(y) *Data Privacy and Security Laws*. Except where non-compliance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Company is, and has since January 1, 2017 been, in compliance with all applicable state, federal, and foreign data privacy, security and consumer protection laws and regulations, including without limitation, to the extent applicable, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") as amended by the Health Information Technology for Economic and Clinical Health Act (the "HITECH Act"), the California Consumer Privacy Act of 2018 ("CCPA") and the European Union General Data Protection Regulation ("GDPR") (EU 2016/679) (collectively, the "Privacy Laws"). The Company: (i) has not received written notice of any actual or potential liability, including security or data privacy breaches or other unauthorized or unlawful access to, use of, or destruction of its Confidential Data or Personal Data, under or relating to, or actual or potential violation of, any of the Privacy Laws, and to the knowledge of the Company, no such notices are threatened or pending; (ii) is not currently conducting or paying for, in whole or in part, any investigation, remediation, or other corrective action pursuant to any Privacy Law; or (iii) is not a party to any order, decree, or agreement with any governmental, regulatory or supervisory authority or body that imposes any obligation or liability under any Privacy Law.

(z) *No Complaints*. To the Company's knowledge, there is no complaint to or audit, proceeding, investigation (formal or informal) or claim currently pending against the Company, or any of its customers (specific to the customer's use of the products or services of the Company) by any state Attorney General or related office, the Federal Trade Commission, the U.S. Department of Health and Human Services and any office contained therein ("HHS"), or any similar authority in any jurisdiction other than the United States or any other governmental entity, or by any person in respect of the collection, use or disclosure of Personal Data by the Company, and, to the knowledge of the Company, no such complaint, audit, proceeding, investigation or claim is threatened.

(aa) *FDA Compliance*. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Company: (A) is, and has since January 1, 2017 been, in compliance with all applicable statutes, rules or regulations of the U.S. Food and Drug Administration ("FDA") relating to the ownership, testing, development, manufacture, packaging, processing, use, distribution, marketing, labeling, promotion, sale, offer for sale, storage, import, export or disposal of any product under development, manufactured or distributed by the Company ("Applicable Laws"); (B) has not received any FDA Form 483, written notice of adverse finding, warning letter, untitled letter or other written correspondence or written notice from the FDA or

any similar governmental entity in each case alleging or asserting material noncompliance with any Applicable Laws or any licenses, certificates, approvals, clearances, exemptions, authorizations, permits and supplements or amendments thereto required by any such Applicable Laws ("Authorizations"); (C) possesses all Authorizations required for the conduct of its business and such Authorizations are valid and in full force and effect and the Company is not in violation of any term of any such Authorizations; (D) has not received written notice of any claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from the FDA or any governmental entity or third party alleging that any product operation or activity is in material violation of any Applicable Laws or Authorizations and has no knowledge that the FDA or any governmental entity or third party has threatened any such claim, litigation, arbitration, action, suit, investigation or proceeding; (E) has not received written notice that the FDA or any governmental entity has taken, is taking or intends to take action to limit, suspend, modify or revoke any material Authorizations and has no knowledge that the FDA or any governmental entity is considering such action; and (F) has filed, obtained, maintained or submitted all material reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws or Authorizations and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were materially complete and correct on the date filed (or were corrected or supplemented by a subsequent submission).

(bb) *Tests and Preclinical and Clinical Trials*. The studies, tests and preclinical and clinical trials conducted by or, to the knowledge of the Company, on behalf of the Company were and, if still ongoing, are being conducted in all material respects in accordance with experimental protocols, procedures and controls pursuant to, where applicable, all Applicable Laws, including, without limitation, the Federal Food, Drug and Cosmetic Act and the rules and regulations promulgated thereunder and current Good Clinical Practices and Good Laboratory Practices and any applicable rules and regulations of the jurisdiction in which such trials and studies are being conducted; the descriptions of the results of such studies, tests and trials contained in the Registration Statement, the Pricing Disclosure Package and the Prospectus are, to the knowledge of the Company, accurate and complete in all material respects and fairly present the data derived from such studies, tests and trials; except to the extent disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company is not aware of any studies, tests or trials, the results of which the Company believes materially call into question the study, test, or trial results described or referred to in the Registration Statement, the Pricing Disclosure Package and the Prospectus when viewed in the context in which such results are described and the clinical state of development; and, except to the extent disclosed in the Registration Statement, the Pricing Disclosure Package or the Prospectus, the Company has not received any written notices or correspondence from the FDA or any governmental entity requiring the termination or suspension of any studies, tests or preclinical or clinical trials conducted by or on behalf of the Company, other than ordinary course communications with respect to modifications in connection with the design and implementation of such trials.

(cc) *Compliance with Health Care Laws*. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: the Company is, and has since January 1, 2017 been, in compliance with all Health Care Laws. For purposes of this Agreement, "Health Care Laws" means: (i) the Federal Food, Drug, and Cosmetic Act and the regulations promulgated thereunder; (ii) all applicable federal, state, local and foreign health care fraud and abuse laws, including, without limitation, the U.S. Anti-Kickback Statute (42 U.S.C. Section 1320a-7b(b)), the U.S. Civil False Claims Act (31 U.S.C. Section 3729 et seq.), the criminal False Statements Law (42 U.S.C. Section 1320a-7b(a)), 18 U.S.C. Sections 286, 287, 1035, 1347, and 1349, the health care fraud criminal provisions under HIPAA , the civil monetary penalties law (42 U.S.C. Section 1320a-7a), the exclusions law (42 U.S.C. Section 1320a-7) and the Physician Payments Sunshine Act (42 U.S.C Section 1320-7h); (iii) the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010; (iv) licensure and accreditation requirements under applicable federal, state, applicable local or foreign laws or regulatory bodies; (v) all other local, state, federal, national, supranational and foreign laws, relating to the regulation of the Company; and (vi) and the regulations promulgated pursuant to such laws. Neither the Company nor any of its officers, directors, employees nor, to the knowledge of the Company, its agents, have engaged in activities which are, as applicable, cause for liability to the Company under a Health Care Law. The Company has not received written notice of any claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any court or arbitrator or governmental or regulatory authority or third party alleging that any product operation or activity is in material violation of any Health Care Laws nor, to the knowledge of the Company, has any such claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action been threatened. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Company has filed, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Health Care Laws, and all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete and accurate on the date filed in all material respects (or were corrected or supplemented by a subsequent submission). Neither the Company nor any of its employees, officers, directors, or to the knowledge of the Company, any of its agents, is a party to any corporate integrity agreements, monitoring agreements, consent decrees, settlement orders, or similar agreements with or imposed by any governmental or regulatory authority. Additionally, neither the Company nor any of its employees, officers, directors, or to the knowledge of the Company, its agents, has been excluded, suspended or debarred from participation in any U.S. federal health care program or human clinical research or, to the knowledge of the Company, is subject to a governmental inquiry, investigation, proceeding, or other similar action that would reasonably be expected to result in debarment, suspension or exclusion.

(dd) *No Undisclosed Relationships*. No relationship, direct or indirect, exists between or among the Company, on the one hand, and the directors, officers, stockholders, customers, suppliers or other affiliates of the Company, on the other, that is required by the Securities Act to be described in each of the Registration Statement and the Prospectus and that is not so described in such documents and in the Pricing Disclosure Package.

(ee) *Investment Company Act*. The Company is not and, after giving effect to the offering and sale of the Shares and the application of the proceeds thereof as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, will not be required to register as an "investment company" or an entity "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder (collectively, the "Investment Company Act").

(ff) *Taxes.* The Company has paid all federal, state, local and foreign taxes and filed all tax returns required to be paid (except those being contested in good faith) or filed (taking into account any duly required extension thereof) through the date hereof, except in each case as would not, individually in the aggregate, reasonably be expected to have a Material Adverse Effect; and except as otherwise disclosed in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, there is no tax deficiency that has been, or would reasonably be expected to be, asserted against the Company or any of its properties or assets that would reasonably be expected to have a Material Adverse Effect.

(gg) *Licenses and Permits.* The Company possesses all licenses, sub-licenses, certificates, permits and other authorizations issued by, and have made all declarations and filings with, the appropriate federal, state, local or foreign governmental or regulatory authorities that are necessary for the ownership or lease of their respective properties or the conduct of its businesses as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, except where the failure to possess or make the same would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and except as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus, the Company has not received notice of any revocation or modification of any such license, sub-license, certificate, permit or authorization or has any reason to believe that any such license, sub-license, certificate, permit or authorization will not be renewed in the ordinary course, except where such revocation, modification, or nonrenewal would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(hh) *No Labor Disputes.* No labor disturbance by or dispute with employees of the Company exists or, to the knowledge of the Company, is contemplated or threatened, and the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of its principal suppliers, contractors or customers, except as would not reasonably be expected to have a Material Adverse Effect. The Company has not received any notice of cancellation or termination with respect to any collective bargaining agreement to which it is a party.

(ii) *Certain Environmental Matters*. (i) The Company (x) is in compliance with all, and have not violated any, applicable federal, state, local and foreign laws (including common law), rules, regulations, requirements, decisions, judgments, decrees, orders and other legally enforceable requirements relating to pollution or the protection of human health or safety, the environment, natural resources, hazardous or toxic substances or wastes, pollutants or contaminants (collectively, "Environmental Laws"); (y) has received and are in compliance with all, and has not violated any, permits, licenses, certificates or other authorizations or approvals required of it under any Environmental Laws to conduct its businesses; and (z) has not received notice of any actual or potential liability or obligation under or relating to, or any actual or potential violation of, any Environmental Laws, including for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, and has no knowledge of any event or condition that would reasonably be expected to result in any such notice; (ii) there are no costs or liabilities associated with Environmental Laws of or relating to the Company, except in the case of each of (i) and (ii) above, for any such matter as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; and (iii) except as described in each of the Pricing Disclosure Package and the Prospectus, (x) there is no proceeding that is pending, or that is known to be contemplated, against the Company under any Environmental Laws in which a governmental entity is also a party, other than such proceeding regarding which it is reasonably believed no monetary sanctions of $100,000 or more will be imposed, (y) the Company is not aware of any facts or issues regarding compliance with Environmental Laws, or liabilities or other obligations under Environmental Laws or concerning hazardous or toxic substances or wastes, pollutants or contaminants, that would reasonably be expected to have a Material Adverse Effect, and (z) the Company does not anticipate any material capital expenditures relating to any Environmental Laws.

(jj) *Hazardous Materials*. There has been no storage, generation, transportation, use, handling, treatment, Release or threat of Release of Hazardous Materials by, relating to or caused by the Company (or, to the knowledge of the Company, any other entity (including any predecessor) for whose acts or omissions the Company is or would reasonably be expected to be liable) at, on, under or from any property or facility now or previously owned, operated or leased by the Company, or at, on, under or from any other property or facility, in violation of any Environmental Laws or in a manner or amount or to a location that would reasonably be expected to result in any liability to the Company under any Environmental Law, except for any violation or liability which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. "Hazardous Materials" means any material, chemical, substance, waste, pollutant, contaminant, compound, mixture, or constituent thereof, in any form or amount, including petroleum (including crude oil or any fraction thereof) and petroleum products, natural gas liquids, asbestos and asbestos containing materials, naturally occurring radioactive materials, brine and drilling mud, regulated or which can give rise to liability to the Company under any Environmental Law. "Release" means any spilling, leaking, seepage, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, disposing, depositing, dispersing, or migrating in, into or through the environment, or in, into from or through any building or structure.

(kk) *Compliance with ERISA*. (i) With respect to each employee benefit plan (within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) that is subject to Title IV of ERISA or Section 412 of the Code which the Company sponsors or maintains, and to the knowledge of the Company, with respect to any employee benefit plan subject to Title IV of ERISA or Section 412 of the Code that is sponsored or maintained by any other member of the Company's "Controlled Group" (defined as any entity, whether or not incorporated, that is under common control with the Company within the meaning of Section 4001(a)(14) of ERISA or any entity that would be regarded as a single employer with the Company under Section 414(b), (c), (m) or (o) of the Code) (each, a "Plan") (A) no Plan has failed (whether or not waived), or is reasonably expected to fail, to satisfy the minimum funding standards (within the meaning of Section 302 of ERISA or Section 412 of the Code) applicable to such Plan; (B) no Plan is, or is reasonably expected to be, in "at risk status" (within the meaning of Section 303(i) of ERISA) and no Plan that is a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA is in "endangered status" or "critical status" (within the meaning of Sections 304 and 305 of ERISA); (C) the fair market value of the assets of each Plan that is required to be funded exceeds the present value of all benefits accrued under such Plan (determined based on those assumptions used to fund such Plan); (D) no "reportable event" (within the meaning of Section 4043(c) of ERISA and the regulations promulgated thereunder) has occurred or is reasonably expected to occur; (E) neither the Company nor any member of the Controlled Group has incurred, nor reasonably expects to incur, any liability to the Company under Title IV of ERISA (other than contributions to the Plan or premiums to the Pension Benefit Guarantee Corporation, in the ordinary course and without default) in respect of a Plan (including a "multiemployer plan" within the meaning of Section 4001(a)(3) of ERISA); and (F) no material increase in the aggregate amount of contributions required to be made to all Plans by the Company or its Controlled Group affiliates in the current fiscal year of the Company and its Controlled Group affiliates compared to the amount of such contributions made in the Company's and its Controlled Group affiliates' most recently completed fiscal year has occurred or is reasonably expected to occur; (ii) each employee benefit plan (within the meaning of Section 3(3) of ERISA) sponsored or maintained by the Company that is intended to be qualified under Section 401(a) of the Code is so qualified, and to the knowledge of the Company nothing has occurred, whether by action or by failure to act, which would cause the loss of such qualification, and with respect to each such employee benefit plan, no prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code, has occurred with respect to such employee benefit plan, excluding transactions effected pursuant to a statutory or administrative exemption or that would otherwise reasonably be expected to result in any material liability to the Company or any affiliate; (iii) no material increase in the Company or any of its affiliates' "accumulated post-retirement benefit obligations" (within the meaning of Accounting Standards Codification Topic 715-60) compared to the amount of such obligations in the Company or any of its affiliates most recently

completed fiscal year has occurred or is reasonably expected to occur; (iv) each other employee benefit plan (within the meaning of Section 3(3) of ERISA) sponsored or maintained by the Company has been maintained in compliance with its terms and the requirements of any applicable statutes, orders, rules and regulations, including but not limited to ERISA and the Code; and (v) no nonexempt prohibited transaction has occurred with respect to the Company or any of its affiliates and any employee benefit plan (within the meaning of Section 3(3) of ERISA) sponsored or maintained by the Company that is subject to Title I of ERISA, except in each case with respect to the events or conditions set forth in (i) through (v) hereof, as would not, individually or in the aggregate, have a Material Adverse Effect.

(ll) *Disclosure Controls*. The Company maintains an effective system of "disclosure controls and procedures" (as defined in Rule 13a-15(e) of the Exchange Act) that complies with the requirements of the Exchange Act and that has been designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, including controls and procedures designed to ensure that such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure.

(mm) *Accounting Controls.* The Company maintains systems of "internal control over financial reporting" (as defined in Rule 13a-15(f) of the Exchange Act) that have been designed to comply with the applicable requirements of the Exchange Act and have been designed by, or under the supervision of, its principal executive and principal financial officers, or persons performing similar functions, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. The Company maintains internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Except as disclosed in the Registration Statement, the Pricing Disclosure Package and the Prospectus, there are no material weaknesses in the Company's internal controls. The Company's auditors and the Audit Committee of the Board of Directors of the Company have been advised of: (i) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which have adversely affected or are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal controls over financial reporting.

(nn) *Insurance.* The Company has insurance covering its properties, operations, personnel and businesses, including business interruption insurance, which insurance is in amounts and insures against such losses and risks as the Company reasonably believes are adequate to protect the Company; and the Company has not (i) received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business.

(oo) *No Unlawful Payments.* Neither the Company nor any director or officer of the Company nor, to the knowledge of the Company, any employee of the Company, agent, affiliate or other person associated with or acting on behalf of the Company has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office; (iii) violated or is in violation of any provision of the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or committed an offence under the Bribery Act 2010 of the United Kingdom or any other applicable anti-bribery or anti-corruption law; or (iv) made, offered, agreed, requested or taken an act in furtherance of any bribe or other unlawful benefit, including, without limitation, any unlawful rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Company has instituted, maintain and enforce, and will continue to maintain and enforce policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(pp) *Compliance with Anti-Money Laundering Laws*. The operations of the Company are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, including those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the applicable money laundering statutes of all jurisdictions where the Company conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(qq) *No Conflicts with Sanctions Laws.* Neither the Company nor any of its directors or officers, nor, to the knowledge of the Company, any employee of the Company, agent, affiliate or other person associated with or acting on behalf of the

Company is currently the subject or the target of any sanctions administered or enforced by the U.S. government, (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury ("OFAC") or the U.S. Department of State and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council ("UNSC"), the European Union, Her Majesty's Treasury ("HMT"), the Swiss Secretariat of Economic Affairs or other relevant sanctions authority (collectively, "Sanctions"), nor is the Company located, organized or resident in a country or territory that is the subject or target of Sanctions, including, without limitation, Crimea, Cuba, Iran, North Korea and Syria (each, a "Sanctioned Country"); and the Company will not directly or indirectly use the proceeds of the offering of the Shares hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity (i) to fund or facilitate any activities of or business with any person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (ii) to fund or facilitate any activities of or business in any Sanctioned Country or (iii) in any other manner that will result in a violation by any person (including any person participating in the transaction, whether as underwriter, advisor, investor or otherwise) of Sanctions. For the past five years, the Company has not knowingly engaged in and are not now knowingly engaged in any dealings or transactions with any person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

(rr) *Reserved.*

(ss) *No Broker's Fees.* The Company is not a party to any contract, agreement or understanding with any person (other than this Agreement) that would give rise to a valid claim against any of them or any Underwriter for a brokerage commission, finder's fee or like payment in connection with the offering and sale of the Shares.

(tt) *No Registration Rights*. No person has the right to require the Company to register any securities for sale under the Securities Act by reason of the filing of the Registration Statement with the Commission or the issuance and sale of the Shares, except for any such rights that have been waived and as described in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(uu) *No Stabilization.* Neither the Company nor any of its affiliates has taken, directly or indirectly, any action designed to or that would reasonably be expected to cause or result in any stabilization or manipulation of the price of the Shares.

(vv) *Margin Rules*. Neither the issuance, sale and delivery of the Shares nor the application of the proceeds thereof by the Company as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus will violate Regulation T, U or X of the Board of Governors of the Federal Reserve System or any other regulation of such Board of Governors.

(ww) *Forward-Looking Statements.* No forward-looking statement (within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act) included in any of the Registration Statement, the Pricing Disclosure Package or the Prospectus has been made or reaffirmed without a reasonable basis or has been disclosed other than in good faith.

(xx) *Statistical and Market Data.* Nothing has come to the attention of the Company that has caused the Company to believe that the statistical and market-related data included in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus is not based on or derived from sources that are reliable and accurate in all material respects.

(yy) *Sarbanes-Oxley Act*. There is and has been no failure on the part of the Company or any of the Company's directors or officers, in their capacities as such, to comply with any applicable provision of the Sarbanes-Oxley Act of 2002, as amended and the rules and regulations promulgated in connection therewith (the "Sarbanes-Oxley Act"), including Section 402 related to loans.

(zz) *Status under the Securities Act*. At the time of filing the Registration Statement and any post-effective amendment thereto, at the earliest time thereafter that the Company or any offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Shares and at the date hereof, the Company was not and is not an "ineligible issuer," as defined in Rule 405 under the Securities Act. The Company has paid the registration fee for this offering pursuant to the applicable rules under the Securities Act.

(aaa) *No Ratings*. There are (and prior to the Closing Date, will be) no debt securities, convertible securities or preferred stock issued or guaranteed by the Company that are rated by a "nationally recognized statistical rating organization", as such term is defined in Section 3(a)(62) under the Exchange Act.

(bbb) *Directed Share Program.* The Company represents and warrants that (i) the Registration Statement, the Pricing Disclosure Package and the Prospectus, any Preliminary Prospectus and any Issuer Free Writing Prospectuses comply in all material respects, and any further amendments or supplements thereto will comply in all material respects, with any applicable laws or regulations of foreign jurisdictions in which the Pricing Disclosure Package, the Prospectus, any Preliminary Prospectus and any Issuer Free Writing Prospectus, as amended or supplemented, if applicable, are distributed in connection with the Directed Share Program, and that (ii) no authorization, approval, consent, license, order, registration or qualification of or with any government, governmental instrumentality or court, other than such as have been obtained, is necessary under the securities laws and regulations of foreign jurisdictions in which the Directed Shares are offered outside the United States. The Company has not offered, or caused the underwriters to offer, Shares to any person pursuant to the Directed Share Program with the specific intent to unlawfully influence (i) a customer or supplier of the Company to alter the customer or supplier's level or type of business with the Company, or (ii) a trade journalist or publication to write or publish favorable information about the Company or its products.

4. Further Agreements of the Company. The Company covenants and agrees with each Underwriter that:

(a) *Required Filings.* The Company will file the final Prospectus with the Commission within the time periods specified by Rule 424(b) and Rule 430A, 430B or 430C under the Securities Act, will file any Issuer Free Writing Prospectus to the extent required by Rule 433 under the Securities Act; and the Company will furnish copies of the Prospectus and each Issuer Free Writing Prospectus (to the extent not previously delivered) to the Underwriters in New York City prior to 10:00 A.M., New York City time, on the business day next succeeding the date of this Agreement in such quantities as the Representatives may reasonably request.

(b) *Delivery of Copies.* Upon written request of the Representatives, the Company will deliver, without charge, (i) to the Representatives, four signed copies of the Registration Statement as originally filed and each amendment thereto, in each case including all exhibits and consents filed therewith; and (ii) to each Underwriter (A) a conformed copy of the Registration Statement as originally filed and each amendment thereto (without exhibits) and (B) during the Prospectus Delivery Period (as defined below), as many copies of the Prospectus (including all amendments and supplements thereto and each Issuer Free Writing Prospectus) as the Representatives may reasonably request. As used herein, the term "Prospectus Delivery Period" means such period of time after the first date of the public offering of the Shares as in the opinion of counsel for the Underwriters a prospectus relating to the Shares is required by law to be delivered (or required to be delivered but for Rule 172 under the Securities Act) in connection with sales of the Shares by any Underwriter or dealer.

(c) *Amendments or Supplements, Issuer Free Writing Prospectuses.* Before making, preparing, using, authorizing, approving, referring to or filing any Issuer Free Writing Prospectus, and before filing any amendment or supplement to the Registration Statement, the Pricing Disclosure Package or the Prospectus, the Company will furnish to the Representatives and counsel for the Underwriters a copy of the proposed Issuer Free Writing Prospectus, amendment or supplement for review and will not make, prepare, use, authorize, approve, refer to or file any such Issuer Free Writing Prospectus or file any such proposed amendment or supplement to which the Representatives reasonably object in a timely manner.

(d) *Notice to the Representatives.* The Company will advise the Representatives promptly, and confirm such advice in writing (which may be by electronic mail), (i) when the Registration Statement has become effective; (ii) when any amendment to the Registration Statement has been filed or becomes effective; (iii) when any supplement to the Pricing Disclosure Package, the Prospectus, any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication or any amendment to the Prospectus has been filed or distributed; (iv) of any request by the

Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or the receipt of any comments from the Commission relating to the Registration Statement or any other request by the Commission for any additional information including, but not limited to, any request for information concerning any Testing-the-Waters Communication; (v) of the issuance by the Commission or any other governmental or regulatory authority of any order suspending the effectiveness of the Registration Statement or preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package, the Prospectus or any Written Testing-the-Waters Communication or, to the knowledge of the Company, the initiation or threatening of any proceeding for that purpose or pursuant to Section 8A of the Securities Act; (vi) of the occurrence of any event or development within the Prospectus Delivery Period as a result of which the Prospectus, any of the Pricing Disclosure Package, any Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication as then amended or supplemented would include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus, the Pricing Disclosure Package, any such Issuer Free Writing Prospectus or any Written Testing-the-Waters Communication is delivered to a purchaser, not misleading; and (vii) of the receipt by the Company of any notice with respect to any suspension of the qualification of the Shares for offer and sale in any jurisdiction or, to the knowledge of the Company, the initiation or threatening of any proceeding for such purpose; and the Company will use its reasonable best efforts to prevent the issuance of any such order suspending the effectiveness of the Registration Statement, preventing or suspending the use of any Preliminary Prospectus, any of the Pricing Disclosure Package or the Prospectus or any Written Testing-the-Waters Communication or suspending any such qualification of the Shares and, if any such order is issued, will use its reasonable best efforts to obtain as soon as possible the withdrawal thereof.

(e) *Ongoing Compliance.* (1) If during the Prospectus Delivery Period (i) any event or development shall occur or condition shall exist as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Prospectus to comply with law, the Company will promptly notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Prospectus as may be necessary so that the statements in the Prospectus as so amended or supplemented will not, in the light of the circumstances existing when the Prospectus is delivered to a purchaser, be misleading or so that the Prospectus will comply with law and (2) if at any time prior to the Closing Date (i) any event or development shall occur or condition shall exist as a result of which the Pricing Disclosure Package as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances existing when the Pricing

Disclosure Package is delivered to a purchaser, not misleading or (ii) it is necessary to amend or supplement the Pricing Disclosure Package to comply with law, the Company will promptly notify the Underwriters thereof and forthwith prepare and, subject to paragraph (c) above, file with the Commission (to the extent required) and furnish to the Underwriters and to such dealers as the Representatives may designate such amendments or supplements to the Pricing Disclosure Package as may be necessary so that the statements in the Pricing Disclosure Package as so amended or supplemented will not, in the light of the circumstances existing when the Pricing Disclosure Package is delivered to a purchaser, be misleading or so that the Pricing Disclosure Package will comply with law.

(f) *Blue Sky Compliance.* The Company will use its reasonable best efforts to qualify the Shares for offer and sale under the securities or Blue Sky laws of such jurisdictions as the Representatives shall reasonably request and will use its reasonable best efforts to continue such qualifications in effect so long as required for distribution of the Shares; provided that the Company shall not be required to (i) qualify as a foreign corporation or other entity or as a dealer in securities in any such jurisdiction where it would not otherwise be required to so qualify, (ii) file any general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any such jurisdiction if it is not otherwise so subject.

(g) *Earning Statement.* The Company will make generally available to its security holders and the Representatives as soon as reasonably practicable an earning statement that satisfies the provisions of Section 11(a) of the Securities Act and Rule 158 of the Commission promulgated thereunder covering a period of at least twelve months beginning with the first fiscal quarter of the Company occurring after the "effective date" (as defined in Rule 158) of the Registration Statement, provided that the Company will be deemed to have made generally available such statements to its security holders and the Representatives to the extent they are filed on the Commission's Electronic Data Gathering, Analysis, and Retrieval system ("EDGAR").

(h) *Clear Market.* For a period of 180 days after the date of the Prospectus, the Company will not (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, or submit to, or file with, the Commission a registration statement under the Securities Act relating to, any shares of Stock or any securities convertible into or exercisable or exchangeable for Stock, or publicly disclose the intention to undertake any of the foregoing, or (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Stock or any such other securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Stock or such other securities, in cash or otherwise, without the prior written consent of the Representatives, other than the Shares to be sold hereunder.

The restrictions described above do not apply to (i) the issuance of shares of Stock or securities convertible into or exercisable for shares of Stock pursuant to the conversion or exchange of convertible or exchangeable securities or the exercise of warrants or options (including net exercise) or the settlement of RSUs (including net settlement), in each case outstanding on the date of this Agreement and described in the Prospectus; (ii) grants of stock options, stock awards, restricted stock, RSUs, or other equity awards and the issuance of shares of Stock or securities convertible into or exercisable or exchangeable for shares of Stock (whether upon the exercise of stock options or otherwise) to the Company's employees, officers, directors, advisors, or consultants pursuant to the terms of an equity compensation plan in effect as of the Closing Date and described in the Prospectus, provided that such recipients enter into a lock-up agreement with the Underwriters substantially in the form of Exhibit D hereto for the remainder of the 180-day lock-up period; (iii) the issuance of up to 5% of the outstanding shares of Stock, or securities convertible into, exercisable for, or which are otherwise exchangeable for, Stock, immediately following the Closing Date, in connection with one or more acquisitions of a company or business, assets or technology of another person or entity, joint ventures, commercial relationships or strategic alliances (including marketing or distribution arrangements, collaboration agreements or intellectual property licensing agreements) or other similar strategic transactions, provided that such recipients enter into a lock-up agreement with the Underwriters substantially in the form of Exhibit D hereto for the remainder of the 180-day lock-up period; or (iv) the filing of any registration statement on Form S-8 relating to securities granted or to be granted pursuant to any plan in effect on the date of this Agreement and described in the Prospectus or any assumed benefit plan pursuant to an acquisition or similar strategic transaction.

If the Representatives, in their sole discretion, agree to release or waive the restrictions set forth in a lock-up letter described in Section 6(m) hereof for an officer or director of the Company and provide the Company with notice of the impending release or waiver substantially in the form of Exhibit B hereto at least three business days before the effective date of the release or waiver, the Company agrees to announce the impending release or waiver substantially in the form of Exhibit C hereto through a major news service at least two business days before the effective date of the release or waiver.

(i) *Use of Proceeds.* The Company will apply the net proceeds from the sale of the Shares as described in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus under the heading "Use of proceeds".

(j) *No Stabilization.* Neither the Company nor its affiliates will take, directly or indirectly, any action designed to or that could reasonably be expected to cause or result in any stabilization or manipulation of the price of the Stock.

(k) *Exchange Listing.* The Company will use its reasonable best efforts to list for quotation the Shares on the Nasdaq Global Market (the "Nasdaq Market").

(l) *Reports.* For a period of three years from the effective date of the Registration Statement (provided that the Company remains subject to the reporting requirements of either Section 13 or Section 15(d) of the Exchange Act), the Company

will furnish to the Representatives, as soon as they are available, copies of all reports or other communications (financial or other) furnished to holders of the Shares, and copies of any reports and financial statements furnished to or filed with the Commission or any national securities exchange or automatic quotation system; provided the Company will be deemed to have furnished such reports and financial statements to the Representatives to the extent they are filed on EDGAR.

(m) *Record Retention*. The Company will, pursuant to reasonable procedures developed in good faith, retain copies of each Issuer Free Writing Prospectus that is not filed with the Commission in accordance with Rule 433 under the Securities Act.

(n) *Filings.* The Company will file with the Commission such reports as may be required by Rule 463 under the Securities Act.

(o) *Directed Share Program.* The Company will comply with all applicable securities and other laws, rules and regulations in each jurisdiction in which the Directed Shares are offered in connection with the Directed Share Program.

(p) *Emerging Growth Company*. The Company will promptly notify the Representatives if the Company ceases to be an Emerging Growth Company at any time prior to the later of (i) completion of the distribution of Shares within the meaning of the Securities Act and (ii) completion of the 180-day restricted period referred to in Section 4(h) hereof.

(q) *FinCEN*. The Company will deliver to each Underwriter (or its agent), on the date of execution of this Agreement, a properly completed and executed Certification Regarding Beneficial Owners of Legal Entity Customers, together with copies of identifying documentation, and the Company undertakes to provide such additional supporting documentation as each Underwriter may reasonably request in connection with the verification of the foregoing Certification.

5. Certain Agreements of the Underwriters. Each Underwriter hereby represents and agrees that:

(a) It has not and will not use, authorize use of, refer to or participate in the planning for use of, any "free writing prospectus", as defined in Rule 405 under the Securities Act (which term includes use of any written information furnished to the Commission by the Company and not incorporated by reference into the Registration Statement and any press release issued by the Company) other than (i) a free writing prospectus that contains no "issuer information" (as defined in Rule 433(h)(2) under the Securities Act) that was not included in the Preliminary Prospectus or a previously filed Issuer Free Writing Prospectus, (ii) any Issuer Free Writing Prospectus listed on Annex A or prepared pursuant to Section 3(c) or Section 4(c) above (including any electronic road show), or (iii) any free writing prospectus prepared by such underwriter and approved by the Company in advance in writing (each such free writing prospectus referred to in clauses (i) or (iii), an "Underwriter Free Writing Prospectus").

(b) It has not and will not, without the prior written consent of the Company, use any free writing prospectus that contains the final terms of the Shares unless such terms have previously been included in a free writing prospectus filed with the Commission; *provided* that Underwriters may use a term sheet substantially in the form of Annex C hereto without the consent of the Company; *provided further* that any Underwriter using such term sheet shall notify the Company, and provide a copy of such term sheet to the Company, prior to, or substantially concurrently with, the first use of such term sheet.

(c) It is not subject to any pending proceeding under Section 8A of the Securities Act with respect to the offering (and will promptly notify the Company if any such proceeding against it is initiated during the Prospectus Delivery Period).

6. Conditions of Underwriters' Obligations. The obligation of each Underwriter to purchase the Underwritten Shares on the Closing Date or the Option Shares on the Additional Closing Date, as the case may be, as provided herein is subject to the performance by the Company of its covenants and other obligations hereunder and to the following additional conditions:

(a) *Registration Compliance; No Stop Order.* No order suspending the effectiveness of the Registration Statement shall be in effect, and no proceeding for such purpose or pursuant to Section 8A under the Securities Act shall be pending before or threatened by the Commission; the Prospectus and each Issuer Free Writing Prospectus shall have been timely filed with the Commission under the Securities Act (in the case of an Issuer Free Writing Prospectus, to the extent required by Rule 433 under the Securities Act) and in accordance with Section 4(a) hereof; and all requests by the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representatives.

(b) *Representations and Warranties.* The representations and warranties of the Company contained herein shall be true and correct on the date hereof and on and as of the Closing Date or the Additional Closing Date, as the case may be; and the statements of the Company and its officers made in any certificates delivered pursuant to this Agreement shall be true and correct on and as of the Closing Date or the Additional Closing Date, as the case may be.

(c) *No Material Adverse Change.* No event or condition of a type described in Section 3(h) hereof shall have occurred or shall exist, which event or condition is not described in the Pricing Disclosure Package (excluding any amendment or supplement thereto) and the Prospectus (excluding any amendment or supplement thereto) and the effect of which in the judgment of the Representatives makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

(d) *Officer's Certificate.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, a certificate of the chief financial officer or chief accounting officer of the Company and one additional senior executive officer of the Company who is satisfactory to the Representatives (i) confirming that such officers have reviewed the Registration Statement, the Pricing Disclosure Package and the Prospectus and, to the knowledge of such officers, the representations set forth in Sections 3(b) and 3(d) hereof are true and correct, (ii) confirming that the other representations and warranties of the Company in this Agreement are true and correct and that the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date or the Additional Closing Date, as the case may be, and (iii) to the effect set forth in paragraphs (a) and (c) above.

(e) *Comfort Letters.* (i) On the date of this Agreement and on the Closing Date or the Additional Closing Date, as the case may be, Ernst & Young LLP shall have furnished to the Representatives, at the request of the Company, letters, dated the respective dates of delivery thereof and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives, containing statements and information of the type customarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in each of the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided, that the letter delivered on the Closing Date or the Additional Closing Date, as the case may be, shall use a "cut-off" date no more than two business days prior to such Closing Date or such Additional Closing Date, as the case may be.

(f) *Opinion and Negative Assurance Statement of Counsel for the Company.* Dechert LLP, counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion and negative assurance statement, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(g) *Opinion of Intellectual Property Counsel for the Company.* Mendelsohn Dunleavy, P.C., intellectual property counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(h) *Opinion of Regulatory Counsel for the Company*. Hyman, Phelps & McNamara, P.C., regulatory counsel for the Company, shall have furnished to the Representatives, at the request of the Company, their written opinion, dated the Closing Date or the Additional Closing Date, as the case may be, and addressed to the Underwriters, in form and substance reasonably satisfactory to the Representatives.

(i) *Opinion and 10b-5 Statement of Counsel for the Underwriters.* The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, an opinion and 10b-5 statement, addressed to the

Underwriters, of Cravath, Swaine & Moore LLP, counsel for the Underwriters, with respect to such matters as the Representatives may reasonably request, and such counsel shall have received such documents and information as they may reasonably request to enable them to pass upon such matters.

(j) *No Legal Impediment to Issuance and Sale.* No action shall have been taken and no statute, rule, regulation or order shall have been enacted, adopted or issued by any federal, state or foreign governmental or regulatory authority that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares; and no injunction or order of any federal, state or foreign court shall have been issued that would, as of the Closing Date or the Additional Closing Date, as the case may be, prevent the issuance or sale of the Shares.

(k) *Good Standing*. The Representatives shall have received on and as of the Closing Date or the Additional Closing Date, as the case may be, satisfactory evidence of the good standing of the Company in Delaware and its good standing in such other jurisdictions as the Representatives may reasonably request, in each case in writing or any standard form of telecommunication from the appropriate governmental authorities of such jurisdictions.

(l) *Exchange Listing.* The Shares to be delivered on the Closing Date or the Additional Closing Date, as the case may be, shall have been approved for listing on the Nasdaq Market, subject to official notice of issuance.

(m) *Lock-up Agreements*. The "lock-up" agreements, each substantially in the form of Exhibit D hereto, between you and certain shareholders, officers and directors of the Company relating to sales and certain other dispositions of shares of Stock or certain other securities, delivered to you on or before the date hereof, shall be full force and effect on the Closing Date or the Additional Closing Date, as the case may be.

(n) *Additional Documents.* On or prior to the Closing Date or the Additional Closing Date, as the case may be, the Company shall have furnished to the Representatives such further certificates and documents as the Representatives may reasonably request.

All opinions, letters, certificates and evidence mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

7. Indemnification and Contribution.

(a) *Indemnification of the Underwriters.* The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, directors and officers and each person, if any, who controls such Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, from and against any and all losses, claims, damages and liabilities (including, without limitation, reasonable and documented legal fees and other reasonable and

documented expenses incurred in connection with any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred), joint or several, that arise out of, or are based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, not misleading, or (ii) any untrue statement or alleged untrue statement of a material fact contained in the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any "issuer information" filed or required to be filed pursuant to Rule 433(d) under the Securities Act, any Written Testing-the-Waters Communication, any road show as defined in Rule 433(h) under the Securities Act (a "road show") or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), or caused by any omission or alleged omission to state therein a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, in each case except insofar as such losses, claims, damages or liabilities arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to any Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use therein, it being understood and agreed that the only such information furnished by any Underwriter consists of the information described as such in paragraph (b) below.

(b) *Indemnification of the Company.* Each Underwriter agrees, severally and not jointly, to indemnify and hold harmless the Company, its directors, its officers who signed the Registration Statement and each person, if any, who controls the Company within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act to the same extent as the indemnity set forth in paragraph (a) above, but only with respect to any losses, claims, damages or liabilities that arise out of, or are based upon, any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with any information relating to such Underwriter furnished to the Company in writing by such Underwriter through the Representatives expressly for use in the Registration Statement, the Prospectus (or any amendment or supplement thereto), any Preliminary Prospectus, any Issuer Free Writing Prospectus, any Written Testing-the-Waters Communication, any road show or any Pricing Disclosure Package (including any Pricing Disclosure Package that has subsequently been amended), it being understood and agreed upon that the only such information furnished by any Underwriter consists of the following information in the Prospectus furnished on behalf of each Underwriter: the concession figure appearing in the third paragraph under the caption "Underwriting" and the information contained in the fifteenth and sixteenth paragraphs relating to stabilizing transactions under the caption "Underwriting."

(c) *Notice and Procedures.* If any suit, action, proceeding (including any governmental or regulatory investigation), claim or demand shall be brought or asserted against any person in respect of which indemnification may be sought pursuant to the preceding paragraphs of this Section 7, such person (the "Indemnified Person") shall promptly notify the person against whom such indemnification may be sought (the "Indemnifying Person") in writing; provided that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have under the preceding paragraphs of this Section 7 except to the extent that

it has been materially prejudiced (through the forfeiture of substantive rights or defenses) by such failure; and provided, further, that the failure to notify the Indemnifying Person shall not relieve it from any liability that it may have to an Indemnified Person otherwise than under the preceding paragraphs of this Section 7. If any such proceeding shall be brought or asserted against an Indemnified Person and it shall have notified the Indemnifying Person thereof, the Indemnifying Person shall retain counsel reasonably satisfactory to the Indemnified Person (who shall not, without the consent of the Indemnified Person, be counsel to the Indemnifying Person) to represent the Indemnified Person and any others entitled to indemnification pursuant to this Section that the Indemnifying Person may designate in such proceeding and shall pay the reasonable and documented fees and expenses in such proceeding and shall pay the reasonable and documented fees and expenses of such counsel related to such proceeding, as incurred. In any such proceeding, any Indemnified Person shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Indemnified Person unless (i) the Indemnifying Person and the Indemnified Person shall have mutually agreed to the contrary; (ii) the Indemnifying Person has failed within a reasonable time to retain counsel reasonably satisfactory to the Indemnified Person; (iii) the Indemnified Person shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Indemnifying Person; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the Indemnifying Person and the Indemnified Person and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. It is understood and agreed that the Indemnifying Person shall not, in connection with any proceeding or related proceeding in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Indemnified Persons, and that all such fees and expenses shall be paid or reimbursed as they are incurred. Any such separate firm for any Underwriter, its affiliates, directors and officers and any control persons of such Underwriter shall be designated in writing by the Representatives and any such separate firm for the Company, its directors, its officers who signed the Registration Statement and any control persons of the Company shall be designated in writing by the Company. The Indemnifying Person shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent, the Indemnifying Person agrees to indemnify each Indemnified Person from and against any loss or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time an Indemnified Person shall have requested that an Indemnifying Person reimburse the Indemnified Person for reasonable and documented fees and expenses of counsel as contemplated by this paragraph, the Indemnifying Person shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the Indemnifying Person of such request and (ii) the Indemnifying Person shall not have reimbursed the Indemnified Person in accordance with such request prior to the date of such settlement. No Indemnifying Person shall, without the written consent of the Indemnified Person, effect any settlement of any pending or threatened proceeding in respect of which any Indemnified Person is or could have been a party and indemnification could have been sought hereunder by such Indemnified Person, unless such settlement (x) includes an unconditional release of such Indemnified Person, in form and substance reasonably satisfactory to such Indemnified Person, from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of any Indemnified Person.

(d) *Contribution.* If the indemnification provided for in paragraphs (a) or (b) above is unavailable to an Indemnified Person or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then each Indemnifying Person under such paragraph, in lieu of indemnifying such Indemnified Person thereunder, shall contribute to the amount paid or payable by such Indemnified Person as a result of such losses, claims, damages or liabilities (i) in such proportion as is appropriate to reflect the relative benefits received by the Company, on the one hand, and the Underwriters on the other, from the offering of the Shares or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of the Company, on the one hand, and the Underwriters on the other, in connection with the statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company, on the one hand, and the Underwriters on the other, shall be deemed to be in the same respective proportions as the net proceeds (before deducting expenses) received by the Company from the sale of the Shares and the total underwriting discounts and commissions received by the Underwriters in connection therewith, in each case as set forth in the table on the cover of the Prospectus, bear to the aggregate offering price of the Shares. The relative fault of the Company, on the one hand, and the Underwriters on the other, shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(e) *Limitation on Liability.* The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to paragraph (d) above were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable considerations referred to in paragraph (d) above. The amount paid or payable by an Indemnified Person as a result of the losses, claims, damages and liabilities referred to in paragraph (d) above shall be deemed to include, subject to the limitations set forth above, any reasonable and documented legal or other expenses incurred by such Indemnified Person in connection with any such action or claim. Notwithstanding the provisions of paragraphs (d) and (e), in no event shall an Underwriter be required to contribute any amount in excess of the amount by which the total underwriting discounts and commissions received by such Underwriter with respect to the offering of the Shares exceeds the amount of any damages that such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute pursuant to paragraphs (d) and (e) are several in proportion to their respective purchase obligations hereunder and not joint.

(f) *Non-Exclusive Remedies.* The remedies provided for in this Section 7 paragraphs (a) through (e) are not exclusive and shall not limit any rights or remedies which may otherwise be available to any Indemnified Person at law or in equity.

(g) *Directed Share Program Indemnification.* The Company agrees to indemnify and hold harmless the Directed Share Underwriter, its affiliates, directors and officers and each person, if any, who controls the Directed Share Underwriter within the meaning of either Section 15 of the Securities Act or Section 20 of the Exchange Act (each a "Directed Share Underwriter Entity") from and against any and all losses, claims, damages and liabilities (including, without limitation, any reasonable and documented legal fees and other expenses incurred in connection with defending or investigating any suit, action or proceeding or any claim asserted, as such fees and expenses are incurred) (i) caused by any untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the consent of the Company for distribution to Participants in connection with the Directed Share Program or caused by any omission or alleged omission to state therein a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (ii) caused by the failure of any Participant to pay for and accept delivery of Directed Shares that the Participant agreed to purchase; or (iii) related to, arising out of, or in connection with the Directed Share Program, other than losses, claims, damages or liabilities (or expenses relating thereto) that are finally judicially determined to have resulted from the bad faith or gross negligence of the Directed Share Underwriter Entities.

(h) In case any proceeding (including any governmental investigation) shall be instituted involving any Directed Share Underwriter Entity in respect of which indemnity may be sought pursuant to paragraph (g) above, the Directed Share Underwriter Entity seeking indemnity shall promptly notify the Company in writing and the Company, upon request of the Directed Share Underwriter Entity, shall retain counsel reasonably satisfactory to the Directed Share Underwriter Entity to represent the Directed Share Underwriter Entity and any others the Company may designate in such proceeding and shall pay the reasonable and documented fees and disbursements of such counsel related to such proceeding. In any such proceeding, any Directed Share Underwriter Entity shall have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of such Directed Share Underwriter Entity unless (i) the Company and such Directed Share Underwriter Entity shall have mutually agreed to the retention of such counsel, (ii) the Company has failed within a reasonable time to retain counsel reasonably satisfactory to such Directed Share Underwriter Entity, (iii) the Directed Share Underwriter Entity shall have reasonably concluded that there may be legal defenses available to it that are different from or in addition to those available to the Company or (iv) the named parties to any such proceeding (including any impleaded parties) include both the Company and the Directed Share Underwriter Entity and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. The Company shall not, in respect of the legal expenses of the Directed Share Underwriter Entities in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the fees and expenses of more than one separate firm (in addition to any local counsel) for all Directed Share Underwriter Entities. The Company shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent, the Company agrees to indemnify the Directed Share Underwriter Entities from and against any loss

or liability by reason of such settlement. Notwithstanding the foregoing sentence, if at any time any Directed Share Underwriter Entity shall have requested the Company to reimburse such Directed Share Underwriter Entity for fees and expenses of counsel as contemplated by the second and third sentences of this paragraph, the Company agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by the Company of the aforesaid request and (ii) the Company shall not have reimbursed such Directed Share Underwriter Entity in accordance with such request prior to the date of such settlement. The Company shall not, without the prior written consent of the Directed Share Underwriter, effect any settlement of any pending or threatened proceeding in respect of which any Directed Share Underwriter Entity is or could have been a party and indemnity could have been sought hereunder by such Directed Share Underwriter Entity, unless (x) such settlement includes an unconditional release of the Directed Share Underwriter Entities from all liability on claims that are the subject matter of such proceeding and (y) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of the Directed Share Underwriter Entity.

(i) To the extent the indemnification provided for in paragraph (g) above is unavailable to a Directed Share Underwriter Entity or insufficient in respect of any losses, claims, damages or liabilities referred to therein, then the Company in lieu of indemnifying the Directed Share Underwriter Entity thereunder, shall contribute to the amount paid or payable by the Directed Share Underwriter Entity as a result of such losses, claims, damages or liabilities (1) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Directed Share Underwriter Entities on the other hand from the offering of the Directed Shares or (2) if the allocation provided by clause 7(i)(1) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause 7(i)(1) above but also the relative fault of the Company on the one hand and of the Directed Share Underwriter Entities on the other hand in connection with any statements or omissions that resulted in such losses, claims, damages or liabilities, as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Directed Share Underwriter Entities on the other hand in connection with the offering of the Directed Shares shall be deemed to be in the same respective proportions as the net proceeds from the offering of the Directed Shares (before deducting expenses) and the total underwriting discounts and commissions received by the Directed Share Underwriter Entities for the Directed Shares, bear to the aggregate public offering price of the Directed Shares. If the loss, claim, damage or liability is caused by an untrue or alleged untrue statement of material fact or the omission or alleged omission to state a material fact, the relative fault of the Company on the one hand and the Directed Share Underwriter Entities on the other hand shall be determined by reference to, among other things, whether the untrue or alleged untrue statement or the omission or alleged omission relates to information supplied by the Company or by the Directed Share Underwriter Entities and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

(j) The Company and the Directed Share Underwriter Entities agree that it would be not just or equitable if contribution pursuant to paragraph (i) above were determined by pro rata allocation (even if the Directed Share Underwriter Entities were treated as one entity for such purpose) or by any other method of allocation that does not take account of the equitable

considerations referred to in paragraph (i) above. The amount paid or payable by the Directed Share Underwriter Entities as a result of the losses, claims, damages and liabilities referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses reasonably incurred by the Directed Share Underwriter Entities in connection with investigating or defending such any action or claim. Notwithstanding the provisions of paragraph (i) above, no Directed Share Underwriter Entity shall be required to contribute any amount in excess of the amount by which the total price at which the Directed Shares distributed to the public were offered to the public exceeds the amount of any damages that such Directed Share Underwriter Entity has otherwise been required to pay. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The remedies provided for in paragraphs (g) through (j) are not exclusive and shall not limit any rights or remedies which may otherwise be available to any indemnified party at law or in equity.

(k) The indemnity and contribution provisions contained in paragraphs (g) through (j) shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of any Directed Share Underwriter Entity or the Company, its officers or directors or any person controlling the Company and (iii) acceptance of and payment for any of the Directed Shares.

8. Effectiveness of Agreement. This Agreement shall become effective as of the date first written above.

9. Termination. This Agreement may be terminated in the absolute discretion of the Representatives, by notice to the Company, if after the execution and delivery of this Agreement and on or prior to the Closing Date or, in the case of the Option Shares, prior to the Additional Closing Date (i) trading generally shall have been suspended or materially limited on or by any of the New York Stock Exchange or The Nasdaq Stock Market; (ii) trading of any securities issued or guaranteed by the Company shall have been suspended on any exchange or in any over-the-counter market; (iii) a general moratorium on commercial banking activities shall have been declared by federal or New York State authorities; or (iv) there shall have occurred any outbreak or escalation of hostilities or any change in financial markets or any calamity or crisis, either within or outside the United States, that, in the judgment of the Representatives, is material and adverse and makes it impracticable or inadvisable to proceed with the offering, sale or delivery of the Shares on the Closing Date or the Additional Closing Date, as the case may be, on the terms and in the manner contemplated by this Agreement, the Pricing Disclosure Package and the Prospectus.

10. Defaulting Underwriter.

(a) If, on the Closing Date or the Additional Closing Date, as the case may be, any Underwriter defaults on its obligation to purchase the Shares that it has agreed to purchase hereunder on such date, the non-defaulting Underwriters may in their discretion arrange for the purchase of such Shares by other persons satisfactory to the Company on the terms contained in this Agreement. If, within 36 hours after any such default by any Underwriter, the non-

defaulting Underwriters do not arrange for the purchase of such Shares, then the Company shall be entitled to a further period of 36 hours within which to procure other persons satisfactory to the non-defaulting Underwriters to purchase such Shares on such terms. If other persons become obligated or agree to purchase the Shares of a defaulting Underwriter, either the non-defaulting Underwriters or the Company may postpone the Closing Date or the Additional Closing Date, as the case may be, for up to five full business days in order to effect any changes that in the opinion of counsel for the Company or counsel for the Underwriters may be necessary in the Registration Statement and the Prospectus or in any other document or arrangement, and the Company agrees to promptly prepare any amendment or supplement to the Registration Statement and the Prospectus that effects any such changes. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context otherwise requires, any person not listed in Schedule 1 hereto that, pursuant to this Section 10, purchases Shares that a defaulting Underwriter agreed but failed to purchase.

(b) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Company as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, does not exceed one-eleventh of the aggregate number of Shares to be purchased on such date, then the Company shall have the right to require each non-defaulting Underwriter to purchase the number of Shares that such Underwriter agreed to purchase hereunder on such date plus such Underwriter's pro rata share (based on the number of Shares that such Underwriter agreed to purchase on such date) of the Shares of such defaulting Underwriter or Underwriters for which such arrangements have not been made.

(c) If, after giving effect to any arrangements for the purchase of the Shares of a defaulting Underwriter or Underwriters by the non-defaulting Underwriters and the Company as provided in paragraph (a) above, the aggregate number of Shares that remain unpurchased on the Closing Date or the Additional Closing Date, as the case may be, exceeds one-eleventh of the aggregate amount of Shares to be purchased on such date, or if the Company shall not exercise the right described in paragraph (b) above, then this Agreement or, with respect to any Additional Closing Date, the obligation of the Underwriters to purchase Shares on the Additional Closing Date, as the case may be, shall terminate without liability on the part of the non-defaulting Underwriters. Any termination of this Agreement pursuant to this Section 10 shall be without liability on the part of the Company, except that the Company will continue to be liable for the payment of expenses as set forth in Section 11 hereof and except that the provisions of Section 7 hereof shall not terminate and shall remain in effect.

(d) Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company or any non-defaulting Underwriter for damages caused by its default.

11. Payment of Expenses.

(a) Whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, the Company will pay or cause to be paid all costs and expenses incident to the performance of its obligations hereunder, including without

limitation, (i) the costs incident to the authorization, issuance, sale, preparation and delivery of the Shares and any taxes payable in that connection; (ii) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement, the Preliminary Prospectus, any Issuer Free Writing Prospectus, any Pricing Disclosure Package and the Prospectus (including all exhibits, amendments and supplements thereto) and the distribution thereof; (iii) the fees and expenses of the Company's counsel and independent accountants; (v) the reasonable and documented fees and expenses incurred in connection with the registration or qualification and determination of eligibility for investment of the Shares under the laws of such jurisdictions as the Representatives may designate and the preparation, printing and distribution of a Blue Sky Memorandum (including the related reasonable and documented fees and expenses of counsel for the Underwriters not to exceed $10,000); (vi) the cost of preparing stock certificates; (vii) the costs and charges of any transfer agent and any registrar; (viii) all expenses and application fees incurred in connection with any filing with, and clearance of the offering by, FINRA (including the related reasonable and documented fees and expenses of counsel for the Underwriters not to exceed $40,000); (ix) all expenses incurred by the Company in connection with any "road show" presentation to potential investors; (x) all expenses and application fees related to the listing of the Shares on the Nasdaq Market and (xi) the reasonable and documented fees and disbursements of counsel incurred by the Underwriters in connection with the Directed Share Program and stamp duties, similar taxes or duties or other taxes, if any, incurred by the Underwriters in connection with the Directed Share Program.

(b) If (i) this Agreement is terminated pursuant to Section 9, (ii) the Company for any reason fails to tender the Shares for delivery to the Underwriters (other than by reason of a default by any Underwriter) or (iii) the Underwriters decline to purchase the Shares for any reason permitted under this Agreement, the Company agrees to reimburse the Underwriters for all out-of-pocket costs and expenses (including the documented fees and expenses of their counsel) reasonably incurred by the Underwriters in connection with this Agreement and the offering contemplated hereby. For the avoidance of doubt, it is understood that the Company shall not pay or reimburse any costs, fees or expenses incurred by any Underwriter that defaults on its obligations to purchase the Shares.

12. Persons Entitled to Benefit of Agreement. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and any controlling persons referred to herein, and the affiliates of each Underwriter referred to in Section 7 hereof. Nothing in this Agreement is intended or shall be construed to give any other person any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein. No purchaser of Shares from any Underwriter shall be deemed to be a successor merely by reason of such purchase.

13. Survival. The respective indemnities, rights of contribution, representations, warranties and agreements of the Company and the Underwriters contained in this Agreement or made by or on behalf of the Company or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Shares and shall remain in full force and effect, regardless of any termination of this Agreement or any investigation made by or on behalf of the Company or the Underwriters or the directors, officers, controlling persons or affiliates referred to in Section 7 hereof.

14. Certain Defined Terms. For purposes of this Agreement, (a) except where otherwise expressly provided, the term "affiliate" has the meaning set forth in Rule 405 under the Securities Act; (b) the term "business day" means any day other than a day on which banks are permitted or required to be closed in New York City; and (c) the term "subsidiary" has the meaning set forth in Rule 405 under the Securities Act.

15. Compliance with USA Patriot Act. In accordance with the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)), the Underwriters are required to obtain, verify and record information that identifies their respective clients, including the Company, which information may include the name and address of their respective clients, as well as other information that will allow the Underwriters to properly identify their respective clients.

16. Miscellaneous.

(a) *Notices.* All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted and confirmed by any standard form of telecommunication. Notices to the Underwriters shall be given to the Representatives c/o J.P. Morgan Securities LLC, 383 Madison Avenue, New York, New York 10179 (fax: (212) 622-8358), Attention: Equity Syndicate Desk; c/o Jefferies LLC, 520 Madison Avenue, New York, New York 10022 (fax: (646) 619-4437), Attention: General Counsel; and Credit Suisse Securities (USA) LLC, Eleven Madison Avenue, New York, New York 10010 (fax: (212) 325-4296), Attention: IBCM-Legal. Notices to the Company shall be given to it at BioAtla, Inc., 11085 Torreyana Road, San Diego, California 92121, Attention: Jay M. Short Ph.D., with copies to Dechert LLP, 1900 K Street N.W., Washington, D.C. 20006-1110, Attention: David Schulman.

(b) *Governing Law.* This Agreement and any claim, controversy or dispute arising under or related to this Agreement shall be governed by and construed in accordance with the laws of the State of New York.

(c) *Submission to Jurisdiction*. The Company hereby submits to the exclusive jurisdiction of the U.S. federal and New York state courts in the Borough of Manhattan in The City of New York in any suit or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby. The Company waives any objection which it may now or hereafter have to the laying of venue of any such suit or proceeding in such courts. The Company agrees that final judgment in any such suit, action or proceeding brought in such court shall be conclusive and binding upon the Company and may be enforced in any court to the jurisdiction of which Company is subject by a suit upon such judgment.

(d) *Waiver of Jury Trial.* Each of the parties hereto hereby waives any right to trial by jury in any suit or proceeding arising out of or relating to this Agreement.

(e) *Recognition of the U.S. Special Resolution Regimes*.

(i) In the event that any Underwriter that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(ii) In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Section 16(e):

"BHC Act Affiliate" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"Covered Entity" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"Default Right" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"U.S. Special Resolution Regime" means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

(f) *Counterparts.* This Agreement may be signed in counterparts (which may include counterparts delivered by any standard form of telecommunication), each of which shall be an original and all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

(g) *Amendments or Waivers*. No amendment or waiver of any provision of this Agreement, nor any consent or approval to any departure therefrom, shall in any event be effective unless the same shall be in writing and signed by the parties hereto.

(h) *Headings*. The headings herein are included for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

If the foregoing is in accordance with your understanding, please indicate your acceptance of this Agreement by signing in the space provided below.

Very truly yours,

BIOATLA, INC.

By: _____
Name:
Title:

Accepted: As of the date first written above

J.P. MORGAN SECURITIES LLC
JEFFERIES LLC
CREDIT SUISSE SECURITIES (USA) LLC

For themselves and on behalf of the
several Underwriters listed
in Schedule 1 hereto.

J.P. MORGAN SECURITIES LLC

By: _____
Name:
Title:

JEFFERIES LLC

By: _____
Name:
Title:

CREDIT SUISSE SECURITIES (USA) LLC

By: _____
Name:
Title:

Underwriter	Number of Shares
J.P. Morgan Securities LLC	
Jefferies LLC	
Credit Suisse Securities (USA) LLC	
BTIG, LLC	
Total	

a. **Pricing Disclosure Package**

[●]

b. **Pricing Information Provided Orally by Underwriters**

Number of Underwritten Shares: [●]

Number of Option Shares: [●]

Public Offering Price: $[●] per Share

Written Testing-the-Waters Communications

Testing-the-Waters Presentations dated October 2020.

BioAtla, Inc.

Pricing Term Sheet

[None.]

Exhibit A

Testing-the-Waters Authorization

(to be delivered by the Issuer to J.P. Morgan Securities LLC, Jefferies LLC and Credit Suisse Securities (USA) LLC in email or letter form)

In reliance on Section 5(d) of the Securities Act of 1933, as amended (the "Act"), BioAtla, Inc. (the "Issuer") hereby authorizes J.P. Morgan Securities LLC ("J.P. Morgan"), Jefferies LLC ("Jefferies") and Credit Suisse Securities (USA) LLC ("Credit Suisse") (collectively, the "Representatives"), and their affiliates and their respective employees, to engage on behalf of the Issuer in oral and written communications with potential investors that are "qualified institutional buyers", as defined in Rule 144A under the Act, or institutions that are "accredited investors", within the meaning of Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Act, to determine whether such investors might have an interest in the Issuer's contemplated initial public offering ("Testing-the-Waters Communications"). A "Written Testing-the Waters Communication" means any Testing-the-Waters Communication that is a written communication within the meaning of Rule 405 under the Act.

The Issuer represents that (i) except as disclosed to the Representatives, it has not alone engaged in any Testing-the-Waters Communication and (ii) it has not authorized anyone other than the Representatives to engage in Testing-the-Waters Communications. The Issuer agrees that it shall not authorize any other third party to engage on its behalf in oral or written communications with potential investors without the written consent of the Representatives. The Issuer represents that it is an "emerging growth company" as defined in Section 2(a)(19) of the Act ("Emerging Growth Company") and agrees to promptly notify J.P. Morgan, Jefferies and Credit Suisse in writing if the Issuer hereafter ceases to be an Emerging Growth Company while this authorization is in effect. If at any time following the distribution of any Written Testing-the-Waters Communication there occurs an event or development as a result of which such Written Testing-the-Waters Communication included or would include an untrue statement of a material fact or omitted or would omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at that subsequent time, not misleading, the Issuer will promptly notify J.P. Morgan, Jefferies and Credit Suisse and will promptly amend or supplement, at its own expense, such Written Testing-the-Waters Communication to eliminate or correct such untrue statement or omission.

Nothing in this authorization is intended to limit or otherwise affect the ability of J.P. Morgan, Jefferies and Credit Suisse, and their affiliates and their respective employees, to engage in communications in which they could otherwise lawfully engage in the absence of this authorization, including, without limitation, any written communication containing only one or more of the statements specified under Rule 134(a) under the Act. This authorization shall remain in effect until the Issuer has provided to J.P. Morgan, Jefferies and Credit Suisse a written notice revoking this authorization. All notices as described herein shall be sent by email to the attention of David Ke at david.ke@jpmorgan.com, Michael Brinkman at mbrinkman@jefferies.com, Charlie Glazer at cglazer@jefferies.com, Mary Grace Papatheodorou at mpapatheodorou@jefferies.com and Rebecca Kotkin at rebecca.kotkin@credit-suisse.com, with copies to Peter Kim at peter.kim@credit-suisse.com, William Fogg at wfogg@cravath.com and Michael Mariani at mmariani@cravath.com.

Exhibit B

Form of Waiver of Lock-up

J.P. MORGAN SECURITIES LLC
JEFFERIES LLC
CREDIT SUISSE SECURITIES (USA) LLC

BioAtla, Inc.
Public Offering of Common Stock

, 20__

[Name and Address of
Officer or Director
Requesting Waiver]

Dear Mr./Ms. [Name]:

This letter is being delivered to you in connection with the offering by BioAtla, Inc. (the "Company") of _____ shares of common stock, $0.0001 par value (the "Common Stock"), of the Company and the lock-up letter dated _____, 2020 (the "Lock-up Letter"), executed by you in connection with such offering, and your request for a [waiver] [release] dated _____, 20__, with respect to _____ shares of Common Stock (the "Shares").

J.P. Morgan Securities LLC, Jefferies LLC and Credit Suisse Securities (USA) LLC hereby agree on behalf of the underwriters to [waive] [release] the transfer restrictions set forth in the Lock-up Letter, but only with respect to the Shares, effective _____, 20__; provided, however, that such [waiver] [release] is conditioned on the Company announcing the impending [waiver] [release] by press release through a major news service at least two business days before effectiveness of such [waiver] [release]. This letter will serve as notice to the Company of the impending [waiver] [release].

Except as expressly [waived] [released] hereby, the Lock-up Letter shall remain in full force and effect.

Yours very truly,

[Signature of J.P. Morgan Securities LLC Representative]
[Name of J.P. Morgan Securities LLC Representative]
[Signature of Jefferies LLC Representative]
[Name of Jefferies LLC Representative]
[Signature of Credit Suisse Securities (USA) LLC Representative]
[Name of Credit Suisse Securities (USA) LLC Representative]

cc: Company

Exhibit C

Form of Press Release

BioAtla, Inc.
[Date]

BioAtla, Inc. ("Company") announced today that J.P. Morgan Securities LLC, Jefferies LLC and Credit Suisse Securities (USA) LLC, the joint book-running managers in the Company's recent public sale of shares of common stock, are [waiving] [releasing] a lock-up restriction with respect to [●] shares of the Company's common stock held by [certain officers or directors] [an officer or director] of the Company. The [waiver] [release] will take effect on _____, 20__, and the shares may be sold on or after such date.

This press release is not an offer for sale of the securities in the United States or in any other jurisdiction where such offer is prohibited, and such securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended.

Exhibit D

FORM OF LOCK-UP AGREEMENT

_____, 2020

J.P. Morgan Securities LLC
383 Madison Avenue
New York, New York 10179

Jefferies LLC
520 Madison Avenue
New York, New York 10022

Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, New York 10010

As Representatives of
the several Underwriters listed in
Schedule 1 to the Underwriting
Agreement referred to below

Re: BioAtla, Inc. --- Public Offering

Ladies and Gentlemen:

The undersigned understands that you, as Representatives (the "Representatives") of the several Underwriters, propose to enter into an underwriting agreement (the "Underwriting Agreement") with BioAtla, Inc., a Delaware corporation (the "Company"), providing for the public offering (the "Public Offering") by the several Underwriters named in Schedule 1 to the Underwriting Agreement (the "Underwriters"), of shares of common stock, $0.0001 par value per share ("Common Stock"), of the Company (the "Securities"). Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Underwriting Agreement.

In consideration of the Underwriters' agreement to purchase and make the Public Offering of the Securities, and for other good and valuable consideration receipt of which is hereby acknowledged, the undersigned hereby agrees that, without the prior written consent of the Representatives on behalf of the Underwriters, the undersigned will not, and will not cause any direct or indirect affiliate to, during the period beginning on the date of this letter agreement (this "Letter Agreement") and ending at the close of business 180 days after the date of the final prospectus relating to the Public Offering (the "Prospectus") (such period, the "Restricted Period"), (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock (including without limitation, Common Stock or

such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Securities and Exchange Commission and securities which may be issued upon exercise of a stock option or warrant) (collectively with the Common Stock, the "Lock-Up Securities"), (2) enter into any hedging, swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the Lock-Up Securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Lock-Up Securities, in cash or otherwise, (3) make any demand for or exercise any right with respect to the registration of any Lock-Up Securities, or (4) publicly disclose the intention to do any of the foregoing. The undersigned acknowledges and agrees that the foregoing precludes the undersigned from engaging in any hedging or other transactions or arrangements (including, without limitation, any short sale or the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) designed or intended, or which could reasonably be expected to lead to or result in, a sale or disposition or transfer (whether by the undersigned or any other person) of any economic consequences of ownership, in whole or in part, directly or indirectly, of any Lock-Up Securities, whether any such transaction or arrangement (or instrument provided for thereunder) would be settled by delivery of Lock-Up Securities, in cash or otherwise. The undersigned further confirms that it has furnished the Representatives with the details of any transaction the undersigned, or any of its affiliates, is a party to as of the date hereof, which transaction would have been restricted by this Letter Agreement if it had been entered into by the undersigned during the Restricted Period.

Notwithstanding the foregoing, the undersigned may:

(a) transfer or dispose of the undersigned's Lock-Up Securities:

(i) as a bona fide gift or gifts, or for bona fide estate planning purposes,

(ii) by will, other testamentary document or intestacy,

(iii) to any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, or if the undersigned is a trust, to a trustor or beneficiary of the trust or to the estate of a beneficiary of such trust (for purposes of this Letter Agreement, "immediate family" shall mean any relationship by blood, current or former marriage, domestic partnership or adoption, not more remote than first cousin),

(iv) to a corporation, partnership, limited liability company, trust or other entity of which the undersigned and one or more members of the immediate family of the undersigned are directly or indirectly the legal and beneficial owner of all of the outstanding equity securities or similar interests,

(v) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (iv) above,

(vi) if the undersigned is a corporation, partnership, limited liability company, trust or other business entity, (A) to another corporation, partnership, limited liability company, trust or other business entity that is an affiliate (as defined in Rule 405 promulgated under the Securities

Act of 1933, as amended) of the undersigned, or to any investment fund or other entity controlling, controlled by, managing or managed by or under common control with the undersigned or affiliates of the undersigned (including, for the avoidance of doubt, where the undersigned is a partnership, to its general partner or a successor partnership or fund, or any other funds managed by such partnership), or (B) as part of a distribution or other transfer to general or limited partners, members or shareholders of, or other holders of equity in, the undersigned,

(vii) by operation of law, such as pursuant to a qualified domestic order, divorce settlement, divorce decree, separation agreement or court order,

(viii) to the Company from an employee or other service provider of the Company upon death, disability or termination of employment or service relationship, in each case, of such employee or service provider,

(ix) as part of a sale of the undersigned's Lock-Up Securities acquired in open market transactions after the completion of the Public Offering,

(x) to the Company in connection with the vesting, settlement, or exercise of restricted stock units, options, warrants or other rights to purchase shares of Common Stock (including, in each case, by way of "net" or "cashless" exercise), including for the payment of exercise price and tax and remittance payments due as a result of the vesting, settlement, or exercise of such restricted stock units, options, warrants or rights, provided that any such shares of Common Stock received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement, and provided further that any such restricted stock units, options, warrants or rights are held by the undersigned pursuant to an agreement or equity awards granted under a stock incentive plan or other equity award plan, each such agreement or plan which is described in the Registration Statement, the Pricing Disclosure Package and the Prospectus, or

(xi) pursuant to a bona fide third-party tender offer, merger, consolidation or other similar transaction that is approved by the Board of Directors of the Company and made to all holders of the Company's capital stock involving a Change of Control (as defined below) of the Company (for purposes hereof, "Change of Control" shall mean the transfer (whether by tender offer, merger, consolidation or other similar transaction), in one transaction or a series of related transactions, to a person or group of affiliated persons, of shares of capital stock if, after such transfer, such person or group of affiliated persons would hold at least a majority of the outstanding voting securities of the Company (or the surviving entity)); provided that in the event that such tender offer, merger, consolidation or other similar transaction is not completed, the undersigned's Lock-Up Securities shall remain subject to the provisions of this Letter Agreement; or

provided that (A) in the case of any transfer, disposition or distribution pursuant to clause (a)(i), (ii), (iii), (iv), (v), (vi) and (vii), such transfer shall not involve a disposition for value and each donee, devisee, transferee or distributee shall execute and deliver to the Representatives a lock-up letter in the form of this Letter Agreement, (B) in the case of any transfer or distribution pursuant to clause (a)(i), (ii), (iii), (iv), (v), (vi) and (ix), no filing by any party (donor, donee, devisee, transferor, transferee, distributer or distributee) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or other public announcement shall be required or shall be

made voluntarily in connection with such transfer or distribution (other than a filing on a Form 5 or any required Schedule 13F, Schedule 13G or Schedule 13G/A, in each case made after the expiration of the Restricted Period referred to above) and (C) in the case of any transfer, disposition or distribution pursuant to clause (a)(vii), (viii) and (x) it shall be a condition to such transfer that no public filing, report or announcement shall be voluntarily made and if any filing under Section 16(a) of the Exchange Act, or other public filing, report or announcement reporting a reduction in beneficial ownership of shares of Common Stock in connection with such transfer or distribution shall be legally required during the Restricted Period, such filing, report or announcement shall clearly indicate in the footnotes thereto the nature and conditions of such transfer;

(b) exercise outstanding options, settle restricted stock units or other equity awards or exercise warrants pursuant to plans described in the Registration Statement, the Pricing Disclosure Package and the Prospectus; provided that any Lock-up Securities received upon such exercise, vesting or settlement shall be subject to the terms of this Letter Agreement;

(c) convert outstanding preferred stock, warrants to acquire preferred stock or convertible securities into shares of Common Stock or warrants to acquire shares of Common Stock; provided that any such shares of Common Stock or warrants received upon such conversion shall be subject to the terms of this Letter Agreement; and

(d) establish trading plans pursuant to Rule 10b5-1 under the Exchange Act for the transfer of shares of Lock-Up Securities; provided that (1) such plans do not provide for the transfer of Lock-Up Securities during the Restricted Period and (2) no filing by any party under the Exchange Act or other public announcement shall be required or made voluntarily in connection with such trading plan.

If the undersigned is not a natural person, the undersigned represents and warrants that no single natural person, entity or "group" (within the meaning of Section 13(d)(3) of the Exchange Act) beneficially owns, directly or indirectly, 50% or more of the common equity interests, or 50% or more of the voting power, in the undersigned.

If the undersigned is an officer or director of the Company, the undersigned further agrees that the foregoing provisions shall be equally applicable to any Company-directed Securities the undersigned may purchase in the Public Offering.

[In the event that, during the Restricted Period, the Representatives release or waive any prohibition on the transfer or disposition of shares of Common Stock held by any director, executive officer or Significant Holder (as defined below) set forth in this Letter Agreement or any other lock-up agreement entered into with the Underwriters in connection with the Public Offering (or amend the language of this Letter Agreement or such other lock-up agreement to permit transfers or dispositions otherwise prohibited under this Letter Agreement or such other lock-up agreement), the same percentage of the total number of outstanding shares of Common Stock held by the undersigned on the date of such release, waiver or amendment as the percentage of the total number of outstanding shares of Common Stock held by such director, executive officer or such Significant Holder on the date of such release, waiver or amendment that are the subject of such waiver shall be immediately and fully released on the same terms from the applicable prohibition(s) set forth herein. For the purposes of the foregoing, a "Significant Holder" shall

mean any person or entity that (together with any investment funds affiliated with such person or entity) beneficially owns 1% or more of the total outstanding shares of Common Stock. Notwithstanding the foregoing, the provisions of this paragraph will not apply (1) if the release, waiver or amendment is effected solely to permit a transfer not involving a disposition for value, (2) if the transferee agrees in writing to be bound by the same terms described in this Letter Agreement to the extent and for the duration that such terms remain in effect at the time of transfer, (3) in the case of any secondary underwritten public offering of shares of Common Stock (including a secondary underwritten public offering with a primary component) (the "Follow-on Offering"), provided that the undersigned shall be offered the opportunity to participate on a pro rata basis in such Follow-on Offering and on pricing terms that are no less favorable than the terms of the Follow-on Offering, (4) if the release, waiver or amendment is granted to any individual party by the Representatives in an amount, individually or in the aggregate, less than or equal to $2,500,000 in value of Common Stock, or (5) if the release, waiver or amendment is granted due to circumstances of an emergency or hardship as determined by the Representatives in their sole judgment. The Representatives shall use commercially reasonable efforts to promptly notify the Company of each such release (provided, that the failure to provide such notice shall not give rise to any claim or liability against the Representatives or the Underwriters). The undersigned further acknowledges that the Representatives are under no obligation to inquire into whether, or to ensure that, the Company notifies the undersigned of the delivery by the Representatives of any such notice, which is a matter between the undersigned and the Company.][1]

If the undersigned is an officer or director of the Company, (i) the Representatives on behalf of the Underwriters agree that, at least three business days before the effective date of any release or waiver of the foregoing restrictions in connection with a transfer of shares of Lock-Up Securities, the Representatives on behalf of the Underwriters will notify the Company of the impending release or waiver, and (ii) the Company has agreed in the Underwriting Agreement to announce the impending release or waiver through a major news service at least two business days before the effective date of the release or waiver. Any release or waiver granted by the Representatives on behalf of the Underwriters hereunder to any such officer or director shall only be effective two business days after the publication date of such announcement. The provisions of this paragraph will not apply if (a) the release or waiver is effected solely to permit a transfer not for consideration or that is to an immediate family member as defined in FINRA Rule 5130(i)(5) and (b) the transferee has agreed in writing to be bound by the same terms described in this letter to the extent and for the duration that such terms remain in effect at the time of the transfer.

In furtherance of the foregoing, the Company, and any duly appointed transfer agent for the registration or transfer of the securities described herein, are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Letter Agreement.

---

[1] To be included in the lock-ups of certain stockholders.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Letter Agreement. All authority herein conferred or agreed to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned.

The undersigned acknowledges and agrees that the Underwriters have not provided any recommendation or investment advice nor have the Underwriters solicited any action from the undersigned with respect to the Public Offering of the Securities and the undersigned has consulted their own legal, accounting, financial, regulatory and tax advisors to the extent deemed appropriate. The undersigned further acknowledges and agrees that, although the Representatives may be required or choose to provide certain Regulation Best Interest and Form CRS disclosures to you in connection with the Public Offering, the Representatives and the other Underwriters are not making a recommendation to you to enter into this Letter Agreement, and nothing set forth in such disclosures is intended to suggest that the Representatives or any Underwriter is making such a recommendation.

The undersigned understands that, if the Underwriting Agreement does not become effective by March 31, 2021, or if the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Common Stock to be sold thereunder, the undersigned shall be released from all obligations under this Letter Agreement. The undersigned understands that the Underwriters are entering into the Underwriting Agreement and proceeding with the Public Offering in reliance upon this Letter Agreement.

This Letter Agreement and any claim, controversy or dispute arising under or related to this Letter Agreement shall be governed by and construed in accordance with the laws of the State of New York.

Very truly yours,

[NAME OF STOCKHOLDER]

By: _____
Name:
Title:

Exhibit 3.1

CERTIFICATE OF INCORPORATION
OF
BIOATLA, INC.

The undersigned, for the purposes of incorporating and organizing a corporation under the General Corporation Law of the State of Delaware (the "**General Corporation Law**"), does hereby execute this Certificate of Incorporation and does hereby certify as follows:

FIRST: The name of this corporation is BioAtla, Inc. (the "**Corporation**").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 251 Little Falls Drive, in the City of Wilmington, County of New Castle, Delaware 19808. The name of its registered agent at such address is Corporation Service Company.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law. The Corporation is being incorporated in connection with the conversion of BioAtla, LLC (the "**Converting Entity**") to the Corporation (the "**Conversion**") and this Certificate of Incorporation is being filed simultaneously with the Certificate of Conversion of the Converting Entity to the Corporation.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) 350,000,000 shares of Common Stock, $0.0001 par value per share ("**Common Stock**") and (ii) 200,000,000 shares of Preferred Stock, $0.0001 par value per share ("**Preferred Stock**"). Upon the filing of the Certificate of Conversion of the Converting Entity to the Corporation and this Certificate of Incorporation (the "**Effective Time**"), all of the limited liability company interests of the Converting Entity issued and outstanding immediately prior to the Effective Time were converted into, and shall be deemed to be, (i) 80,860,651 issued and outstanding, fully paid and nonassessable shares of Common Stock and (ii) 59,164,808 issued and outstanding, fully paid and nonassessable shares of Series D Preferred Stock (as defined below), without any action required on the part of the Corporation or any holder of limited liability company interests of the Converting Entity.

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings); provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Certificate of Incorporation that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders

of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Certificate of Incorporation. There shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of the Certificate of Incorporation of the Corporation (the "**Certificate of Incorporation**")) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law, and without a separate class vote of the holders of Common Stock.

B. PREFERRED STOCK

200,000,000 shares of the authorized Preferred Stock of the Corporation are hereby designated "**Series D Preferred Stock**" with the following rights, preferences, powers, privileges and restrictions, qualifications and limitations. Unless otherwise indicated, references to "Sections" or "Subsections" in this Part B of this Article Fourth refer to sections and subsections of Part B of this Article Fourth.

1 Dividends.

1.1 The Corporation shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock) unless (in addition to the obtaining of any consents required elsewhere in the Certificate of Incorporation) the holders of the Series D Preferred Stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series D Preferred Stock in an amount at least equal to (i) in the case of a dividend on Common Stock or any class or series that is convertible into Common Stock, that dividend per share of Series D Preferred Stock as would equal the product of (A) the dividend payable on each share of such class or series determined, if applicable, as if all shares of such class or series had been converted into Common Stock and (B) the number of shares of Common Stock issuable upon conversion of a share of Series D Preferred Stock, in each case calculated on the record date for determination of holders entitled to receive such dividend or (ii) in the case of a dividend on any class or series that is not convertible into Common Stock, at a rate per share of Series D Preferred Stock determined by (A) dividing the amount of the dividend payable on each share of such class or series of capital stock by the original issuance price of such class or series of capital stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to such class or series) and (B) multiplying such fraction by an amount equal to the Series D Original Issue Price (as defined below); provided that, if the Corporation declares, pays or sets aside, on the same date, a dividend on shares of more than one class or series of capital stock of the Corporation, the dividend payable to the holders of Series D Preferred Stock pursuant to this Section 1 shall be calculated based upon the dividend on the class or series of capital stock that would result in the highest Series D Preferred Stock dividend. The "**Series D Original Issue Price**" shall mean $0.51554931 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series D Preferred Stock.

2 Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

2.1 Preferential Payments to Holders of Series D Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event (as defined below), before any distribution or payment shall be made to the holders of any Common Stock, the holders of shares of Series D Preferred Stock shall be entitled to be paid out of the assets of the Corporation legally available for distribution to its stockholders, and in the event of a Deemed Liquidation Event (as defined below), the holders of shares of Series D Preferred Stock then outstanding shall be entitled to be paid out of the consideration payable to stockholders in such Deemed Liquidation Event or out of the Available Proceeds (as defined below), as applicable, before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to the greater of (i) one and one-half times (1.5X) the Series D Original Issue Price of such shares of Series D Preferred Stock plus all declared and unpaid dividends on such share of Series D Preferred Stock and (ii) such amount per share as would have been payable had all shares of the Series D Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event (the amount payable pursuant to this sentence is hereinafter referred to as the "**Series D Liquidation Amount**"). If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series D Preferred Stock the full amount to which they shall be entitled under this Subsection 2.1, the holders of shares of Series D Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.2 Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, after the payment in full of all Series D Liquidation Amounts required to be paid to the holders of shares of Series D Preferred Stock, the remaining assets of the Corporation available for distribution to its stockholders or, in the case of a Deemed Liquidation Event, the consideration not payable to the holders of shares of Series D Preferred Stock pursuant to Subsection 2.1 or the remaining Available Proceeds, as the case may be, shall be distributed among the holders of shares of Common Stock, pro rata based on the number of shares held by each such holder.

2.3 Deemed Liquidation Events.

2.3.1 Definition. Each of the following events shall be considered a "**Deemed Liquidation Event**" unless the holders of at least a majority of the outstanding shares of Series D Preferred Stock (the "**Requisite Holders**") elect otherwise by written notice sent to the Corporation at least ten (10) days prior to the effective date of any such event:

(a) a merger or consolidation in which

(i) the Corporation is a constituent party or

(ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation,

except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of (1) the surviving or resulting corporation or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or

(b) (i) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or (ii) the sale or disposition (whether by merger, consolidation or otherwise, and whether in a single transaction or a series of related transactions) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation (an "**Asset Sale**").

(c) any transaction pursuant to or a result of which a single party (or group of affiliates parties) acquires capital stock of the Corporation representing fifty percent (50%) or more of the Corporation's outstanding voting securities (a "**Change of Control**").

2.3.2 Effecting a Deemed Liquidation Event.

(a) The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Subsection 2.3.1(a)(i) unless the agreement or plan of merger, consolidation or reorganization for such transaction (the "**Merger Agreement**") provides that the consideration payable to the stockholders of the Corporation in such Deemed Liquidation Event shall be paid to the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2.

(b) In the event of a Deemed Liquidation Event referred to in Subsection 2.3.1(a)(ii) or 2.3.1(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within ninety (90) days after such Deemed Liquidation Event, then (i) the Corporation shall send a written notice to each holder of Series D Preferred Stock no later than the ninetieth (90th) day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause (ii) to require the redemption of such shares of Series D Preferred Stock, and

(ii) if the holders of at least a majority of the then outstanding shares of Series D Preferred Stock so request in a written instrument delivered to the Corporation not later than one hundred twenty (120) days after such Deemed Liquidation Event, the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board of Directors of the Corporation (the "**Board**")), together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the "**Available Proceeds**"), on the one hundred fiftieth (150th) day after such Deemed Liquidation Event, to redeem all outstanding shares of Series D Preferred Stock at a price per share equal to the Series D Liquidation Amount. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Series D Preferred Stock, the Corporation shall redeem a pro rata portion of each holder's shares of Series D Preferred Stock to the fullest extent of such Available Proceeds, based on the respective amounts which would otherwise be payable in respect of the shares to be redeemed if the Available Proceeds were sufficient to redeem all such shares, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to stockholders. Prior to the distribution or redemption provided for in this Subsection 2.3.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event or in the ordinary course of business.

2.3.3 Amount Deemed Paid or Distributed. The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities paid or distributed to such holders pursuant to such Deemed Liquidation Event by the Corporation or the acquiring person, firm, or other entity. The value of such property, rights or securities shall be determined in good faith by the Board, including the affirmative vote of at least two (2) of the Series D Directors (as defined herein).

2.3.4 Allocation of Escrow and Contingent Consideration. In the event of a Deemed Liquidation Event pursuant to Subsection 2.3.1(a)(i), if any portion of the consideration payable to the stockholders of the Corporation is payable only upon satisfaction of contingencies (the "**Additional Consideration**"), the Merger Agreement shall provide that (a) the portion of such consideration that is not Additional Consideration (such portion, the "**Initial Consideration**") shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event; and (b) any Additional Consideration which becomes payable to the stockholders of the Corporation upon satisfaction of such contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2 after taking into account the previous payment of the Initial Consideration as part of the same transaction. For the purposes of this Subsection 2.3.4, consideration placed into escrow or retained as a holdback to be available for satisfaction of indemnification or similar obligations in connection with such Deemed Liquidation Event shall be deemed to be Additional Consideration.

3 Voting.

3.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Series D Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Series D Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided by law or by the other provisions of the Certificate of Incorporation, holders of Series D Preferred Stock shall vote together with the holders of Common Stock as a single class and on an as-converted to Common Stock basis.

3.2 Election of Directors.

3.2.1 The holders of record of the shares of Series D Preferred Stock exclusively and as a separate class shall be entitled to elect three (3) directors of the Corporation (the "**Series D Directors**"). The holders of record of the shares of Common Stock and of any other class or series of voting stock (including the Series D Preferred Stock), voting together as a single class on an as-converted basis, shall be entitled to elect the balance of the total number of directors of the Corporation. Any director elected as provided in the preceding sentences of this Subsection 3.2.1 may be removed without cause by, and only by, the affirmative vote of the holders of the shares of the class or series of capital stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders. If the holders of shares of Series D Preferred Stock or Common Stock, or the appropriate combination thereof, as the case may be, fail to elect a sufficient number of directors to fill all directorships for which they are entitled to elect directors, voting exclusively and as a separate class, pursuant to the first two sentences of this Subsection 3.2, then any directorship not so filled shall remain vacant until such time as the holders of the Series D Preferred Stock, Common Stock, or the appropriate combination thereof, as the case may be, elect a person to fill such directorship by vote or written consent in lieu of a meeting; and no such directorship may be filled by stockholders of the Corporation other than by the stockholders of the Corporation that are entitled to elect a person to fill such directorship, voting exclusively and as a separate class. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the class or series entitled to elect such director shall constitute a quorum for the purpose of electing such director. Except as otherwise provided in this Subsection 3.2, a vacancy in any directorship filled by the holders of any class or series shall be filled only by vote or written consent in lieu of a meeting of the holders of such class or series or by any remaining director or directors elected by the holders of such class or series pursuant to this Subsection 3.2.

3.3 Preferred Stock Protective Provisions. At any time when any shares of Series D Preferred Stock are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or the Certificate of Incorporation) the written consent or affirmative vote of the Requisite Holders given in writing or by vote at a meeting, consenting or voting (as the case may be), and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect.

3.3.1 liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any merger or consolidation or any other Deemed Liquidation Event, or consent to any of the foregoing, other than in connection with a bona fide equity financing in which the Corporation is the surviving corporation;

3.3.2 amend, alter, repeal or waive any provision of the Certificate of Incorporation or Bylaws of the Corporation (the "**Bylaws**");

3.3.3 create, or authorize the creation of, or issue or obligate itself to issue shares of, any additional class or series of capital stock that is senior to or *pari passu* with the Series D Preferred Stock ("**Other Securities**"), or increase the authorized number of shares of Series D Preferred Stock or increase the authorized number of shares of any Other Securities;

3.3.4 (i) reclassify, alter or amend any existing security of the Corporation that is *pari passu* with the Series D Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to the Series D Preferred Stock in respect of any such right, preference or privilege, or (ii) reclassify, alter or amend any existing security of the Corporation that is junior to the Series D Preferred Stock in respect of the distribution of assets on the liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the payment of dividends or rights of redemption, if such reclassification, alteration or amendment would render such other security senior to or *pari passu* with the Series D Preferred Stock in respect of any such right, preference or privilege;

3.3.5 purchase or redeem (or permit any subsidiary to purchase or redeem) or pay or declare any dividend or make any distribution on, any shares of capital stock of the Corporation other than (i) dividends or other distributions payable on the Common Stock solely in the form of additional shares of Common Stock, if otherwise expressly provided herein, and (ii) repurchases of stock from former employees, officers, directors, consultants or other persons who performed services for the Corporation or any subsidiary in connection with the cessation of such employment or service at the lower of the original purchase price or the then-current fair market value thereof;

3.3.6 create, or authorize the creation of, or issue, or authorize the issuance of any debt security or create any lien or security interest (except for purchase money liens or statutory liens of landlords, mechanics, materialmen, workmen, warehousemen and other similar persons arising or incurred in the ordinary course of business) or incur other indebtedness for borrowed money, including but not limited to obligations and contingent obligations under guarantees, or permit any subsidiary to take any such action with respect to any debt security lien, security interest or other indebtedness for borrowed money, if the aggregate indebtedness of the Corporation and its subsidiaries for borrowed money following such action would exceed $250,000, unless already included on the budget approved by the Board, including the affirmative vote of at least two (2) of the Series D Directors, other than trade lines of credit in the ordinary course of business;

3.3.7 increase or decrease the authorized number of directors constituting the Board;

3.3.8 create or hold capital stock in any subsidiary that is not a wholly owned subsidiary or dispose of any subsidiary stock or all or substantially all of any subsidiary assets;

3.3.9 increase the number of shares of capital stock of the Corporation and/or options to purchase capital stock of the Corporation available for issuance pursuant to a plan or otherwise to employees, officers, directors, consultants and advisors;

3.3.10 results in a material asset or equity interest acquisition outside of the ordinary course of business;

3.3.11 change the rights, preferences or privileges of the Series D Preferred Stock in any way; or

3.3.12 amend this Subsection 3.3.

4 Optional Conversion.

The holders of the Series D Preferred Stock shall have conversion rights as follows (the "**Conversion Rights**"):

4.1 Right to Convert.

4.1.1 Conversion Ratio. Each share of Series D Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing the Series D Original Issue Price by the Series D Conversion Price (as defined below) in effect at the time of conversion. The "**Series D Conversion Price**" shall initially be equal to $0.51554931. Such initial Series D Conversion Price, and the rate at which shares of Series D Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

4.1.2 Termination of Conversion Rights. In the event of a liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights shall terminate at the close of business on the last full day preceding the date fixed for the payment of any such amounts distributable on such event to the holders of Series D Preferred Stock.

4.2 Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Series D Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Board.

Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Series D Preferred Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

4.3 Mechanics of Conversion.

4.3.1 Notice of Conversion. In order for a holder of Series D Preferred Stock to voluntarily convert shares of Series D Preferred Stock into shares of Common Stock, such holder shall (a) provide written notice to the Corporation's transfer agent at the office of the transfer agent for the Series D Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent) that such holder elects to convert all or any number of such holder's shares of Series D Preferred Stock and, if applicable, any event on which such conversion is contingent and (b), if such holder's shares are certificated, surrender the certificate or certificates for such shares of Series D Preferred Stock (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Series D Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent). Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. If required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such certificates (or lost certificate affidavit and agreement) and notice shall be the time of conversion (the "**Conversion Time**"), and the shares of Common Stock issuable upon conversion of the shares represented by such certificate shall be deemed to be outstanding of record as of such date. The Corporation shall, as soon as practicable after the Conversion Time, (i) issue and deliver to such holder of Series D Preferred Stock, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of Series D Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, (ii) pay in cash such amount as provided in Subsection 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion, and (iii) pay all declared but unpaid dividends on the shares of Series D Preferred Stock converted.

4.3.2 Reservation of Shares. The Corporation shall at all times when the Series D Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Series D Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Series D Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of Series D Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation,

engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to the Certificate of Incorporation. Before taking any action which would cause an adjustment reducing the Series D Conversion Price below the then par value of the shares of Common Stock issuable upon conversion of the Series D Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and nonassessable shares of Common Stock at such adjusted Series D Conversion Price.

4.3.3 Effect of Conversion. All shares of Series D Preferred Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares, including the rights, if any, to receive notices and to vote, shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor, to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion as provided in Subsection 4.2 and to receive payment of any dividends declared but unpaid thereon. Any shares of Series D Preferred Stock so converted shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Series D Preferred Stock accordingly.

4.3.4 No Further Adjustment. Upon any such conversion, no adjustment to the Series D Conversion Price shall be made for any declared but unpaid dividends on the Series D Preferred Stock surrendered for conversion or on the Common Stock delivered upon conversion.

4.3.5 Taxes. The Corporation shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of shares of Common Stock upon conversion of shares of Series D Preferred Stock pursuant to this Section 4. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that in which the shares of Series D Preferred Stock so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

4.4 Adjustments to Series D Conversion Price for Diluting Issues.

4.4.1 Special Definitions. For purposes of this Article Fourth, the following definitions shall apply:

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

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

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

(d) "**Additional Shares of Common Stock**" shall mean all shares of Common Stock issued (or, pursuant to Subsection 4.4.3 below, deemed to be issued) by the Corporation after the Series D Original Issue Date, other than (1) the following shares of Common Stock and (2) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (1) and (2), collectively, "**Exempted Securities**"):

(i) shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on Series D Preferred Stock;

(ii) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Subsection 4.5, 4.6, 4.7 or 4.8;

(iii) shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board, including the approval of at least two (2) of the Series D Directors;

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

(v) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing, real property leasing transaction or other similar transaction that is primarily of a non-equity financing nature, approved by the Board, including the approval of at least two (2) of the Series D Directors;

(vi) shares of Common Stock, Options or Convertible Securities issued as consideration pursuant to the acquisition of another corporation by the Corporation by merger, purchase of substantially all of the assets or other reorganization or to a joint venture agreement, provided, that such issuances are approved by the Board, including the approval of at least two (2) of the Series D Directors;

(vii) shares of Common Stock, Options or Convertible Securities issued in connection with a license, collaboration or strategic partnership arrangement and not principally for equity financing purposes, provided, that such issuances are approved by the Board, including the approval of at least two (2) of the Series D Directors; or

(viii) shares of Common Stock issued or issuable pursuant to a firm-commitment underwritten public offering registered pursuant to the Securities Act of 1933, as amended, and approved by the Board, including the approval of at least two (2) of the Series D Directors.

4.4.2 No Adjustment of Series D Conversion Price. Subject to Subsection 4.4.4, no adjustment in the Series D Conversion Price shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the Requisite Holders, agreeing that no such adjustment shall be made as a result of the issuance or deemed issuance of such Additional Shares of Common Stock.

4.4.3 Deemed Issue of Additional Shares of Common Stock.

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

(b) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the Series D Conversion Price pursuant to the terms of Subsection 4.4.4, are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (i) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (ii) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the Series D Conversion Price computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Series D Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (b) shall have the effect of increasing the Series D Conversion Price to an amount which exceeds the lower of (1) the Series D Conversion Price in effect immediately prior to the original adjustment made as a result of the issuance of such Option or

Convertible Security, or (2) the Series D Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(c) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Series D Conversion Price pursuant to the terms of Subsection 4.4.4 (either because the consideration per share (determined pursuant to Subsection 4.4.5) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Series D Conversion Price then in effect, or because such Option or Convertible Security was issued before the Series D Original Issue Date), are revised after the Series D Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (i) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (ii) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Subsection 4.4.3(a)) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(d) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the Series D Conversion Price pursuant to the terms of Subsection 4.4.4, the Series D Conversion Price shall be readjusted to such Series D Conversion Price as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(e) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Series D Conversion Price provided for in this Subsection 4.4.3 shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in clauses (b) and (c) of this Subsection 4.4.3). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such

Option or Convertible Security is issued or amended, any adjustment to the Series D Conversion Price that would result under the terms of this Subsection 4.4.3 at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to the Series D Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

4.4.4 Adjustment of Series D Conversion Price Upon Issuance of Additional Shares of Common Stock.

(a) Notwithstanding anything to the contrary (including Subsection 4.4.2), in the event the Corporation shall at any time after the Series D Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Subsection 4.4.3), without consideration or for a consideration per share less than the Series D Conversion Price in effect immediately prior to such issuance or deemed issuance, then the Series D Conversion Price shall be reduced, concurrently with such issuance or deemed issuance, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula:

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

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

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

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

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

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

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

4.4.5 Determination of Consideration. For purposes of this Subsection 4.4, the consideration received by the Corporation for the issuance or deemed issuance of any Additional Shares of Common Stock shall be computed as follows:

(a) Cash and Property: Such consideration shall:

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

(ii) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board, including the affirmative vote of at least two (2) of the Series D Directors; and

(iii) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board, including the affirmative vote of at least two (2) of the Series D Directors.

(b) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Subsection 4.4.3, relating to Options and Convertible Securities, shall be determined by dividing (i) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by (ii) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

4.4.6 Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Series D Conversion Price pursuant to the terms of Subsection 4.4.4 then, upon the final such issuance, the Series D Conversion Price shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

4.5 Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the Series D Original Issue Date effect a subdivision of the outstanding Common Stock, the Series D Conversion Price in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Series D Original Issue Date combine the outstanding shares of Common Stock, the Series D Conversion Price in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

4.6 Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time or from time to time after the Series D Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Series D Conversion Price in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the Series D Conversion Price then in effect by a fraction:

(a) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(b) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing, (i) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Series D Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Series D Conversion Price shall be adjusted pursuant to this subsection as of the time of actual payment of such dividends or distributions; and (ii) that no such adjustment shall be made if the holders of Series D Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of Series D Preferred Stock had been converted into Common Stock on the date of such event.

4.7 Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Series D Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) or in other property and the provisions of Section 1 do not apply to such dividend or distribution, then and in each such event the holders of Series D Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities or other property in an amount equal to the amount of such securities or other property as they would have received if all outstanding shares of Series D Preferred Stock had been converted into Common Stock on the date of such event.

4.8 Adjustment for Merger or Reorganization, etc. Subject to the provisions of Subsection 2.3, if there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not the Series D Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Subsections 4.4, 4.6 or 4.7), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of Series D Preferred Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of Series D Preferred Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board, including the affirmative vote of at least two (2) of the Series D Directors) shall be made in the application of the provisions in this Section 4 with respect to the rights and interests thereafter of the holders of the Series D Preferred Stock, to the end that the provisions set forth in this Section 4 (including provisions with respect to changes in and other adjustments of Series D Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Series D Preferred Stock. For the avoidance of doubt, nothing in this Subsection 4.8 shall be construed as preventing the holders of Series D Preferred Stock from seeking any appraisal rights to which they are otherwise entitled under the General Corporation Law in connection with a merger triggering an adjustment hereunder, nor shall this Subsection 4.8 be deemed conclusive evidence of the fair value of the shares of Series D Preferred Stock in any such appraisal proceeding.

4.9 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Series D Conversion Price pursuant to this Section 4, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than ten (10) days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of such Series D Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the Series D Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Series D Preferred Stock (but in any event not later than ten (10) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the Series D Conversion Price then in effect, and (ii) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of Series D Preferred Stock.

4.10 Notice of Record Date. In the event:

(a) the Corporation shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Series D Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation, then, and in each such case, the Corporation will send or cause to be sent to the holders of the Series D Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Series D Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Series D Preferred Stock and the Common Stock. Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice.

5 Mandatory Conversion.

5.1 Trigger Events. Upon either (a) the closing of the sale of shares of Common Stock to the public at a price of at least two times (2X) the Series D Original Issue Price (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Common Stock), in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $50,000,000 of gross proceeds to the Corporation and in connection with such offering the Common Stock is listed for trading on the Nasdaq Stock Market or the New York Stock Exchange or (b) the date and time, or the occurrence of an event, specified by vote or written consent of the Requisite Holders (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "**Mandatory Conversion Time**"), (i) all outstanding shares of Series D Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate as calculated pursuant to Subsection 4.1.1 and (ii) such shares may not be reissued by the Corporation.

5.2 Procedural Requirements. All holders of record of shares of Series D Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Series D Preferred Stock pursuant to this Section 5. Such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Series D Preferred Stock in certificated form shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Series D Preferred Stock converted pursuant to Subsection 5.1, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of any certificate or certificates of such holders (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Subsection 5.2. As soon as practicable after the Mandatory Conversion Time and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Series D Preferred Stock, the Corporation shall (a) issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof and (b) pay cash as provided in Subsection 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Series D Preferred Stock converted. Such converted Series D Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Series D Preferred Stock accordingly.

6 Redeemed or Otherwise Acquired Shares. Any shares of Series D Preferred Stock that are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Series D Preferred Stock following redemption.

7 Waiver. Except as otherwise set forth herein, any of the rights, powers, preferences and other terms of the Series D Preferred Stock set forth herein may be waived on behalf of all holders of Series D Preferred Stock by the affirmative written consent or vote of the Requisite Holders.

8 Notices. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Series D Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

FIFTH: The incorporator of the Corporation is Kimberly Lloyd, whose mailing address is c/o Dechert LLP, Cira Centre, 2929 Arch Street, Philadelphia, PA 19104-2808.

SIXTH: Subject to any additional vote required by this Certificate of Incorporation or Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws.

SEVENTH: Subject to any additional vote required by this Certificate of Incorporation, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws.

EIGHTH: Elections of directors need not be by written ballot unless the Bylaws shall so provide.

NINTH: Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws.

TENTH: To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article Tenth to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended.

Any repeal or modification of the foregoing provisions of this Article Tenth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

ELEVENTH: To the fullest extent permitted by applicable law, the Corporation shall provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

Any amendment, repeal or modification of the foregoing provisions of this Article Eleventh shall not (a) adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification or (b) increase the liability of any director of the Corporation with respect to any acts or omissions of such director, officer or agent occurring prior to, such amendment, repeal or modification.

TWELFTH: The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An "**Excluded Opportunity**" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of, (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Series D Preferred Stock or any partner, member, director, stockholder, employee, affiliate or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, the persons in clauses (i) and (ii) are "**Covered Persons**"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation.

THIRTEENTH: Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee or stockholder of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the General Corporation Law or the Certificate of Incorporation or Bylaws or as to which the General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware, or (iv) any action asserting a claim governed by the internal affairs doctrine. To the fullest extent permitted by law, any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article Thirteenth.

FOURTEENTH: In connection with repurchases by the Corporation of its Common Stock from employees, officers, directors, advisors, consultants or other persons performing services for the Corporation or any subsidiary pursuant to agreements under which the Corporation has the option to repurchase such shares at cost upon the occurrence of certain events, such as the termination of employment, Sections 502 and 503 of the California Corporations Code shall not apply in all or in part with respect to such repurchases.

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IN WITNESS WHEREOF, the undersigned incorporator has executed, signed and acknowledged this Certificate of Incorporation on this 13th day of July, 2020.

/s/Kimberly Lloyd
Kimberly Lloyd
Incorporator

[Signature Page to Certificate of Incorporation]

CERTIFICATE OF AMENDMENT
TO
CERTIFICATE OF INCORPORATION
OF
BIOATLA, INC.

BioAtla, Inc. (the "**Corporation**"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "**General Corporation Law**"), does hereby certify,

ONE: That the name of this corporation is BioAtla, Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on July 13, 2020.

TWO: The Board of Directors of the Corporation, acting in accordance with the provisions of Sections 141 and 242 of the General Corporation Law, adopted resolutions amending its Certificate of Incorporation, as follows:

1. That Article FOURTH of the Certificate of Incorporation of the Corporation be and hereby is deleted in its entirety and the following paragraphs are inserted in lieu thereof:

"The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) 350,000,000 shares of Common Stock, $0.0001 par value per share ("**Common Stock**") and (ii) 200,000,000 shares of Preferred Stock, $0.0001 par value per share ("**Preferred Stock**"). Effective upon the filing of this Certificate of Amendment of the Certificate of Incorporation with the Secretary of State of the State of Delaware (the "**Effective Time**"), every thirteen (13) shares of Common Stock then issued and outstanding or held in the treasury of the Corporation immediately prior to the Effective Time shall automatically be combined into one (1) share of Common Stock, without any further action by the holders of such shares (the "**Reverse Stock Split**"). The par value of the Common Stock following the Reverse Stock Split shall remain at $0.0001 per share. The Reverse Stock Split will be effected on a holder-by-holder basis, and any fractional shares resulting from such combination shall be rounded down to the nearest whole share on a holder-by-holder basis. No fractional shares shall be issued in connection with the Reverse Stock Split. In lieu of any fractional shares to which a holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Corporation's Board of Directors. The Reverse Stock Split shall occur automatically without any further action by the holders of the shares of Common Stock and Preferred Stock affected thereby. All rights, preferences and privileges of the Common Stock and the Preferred Stock shall be appropriately adjusted to reflect the Reverse Stock Split in accordance with this Certificate of Incorporation."

THREE: All other provisions of the Corporation's Certificate of Incorporation will remain in full force and effect.

FOUR: Thereafter, pursuant to a resolution of the Board of Directors, this Certificate of Amendment was submitted to the stockholders of the Corporation for their approval and was duly adopted in accordance with the provisions of Sections 228 and 242 of the General Corporation Law.

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IN WITNESS WHEREOF, said corporation has caused this Certificate of Amendment to Certificate of Incorporation to be signed by its duly authorized officer on December 2, 2020.

BIOATLA, INC.

By: /s/ Jay Short
Jay Short
Chief Executive Officer

CERTIFICATE OF SECOND AMENDMENT
TO
CERTIFICATE OF INCORPORATION
OF
BIOATLA, INC.

BioAtla, Inc. (the "**Corporation**"), a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "**General Corporation Law**"), does hereby certify,

ONE: That the name of this corporation is BioAtla, Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on July 13, 2020. The Certificate of Incorporation was amended on December 2, 2020.

TWO: The Board of Directors of the Corporation, acting in accordance with the provisions of Sections 141 and 242 of the General Corporation Law, adopted resolutions amending its Certificate of Incorporation, as follows:

1. That Subsection 5.1 of the statement of designations in Article FOURTH of the Certificate of Incorporation of the Corporation shall be and hereby is amended by adding the following after the first sentence thereof:

"Notwithstanding the foregoing, if, following the closing of a public offering, including a public offering that meets the requirements of clause (a) of the previous sentence, a conversion pursuant to this Subsection 5.1 would result in the holder(s) of Series D Preferred Stock beneficially owning (for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (collectively, the "**Exchange Act**")), when aggregated with affiliates with whom such holder is required to aggregate beneficial ownership for purposes of Section 13(d) of the Exchange Act, in excess of the Beneficial Ownership Limitation, then, for purposes of this Subsection 5.1, at such holder(s) election by written notice delivered to the Corporation within thirty (30) days prior to the closing of such public offering, all or a portion of such holder(s) outstanding shares of Series D Preferred Stock, as so elected by such holder, shall automatically be converted, at the then effective Series D Conversion Price as calculated pursuant to Subsection 4.1.1, into a class of shares of common stock of the Corporation, which shares shall have the same rights and preferences as the Common Stock but shall be non-voting (which such class of non-voting common stock shall be convertible into shares of voting Common Stock, at the election of the holder thereof, provided that immediately prior to or as a result of such conversion, the holder, when aggregated with affiliates with whom such holder is required to aggregate beneficial ownership for purposes of Section 13(d) of the Exchange Act, does not beneficially own shares in excess of the Beneficial Ownership Limitation), except as otherwise provided by law or this Certificate of Incorporation. The "**Beneficial Ownership Limitation**" means initially 4.99% of any class of securities of the Corporation registered under the Exchange Act, which percentage may be increased or decreased to such other percentage as any holder of outstanding shares of Series D Preferred Stock may designate in writing upon 61 days' notice to the Corporation, provided, however, that no holder may make such an election to change the percentage unless all holders managed by the same investment advisor as such electing holder make the same election."

THREE: All other provisions of the Corporation's Certificate of Incorporation, as amended, will remain in full force and effect.

FOUR: Thereafter, pursuant to a resolution of the Board of Directors, this Certificate of Amendment was submitted to the stockholders of the Corporation for their approval and was duly adopted in accordance with the provisions of Sections 228 and 242 of the General Corporation Law.

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IN WITNESS WHEREOF, said corporation has caused this Certificate of Amendment to Certificate of Incorporation to be signed by its duly authorized officer on December 7, 2020.

BIOATLA, INC.

By: /s/ Jay Short
Jay Short
Chief Executive Officer

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
BIOATLA, INC.

BioAtla, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Corporation"), hereby certifies as follows:

1. The name of the Corporation is BioAtla, Inc. The date of the filing of its original Certificate of Incorporation with the Secretary of State of the State of Delaware was July 13, 2020 (the "Original Certificate"). The Corporation was incorporated in connection with the conversion of BioAtla, LLC (the "Converting Entity") to the Corporation and the Original Certificate was filed simultaneously with the Certificate of Conversion of the Converting Entity to the Corporation.

2. This Amended and Restated Certificate of Incorporation (the "Certificate") amends, restates and integrates the provisions of the Original Certificate, and was duly adopted in accordance with the provisions of Sections 228, 242 and 245 of the General Corporation Law of the State of Delaware (the "DGCL").

3. The text of the Original Certificate is hereby amended and restated in its entirety to provide as herein set forth in full.

ARTICLE I

The name of the Corporation is BioAtla, Inc.

ARTICLE II

The address of the Corporation's registered office in the State of Delaware is 251 Little Falls Drive, in the City of Wilmington, County of New Castle, Delaware 19808. The name of its registered agent at such address is Corporation Service Company.

ARTICLE III

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE IV

CAPITAL STOCK

The total number of shares of capital stock which the Corporation shall have authority to issue is [_____] ([_____]), of which (i) Three Hundred Million (300,000,000) shares shall be a class designated as common stock, par value $0.0001 per share (the "Common Stock"), (i) [_____] ([_____]) shares shall be a class designated as Class B common stock, par value $0.0001 per share (the "Class B Common Stock"), and (iii) Two Hundred Million (200,000,000) shares shall be a class designated as undesignated preferred stock, par value $0.0001 per share (the "Undesignated Preferred Stock").

Except as otherwise provided in any certificate of designations of any series of Undesignated Preferred Stock, the number of authorized shares of the class of Common Stock or Undesignated Preferred Stock may from time to time be increased or decreased (but not below the number of shares of such class outstanding) by the affirmative vote of the holders of a majority in voting power of the outstanding shares of capital stock of the Corporation irrespective of the provisions of Section 242(b)(2) of the DGCL.

The powers, preferences and rights of, and the qualifications, limitations and restrictions upon, each class or series of stock shall be determined in accordance with, or as set forth below in, this Article IV.

A. COMMON STOCK; CLASS B COMMON STOCK

Subject to all the rights, powers and preferences of the Undesignated Preferred Stock and except as provided by law or in this Certificate (or in any certificate of designations of any series of Undesignated Preferred Stock):

(a) the holders of the Common Stock shall have the exclusive right to vote for the election of directors of the Corporation (the "Directors") and on all other matters requiring stockholder action, each outstanding share entitling the holder thereof to one vote on each matter properly submitted to the stockholders of the Corporation for their vote; provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Certificate (or on any amendment to a certificate of designations of any series of Undesignated Preferred Stock) that alters or changes the powers, preferences, rights or other terms of one or more outstanding series of Undesignated Preferred Stock if the holders of such affected series of Undesignated Preferred Stock are entitled to vote, either separately or together with the holders of one or more other such series, on such amendment pursuant to this Certificate (or pursuant to a certificate of designations of any series of Undesignated Preferred Stock) or pursuant to the DGCL;

(b) the Class B Common Stock (i) shall be non-voting except as may be required by law and (ii) shall not be entitled to vote on the election of Directors at any time;

(c) dividends may be declared and paid or set apart for payment upon the Common Stock out of any assets or funds of the Corporation legally available for the payment of dividends, but only when and as declared by the Board of Directors or any authorized committee thereof; in the event that such dividend is paid in the form of shares of capital stock of the Corporation, holders of Common Stock shall receive Common Stock and holders of Class B Common Stock shall receive Class B Common Stock;

(d) upon the voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the net assets of the Corporation shall be distributed pro rata to the holders of the Common Stock and Class B Common Stock, treated equally and identically, subject to any preferential or other rights of any then outstanding Undesignated Preferred Stock;

(e) in connection with any merger or consolidation of the Corporation with or into any other entity, shares of Common Stock and shares of Class B Common Stock shall be treated equally, identically and ratably, on a per share basis, with respect to any consideration into which such shares are converted or any other consideration paid or otherwise distributed to stockholders of the Corporation in the merger or consolidation, unless different treatment of the shares of each class is approved by the affirmative vote of the holders of a majority of the outstanding shares of Common Stock and Class B Common Stock, each voting separately as a class; and

(f) in no event shall any stock dividends or stock splits or combinations of stock be declared or made on Common Stock or Class B Common Stock unless the shares of Common Stock and Class B Common Stock at the time outstanding are treated equally and identically, except that such dividends or stock splits or combinations shall be made in respect of shares of Common Stock and Class B Common Stock in the form of shares of Common Stock or Class B Common Stock, respectively.

B. CONVERSION OF CLASS B COMMON STOCK

1. Each holder of shares of Class B Common Stock shall have the right to convert each share of Class B Common Stock held by such holder into one share of Common Stock at such holder's election, which shall be made upon written notice to the Corporation delivered, provided that, the shares of Class B Common Stock may only be converted into shares of Common Stock during such time or times as immediately prior to or as a result of such conversion would not result in the holder(s) thereof beneficially owning (for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (collectively, the "Exchange Act")), when aggregated with affiliates with whom such holder is required to aggregate beneficial ownership for purposes of Section 13(d) of the Exchange Act, in excess of the Beneficial Ownership Limitation. The "Beneficial Ownership Limitation" means initially 4.99% of any class of securities of the Corporation registered under the Exchange Act, which percentage may be increased or decreased by a holder of outstanding shares of Class B Common Stock to such other percentage as such holder may designate in writing upon 61 days' notice the Corporation, provided, however, that such increase or decrease shall only be applicable to such holder.

2. In order for a holder of Class B Common Stock to voluntarily convert shares of Class B Common Stock to Common Stock, such holder shall deliver written notice to the transfer agent of the Corporation (or to the Corporation if the Corporation serves as its own transfer agent) that such holder elects to convert all or any number of the shares of the Class B Common Stock to Common Stock. Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such notice shall be the time of conversion, and the shares of Common Stock issuable upon conversion of the Class B Common Stock set forth in the notice shall be deemed to be outstanding of record as of such date. For any remaining fraction of a share of Common Stock, the Corporation shall, in lieu of issuing a fractional share, pay cash to such holder equal to the product of such fraction multiplied by the fair market value of one share of Common Stock.

3. The one-to-one conversion ratio for the conversion of the Class B Common Stock into Common Stock shall in all events be equitably adjusted in the event of any recapitalization of the Corporation by means of a stock dividend on, or a stock split or combination of, outstanding Common Stock or Class B Common Stock, or in the event of any merger, consolidation or other reorganization of the Corporation with another corporation.

4. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of Class B Common Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of Class B Common Stock.

5. If any shares of Class B Common Stock shall be converted pursuant to this Article IV(B), the shares so converted shall be retired and returned to the authorized but unissued shares of Class B Common Stock.

C. UNDESIGNATED PREFERRED STOCK

The Board of Directors or any authorized committee thereof is expressly authorized, to the fullest extent permitted by law, to provide by resolution or resolutions for, out of the unissued shares of Undesignated Preferred Stock, the issuance of the shares of Undesignated Preferred Stock in one or more series of such stock, and by filing a certificate of designations pursuant to applicable law of the State of Delaware, to establish or increase or decrease from time to time the number of shares of each such series (but not below the number of shares of such series then outstanding), and to fix the designations, powers, including voting powers, full or limited, or no voting powers, preferences and the relative, participating, optional or other special rights of the shares of each series and any qualifications, limitations and restrictions thereof.

ARTICLE V

STOCKHOLDER ACTION

1. Action without Meeting. Any action required or permitted to be taken by the stockholders of the Corporation at any annual or special meeting of stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders and may not be taken or effected by a written consent of stockholders in lieu thereof. Notwithstanding anything herein to the contrary, the affirmative vote of not less than two-thirds (2/3) of the outstanding shares of capital stock entitled to vote thereon, and the affirmative vote of not less than two-thirds (2/3) of the outstanding shares of each class entitled to vote thereon as a class, shall be required to amend or repeal any provision of this Article V, Section 1.

2. Special Meetings. Except as otherwise required by statute and subject to the rights, if any, of the holders of any series of Undesignated Preferred Stock, special meetings of the stockholders of the Corporation may be called only by the chairman of the Board of Directors, the Corporation's chief executive officer or the Board of Directors acting pursuant to a resolution approved by the affirmative vote of a majority of the Directors then in office, and special meetings of stockholders may not be called by any other person or persons. Only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders of the Corporation.

ARTICLE VI

DIRECTORS

1. General. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors except as otherwise provided herein or required by law.

2. Election of Directors. Election of Directors need not be by written ballot unless the Amended and Restated Bylaws of the Corporation (the "Bylaws") shall so provide.

3. Number of Directors; Term of Office. The number of Directors of the Corporation shall be fixed solely and exclusively by resolution duly adopted from time to time by the Board of Directors. The Directors, other than those who may be elected by the holders of any series of Undesignated Preferred Stock, shall be classified, with respect to the term for which they severally hold office, into three classes, designated as Class I, Class II and Class III, and each class shall consist, as nearly as may be possible, of one-third of the total number of directors constituting the entire Board of Directors. The Board of Directors is authorized to assign members of the Board of Directors already in office to Class I, Class II or Class III at the time such classification becomes effective. The initial Class I Directors shall serve for a term expiring at the annual meeting of stockholders to be held in 2021, the initial Class II Directors shall serve for a term expiring at the annual meeting of stockholders to be held in 2022, and the initial Class III Directors shall serve for a term expiring at the annual meeting of stockholders to be held in 2023. The mailing address of each person who is to serve initially as a director is c/o BioAtla, Inc., 11085 Torreyana Road, San Diego, California 92121. At each annual meeting of stockholders, Directors elected to succeed those Directors whose terms expire shall be elected for a term of office to expire at the third succeeding annual meeting of stockholders after their election. Notwithstanding the foregoing, the Directors elected to each class shall hold office until their successors are duly elected and qualified or until their earlier resignation, death or removal.

Notwithstanding the foregoing, whenever, pursuant to the provisions of Article IV of this Certificate, the holders of any one or more series of Undesignated Preferred Stock shall have the right, voting separately as a series or together with holders of other such series, to elect Directors at an annual or special meeting of stockholders, the election, term of office, filling of vacancies and other features of such directorships shall be governed by the terms of this Certificate and any certificate of designations applicable to such series.

Notwithstanding anything herein to the contrary, the affirmative vote of not less than two-thirds (2/3) of the outstanding shares of capital stock entitled to vote thereon, and the affirmative vote of not less than two-thirds (2/3) of the outstanding shares of each class entitled to vote thereon as a class, shall be required to amend or repeal any provision of this Article VI, Section 3.

4. Vacancies. Subject to the rights, if any, of the holders of any series of Undesignated Preferred Stock to elect Directors and to fill vacancies in the Board of Directors relating thereto, any and all vacancies in the Board of Directors, however occurring, including, without limitation, by reason of an increase in the size of the Board of Directors, or the death, resignation, disqualification or removal of a Director, shall be filled solely and exclusively by the affirmative vote of a majority of the remaining Directors then in office, even if less than a quorum of the Board of Directors, and not by the stockholders. Any Director appointed in accordance with the preceding sentence shall hold office for the remainder of the full term of the class of Directors in which the new directorship was created or the vacancy occurred and until such Director's successor shall have been duly elected and qualified or until his or her earlier resignation, death or removal. Subject to the rights, if any, of the holders of any series of Undesignated Preferred Stock to elect Directors, when the number of Directors is increased or decreased, the Board of Directors shall, subject to Article VI, Section 3 hereof, determine the class or classes to which the increased or decreased number of Directors shall be apportioned; provided, however, that no decrease in the number of Directors shall shorten the term of any incumbent Director. In the event of a vacancy in the Board of Directors, the remaining Directors, except as otherwise provided by law, shall exercise the powers of the full Board of Directors until the vacancy is filled.

5. Removal. Subject to the rights, if any, of any series of Undesignated Preferred Stock to elect Directors and to remove any Director whom the holders of any such series have the right to elect, any Director (including persons elected by Directors to fill vacancies in the Board of Directors) may be removed from office (i) only with cause and (ii) only by the affirmative vote of the holders of not less than two-thirds (2/3) of the outstanding shares of capital stock then entitled to vote at an election of Directors. At least forty-five (45) days prior to any annual or special meeting of stockholders at which it is proposed that any Director be removed from office, written notice of such proposed removal and the alleged grounds thereof shall be sent to the Director whose removal will be considered at the meeting.

ARTICLE VII

LIMITATION OF LIABILITY

A Director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of his or her fiduciary duty as a Director, except for liability (a) for any breach of the Director's duty of loyalty to the Corporation or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) under Section 174 of the DGCL or (d) for any transaction from which the Director derived an improper personal benefit. If the DGCL is amended after the effective date of this Certificate to authorize corporate action further eliminating or limiting the personal liability of Directors, then the liability of a Director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended.

Any amendment, repeal or modification of this Article VII by either of (i) the stockholders of the Corporation or (ii) an amendment to the DGCL, shall not adversely affect any right or protection existing at the time of such amendment, repeal or modification with respect to any acts or omissions occurring before such amendment, repeal or modification of a person serving as a Director at the time of such amendment, repeal or modification.

Notwithstanding anything herein to the contrary, the affirmative vote of not less than two-thirds (2/3) of the outstanding shares of capital stock entitled to vote thereon, and the affirmative vote of not less than two-thirds (2/3) of the outstanding shares of each class entitled to vote thereon as a class, shall be required to amend or repeal any provision of this Article VII.

ARTICLE VIII

AMENDMENT OF BYLAWS

1. Amendment by Directors. Except as otherwise provided by law, the Bylaws of the Corporation may be amended or repealed by the Board of Directors by the affirmative vote of a majority of the Directors then in office.

2. Amendment by Stockholders. Except as otherwise provided therein, the Bylaws of the Corporation may be amended or repealed at any annual meeting of stockholders, or special meeting of stockholders called for such purpose, by the affirmative vote of not less than two-thirds (2/3) of the outstanding shares of capital stock entitled to vote on such amendment or repeal, voting together as a single class; provided, however, that if the Board of Directors recommends that stockholders approve such amendment or repeal at such meeting of stockholders, such amendment or repeal shall only require the affirmative vote of the majority of the outstanding shares of capital stock entitled to vote on such amendment or repeal, voting together as a single class.

ARTICLE IX

AMENDMENT OF CERTIFICATE OF INCORPORATION

The Corporation reserves the right to amend or repeal this Certificate in the manner now or hereafter prescribed by statute and this Certificate, and all rights conferred upon stockholders herein are granted subject to this reservation. Except as otherwise required by this Certificate or by law, whenever any vote of the holders of capital stock of the Corporation is required to amend

or repeal any provision of this Certificate, such amendment or repeal shall require the affirmative vote of not less than two-thirds (2/3) of the outstanding shares of capital stock entitled to vote on such amendment or repeal, and the affirmative vote of not less than two-thirds (2/3) of the outstanding shares of each class entitled to vote thereon as a class, at a duly constituted meeting of stockholders called expressly for such purpose.

ARTICLE X

CONSENT TO JURISDICTION

1. Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if the Court of Chancery of the State of Delaware does not have jurisdiction, the federal district court for the District of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for: (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, other employee or stockholder of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware, or (iv) any action asserting a claim arising pursuant to any provision of this Certificate or the Bylaws of the Corporation (in each case, as they may be amended from time to time) or governed by the internal affairs doctrine. This Article X, Section 1 does not apply to claims arising under the Securities Act of 1933 or the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction.

2. Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any claims arising under the Securities Act of 1933.

3. Any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article X.

[End of Text]

THIS AMENDED AND RESTATED CERTIFICATE OF INCORPORATION is executed as of this [___] day of [_____], 2020.

BIOATLA, INC.

By: _____
Name:
Title:

Exhibit 3.3

BYLAWS
OF
BIOATLA, INC.

ARTICLE I

Meetings of Stockholders

Section 1.1. Annual Meetings. If required by applicable law, an annual meeting of stockholders shall be held for the election of directors at such date, time and place, if any, either within or without the State of Delaware, as may be designated by resolution of the Board of Directors from time to time. Any other proper business may be transacted at the annual meeting. The corporation may postpone, reschedule or cancel any annual meeting of stockholders previously scheduled by the Board of Directors.

Section 1.2. Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the Board of Directors, but such special meetings may not be called by any other person or persons. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. The corporation may postpone, reschedule or cancel any special meeting of stockholders previously scheduled by the Board of Directors.

Section 1.3. Notice of Meetings. Whenever stockholders are required or permitted to take any action at a meeting, a notice of the meeting shall be given that shall state the place, if any, date and hour of the meeting, the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the certificate of incorporation or these bylaws, the notice of any meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at the meeting as of the record date for determining the stockholders entitled to notice of the meeting.

Section 1.4. Adjournments. Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for

determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record as of the record date so fixed for notice of such adjourned meeting.

Section 1.5. Quorum. Except as otherwise provided by law, the certificate of incorporation or these bylaws, at each meeting of stockholders the presence in person or by proxy of the holders of a majority in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. Where a separate vote by class or series is required, the presence in person or by proxy of the holders of a majority in voting power of the outstanding shares of such class or series shall be necessary and sufficient to constitute a quorum with respect to that matter. In the absence of a quorum, the stockholders so present may, by the affirmative vote of the holders of a majority in voting power of the shares of the corporation which are present in person or by proxy and entitled to vote thereon, adjourn the meeting from time to time in the manner provided in Section 1.4 of these bylaws until a quorum shall attend. Shares of its own stock belonging to the corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the corporation or any subsidiary of the corporation to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity.

Section 1.6. Organization. Meetings of stockholders shall be presided over by the Chairperson of the Board, if any, or in his or her absence by the Vice Chairperson of the Board, if any, or in his or her absence by the Chief Executive Officer, if any, or in his or her absence by the President, or in his or her absence by a Vice President, or in the absence of the foregoing persons by a chairperson designated by the Board of Directors, or in the absence of such designation by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

Section 1.7. Voting; Proxies. Except as otherwise provided by or pursuant to the provisions of the certificate of incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by such stockholder which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders or to express consent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary of the corporation a revocation of the proxy or a new proxy bearing a later date. Voting at meetings of stockholders need not be by written ballot. At all meetings of stockholders for the election of directors at which a quorum is present a plurality of the votes cast shall be sufficient to elect. All other elections and questions presented to the stockholders at a meeting at which a quorum is present shall, unless a different or minimum vote is required by

the certificate of incorporation, these bylaws, the rules or regulations of any stock exchange applicable to the corporation, or any law or regulation applicable to the corporation or its securities, in which case such different or minimum vote shall be the applicable vote on the matter, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock of the corporation which are present in person or by proxy and entitled to vote thereon.

Section 1.8. Fixing Date for Determination of Stockholders of Record.

(a) In order that the corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall not be more than sixty (60) days prior to such action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

(c) Unless otherwise restricted by the certificate of incorporation, in order that the corporation may determine the stockholders entitled to express consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date for determining stockholders entitled to express consent to corporate action in writing without a meeting is fixed by the Board of Directors, (i) when no prior action of the Board of Directors is required by law, the record date for such purpose shall be the first date on which a signed written

consent setting forth the action taken or proposed to be taken is delivered to the corporation in accordance with applicable law, and (ii) if prior action by the Board of Directors is required by law, the record date for such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

Section 1.9. List of Stockholders Entitled to Vote. The corporation shall prepare, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder for any purpose germane to the meeting at least ten (10) days prior to the meeting (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of meeting or (ii) during ordinary business hours at the principal place of business of the corporation. If the meeting is to be held at a place, then a list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 1.9 or to vote in person or by proxy at any meeting of stockholders.

Section 1.10. Action By Written Consent of Stockholders. Unless otherwise restricted by the certificate of incorporation, any action required or permitted to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which minutes of proceedings of stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. An electronic transmission consenting to action to be taken transmitted by a stockholder, a proxyholder or by a person authorized to act by such stockholder, shall be deemed to be written and signed for the purposes of this Section if the electronic transmission sets forth or is delivered with information from which the corporation can determine that the electronic transmission was transmitted by the stockholder, the proxyholder or by a person authorized to act for the stockholder and the date on which such electronic transmission was transmitted. Any such consent given by electronic transmission shall be deemed delivered as provided by the General Corporation Law of the State of Delaware (the "General Corporation Law"). Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall, to the extent required by law, be given to those stockholders who have not consented in writing and who, if the action had
been taken at a meeting, would have been entitled to notice of the meeting if the record date for notice of such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the corporation.

Section 1.11. Inspectors of Election. The corporation may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (i) ascertain the number of shares of capital stock of the corporation outstanding and the voting power of each such share, (ii) determine the shares of capital stock of the corporation represented at the meeting and the validity of proxies and ballots, (iii) count all votes and ballots, (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (v) certify their determination of the number of shares of capital stock of the corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election.

Section 1.12. Conduct of Meetings. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the person presiding over the meeting. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the person presiding over any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to recess and/or adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such presiding person, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding person of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the presiding person of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. The presiding person at any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a matter or business was not properly brought before the meeting and if such presiding person should so determine, such presiding person shall

so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board of Directors or the person presiding over the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

ARTICLE II

Board of Directors

Section 2.1. Number; Qualifications. The Board of Directors shall consist of one or more members, the number thereof to be determined from time to time by resolution of the Board of Directors. Directors need not be stockholders.

Section 2.2. Election; Resignation; Vacancies. The Board of Directors shall initially consist of the persons named as directors in the certificate of incorporation or elected by the incorporator of the corporation, and each director so elected shall hold office until the first annual meeting of stockholders or until his or her successor is duly elected and qualified. At the first annual meeting of stockholders and at each annual meeting thereafter, the stockholders shall elect directors each of whom shall hold office for a term of one year or until his or her successor is duly elected and qualified, subject to such director's earlier death, resignation, disqualification or removal. Any director may resign at any time upon notice to the corporation. Unless otherwise provided by law or the certificate of incorporation, as it may be amended, any newly created directorship or any vacancy occurring in the Board of Directors for any cause may be filled by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum, or by a plurality of the votes cast at a meeting of stockholders, and each director so elected shall hold office until the expiration of the term of office of the director whom he or she has replaced or until his or her successor is elected and qualified.

Section 2.3. Regular Meetings. Regular meetings of the Board of Directors may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine.

Section 2.4. Special Meetings. Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the Chief Executive Officer, President, any Vice President, the Secretary, or by any two (2) members of the Board of Directors, unless the Board of Directors consists of only one director, in which case special meetings may be called by any one director. Notice of a special meeting of the Board of Directors shall be given by the person or persons calling the meeting at least twenty-four hours before the special meeting.

Section 2.5. Telephonic Meetings Permitted. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this by-law shall constitute presence in person at such meeting.

Section 2.6. Quorum; Vote Required for Action. At all meetings of the Board of Directors the directors entitled to cast a majority of the votes of the whole Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which the certificate of incorporation, these bylaws or applicable law otherwise provides, a majority of the votes entitled to be cast by the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.7. Organization. Meetings of the Board of Directors shall be presided over by the Chairperson of the Board, if any, or in his or her absence by the Vice Chairperson of the Board, if any, or in his or her absence by the Chief Executive Officer, if any, or in his or her absence by the President, or in their absence by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8. Action by Unanimous Consent of Directors. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing or by electronic transmission. After an action is taken, the consent or consents relating thereto shall be filed with the minutes of proceedings of the board or committee in the same paper or electronic form as the minutes are maintained.

ARTICLE III

Committees

Section 3.1. Committees. The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it.

Section 3.2. Committee Rules. Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these bylaws.

ARTICLE IV

Officers

Section 4.1. Officers; Election; Qualifications; Term of Office; Resignation; Removal; Vacancies. The Board of Directors shall elect a President and Secretary, and it may, if it so determines, choose a Chairperson of the Board and a Vice Chairperson of the Board from among its members. The Board of Directors may also choose a Chief Executive Officer, one or more Vice Presidents, one or more Assistant Secretaries, a Treasurer and one or more Assistant Treasurers and such other officers as it shall from time to time deem necessary or desirable. Each such officer shall hold office until the first meeting of the Board of Directors after the annual meeting of stockholders next succeeding his or her election, and until his or her successor is elected and qualified or until his or her earlier resignation or removal. Any officer may resign at any time upon notice to the corporation. The Board of Directors may remove any officer with or without cause at any time, but such removal shall be without prejudice to the contractual rights of such officer, if any, with the corporation. Any number of offices may be held by the same person. Any vacancy occurring in any office of the corporation by death, resignation, removal or otherwise may be filled for the unexpired portion of the term by the Board of Directors at any regular or special meeting.

Section 4.2. Powers and Duties of Officers. The officers of the corporation shall have such powers and duties in the management of the corporation as may be prescribed in a resolution by the Board of Directors and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board of Directors. The Board of Directors may require any officer, agent or employee to give security for the faithful performance of his or her duties.

Section 4.3. Appointing Attorneys and Agents; Voting Securities of Other Entities. Unless otherwise provided by resolution adopted by the Board of Directors, the Chairperson of the Board, the Chief Executive Officer, the President or any Vice President may from time to time appoint an attorney or attorneys or agent or agents of the corporation, in the name and on behalf of the corporation, to cast the votes which the corporation may be entitled to cast as the holder of stock or other securities in any other corporation or other entity, any of whose stock or other securities may be held by the corporation, at meetings of the holders of the stock or other securities of such other corporation or other entity, or to consent in writing, in the name of the corporation as such holder, to any action by such other corporation or other entity, and may instruct the person or persons so appointed as to the manner of casting such votes or giving such consents, and may execute or cause to be executed in the name and on behalf of the corporation and under its corporate seal or otherwise, all such proxies or other instruments as he or she may deem necessary or proper. Any of the rights set forth in this Section 4.3 which may be delegated to an attorney or agent may also be exercised directly by the Chairperson of the Board, the Chief Executive Officer, the President or the Vice President.

ARTICLE V

Stock

Section 5.1. Certificates. The shares of the corporation shall be represented by certificates, provided that the Board of Directors may provide by resolution or resolutions that some or all of any or all classes or series of stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the corporation. Every holder of stock represented by certificates shall be entitled to have a certificate signed by or in the name of the corporation by any two authorized officers of the corporation (it being understood that each of the Chairperson of the Board of Directors, the Vice Chairperson of the Board of Directors, the Chief Executive Officer, the President, any Vice President, the Treasurer, any Assistant Treasurer, the Secretary and any Assistant Secretary shall be an authorized officer for such purpose), certifying the number of shares owned by such holder in the corporation. Any or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if such person were such officer, transfer agent, or registrar at the date of issue.

Section 5.2. Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates. The corporation may issue a new certificate of stock in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

ARTICLE VI

Indemnification and Advancement of Expenses

Section 6.1. Right to Indemnification. The corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (a "Covered Person") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "proceeding"), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the corporation or, while a director or officer of the corporation, is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in Section 6.3, the corporation shall be required to indemnify a Covered Person in connection with a proceeding (or part thereof) commenced by such Covered Person only if the commencement of such proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board of Directors of the corporation.

Section 6.2. Advancement of Expenses. The corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by a Covered Person in defending any proceeding in advance of its final disposition, provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by the Covered Person to repay all amounts advanced if it should be ultimately determined that the Covered Person is not entitled to be indemnified under this Article VI or otherwise.

Section 6.3. Claims. If a claim for indemnification under this Article VI (following the final disposition of such proceeding) is not paid in full within sixty days after the corporation has received a claim therefor by the Covered Person, or if a claim for any advancement of expenses under this Article VI is not paid in full within thirty days after the corporation has received a statement or statements requesting such amounts to be advanced, the Covered Person shall thereupon (but not before) be entitled to file suit to recover the unpaid amount of such claim. If successful in whole or in part, the Covered Person shall be entitled to be paid the expense of prosecuting such claim to the fullest extent permitted by law. In any such action, the corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under applicable law.

Section 6.4. Nonexclusivity of Rights. The rights conferred on any Covered Person by this Article VI shall not be exclusive of any other rights which such Covered Person may have or hereafter acquire under any statute, provision of the certificate of incorporation, these bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

Section 6.5. Amendment or Repeal. Any right to indemnification or to advancement of expenses of any Covered Person arising hereunder shall not be eliminated or impaired by an amendment to or repeal of these bylaws after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative action, suit or proceeding for which indemnification or advancement of expenses is sought.

Section 6.6. Other Indemnification and Advancement of Expenses. This Article VI shall not limit the right of the corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to persons other than Covered Persons when and as authorized by appropriate corporate action.

ARTICLE VII

Miscellaneous

Section 7.1. Fiscal Year. The fiscal year of the corporation shall be determined by resolution of the Board of Directors.

Section 7.2. Seal. The corporate seal shall have the name of the corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 7.3. Manner of Notice.

(a) Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the corporation under any provision of the General Corporation Law, the certificate of incorporation or these bylaws may be given in writing directed to the stockholder's mailing address (or by electronic transmission directed to the stockholder's electronic mail address, as applicable) as it appears on the records of the corporation. Notice shall be given (i) if mailed, when deposited in the United States mail, postage prepaid, (ii) if delivered by courier service, the earlier of when the notice is received or left at the stockholder's address, or (iii) if given by electronic mail, when directed to such stockholder's electronic mail address (unless the stockholder has notified the corporation in writing or by electronic transmission of an objection to receiving notice by electronic mail or such notice is prohibited by the General Corporation Law to be given by electronic transmission). A notice by electronic mail must include a prominent legend that the communication is an important notice regarding the corporation. A notice by electronic mail will include any files attached thereto and any information hyperlinked to a website if such electronic mail includes the contact information of an officer or agent of the corporation who is available to assist with accessing such files or information. Any notice to stockholders given by the corporation under any provision of the General Corporation Law, the certificate of incorporation or these bylaws provided by means of electronic transmission (other than any such notice given by electronic mail) may only be given in a form consented to by such stockholder, and any such notice by such means of electronic transmission shall be deemed to be given as provided by the General Corporation Law. The terms "electronic mail," "electronic mail address," "electronic signature" and "electronic transmission" as used herein shall have the meanings ascribed thereto in the General Corporation Law.

(b) Except as otherwise provided herein or permitted by applicable law, notices to any director may be in writing and delivered personally or mailed to such director at such director's address appearing on the books of the corporation, or may be given by telephone or by any means of electronic transmission (including, without limitation, electronic mail) directed to an address for receipt by such director of electronic transmissions appearing on the books of the corporation.

( ) Without limiting the manner by which notice otherwise may be given effectively to stockholders, and except as prohibited by applicable law, any notice to stockholders given by the corporation under any provision of applicable law, the certificate of incorporation, or these bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Any such consent shall be revocable by the stockholder by written notice to the corporation. Any stockholder who fails to object in writing to the corporation, within 60 days of having been given written notice by the corporation of its intention to send the single notice permitted under this Section 7.3(c), shall be deemed to have consented to receiving such single written notice.

Section 7.4. Waiver of Notice of Meetings of Stockholders, Directors and Committees. Any waiver of notice, given by the person entitled to notice, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in a waiver of notice.

Section 7.5. Form of Records. Any records maintained by the corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time.

Section 7.6. Electronic Signatures, etc. Any document, including, without limitation, any consent, agreement, certificate or instrument, required by the General Corporation Law, the certificate of incorporation or these bylaws to be executed by any officer, director, stockholder, employee or agent of the corporation may be executed using a facsimile or other form of electronic signature to the fullest extent permitted by applicable law. All othercontracts, agreements, certificates or instruments to be executed on behalf of the corporation may be executed using a facsimile or other form of electronic signature to the fullest extent permitted by applicable law.

Section 7.7. Amendment of Bylaws. Subject to any additional votes required by the certificate of incorporation or applicable law, these bylaws may be altered, amended or repealed, and new bylaws made, by the Board of Directors, but the stockholders may make additional bylaws and may alter and repeal any bylaws whether adopted by them or otherwise.

Exhibit 3.4

AMENDED AND RESTATED BYLAWS

OF

BIOATLA, INC.

(the "Corporation")

ARTICLE I

Stockholders

SECTION 1. Annual Meeting. The annual meeting of stockholders (any such meeting being referred to in these Bylaws as an "Annual Meeting") shall be held at the hour, date and place within or without the United States which is fixed by the Board of Directors, which time, date and place may subsequently be changed at any time by vote of the Board of Directors. If no Annual Meeting has been held for a period of thirteen (13) months after the Corporation's last Annual Meeting, a special meeting in lieu thereof may be held, and such special meeting shall have, for the purposes of these Bylaws or otherwise, all the force and effect of an Annual Meeting. Any and all references hereafter in these Bylaws to an Annual Meeting or Annual Meetings also shall be deemed to refer to any special meeting(s) in lieu thereof.

SECTION 2. Notice of Stockholder Business and Nominations.

(a) Annual Meetings of Stockholders.

(1) Nominations of persons for election to the Board of Directors of the Corporation and the proposal of other business to be considered by the stockholders may be brought before an Annual Meeting (i) by or at the direction of the Board of Directors or (ii) by any stockholder of the Corporation who was a stockholder of record at the time of giving of notice provided for in this Bylaw, who is entitled to vote at the meeting, who is present (in person or by proxy) at the meeting and who complies with the notice procedures set forth in this Bylaw as to such nomination or business. For the avoidance of doubt, the foregoing clause (ii) shall be the exclusive means for a stockholder to bring nominations or business properly before an Annual Meeting (other than matters properly brought under Rule 14a-8 (or any successor rule) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), and such stockholder must comply with the notice and other procedures set forth in Article I, Section 2(a)(2) and (3) of this Bylaw to bring such nominations or business properly before an Annual Meeting. In addition to the other requirements set forth in this Bylaw, for any proposal of business to be considered at an Annual Meeting, it must be a proper subject for action by stockholders of the Corporation under Delaware law.

(2) For nominations or other business to be properly brought before an Annual Meeting by a stockholder pursuant to clause (ii) of Article I, Section 2(a)(1) of this Bylaw, the stockholder must (i) have given Timely Notice (as defined below) thereof in writing to the Secretary of the Corporation, (ii) have provided any updates or supplements to such notice at the times and in the forms required by this Bylaw and (iii) together with the beneficial owner(s), if any, on whose behalf the nomination or business proposal is made, have acted in accordance with the representations set forth in the Solicitation Statement (as defined below) required by this Bylaw. To be timely, a stockholder's written notice shall be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the ninetieth (90th) day nor earlier than the close of business on the one hundred twentieth (120th) day prior to the one-year anniversary of the preceding year's Annual Meeting; provided, however, that in the event the Annual Meeting is first convened more than thirty (30) days before or more than sixty (60) days after such anniversary date, or if no Annual Meeting were held in the preceding year, notice by the stockholder to be timely must be received by the Secretary of the Corporation not later than the close of business on the later of the ninetieth (90th) day prior to the scheduled date of such Annual Meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made (such notice within such time periods shall be referred to as "Timely Notice"). Notwithstanding anything to the contrary provided herein, for the first Annual Meeting following the initial public offering of common stock of the Corporation, a stockholder's notice shall be timely if received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the later of the ninetieth (90th) day prior to the scheduled date of such Annual Meeting or the tenth (10th) day following the day on which public announcement of the date of such Annual Meeting is first made or sent by the Corporation. Such stockholder's Timely Notice shall set forth:

(A) as to each person whom the stockholder proposes to nominate for election or reelection as a director, (i) the name, age, business address and residence address of the nominee, (ii) the principal occupation or employment of the nominee, (iii) the class and number of shares of the corporation that are held of record or are beneficially owned by the nominee and any derivative positions held or beneficially held by the nominee, (iv) whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of the nominee with respect to any securities of the corporation, and a description of any other agreement, arrangement or understanding (including any short position or any borrowing or lending of shares), the effect or intent of which is to mitigate loss to, or to manage the risk or benefit of share price changes for, or to increase or decrease the voting power of the nominee, (v) a description of all arrangements or understandings between or among the stockholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nominations are to be made by the stockholder or concerning the nominee's potential service on the Board of Directors, (vi) a written statement executed by the nominee acknowledging that as a director of the corporation, the nominee will owe fiduciary duties under Delaware law with respect to the corporation and its stockholders, and (vii) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Exchange Act (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected);

(B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting, the text, if any, of any resolutions or Bylaw amendment proposed for adoption, and any material interest in such business of each Proposing Person (as defined below);

(C) (i) the name and address of the stockholder giving the notice, as they appear on the Corporation's books, and the names and addresses of the other Proposing Persons (if any) and (ii) as to each Proposing Person, the following information: (a) the class or series and number of all shares of capital stock of the Corporation which are, directly or indirectly, owned beneficially or of record by such Proposing Person or any of its affiliates or associates (as such terms are defined in Rule 12b-2 promulgated under the Exchange Act), including any shares of any class or series of capital stock of the Corporation as to which such Proposing Person or any of its affiliates or associates has a right to acquire beneficial ownership at any time in the future, (b) all Synthetic Equity Interests (as defined below) in which such Proposing Person or any of its affiliates or associates, directly or indirectly, holds an interest including a description of the material terms of each such Synthetic Equity Interest, including without limitation, identification of the counterparty to each such Synthetic Equity Interest and disclosure, for each such Synthetic Equity Interest, as to (x) whether or not such Synthetic Equity Interest conveys any voting rights, directly or indirectly, in such shares to such Proposing Person, (y) whether or not such Synthetic Equity Interest is required to be, or is capable of being, settled through delivery of such shares and (z) whether or not such Proposing Person and/or, to the extent known, the counterparty to such Synthetic Equity Interest has entered into other transactions that hedge or mitigate the economic effect of such Synthetic Equity Interest, (c) any proxy (other than a revocable proxy given in response to a public proxy solicitation made pursuant to, and in accordance with, the Exchange Act), agreement, arrangement, understanding or relationship pursuant to which such Proposing Person has or shares a right to, directly or indirectly, vote any shares of any class or series of capital stock of the Corporation, (d) any rights to dividends or other distributions on the shares of any class or series of capital stock of the Corporation, directly or indirectly, owned beneficially by such Proposing Person that are separated or separable from the underlying shares of the Corporation, and (e) any performance-related fees (other than an asset based fee) that such Proposing Person, directly or indirectly, is entitled to based on any increase or decrease in the value of shares of any class or series of capital stock of the Corporation or any Synthetic Equity Interests (the disclosures to be made pursuant to the foregoing clauses (a) through (e) are referred to, collectively, as "Material Ownership Interests") and (iii) a description of the material terms of all agreements, arrangements or understandings (whether or not in writing) entered into by any Proposing Person or any of its affiliates or associates with any other person for the purpose of acquiring, holding, disposing or voting of any shares of any class or series of capital stock of the Corporation;

(D) (i) a description of all agreements, arrangements or understandings by and among any of the Proposing Persons, or by and among any Proposing Persons and any other person (including with any proposed nominee(s)), pertaining to the nomination(s), or other business proposed to be brought before the meeting of stockholders (which

description shall identify the name of each other person who is party to such an agreement, arrangement or understanding), and (ii) identification of the names and addresses of other stockholders (including beneficial owners) known by any of the Proposing Persons to support such nominations or other business proposal(s), and to the extent known the class and number of all shares of the Corporation's capital stock owned beneficially or of record by such other stockholder(s) or other beneficial owner(s); and

(E) a statement whether or not the stockholder giving the notice and/or the other Proposing Person(s), if any, will deliver a proxy statement and form of proxy to holders of, in the case of a business proposal, at least the percentage of voting power of all of the shares of capital stock of the Corporation required under applicable law to approve the proposal or, in the case of a nomination or nominations, at least the percentage of voting power of all of the shares of capital stock of the Corporation reasonably believed by such Proposing Person to be sufficient to elect the nominee or nominees proposed to be nominated by such stockholder (such statement, the "Solicitation Statement").

For purposes of this Article I of these Bylaws, the term "Proposing Person" shall mean the following persons: (i) the stockholder of record providing the notice of nominations or business proposed to be brought before a stockholders' meeting, and (ii) the beneficial owner(s), if different, on whose behalf the nominations or business proposed to be brought before a stockholders' meeting is made. For purposes of this Section 2 of Article I of these Bylaws, the term "Synthetic Equity Interest" shall mean any transaction, agreement or arrangement (or series of transactions, agreements or arrangements), including, without limitation, any derivative, swap, hedge, repurchase or so-called "stock borrowing" agreement or arrangement, the purpose or effect of which is to, directly or indirectly: (a) give a person or entity economic benefit and/or risk similar to ownership of shares of any class or series of capital stock of the Corporation, in whole or in part, including due to the fact that such transaction, agreement or arrangement provides, directly or indirectly, the opportunity to profit or avoid a loss from any increase or decrease in the value of any shares of any class or series of capital stock of the Corporation, (b) mitigate loss to, reduce the economic risk of or manage the risk of share price changes for, any person or entity with respect to any shares of any class or series of capital stock of the Corporation, (c) otherwise provide in any manner the opportunity to profit or avoid a loss from any decrease in the value of any shares of any class or series of capital stock of the Corporation, or (d) increase or decrease the voting power of any person or entity with respect to any shares of any class or series of capital stock of the Corporation.

(3) A stockholder providing Timely Notice of nominations or business proposed to be brought before an Annual Meeting shall further update and supplement such notice, if necessary, so that the information (including, without limitation, the Material Ownership Interests information) provided or required to be provided in such notice pursuant to this Bylaw shall be true and correct as of the record date for the meeting and as of the date that is ten (10) business days prior to such Annual Meeting, and such update and supplement shall be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the fifth (5th) business day after the record date for the Annual Meeting (in the case of the update and supplement required to be made as of the record date), and not later than the close of business on the eighth (8th) business day prior to the date of the Annual Meeting (in the case of the update and supplement required to be made as of ten (10) business days prior to the meeting).

(4) Notwithstanding anything in the second sentence of Article I, Section 2(a)(2) of this Bylaw to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the Corporation at least ten (10) days before the last day a stockholder may deliver a notice of nomination in accordance with the second sentence of Article I, Section 2(a)(2), a stockholder's notice required by this Bylaw shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be received by the Secretary of the Corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Corporation.

(b) General.

(1) Only such persons who are nominated in accordance with the provisions of this Bylaw shall be eligible for election and to serve as directors and only such business shall be conducted at an Annual Meeting as shall have been brought before the meeting in accordance with the provisions of this Bylaw or in accordance with Rule 14a-8 under the Exchange Act. The Board of Directors or a designated committee thereof shall have the power to determine whether a nomination or any business proposed to be brought before the meeting was made in accordance with the provisions of this Bylaw. If neither the Board of Directors nor such designated committee makes a determination as to whether any stockholder proposal or nomination was made in accordance with the provisions of this Bylaw, the presiding officer of the Annual Meeting shall have the power and duty to determine whether the stockholder proposal or nomination was made in accordance with the provisions of this Bylaw. If the Board of Directors or a designated committee thereof or the presiding officer, as applicable, determines that any stockholder proposal or nomination was not made in accordance with the provisions of this Bylaw, such proposal or nomination shall be disregarded and shall not be presented for action at the Annual Meeting.

(2) Except as otherwise required by law, nothing in this Article I, Section 2 shall obligate the Corporation or the Board of Directors to include in any proxy statement or other stockholder communication distributed on behalf of the Corporation or the Board of Directors information with respect to any nominee for director or any other matter of business submitted by a stockholder.

(3)Notwithstanding the foregoing provisions of this Article I, Section 2, if the nominating or proposing stockholder (or a qualified representative of the stockholder) does not appear at the Annual Meeting to present a nomination or any business, such nomination or business shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Article I, Section 2, to be considered a qualified representative of the proposing stockholder, a person must be authorized by a written instrument executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such written instrument or electronic transmission, or a reliable reproduction of the written instrument or electronic transmission, to the presiding officer at the meeting of stockholders.

(4) For purposes of this Bylaw, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(5) Notwithstanding the foregoing provisions of this Bylaw, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Bylaw. Nothing in this Bylaw shall be deemed to affect any rights of (i) stockholders to have proposals included in the Corporation's proxy statement pursuant to Rule 14a-8 (or any successor rule), as applicable, under the Exchange Act and, to the extent required by such rule, have such proposals considered and voted on at an Annual Meeting or (ii) the holders of any series of preferred stock, if any, to elect directors under specified circumstances.

SECTION 3. Special Meetings. Except as otherwise required by statute, special meetings of the stockholders of the Corporation may only be called by the Chairman of the Board, the Chief Executive Officer, or the Board of Directors acting pursuant to a resolution approved by the affirmative vote of a majority of the Directors then in office. The Board of Directors may postpone or reschedule any previously scheduled special meeting of stockholders. Only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders of the Corporation. Nominations of persons for election to the Board of Directors of the Corporation and stockholder proposals of other business shall not be brought before a special meeting of stockholders to be considered by the stockholders unless such special meeting is held in lieu of an annual meeting of stockholders in accordance with Article I, Section 1 of these Bylaws, in which case such special meeting in lieu thereof shall be deemed an Annual Meeting for purposes of these Bylaws and the provisions of Article I, Section 2 of these Bylaws shall govern such special meeting.

SECTION 4. Notice of Meetings; Adjournments.

(a) A notice of each Annual Meeting stating the hour, date and place, if any, of such Annual Meeting and the means of remote communication, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such meeting, shall be given not less than ten (10) days nor more than sixty (60) days before the Annual Meeting, to each stockholder entitled to vote thereat by delivering such notice to such stockholder or by mailing it, postage prepaid, addressed to such stockholder at the address of such stockholder as it appears on the Corporation's stock transfer books. Without limiting the manner by which notice may otherwise be given to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law ("DGCL").

(b) Unless otherwise required by the DGCL, notice of all special meetings of stockholders shall be given in the same manner as provided for Annual Meetings, except that the notice of all special meetings shall state the purpose or purposes for which the meeting has been called.

(c) Notice of an Annual Meeting or special meeting of stockholders need not be given to a stockholder if a waiver of notice is executed, or waiver of notice by electronic transmission is provided, before or after such meeting by such stockholder or if such stockholder attends such meeting, unless such attendance is for the express purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened.

(d) The Board of Directors may postpone and reschedule any previously scheduled Annual Meeting or special meeting of stockholders and any record date with respect thereto, regardless of whether any notice or public disclosure with respect to any such meeting has been sent or made pursuant to Section 2 of this Article I of these Bylaws or otherwise. In no event shall the public announcement of an adjournment, postponement or rescheduling of any previously scheduled meeting of stockholders commence a new time period for the giving of a stockholder's notice under this Article I of these Bylaws.

(e) When any meeting is convened, the presiding officer may adjourn the meeting if (i) no quorum is present for the transaction of business, (ii) the Board of Directors determines that adjournment is necessary or appropriate to enable the stockholders to consider fully information which the Board of Directors determines has not been made sufficiently or timely available to stockholders, or (iii) the Board of Directors determines that adjournment is otherwise in the best interests of the Corporation. When any Annual Meeting or special meeting of stockholders is adjourned to another hour, date or place, notice need not be given of the adjourned meeting other than an announcement at the meeting at which the adjournment is taken of the hour, date and place, if any, to which the meeting is adjourned and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting; provided, however, that if the adjournment is for more than thirty (30) days from the meeting date, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the adjourned meeting and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at such adjourned meeting shall be given to each stockholder of record entitled to vote thereat and each stockholder who, by law or under the Amended and Restated Certificate of Incorporation of the Corporation (as the same may hereafter be amended and/or restated, the "Certificate") or these Bylaws, is entitled to such notice.

SECTION 5. Quorum. A majority of the outstanding shares entitled to vote, present in person or represented by proxy, shall constitute a quorum at any meeting of stockholders. If less than a quorum is present at a meeting, the holders of voting stock representing a majority of the voting power present at the meeting or the presiding officer may adjourn the meeting from time to time, and the meeting may be held as adjourned without further notice, except as provided in Section 4 of this Article I. At such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting. The stockholders present at a duly constituted meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.

SECTION 6. Voting and Proxies. Stockholders shall have one vote for each share of stock entitled to vote owned by them of record according to the stock ledger of the Corporation as of the record date, unless otherwise provided by law or by the Certificate. Stockholders may vote either (i) in person, (ii) by written proxy or (iii) by a transmission permitted by Section 212(c) of the DGCL. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission permitted by Section 212(c) of the DGCL may be substituted for or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission. Proxies shall be filed in accordance with the procedures established for the meeting of stockholders. Except as otherwise limited therein or as otherwise provided by law, proxies authorizing a person to vote at a specific meeting shall entitle the persons authorized thereby to vote at any adjournment of such meeting, but they shall not be valid after final adjournment of such meeting. A proxy with respect to stock held in the name of two or more persons shall be valid if executed by or on behalf of any one of them unless at or prior to the exercise of the proxy the Corporation receives a specific written notice to the contrary from any one of them.

SECTION 7. Action at Meeting. When a quorum is present at any meeting of stockholders, any matter before any such meeting (other than an election of a director or directors) shall be decided by a majority of the votes properly cast for and against such matter, except where a larger vote is required by law, by the Certificate or by these Bylaws. Any election of directors by stockholders shall be determined by a plurality of the votes properly cast on the election of directors.

SECTION 8. Action by Consent. Any action required or permitted to be taken by the stockholders of the Corporation at any annual or special meeting of stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders and may not be taken or effected by a written consent of stockholders in lieu thereof.

SECTION 9. Stockholder Lists. The Secretary or an Assistant Secretary (or the Corporation's transfer agent or other person authorized by these Bylaws or by law) shall prepare and make, at least ten (10) days before every Annual Meeting or special meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for a period of at least ten (10) days prior to the meeting as provided in the manner, and subject to the terms, set forth in Section 219 of the DGCL (or any successor provision). The list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law.

SECTION 10. Presiding Officer. The Board of Directors shall designate a representative to preside over all Annual Meetings or special meetings of stockholders, provided that if the Board of Directors does not so designate such a presiding officer, then the Chairman of the Board, if one is elected, shall preside over such meetings. If the Board of Directors does not so designate such a presiding officer and there is no Chairman of the Board or the Chairman of the Board is unable to so preside or is absent, then the Chief Executive Officer, if one is elected, shall preside over such meetings, provided further that if there is no Chief Executive Officer or the Chief Executive Officer is unable to so preside or is absent, then the President shall preside

over such meetings. The presiding officer at any Annual Meeting or special meeting of stockholders shall have the power, among other things, to adjourn such meeting at any time and from time to time, subject to Sections 4 and 5 of this Article I. The order of business and all other matters of procedure at any meeting of the stockholders shall be determined by the presiding officer.

SECTION 11. Inspectors of Elections. The Corporation shall, in advance of any meeting of stockholders, appoint one or more inspectors to act at the meeting and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the presiding officer shall appoint one or more inspectors to act at the meeting. Any inspector may, but need not, be an officer, employee or agent of the Corporation. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall perform such duties as are required by the DGCL, including the counting of all votes and ballots. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of the duties of the inspectors. The presiding officer may review all determinations made by the inspectors, and in so doing the presiding officer shall be entitled to exercise his or her sole judgment and discretion and he or she shall not be bound by any determinations made by the inspectors. All determinations by the inspectors and, if applicable, the presiding officer, shall be subject to further review by any court of competent jurisdiction.

ARTICLE II

Directors

SECTION 1. Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors except as otherwise provided by the Certificate or required by law.

SECTION 2. Number and Terms. The number of directors of the Corporation shall be fixed solely and exclusively by resolution duly adopted from time to time by the Board of Directors. The directors shall hold office in the manner provided in the Certificate.

SECTION 3. Qualification. No director need be a stockholder of the Corporation.

SECTION 4. Vacancies. Vacancies in the Board of Directors shall be filled in the manner provided in the Certificate.

SECTION 5. Removal. Directors may be removed from office only in the manner provided in the Certificate.

SECTION 6. Resignation. A director may resign at any time by electronic transmission or by giving written notice to the Chairman of the Board, if one is elected, the President or the Secretary. A resignation shall be effective upon receipt, unless the resignation otherwise provides.

SECTION 7. Regular Meetings. The regular annual meeting and other regular meetings of the Board of Directors may be held at such hour, date and place as the Board of Directors may by resolution from time to time determine and publicize by means of reasonable notice given to any director who is not present at the meeting at which such resolution is adopted.

SECTION 8. Special Meetings. Special meetings of the Board of Directors may be called, orally or in writing, by or at the request of a majority of the directors, the Chairman of the Board, if one is elected, or the President. The person calling any such special meeting of the Board of Directors may fix the hour, date and place thereof.

SECTION 9. Notice of Meetings. Notice of the hour, date and place of all special meetings of the Board of Directors shall be given to each director by the Secretary or an Assistant Secretary, or in case of the death, absence, incapacity or refusal of such persons, by the Chairman of the Board, if one is elected, or the President or such other officer designated by the Chairman of the Board, if one is elected, or the President. Notice of any special meeting of the Board of Directors shall be given to each director in person, by telephone, or by facsimile, electronic mail or other form of electronic communication, sent to his or her business or home address, at least twenty-four (24) hours in advance of the meeting, or by written notice mailed to his or her business or home address, at least forty-eight (48) hours in advance of the meeting. Such notice shall be deemed to be delivered when hand-delivered to such address, read to such director by telephone, deposited in the mail so addressed, with postage thereon prepaid if mailed, dispatched or transmitted if sent by facsimile transmission or by electronic mail or other form of electronic communications. A written waiver of notice signed or electronically transmitted before or after a meeting by a director and filed with the records of the meeting shall be deemed to be equivalent to notice of the meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting at the beginning of the meeting to the transaction of any business because such meeting is not lawfully called or convened. Except as otherwise required by law, by the Certificate or by these Bylaws, neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

SECTION 10. Quorum. At any meeting of the Board of Directors, a majority of the total number of directors shall constitute a quorum for the transaction of business, but if less than a quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time, and the meeting may be held as adjourned without further notice. Any business which might have been transacted at the meeting as originally noticed may be transacted at such adjourned meeting at which a quorum is present. For purposes of this section, the total number of directors includes any unfilled vacancies on the Board of Directors.

SECTION 11. Action at Meeting. At any meeting of the Board of Directors at which a quorum is present, the vote of a majority of the directors present shall constitute action by the Board of Directors, unless otherwise required by law, by the Certificate or by these Bylaws.

SECTION 12. Action by Consent. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the records of the meetings of the Board of Directors. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form. Such consent shall be treated as a resolution of the Board of Directors for all purposes.

SECTION 13. Manner of Participation. Directors may participate in meetings of the Board of Directors by means of conference telephone or other communications equipment by means of which all directors participating in the meeting can hear each other, and participation in a meeting in accordance herewith shall constitute presence in person at such meeting for purposes of these Bylaws.

SECTION 14. Presiding Director. The Board of Directors shall designate a representative to preside over all meetings of the Board of Directors, provided that if the Board of Directors does not so designate such a presiding director or such designated presiding director is unable to so preside or is absent, then the Chairman of the Board, if one is elected, shall preside over all meetings of the Board of Directors. If both the designated presiding director, if one is so designated, and the Chairman of the Board, if one is elected, are unable to preside or are absent, the Board of Directors shall designate an alternate representative to preside over a meeting of the Board of Directors.

SECTION 15. Committees. The Board of Directors, by vote of a majority of the directors then in office, may elect one or more committees, including, without limitation, a Compensation Committee, a Nominating & Corporate Governance Committee and an Audit Committee, and may delegate thereto some or all of its powers except those which by law, by the Certificate or by these Bylaws may not be delegated. Except as the Board of Directors may otherwise determine, any such committee may make rules for the conduct of its business, but unless otherwise provided by the Board of Directors or in such rules, its business shall be conducted so far as possible in the same manner as is provided by these Bylaws for the Board of Directors. All members of such committees shall hold such offices at the pleasure of the Board of Directors. The Board of Directors may abolish any such committee at any time. Any committee to which the Board of Directors delegates any of its powers or duties shall keep records of its meetings and shall report its action to the Board of Directors.

SECTION 16. Compensation of Directors. Directors shall receive such compensation for their services as shall be determined by a majority of the Board of Directors, or a designated committee thereof, provided that directors who are serving the Corporation as employees and who receive compensation for their services as such, shall not receive any salary or other compensation for their services as directors of the Corporation.

ARTICLE III

Officers

SECTION 1. Enumeration. The officers of the Corporation shall consist of a President, a Treasurer, a Secretary and such other officers, including, without limitation, a Chairman of the Board, a Chief Executive Officer and one or more Vice Presidents (including Executive Vice Presidents or Senior Vice Presidents), Assistant Vice Presidents, Assistant Treasurers and Assistant Secretaries, as the Board of Directors may determine.

SECTION 2. Election. At the regular annual meeting of the Board of Directors following the Annual Meeting, the Board of Directors shall elect the President, the Treasurer and the Secretary. Other officers may be elected by the Board of Directors at such regular annual meeting of the Board of Directors or at any other regular or special meeting.

SECTION 3. Qualification. No officer need be a stockholder or a director. Any person may occupy more than one office of the Corporation at any time.

SECTION 4. Tenure. Except as otherwise provided by the Certificate or by these Bylaws, each of the officers of the Corporation shall hold office until the regular annual meeting of the Board of Directors following the next Annual Meeting or until his or her successor is elected and qualified or until his or her earlier resignation or removal.

SECTION 5. Resignation. Any officer may resign by delivering his or her written or electronically transmitted resignation to the Corporation addressed to the President or the Secretary, and such resignation shall be effective upon receipt, unless the resignation otherwise provides.

SECTION 6. Removal. Except as otherwise provided by law or by resolution of the Board of Directors, the Board of Directors may remove any officer with or without cause by the affirmative vote of a majority of the directors then in office.

SECTION 7. Absence or Disability. In the event of the absence or disability of any officer, the Board of Directors may designate another officer to act temporarily in place of such absent or disabled officer.

SECTION 8. Vacancies. Any vacancy in any office may be filled for the unexpired portion of the term by the Board of Directors.

SECTION 9. President. The President shall, subject to the direction of the Board of Directors, have such powers and shall perform such duties as the Board of Directors may from time to time designate.

SECTION 10. Chairman of the Board. The Chairman of the Board, if one is elected, shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

SECTION 11. Chief Executive Officer. The Chief Executive Officer, if one is elected, shall have such powers and shall perform such duties as the Board of Directors may from time to time designate.

SECTION 12. Vice Presidents and Assistant Vice Presidents. Any Vice President (including any Executive Vice President or Senior Vice President) and any Assistant Vice President shall have such powers and shall perform such duties as the Board of Directors or the Chief Executive Officer may from time to time designate.

SECTION 13. Treasurer and Assistant Treasurers. The Treasurer shall, subject to the direction of the Board of Directors and except as the Board of Directors or the Chief Executive Officer may otherwise provide, have general charge of the financial affairs of the Corporation and shall cause to be kept accurate books of account. The Treasurer shall have custody of all funds, securities, and valuable documents of the Corporation. He or she shall have such other duties and powers as may be designated from time to time by the Board of Directors or the Chief Executive Officer. Any Assistant Treasurer shall have such powers and perform such duties as the Board of Directors or the Chief Executive Officer may from time to time designate.

SECTION 14. Secretary and Assistant Secretaries. The Secretary shall record all the proceedings of the meetings of the stockholders and the Board of Directors (including committees of the Board of Directors) in books kept for that purpose. In his or her absence from any such meeting, a temporary secretary chosen at the meeting shall record the proceedings thereof. The Secretary shall have charge of the stock ledger (which may, however, be kept by any transfer or other agent of the Corporation). The Secretary shall have custody of the seal of the Corporation, and the Secretary, or an Assistant Secretary shall have authority to affix it to any instrument requiring it, and, when so affixed, the seal may be attested by his or her signature or that of an Assistant Secretary. The Secretary shall have such other duties and powers as may be designated from time to time by the Board of Directors or the Chief Executive Officer. In the absence of the Secretary, any Assistant Secretary may perform his or her duties and responsibilities. Any Assistant Secretary shall have such powers and perform such duties as the Board of Directors or the Chief Executive Officer may from time to time designate.

SECTION 15. Other Powers and Duties. Subject to these Bylaws and to such limitations as the Board of Directors may from time to time prescribe, the officers of the Corporation shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as from time to time may be conferred by the Board of Directors or the Chief Executive Officer.

ARTICLE IV

Capital Stock

SECTION 1. Certificates of Stock. Each stockholder shall be entitled to a certificate of the capital stock of the Corporation in such form as may from time to time be prescribed by the Board of Directors. Such certificate shall be signed by any two authorized officers of the Corporation. The Corporation seal and the signatures by the Corporation's officers, the transfer agent or the registrar may be facsimiles. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed on such certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer, transfer agent or registrar at the time of its issue. Every certificate for shares of stock which are subject to any restriction on transfer and every certificate issued when the Corporation is authorized to issue more than one class or series of stock shall contain such legend with respect thereto as is required by law. Notwithstanding anything to the contrary provided in these Bylaws, the Board of Directors of the Corporation may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares (except that the foregoing shall not apply to

shares represented by a certificate until such certificate is surrendered to the Corporation), and by the approval and adoption of these Bylaws the Board of Directors has determined that all classes or series of the Corporation's stock may be uncertificated, whether upon original issuance, re-issuance, or subsequent transfer.

SECTION 2. Transfers. Subject to any restrictions on transfer and unless otherwise provided by the Board of Directors, shares of stock that are represented by a certificate may be transferred on the books of the Corporation by the surrender to the Corporation or its transfer agent of the certificate theretofore properly endorsed or accompanied by a written assignment or power of attorney properly executed, with transfer stamps (if necessary) affixed, and with such proof of the authenticity of signature as the Corporation or its transfer agent may reasonably require. Shares of stock that are not represented by a certificate may be transferred on the books of the Corporation by submitting to the Corporation or its transfer agent such evidence of transfer and following such other procedures as the Corporation or its transfer agent may require.

SECTION 3. Record Holders. Except as may otherwise be required by law, by the Certificate or by these Bylaws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect thereto, regardless of any transfer, pledge or other disposition of such stock, until the shares have been transferred on the books of the Corporation in accordance with the requirements of these Bylaws.

SECTION 4. Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date: (a) in the case of determination of stockholders entitled to vote at any meeting of stockholders, shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting and (b) in the case of any other action, shall not be more than sixty (60) days prior to such other action. If no record date is fixed: (i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; and (ii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

SECTION 5. Replacement of Certificates. In case of the alleged loss, destruction or mutilation of a certificate of stock of the Corporation, a duplicate certificate may be issued in place thereof, upon such terms as the Board of Directors may prescribe.

ARTICLE V

Indemnification

SECTION 1. Definitions. For purposes of this Article:

(a) "Corporate Status" describes the status of a person who is serving or has served (i) as a Director of the Corporation, (ii) as an Officer of the Corporation, (iii) as a Non-Officer Employee of the Corporation, or (iv) as a director, partner, trustee, officer, employee or agent of any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan, foundation, association, organization or other legal entity which such person is or was serving at the request of the Corporation. For purposes of this Section 1(a), a Director, Officer or Non-Officer Employee of the Corporation who is serving or has served as a director, partner, trustee, officer, employee or agent of a Subsidiary shall be deemed to be serving at the request of the Corporation. Notwithstanding the foregoing, "Corporate Status" shall not include the status of a person who is serving or has served as a director, officer, employee or agent of a constituent corporation absorbed in a merger or consolidation transaction with the Corporation with respect to such person's activities prior to said transaction, unless specifically authorized by the Board of Directors or the stockholders of the Corporation;

(b) "Director" means any person who serves or has served the Corporation as a director on the Board of Directors of the Corporation;

(c) "Disinterested Director" means, with respect to each Proceeding in respect of which indemnification is sought hereunder, a Director of the Corporation who is not and was not a party to such Proceeding;

(d) "Expenses" means all attorneys' fees, retainers, court costs, transcript costs, fees of expert witnesses, private investigators and professional advisors (including, without limitation, accountants and investment bankers), travel expenses, duplicating costs, printing and binding costs, costs of preparation of demonstrative evidence and other courtroom presentation aids and devices, costs incurred in connection with document review, organization, imaging and computerization, telephone charges, postage, delivery service fees, and all other disbursements, costs or expenses of the type customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, settling or otherwise participating in, a Proceeding;

(e) "Liabilities" means judgments, damages, liabilities, losses, penalties, excise taxes, fines and amounts paid in settlement;

(f) "Non-Officer Employee" means any person who serves or has served as an employee or agent of the Corporation, but who is not or was not a Director or Officer;

(g) "Officer" means any person who serves or has served the Corporation as an officer of the Corporation appointed by the Board of Directors of the Corporation;

(h) "Proceeding" means any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, inquiry, investigation, administrative hearing or other proceeding, whether civil, criminal, administrative, arbitrative or investigative; and

(i) "Subsidiary" shall mean any corporation, partnership, limited liability company, joint venture, trust or other entity of which the Corporation owns (either directly or through or together with another Subsidiary of the Corporation) either (i) a general partner, managing member or other similar interest or (ii) (A) fifty percent (50%) or more of the voting power of the voting capital equity interests of such corporation, partnership, limited liability company, joint venture or other entity, or (B) fifty percent (50%) or more of the outstanding voting capital stock or other voting equity interests of such corporation, partnership, limited liability company, joint venture or other entity.

SECTION 2. Indemnification of Directors and Officers.

(a) Subject to the operation of Section 4 of this Article V of these Bylaws, each Director and Officer shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), and to the extent authorized in this Section 2.

(1) Actions, Suits and Proceedings Other than By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses and Liabilities that are incurred or paid by such Director or Officer or on such Director's or Officer's behalf in connection with any Proceeding or any claim, issue or matter therein (other than an action by or in the right of the Corporation), which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director's or Officer's Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful.

(2) Actions, Suits and Proceedings By or In the Right of the Corporation. Each Director and Officer shall be indemnified and held harmless by the Corporation against any and all Expenses that are incurred by such Director or Officer or on such Director's or Officer's behalf in connection with any Proceeding or any claim, issue or matter therein by or in the right of the Corporation, which such Director or Officer is, or is threatened to be made, a party to or participant in by reason of such Director's or Officer's Corporate Status, if such Director or Officer acted in good faith and in a manner such Director or Officer reasonably believed to be in or not opposed to the best interests of the Corporation; provided, however, that no indemnification shall be made under this Section 2(a)(2) in respect of any claim, issue or matter as to which such Director or Officer shall have been finally adjudged by a court of competent jurisdiction to be liable to the Corporation, unless, and only to the extent that, the Court of Chancery or another court in which such Proceeding was brought shall determine upon application that, despite adjudication of liability, but in view of all the circumstances of the case, such Director or Officer is fairly and reasonably entitled to indemnification for such Expenses that such court deems proper.

(3) Survival of Rights. The rights of indemnification provided by this Section 2 shall continue as to a Director or Officer after he or she has ceased to be a Director or Officer and shall inure to the benefit of his or her heirs, executors, administrators and personal representatives.

(4) Actions by Directors or Officers. Notwithstanding the foregoing, the Corporation shall indemnify any Director or Officer seeking indemnification in connection with a Proceeding initiated by such Director or Officer only if such Proceeding (including any parts of such Proceeding not initiated by such Director or Officer) was authorized in advance by the Board of Directors of the Corporation, unless such Proceeding was brought to enforce such Officer's or Director's rights to indemnification or, in the case of Directors, advancement of Expenses under these Bylaws in accordance with the provisions set forth herein.

SECTION 3. Indemnification of Non-Officer Employees. Subject to the operation of Section 4 of this Article V of these Bylaws, each Non-Officer Employee may, in the discretion of the Board of Directors of the Corporation, be indemnified by the Corporation to the fullest extent authorized by the DGCL, as the same exists or may hereafter be amended, against any or all Expenses and Liabilities that are incurred by such Non-Officer Employee or on such Non-Officer Employee's behalf in connection with any threatened, pending or completed Proceeding, or any claim, issue or matter therein, which such Non-Officer Employee is, or is threatened to be made, a party to or participant in by reason of such Non-Officer Employee's Corporate Status, if such Non-Officer Employee acted in good faith and in a manner such Non-Officer Employee reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The rights of indemnification provided by this Section 3 shall exist as to a Non-Officer Employee after he or she has ceased to be a Non-Officer Employee and shall inure to the benefit of his or her heirs, personal representatives, executors and administrators. Notwithstanding the foregoing, the Corporation may indemnify any Non-Officer Employee seeking indemnification in connection with a Proceeding initiated by such Non-Officer Employee only if such Proceeding was authorized in advance by the Board of Directors of the Corporation.

SECTION 4. Determination. Unless ordered by a court, no indemnification shall be provided pursuant to this Article V to a Director, to an Officer or to a Non-Officer Employee unless a determination shall have been made that such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal Proceeding, such person had no reasonable cause to believe his or her conduct was unlawful. Such determination shall be made by (a) a majority vote of the Disinterested Directors, even though less than a quorum of the Board of Directors, (b) a committee comprised of Disinterested Directors, such committee having been designated by a majority vote of the Disinterested Directors (even though less than a quorum), (c) if there are no such Disinterested Directors, or if a majority of Disinterested Directors so directs, by independent legal counsel in a written opinion, or (d) by the stockholders of the Corporation.

SECTION 5. Advancement of Expenses to Directors Prior to Final Disposition.

(a) The Corporation shall advance all Expenses incurred by or on behalf of any Director in connection with any Proceeding in which such Director is involved by reason of such Director's Corporate Status within thirty (30) days after the receipt by the Corporation of a written statement from such Director requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Director and shall be preceded or

accompanied by an undertaking by or on behalf of such Director to repay any Expenses so advanced if it shall ultimately be determined that such Director is not entitled to be indemnified against such Expenses. Notwithstanding the foregoing, the Corporation shall advance all Expenses incurred by or on behalf of any Director seeking advancement of expenses hereunder in connection with a Proceeding initiated by such Director only if such Proceeding (including any parts of such Proceeding not initiated by such Director) was (i) authorized by the Board of Directors of the Corporation, or (ii) brought to enforce such Director's rights to indemnification or advancement of Expenses under these Bylaws.

(b) If a claim for advancement of Expenses hereunder by a Director is not paid in full by the Corporation within thirty (30) days after receipt by the Corporation of documentation of Expenses and the required undertaking, such Director may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and if successful in whole or in part, such Director shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such advancement of Expenses under this Article V shall not be a defense to an action brought by a Director for recovery of the unpaid amount of an advancement claim and shall not create a presumption that such advancement is not permissible. The burden of proving that a Director is not entitled to an advancement of expenses shall be on the Corporation.

(c) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Director has not met any applicable standard for indemnification set forth in the DGCL.

SECTION 6. Advancement of Expenses to Officers and Non-Officer Employees Prior to Final Disposition.

(a) The Corporation may, at the discretion of the Board of Directors of the Corporation, advance any or all Expenses incurred by or on behalf of any Officer or any Non-Officer Employee in connection with any Proceeding in which such person is involved by reason of his or her Corporate Status as an Officer or Non-Officer Employee upon the receipt by the Corporation of a statement or statements from such Officer or Non-Officer Employee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by such Officer or Non-Officer Employee and shall be preceded or accompanied by an undertaking by or on behalf of such person to repay any Expenses so advanced if it shall ultimately be determined that such Officer or Non-Officer Employee is not entitled to be indemnified against such Expenses.

(b) In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that the Officer or Non-Officer Employee has not met any applicable standard for indemnification set forth in the DGCL.

SECTION 7. Contractual Nature of Rights.

(a) The provisions of this Article V shall be deemed to be a contract between the Corporation and each Director and Officer entitled to the benefits hereof at any time while this Article V is in effect, in consideration of such person's past or current and any future performance of services for the Corporation. Neither amendment, repeal or modification of any provision of this Article V nor the adoption of any provision of the Certificate of Incorporation inconsistent with this Article V shall eliminate or reduce any right conferred by this Article V in respect of any act or omission occurring, or any cause of action or claim that accrues or arises or any state of facts existing, at the time of or before such amendment, repeal, modification or adoption of an inconsistent provision (even in the case of a proceeding based on such a state of facts that is commenced after such time), and all rights to indemnification and advancement of Expenses granted herein or arising out of any act or omission shall vest at the time of the act or omission in question, regardless of when or if any proceeding with respect to such act or omission is commenced. The rights to indemnification and to advancement of expenses provided by, or granted pursuant to, this Article V shall continue notwithstanding that the person has ceased to be a director or officer of the Corporation and shall inure to the benefit of the estate, heirs, executors, administrators, legatees and distributes of such person.

(b) If a claim for indemnification hereunder by a Director or Officer is not paid in full by the Corporation within sixty (60) days after receipt by the Corporation of a written claim for indemnification, such Director or Officer may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, such Director or Officer shall also be entitled to be paid the expenses of prosecuting such claim. The failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to make a determination concerning the permissibility of such indemnification under this Article V shall not be a defense to an action brought by a Director or Officer for recovery of the unpaid amount of an indemnification claim and shall not create a presumption that such indemnification is not permissible. The burden of proving that a Director or Officer is not entitled to indemnification shall be on the Corporation.

(c) In any suit brought by a Director or Officer to enforce a right to indemnification hereunder, it shall be a defense that such Director or Officer has not met any applicable standard for indemnification set forth in the DGCL.

SECTION 8. Non-Exclusivity of Rights. The rights to indemnification and to advancement of Expenses set forth in this Article V shall not be exclusive of any other right which any Director, Officer, or Non-Officer Employee may have or hereafter acquire under any statute, provision of the Certificate or these Bylaws, agreement, vote of stockholders or Disinterested Directors or otherwise.

SECTION 9. Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any Director, Officer or Non-Officer Employee against any liability of any character asserted against or incurred by the Corporation or any such Director, Officer or Non-Officer Employee, or arising out of any such person's Corporate Status, whether or not the Corporation would have the power to indemnify such person against such liability under the DGCL or the provisions of this Article V.

SECTION 10. Other Indemnification. The Corporation's obligation, if any, to indemnify or provide advancement of Expenses to any person under this Article V as a result of such person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount such person may collect as indemnification or advancement of Expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or enterprise (the "Primary Indemnitor"). Any indemnification or advancement of Expenses under this Article V owed by the Corporation as a result of a person serving, at the request of the Corporation, as a director, partner, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall only be in excess of, and shall be secondary to, the indemnification or advancement of Expenses available from the applicable Primary Indemnitor(s) and any applicable insurance policies.

ARTICLE VI

Miscellaneous Provisions

SECTION 1. Fiscal Year. The fiscal year of the Corporation shall be determined by the Board of Directors.

SECTION 2. Seal. The Board of Directors shall have power to adopt and alter the seal of the Corporation.

SECTION 3. Execution of Instruments. All deeds, leases, transfers, contracts, bonds, notes and other obligations to be entered into by the Corporation in the ordinary course of its business without director action may be executed on behalf of the Corporation by the Chairman of the Board, if one is elected, the President or the Treasurer or any other officer, employee or agent of the Corporation as the Board of Directors or the executive committee of the Board may authorize.

SECTION 4. Voting of Securities. Unless the Board of Directors otherwise provides, the Chairman of the Board, if one is elected, the President or the Treasurer may waive notice of and act on behalf of the Corporation (including with regard to voting and actions by written consent), or appoint another person or persons to act as proxy or attorney in fact for the Corporation with or without discretionary power and/or power of substitution, at any meeting of stockholders or shareholders of any other corporation or organization, any of whose securities are held by the Corporation.

SECTION 5. Resident Agent. The Board of Directors may appoint a resident agent upon whom legal process may be served in any action or proceeding against the Corporation.

SECTION 6. Corporate Records. The original or attested copies of the Certificate, Bylaws and records of all meetings of the incorporators, stockholders and the Board of Directors and the stock transfer books, which shall contain the names of all stockholders, their record addresses and the amount of stock held by each, may be kept outside the State of Delaware and shall be kept at the principal office of the Corporation, at an office of its counsel, at an office of its transfer agent or at such other place or places as may be designated from time to time by the Board of Directors.

SECTION 7. Certificate. All references in these Bylaws to the Certificate shall be deemed to refer to the Amended and Restated Certificate of Incorporation of the Corporation, as amended and/or restated and in effect from time to time.

SECTION 8. Exclusive Jurisdiction of Delaware Courts. Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for state law claims for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of or based on a fiduciary duty owed by any current or former director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation or any current or former director, officer, or other employee or stockholder of the Corporation arising pursuant to any provision of the Delaware General Corporation Law or the Certificate or Bylaws, or (iv) any action asserting a claim against the Corporation or any current or former director or officer or other employee of the Corporation governed by the internal affairs doctrine; provided, however, that this provision will not apply to any causes of action arising under the Securities Act of 1933, as amended, or the Exchange Act. Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act of 1933, as amended. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Section 8.

SECTION 9. Amendment of Bylaws.

(a) Amendment by Directors. Except as provided otherwise by law, these Bylaws may be amended or repealed by the Board of Directors by the affirmative vote of a majority of the directors then in office.

(b) Amendment by Stockholders. Except as otherwise required by these Bylaws or by law, these Bylaws may be amended or repealed at any Annual Meeting, or special meeting of stockholders called for such purpose in accordance with these Bylaws, by the affirmative vote of not less than two-thirds (2/3) of the outstanding shares of capital stock entitled to vote on such amendment or repeal, voting together as a single class. Notwithstanding the foregoing, stockholder approval shall not be required unless mandated by the Certificate, these Bylaws, or other applicable law.

SECTION 10. Notices. If mailed, notice to stockholders shall be deemed given when deposited in the mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation. Without limiting the manner by which notice otherwise may be given to stockholders, any notice to stockholders may be given by electronic transmission in the manner provided in Section 232 of the DGCL.

SECTION 11. Waivers. A written waiver of any notice, signed by a stockholder or director, or waiver by electronic transmission by such person, whether given before or after the time of the event for which notice is to be given, shall be deemed equivalent to the notice required to be given to such person. Neither the business to be transacted at, nor the purpose of, any meeting need be specified in such a waiver.

Adopted by the Board of Directors on [•], 2020 and approved by the stockholders on [•], 2020 subject to and effective upon the effectiveness of the Corporation's Registration Statement on Form S-1 for its initial public offering.

Exhibit 4.1

SEE LEGEND ON REVERSE

NUMBER

* *

SHARES

* *

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

BIOATLA, INC.

COMMON STOCK
$0.0001 PAR VALUE

This Certifies that ____ [____] ____ is the owner
(SEE REVERSE FOR CERTAIN DEFINITIONS)
of ____ *** *** ____ Shares of

Common Stock, $0.0001 par value, of BioAlta, Inc.

full paid and non-assessable transferable only on the books of the Corporation in person or by Attorney upon surrender of this Certificate properly endorsed.

In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officers, and its Corporate Seal to be hereunto affixed this ____ day of ____ A.D. ____

Jay Short, Chief Executive Officer

Carolyn Short, Vice President

H.BURR KEIM CHELS

DECHERT LLP - 1009730

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENSE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR AN EXEMPTION FROM REGISTRATION THEREUNDER.

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM—as tenants in common
TEN ENT —as tenants by the entireties
JT TEN —as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT—.....Custodian.....under
(Cust) (Minor)
Uniform Gifts to Minors Act.....
(State)

Additional abbreviations may also be used though not in the above list.

For Value Received, hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

_____

_____ Shares represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ Attorney

to transfer the said Shares on the books of the within named Corporation with full power of substitution in the premises.

Dated: _____

In presence of

_____ _____

_____

NOTICE: THE SIGNATURE OF THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATEVER.

Exhibit 4.2

INVESTORS' RIGHTS AGREEMENT

THIS INVESTORS' RIGHTS AGREEMENT (this "**Agreement**") is made as of the 13th day of July, 2020, by and among BioAtla, Inc., a Delaware corporation (the "**Company**"), each of the investors listed on Schedule A hereto, each of which is referred to in this Agreement as an "**Investor**", and each of the direct and indirect beneficial owners of the Company's Common Stock listed on Schedule B hereto, each of whom is referred to herein as a "**Key Holder**", and any Additional Purchaser (as defined in the Purchase Agreement (as defined below)) that becomes a party to this Agreement in accordance with Section 6.9 hereof.

RECITALS

WHEREAS, the Company and the Investors are parties to the Series D Preferred Stock Purchase Agreement of even date herewith (as amended from time to time, the "**Purchase Agreement**"); and

WHEREAS, in order to induce the Company to enter into the Purchase Agreement and to induce the Investors to invest funds in the Company pursuant to the Purchase Agreement, the Investors and the Company hereby agree that this Agreement shall govern the rights of the Investors to cause the Company to register shares of Common Stock issuable to the Investors, to receive certain information from the Company, and to participate in future equity offerings by the Company, and shall govern certain other matters as set forth in this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

1. Definitions. For purposes of this Agreement:

1.1. "**Affiliate**" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with, such Person, including, without limitation, any general partner, managing member, officer, director or trustee of such Person, or any limited liability company, limited partnership, investment fund or registered investment company now or hereafter existing that is controlled by one or more general partners, managers, managing members or investment advisors of, or shares the same management company or investment advisor with, such Person; any wholly-owned subsidiary of such Person; or any direct or indirect wholly-owned subsidiary of the ultimate parent entity of such Person; provided, however, that (i) each Janus Investor shall be deemed to be an "Affiliate" of each other Janus Investor, and (ii) an entity that is an "Affiliate" of a Janus Investor (other than pursuant to the foregoing subpart (i)) shall not be deemed to be an "Affiliate" of any other Janus Investor unless such entity is a Janus Investor (and, for the avoidance of doubt, an "Affiliate" of such entity shall not be deemed an "Affiliate" of any Janus Investor solely by virtue of being an "Affiliate" of such entity)..

1.2. "**Board**" means the board of directors of the Company.

1.3. "**Certificate of Incorporation**" means the Company's Certificate of Incorporation, as amended and/or restated from time to time.

1.4. "**Common Stock**" means shares of the Company's common stock, par value $0.0001 per share.

1.5. "**Damages**" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.6. "**Derivative Securities**" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

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

1.8. "**Excluded Registration**" means (i) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (iv) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.9. "**Form S-1**" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.10. "**Form S-3**" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.11. "**GAAP**" means generally accepted accounting principles in the United States, as in effect from time to time.

1.12. "**HBM Director**" means the director of the Company that has been solely designated by HBM Healthcare Investments (Cayman) Ltd. ("**HBM**") pursuant to the Certificate of Incorporation, the Voting Agreement or otherwise.

1.13. "**Holder**" means any holder of Registrable Securities who is a party to this Agreement.

1.14. "**Immediate Family Member**" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, of a natural person referred to herein.

1.15. "**Initiating Holders**" means, collectively, Holders who properly initiate a registration request under this Agreement.

1.16. "**IPO**" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

1.17. **"Janus Investor"** shall mean Investors, or permitted transferees of Registrable Securities held by Janus Investors, that are advisory or subadvisory clients of Janus Capital Management LLC, including, but not limited to, Janus Henderson Global Life Sciences Fund, Janus Henderson Capital Funds Plc—Janus Henderson Global Life Sciences Fund, and Janus Henderson Biotech Innovation Master Fund Limited.

1.18. "**Key Employee**" means any executive-level employee (including division director and vice president-level positions) as well as any employee who, either alone or in concert with others, develops, invents, programs, or designs any Company Intellectual Property (as defined in the Purchase Agreement).

1.19. "**Key Holder Registrable Securities**" means (i) shares of Common Stock held by the Key Holders, and (ii) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of such shares.

1.20. "**Major Investor**" means (i) any Investor that, individually or together with such Investor's Affiliates, purchases at least 3,879,357 shares of Series D Preferred Stock and continues to hold fifty percent (50%) of such shares purchased thereby (as adjusted for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof) and (ii) any Key Holder or permitted assignee that, individually or together with its Affiliates, holds at least 3,879,357 shares of Common Stock (as adjusted for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof) originally purchased thereby.

1.21. "**New Securities**" means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

1.22. "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.23. "**Registrable Securities**" means (i) the Common Stock issuable or issued upon conversion of the Series D Preferred Stock; (ii) any Common Stock, or any Common Stock issued or issuable (directly or indirectly) upon conversion and/or exercise of any other securities of the Company, acquired by the Investors after the date hereof; (iii) the Key Holder Registrable

Securities, provided, however, that such Key Holder Registrable Securities shall not be deemed Registrable Securities and the Key Holders shall not be deemed Holders for purposes of Subsections 2.1, 2.10, 3.1, 3.2, and 6.6; (iv) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clauses (i) and (ii) above; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Subsection 6.1, and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement.

1.24. "**Registrable Securities then outstanding**" means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

1.25. "**Restricted Securities**" means the securities of the Company required to bear the legend set forth in Subsection 2.12(b) hereof.

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

1.27. "**SEC Rule 144**" means Rule 144 promulgated by the SEC under the Securities Act.

1.28. "**SEC Rule 145**" means Rule 145 promulgated by the SEC under the Securities Act.

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

1.30. "**Selling Expenses**" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Subsection 2.6.

1.31. "**Series D Directors**" means the directors of the Company that have been solely designated by the holders of record of the Series D Preferred Stock pursuant to the Certificate of Incorporation, the Voting Agreement or otherwise. For the avoidance of doubt, the Series D Directors shall include the Soleus Director and the HBM Director.

1.32. "**Series D Preferred Stock**" means shares of the Company's Series D Preferred Stock, par value $0.0001 per share.

1.33. "**Soleus Director**" means the director of the Company that has been solely designated by Soleus Private Equity Fund I, L.P. (or its affiliates) ("**Soleus**") pursuant to the Certificate of Incorporation, the Voting Agreement or otherwise.

1.34. "**Voting Agreement**" means the Voting Agreement, dated as of the date hereof, among the Company and the Investors, as the same may be amended, restated or otherwise modified from time to time.

2. Registration Rights. The Company covenants and agrees as follows:

2.1. Demand Registration.

(a) Form S-1 Demand. If at any time after the earlier to occur of (i) five (5) years after the date of this Agreement; or (ii) one hundred eighty (180) days after the effective date of the registration statement for the IPO, the Company receives a request from the Holders of at least a majority of the Registrable Securities then outstanding that the Company file a Form S-1 registration statement with respect to the outstanding Registrable Securities of such Holders having an anticipated aggregate offering price of at least $5 million, then the Company shall (A) within ten (10) days after the date such request is given, give notice thereof (the "**Demand Notice**") to all Holders other than the Initiating Holders; and (B) as soon as practicable, and in any event within sixty (60) days after the date such request is given by the Initiating Holders, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of at least ten percent (10%) of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $3 million, then the Company shall (i) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within forty-five (45) days after the date such request is given by the Initiating Holders, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Subsection 2.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Board it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing

or effectiveness thereof shall be tolled correspondingly, for a period of not more than sixty (60) days after the request of the Initiating Holders is given; provided, however, that the Company may not invoke this right more than once in any twelve (12) month period; and provided further that the Company shall not register any securities for its own account or that of any other stockholder during such sixty (60) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(a) (i) during the period that is sixty (60) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided, that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected two (2) registrations pursuant to Subsection 2.1(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Subsection 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(b) (A) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided, that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (B) if the Company has effected two (2) registrations pursuant to Subsection 2.1(b) within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Subsection 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one (1) demand registration statement pursuant to Subsection 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Subsection 2.1(d).

2.2. Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Holders) any of its Common Stock under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within twenty (20) days after such notice is given by the Company, the Company shall, subject to the provisions of Subsection 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Subsection 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Subsection 2.6.

2.3. Underwriting Requirements.

(a) If, pursuant to Subsection 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Subsection 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be

selected by the Company and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Subsection 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Subsection 2.3, if the managing underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; provided, however, that the number of Registrable Securities held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Subsection 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, (ii) the number of Registrable Securities included in the offering be reduced below twenty percent (20%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering, or (iii) notwithstanding (ii) above, any Registrable Securities which are not Key Holder Registrable Securities be excluded from such underwriting unless all Key Holder Registrable Securities are first excluded from such offering. For purposes of the provision in this Subsection 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners,

members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

(c) For purposes of Subsection 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Subsection 2.3(a), fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

2.4. Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such one hundred twenty (120) day period shall be extended for up to sixty (60) days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5. Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6. Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements of one (1) counsel for the selling Holders ("**Selling Holder Counsel**"), shall be borne and paid by the Company; provided,

however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Subsection 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one (1) registration pursuant to Subsection 2.1(a) or Subsection 2.1(b), as the case may be; provided further that if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information, then the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one (1) registration pursuant to Subsection 2.1(a) or Subsection 2.1(b). All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7. Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8. Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished

by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided further that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Subsections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Subsection 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Subsection 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Subsection 2.8, to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Subsection 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Subsection 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Subsection 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Subsection 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material

fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case, (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall a Holder's liability pursuant to this Subsection 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Subsection 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder**)**, except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Subsection 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9. Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company; and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10. Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of a majority of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would allow such holder or prospective holder (i) to include such securities in any registration unless, under the terms of such agreement, such securities are included in such registration only to the extent that the inclusion of such securities will not reduce the number of the Registrable Securities of the Holders that are included, or (ii) to initiate a demand for registration of any securities held by such holder or prospective holder; provided that this limitation shall not apply (a) to any additional Investor who becomes a party to this Agreement in accordance with Subsection 6.9.

2.11. "Market Stand-off" Agreement. Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company of shares of its Common Stock or any other equity securities under the Securities Act on a registration statement on Form S-1 or Form S-3 and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days in the case of the IPO, or such other period not to exceed an additional thirty-five (35) days as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held immediately before the effective date of the registration statement for such offering or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Subsection 2.11 shall apply only to the IPO, shall not apply to any shares of Common Stock purchased after the registration statement is declared effective for such offering, shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, or the transfer of any shares to any Affiliates, regardless of whether or not such transfer is for consideration, or to any trust for the direct or indirect benefit of the Holder or the immediate family of the Holder or transfers to Affiliates of Holders regardless of whether or not such transfer is for consideration, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer shall not violate any restrictions set forth herein, and shall be applicable to the Holders only if all officers, directors and stockholders individually owning more than one percent (1%) of the Company's outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Series D Preferred Stock) are subject to the same restrictions. The underwriters in connection with such registration are intended third-party beneficiaries of this Subsection 2.11 and shall have the right, power, and authority to enforce the provisions hereof as

though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Subsection 2.11 or that are necessary to give further effect thereto. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply pro rata to all Holders subject to such agreements, based on the number of shares subject to such agreements. Any release of Common Stock or any other equity securities of Holders subject to this Subsection 2.11 shall be on a pro rata basis.

2.12. Restrictions on Transfer.

(a) The Series D Preferred Stock and the Registrable Securities shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Series D Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

(b) Each certificate or instrument representing (i) the Series D Preferred Stock, (ii) the Registrable Securities, and (iii) any other securities issued in respect of the securities referenced in clauses (i) and (ii), upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Subsection 2.12(c)) be stamped or otherwise imprinted with a legend substantially in the following form:

> THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.
>
> THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Subsection 2.12.

(c) The holder of each certificate representing Restricted Securities, by acceptance of ownership thereof, agrees to comply in all respects with the provisions of this Section 2. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, the

Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (i) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (ii) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (iii) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter (x) in any transaction in compliance with SEC Rule 144 or (y) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no consideration; provided, that each transferee agrees in writing to be subject to the terms of this Subsection 2.12. Each certificate, instrument or book entry evidencing the Restricted Securities transferred as above provided shall bear, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Subsection 2.12(b), except that such certificate, instrument or book entry shall not bear such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

(d) Notwithstanding the provisions of Subsections 2.12(a) and 2.12(c) above, no such registration statement or opinion of counsel or "no action" letter shall be necessary for: (A) a transfer of Restricted Securities by a Holder to any of its Affiliates, (B) a transfer of Restricted Securities by a Holder that is a partnership, limited liability company or corporation to a partner, limited partner, retired partner, member, retired member or stockholder of a Holder; (C) a transfer of Restricted Securities to a charity; (D) a transfer of Restricted Securities by gift, will or intestate succession of any partner to his or her spouse or to the siblings, lineal descendants or ancestors of such partner or his or her spouse; or (E) the transfer of Restricted Securities by a Holder exercising its co-sale rights under that certain Right of First Refusal and Co-Sale Agreement by and among the Company and the Investors and Common Holders named therein of even date herewith, as amended (the "**Right of First Refusal and Co-Sale Agreement**"), if in each transfer under clauses (A), (B), (C) or (D) the prospective transferee agrees in all such instances in writing to be subject to the terms hereof to the same extent as if he or she were an original Holder hereunder.

2.13. Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Subsection 2.1 or Subsection 2.2 shall terminate upon the earlier to occur of:

(a) the closing of a Deemed Liquidation Event (other than an Asset Sale), as such terms are defined in the Certificate of Incorporation, under which the transaction consideration is solely cash (or cash and cash earn-out payments) or marketable securities;

(b) such time as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation during a three-month period without registration; and

(c) the fifth (5) year anniversary of the IPO.

2.14. Foreign Country IPO. In the case of an IPO in a country other than the United States, the Company and the Investors agree that, prior to the closing of such IPO, the Company and the Investors shall negotiate in good faith to reasonably agree to amend this Agreement to bring its provisions in conformity with the applicable laws and generally accepted market practice for registration rights in the applicable country of such IPO.

3. Information and Observer Rights.

3.1. Delivery of Financial Statements. The Company shall deliver to each Major Investor, provided the Board has not reasonably determined that such Major Investor is a competitor of the Company (provided that none of Farallon Capital Management, L.L.C. or any of its Affiliates (collectively, "**Farallon**") shall be deemed to be a competitor of the Company):

(a) as soon as practicable, but in any event within ninety (90) days after the end of each fiscal year of the Company, (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year and as included in the Budget (as defined below) for such year, with an explanation of any material differences between such amounts and a schedule as to the sources and applications of funds for such year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements audited and certified by independent public accountants of nationally recognized standing selected by the Company;

(b) as soon as practicable, but in any event within forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, unaudited statements of income and of cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as practicable, but in any event within thirty (30) days after the end of each month, an unaudited statement of income and statement of cash flows for such month, and an unaudited balance sheet and statement of stockholders' equity as of the end of such month, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(d) as soon as practicable, but in any event within forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable

for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Major Investors to calculate their respective percentage equity ownership in the Company, and certified by the chief financial officer or chief executive officer of the Company as being true, complete, and correct;

(e) as soon as practicable, but in any event thirty (30) days before the end of each fiscal year, a budget and business plan for the next fiscal year (collectively, the "**Budget**"), approved by the Board, including the approval of at least two (2) of the Series D Directors, and prepared on a monthly basis, including balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company; and

(f) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as any Major Investor may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Subsection 3.1 to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company); or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

Notwithstanding anything else in this Subsection 3.1 to the contrary, the Company may cease providing the information set forth in this Subsection 3.1 during the period starting with the date thirty (30) days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; provided that the Company's covenants under this Subsection 3.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2. Inspection. The Company shall permit each Major Investor (provided that the Board has not reasonably determined that such Major Investor is a competitor of the Company), at such Major Investor's expense, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Investor; provided, however, that the Company shall not be obligated pursuant to this Subsection 3.2 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

3.3. Observer Rights.

(a) As long as Soleus owns not less than twenty-five percent (25%) of the shares of the Series D Preferred Stock it is purchasing under the Purchase Agreement (or an equivalent amount of Common Stock issued upon conversion thereof), the Company shall invite a representative of Soleus to attend all meetings of the Board in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; provided, however, that such representative shall agree to hold in confidence and trust and to act in a fiduciary manner with respect to all information so provided; and provided further, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, or if such Investor or its representative is a competitor of the Company.

(b) As long as HBM owns not less than twenty-five percent (25%) of the shares of the Series D Preferred Stock it is purchasing under the Purchase Agreement (or an equivalent amount of Common Stock issued upon conversion thereof), the Company shall invite a representative of HBM to attend all meetings of the Board in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; provided, however, that such representative shall agree to hold in confidence and trust and to act in a fiduciary manner with respect to all information so provided; and provided further, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest, or if such Investor or its representative is a competitor of the Company.

(c) As long as Farallon owns not less than twenty-five percent (25%) of the shares of the Series D Preferred Stock it is purchasing under the Purchase Agreement (or an equivalent amount of Common Stock issued upon conversion thereof), the Company shall invite a representative of Farallon to attend all meetings of the Board in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors; provided, however, that such representative shall agree to hold in confidence and trust and to act in a fiduciary manner with respect to all information so provided; and provided further, that the Company reserves the right to withhold any information and to exclude such representative from any meeting or portion thereof if access to such information or attendance at such meeting could adversely affect the attorney-client privilege between the Company and its counsel or result in disclosure of trade secrets or a conflict of interest.

3.4. Termination of Information and Observer Rights. The covenants set forth in Subsections 3.1, 3.2 and 3.3 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon a Deemed Liquidation Event (other than an Asset Sale), as such terms are defined in the Certificate of Incorporation, whichever event occurs first.

3.5. Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Subsection 3.5 by such Investor), (b) is or has been independently developed or conceived by the Investor without use of the Company's confidential information, or (c) is or has been made known or disclosed to the Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; provided, however, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser agrees to be bound by the provisions of this Subsection 3.5; (iii) to any existing or prospective Affiliate, partner, member, stockholder, or wholly owned subsidiary of such Investor in the ordinary course of business, provided that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; (iv) as may otherwise be required by law, provided that if such disclosure required by law is specifically directed at the Company, the Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure; (v) in connection with such Investor's ordinary course of reporting to its investors; provided that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (vi) to the extent required in connection with any routine or periodic examination or similar process by any regulatory or self-regulatory body or authority not specifically directed at the Company.

3.6. IPO Participation Rights. In the event that any Investor then holding at least five percent (5%) of the Series D Preferred Stock then outstanding (an "**Eligible Investor**") indicates an interest to purchase shares of Common Stock in the Company's IPO, the Company shall use its commercially reasonable efforts to cause the managing underwriter or underwriters of such IPO to offer such Eligible Investor the opportunity to purchase at the price to the public, and on the same terms, the number of shares of Common Stock equal to $15,000,000 divided by the price per share to the public in the IPO (with respect to each electing Eligible Investor, its "**IPO Allocation**"). Notwithstanding the foregoing, any such Eligible Investor acknowledges that the sale of any shares of Common Stock to any person in the IPO will only be made in compliance with all federal and state securities laws, including, without limitation, the Securities Act of 1933, as amended, and all applicable rules and regulations promulgated by the Financial Industry Regulatory Authority (FINRA) and such other self-regulatory organizations as may be applicable in connection with the IPO or have authority over the participants therein. Any such Eligible Investor further acknowledges that, despite the Company's use of its commercially reasonable efforts, the managing underwriter or underwriters in their reasonable discretion may reduce each Eligible Investor's IPO Allocation if such underwriter(s) determine that granting the full IPO Allocation to each Eligible Investor that elects to participate may materially and adversely impact the success of the IPO.

4. Rights to Future Stock Issuances.

4.1. Right of First Offer. Subject to the terms and conditions of this Subsection 4.1 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Major Investor. A Major Investor shall be entitled to apportion the right of first offer hereby granted to it in such proportions as it deems appropriate, among (i) itself and (ii) its Affiliates; provided that each such Affiliate agrees to enter into this Agreement and each of the Voting Agreement and Right of First Refusal and Co-Sale Agreement, as an "Investor" under each such agreement.

(a) The Company shall give notice (the "**Offer Notice**") to each Major Investor, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within twenty (20) days after the Offer Notice is given, each Major Investor may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the Common Stock then held by such Major Investor (including all shares of Common Stock then issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Series D Preferred Stock and any other Derivative Securities then held by such Major Investor) bears to the total Common Stock of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of all Series D Preferred Stock and any other Derivative Securities then outstanding). At the expiration of such twenty (20) day period, the Company shall promptly notify each Major Investor that elects to purchase or acquire all the shares available to it (each, a "**Fully Exercising Investor**") of any other Major Investor's failure to do likewise. During the ten (10) day period commencing after the Company has given such notice, each Fully Exercising Investor may, by giving notice to the Company, elect to purchase or acquire, in addition to the number of shares specified above, up to that portion of the New Securities for which Major Investors were entitled to subscribe but that were not subscribed for by the Major Investors which is equal to the proportion that the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of Series D Preferred Stock and any other Derivative Securities then held, by such Fully Exercising Investor bears to the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Series D Preferred Stock and any other Derivative Securities then held, by all Fully Exercising Investors who wish to purchase such unsubscribed shares. The closing of any sale pursuant to this Subsection 4.1(b) shall occur within the later of ninety (90) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Subsection 4.1(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Subsection 4.1(b), the Company may, during the ninety (90) day period following the expiration of the periods provided in Subsection 4.1(b), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Investors in accordance with this Subsection 4.1(c).

(d) The right of first offer in this Subsection 4.1 shall not be applicable to (i) Exempted Securities (as defined in the Certificate of Incorporation); and (ii) shares of Common Stock issued in the IPO; and (iii) the issuance of shares of Series D Preferred Stock to Additional Purchasers pursuant to Subsection 1.3 of the Purchase Agreement.

5. Additional Covenants.

5.1. Insurance. The Company shall obtain within ninety (90) days of the date hereof, and maintain in full force and effect, (a) Directors and Officers liability insurance in an amount of at least Five Million Dollars ($5,000,000), covering such risks as are adequate and customary for its size and business, and (b) term "key-person" insurance on such individual or individuals designated by the Board from financially sound and reputable insurers, each in an amount and on terms and conditions satisfactory to the Board, including the Series D Directors, and will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board determines that such insurance should be discontinued. The key-person policy or policies shall name the Company as loss payee, and no policy shall be cancelable by the Company without the prior approval of the Board, including the approval of the Soleus Director and the HBM Director.

5.2. Employee Agreements. The Company will cause (i) each person now or hereafter employed by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets to enter into a nondisclosure and proprietary rights assignment agreement and (ii) each Key Employee to enter into a one (1) year noncompetition and nonsolicitation agreement, substantially in the form approved by the Board, including the approval of the Soleus Director and the HBM Director. In addition, the Company shall not materially amend, modify, terminate, waive, or otherwise alter, in whole or in part, any of the above-referenced agreements or any restricted stock agreement between the Company and any employee, without the approval by the Board, including the approval of the Soleus Director and the HBM Director.

5.3. Employee Stock. Unless otherwise approved by the Board, including the approval of at least two (2) of the Series D Directors, all future employees and consultants of the Company who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall be required to execute restricted stock or option agreements, as applicable, providing for (i) vesting of shares over a four (4) year period, with the first twenty-five percent (25%) of such shares vesting following one (1) year of continued employment or service, and the remaining shares vesting in equal monthly installments over the following thirty-six (36) months, and (ii) a market stand-off provision substantially similar to that in Subsection 2.11. In addition, unless otherwise approved by the Board, the Company shall retain a "right of first refusal" on employee transfers until the Company's IPO and shall have the right to repurchase unvested shares at cost upon termination of employment of a holder of restricted stock.

5.4. Matters Requiring Investor Director Approval. The Company hereby covenants and agrees with each of the Investors that it shall not, without approval of the Board, which approval (for so long as Soleus is entitled to elect the Soleus Director) must include the affirmative vote of the Soleus Director or (for so long as HBM is entitled to elect the HBM Director) must include the affirmative vote of the HBM Director:

(a) make, or permit any subsidiary to make, any loan or advance to, or own any stock or other securities of, any subsidiary or other corporation, partnership, or other entity unless it is wholly owned by the Company;

(b) make, or permit any subsidiary to make, any loan or advance to any Person, including, without limitation, any employee or director of the Company or any subsidiary, except advances and similar expenditures in the ordinary course of business or under the terms of an employee stock or option plan approved by the Board;

(c) guarantee, directly or indirectly, or permit any subsidiary to guarantee, directly or indirectly, any indebtedness except for trade accounts of the Company or any subsidiary arising in the ordinary course of business;

(d) make any investment inconsistent with any investment policy approved by the Board;

(e) incur any new indebtedness for borrowed money that, together with any other indebtedness for borrowed money incurred following the date hereof, exceeds $250,000 in the aggregate;

(f) pay or declare any dividend or distribution on any shares of capital stock of the Company, or apply any assets to the redemption, retirement, purchase or acquisition, directly or indirectly, through subsidiaries or otherwise, of any shares of capital stock of the Company, except for (i) the repurchase by the Company of capital stock held by an employee, director or consultant of the Company at the original purchase price upon termination of their employment or services with the Company, or (ii) as contemplated by the Certificate of Incorporation or by the Right of First Refusal and Co-Sale Agreement;

(g) change the principal business of the Company, enter new lines of business, or exit the current line of business;

(h) sell, assign, license, pledge or encumber material technology or intellectual property, other than licenses granted in the ordinary course of business;

(i) enter into or be a party to any transaction with any director, officer or employee of the Company or any “associate” (as defined in Rule 12b-2 promulgated under the Exchange Act);

(j) hire, fire, or change in any material respect the compensation of the executive officers, including approving any option grants;

(k) enter into any corporate strategic relationship involving the payment, contribution or assignment by the Company or to the Company of assets greater than $250,000; or

(l) waive, amend, modify or settle any claims arising from, or take any other actions relating to, the business arrangements, agreements, disputes, claims, proceedings or dealings between the Company and BeiGene, Ltd., a Cayman Islands corporation or any of its Affiliates; provided that any such waiver, amendment, modification, settlement or the taking of any other actions shall require the affirmative vote of at least two (2) of the Series D Directors.

5.5. Board Matters. Unless otherwise determined by the vote of a majority of the directors then in office, the Board shall meet at least quarterly in accordance with an agreed-upon schedule. The Company shall reimburse the nonemployee directors for all reasonable out-of-pocket travel expenses incurred (consistent with the Company's travel policy) in connection with attending meetings of the Board. Each non-employee director shall be entitled in such person's discretion to be a member of any committee of the Board. The board of directors of each subsidiary of the Company (if any) shall have the same composition as the Board, unless otherwise agreed by each of Soleus and HBM.

5.6. Successor Indemnification. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then to the extent necessary, proper provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board as in effect immediately before such transaction, whether such obligations are contained in the Company's Bylaws, the Certificate of Incorporation, or elsewhere, as the case may be.

5.7. Indemnification Matters. The Company hereby acknowledges that one (1) or more of the directors nominated to serve on the Board by the Investors (each a "**Fund Director**") may have certain rights to indemnification, advancement of expenses and/or insurance provided by one or more of the Investors and certain of their affiliates (collectively, the "**Fund Indemnitors**"). The Company hereby agrees (a) that it is the indemnitor of first resort (*i.e.*, its obligations to any such Fund Director are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Fund Director are secondary), (b) that it shall be required to advance the full amount of expenses incurred by such Fund Director and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement by or on behalf of any such Fund Director to the extent legally permitted and as required by the Certificate of Incorporation or the Company's Bylaws (or any agreement between the Company and such Fund Director), without regard to any rights such Fund Director may have against the Fund Indemnitors, and, (c) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of any such Fund Director with respect to any claim for which such Fund Director has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Fund Director against the Company.

5.8. Right to Conduct Activities. The Company hereby agrees and acknowledges that the Investors (together with their Affiliates) are in the business of venture capital and/or private equity investing, review the business plans and related proprietary information of, and invest in, many enterprises, including enterprises which may have products or services which compete directly or indirectly with those of the Company (as currently conducted or as currently proposed to be conducted). The Company hereby agrees that, to the extent permitted under applicable law, (A) nothing in this Agreement shall preclude or in any way restrict any Investor (or its Affiliates) from investing or participating in any particular enterprise whether or not such enterprise has products or services which compete with those of the Company and (B) each Investor (and its Affiliates) shall not be liable to the Company for any claim arising out of, or based upon, (i) the investment by such Investor (or its Affiliates) in any entity competitive with the Company, or (ii) actions taken by any partner, officer or other representative of such Investor (or its Affiliates) to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Company; provided, however, that the foregoing shall not relieve (x) any of the Investors from liability associated with the unauthorized disclosure of the Company's confidential information obtained pursuant to this Agreement, or (y) any director or officer of the Company from any liability associated with his or her fiduciary duties to the Company. The Company and each Investor acknowledge and agree that certain of the Investors or their Affiliates may presently have, or may engage in the future in, internal development programs, or may receive information from third parties that relates to, and may develop and commercialize products independently or in cooperation with such third parties, that are similar to or that are directly or indirectly competitive with, the Company's development programs, products or services. Nothing in this Agreement or any other agreement related to the transactions contemplated by this Agreement, shall in any way preclude or restrict such Investors or their Affiliates from conducting any development program, commercializing any product or service or otherwise engaging in any enterprise, whether or not such development program, product, service or enterprise, competes with those of the Company, so long as such activities do not result in a violation of the confidentiality provisions of this Agreement.

5.9. FCPA Compliance. The Company shall not, and shall not permit any of its subsidiaries and Affiliates or any of its or their respective directors, officers, managers, employees, independent contractors, representatives or agents (collectively, "**Representatives**") to, promise, authorize or make any payment to, or otherwise contribute any item of value to, directly or indirectly, any non-U.S. government official, in each case, in violation of the U.S. Foreign Corrupt Practices Act (the "**FCPA**") or any other applicable anti-bribery or anti-corruption law. The Company shall, and shall cause each of its subsidiaries and Affiliates to, cease all of its or their respective activities, as well as remediate any actions taken by the Company, its subsidiaries or Affiliates or any of its or their respective Representatives in violation of the FCPA or any other applicable anti-bribery or anti-corruption law. The Company shall, and shall cause each of its Affiliates and subsidiaries to, maintain systems or internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA or any other applicable anti-bribery or anti-corruption law.

5.10. Marketing Efforts. Each of Soleus, HBM and Farallon shall be permitted to disclose the fact of its investment in the Company, along with investment amount and a description of the business of the Company, in any of Soleus', HBM's or Farallon's (as applicable) general marketing efforts.

5.11. Additional Classes of Stock. Prior to the filing of any registration statement in connection with the IPO, the Company shall use commercially reasonable efforts to amend its Certificate of Incorporation as follows: (a) to authorize the issuance of an additional class of non-voting common stock (the "**Non-Voting Common Stock**") into which shares of Series D Preferred Stock may be converted in the sole discretion of each holder of shares of Series D Preferred Stock; and (b) to provide pursuant to the Certificate of Incorporation that each holder of shares of Non-Voting Common Stock shall have the right to convert each share of Non-Voting Common Stock held by such holder into one share of Common Stock at such holder's election, which shall be made upon written notice to the Company delivered as provided in the Certificate of Incorporation, provided that, following the closing of the IPO, the shares of Non-Voting Common Stock may only be converted into shares of Common Stock during such time or times as immediately prior to or as a result of such conversion would not result in the holder(s) thereof beneficially owning (for purposes of Section 13(d) of the Exchange Act), when aggregated with Affiliates with whom such holder is required to aggregate beneficial ownership for purposes of Section 13(d) of the Exchange Act, in excess of the Beneficial Ownership Limitation. The "**Beneficial Ownership Limitation**" means initially 4.99% of any class of securities of the Company registered under the Exchange Act, which percentage may be increased or decreased by a holder of outstanding shares of the Non-Voting Common Stock to such other percentage as such holder may designate in writing upon 61 days' notice (delivered as provided in the Certificate of Incorporation) to the Company, provided, however, that such increase or decrease shall only be applicable to such holder and provided further, however, that no holder may make such an election to change the percentage unless all holders managed by the same investment advisor as such electing holder make the same election.

5.12. Himalaya Covenants. Each Key Holder hereby agrees that it will not, acting alone or in concert, whether or not such Key Holder owns Common Stock or Series D Preferred Stock directly or indirectly through Himalaya Parent LLC ("**Himalaya**") or any other entity, act or authorize any action that is in contravention with the terms, conditions and covenants of this Agreement, the Voting Agreement and the Right of First Refusal and Co-Sale Agreement, including, but not limited to, the transfer restrictions in Subsection 2.12 hereof. Himalaya shall not cause or permit any membership interest in Himalaya to be sold, pledged or otherwise transferred, whether such transfer would occur directly or as a matter of law, other than in accordance with the Limited Liability Company Operating Agreement of Himalaya, or cause or permit a Change of Control of Himalaya Parent to occur. For purposes of this Subsection 5.11, the definition of "Change of Control" means either (i) the sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the business or assets of Himalaya (other than distributions to unitholders contemplated by the Limited Liability Company Operating Agreement of Himalaya) or (ii) a transaction or series of transactions (including by way of merger, consolidation, recapitalization, reorganization or sale of stock or units), the result of which is that the members of Himalaya immediately prior to such transaction are, after giving effect to such transaction, no longer, in the aggregate, the "beneficial owners" (as such term is defined in Rule 13d-3 and Rule 13d-5 promulgated under the Exchange Act), directly or indirectly through one or more intermediaries, of more than 50% of the voting power of the outstanding voting securities of the surviving entity of such transaction; provided, however, in no event will an equity financing transaction for capital raising purposes in which Himalaya is the surviving corporation or a transaction, the primary purpose of which is to change Himalaya's corporate form or jurisdiction of incorporation, be deemed to be a Change of Control. Himalaya

shall not distribute any Common Stock to any Class A Member, Class B Member, or Class C Member that would cause any such member to become a holder of 1% of the Common Stock (on a fully diluted basis) unless such holder agrees to become party to this Agreement, the Voting Agreement and the Right of First Refusal and Co-Sale Agreement as a "Key Holder" by executing and delivering a counterpart signature page to each such agreement.

5.13. Termination of Covenants. The covenants set forth in this Section 5, except for Subsections 5.6 and 5.7, shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon a Deemed Liquidation Event (other than an Asset Sale), as such terms are defined in the Certificate of Incorporation, whichever event occurs first.

6. Miscellaneous.

6.1. Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities (for so long as such shares remain Registrable Securities) that (i) is an Affiliate of a Holder, (ii) is a subsidiary, parent, general partner, limited partner, retired partner, member or retired member of a Holder that is a corporation, partnership or limited liability company; (iii) is, if applicable, a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members; or (iv) after such transfer, holds at least five percent (5%) of the then-outstanding shares of Registrable Securities (subject to appropriate adjustment for stock splits, stock dividends, combinations, and other recapitalizations) originally held by such Holder; provided, however, that (x) the Company is, within ten (10) days after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (y) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Subsection 2.11. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (1) that is an Affiliate or stockholder of a Holder; (2) who is a Holder's Immediate Family Member; or (3) that is, if applicable, a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder; provided further that all transferees who would not qualify individually for assignment of rights shall have a single attorney-in-fact for the purpose of exercising any rights, receiving notices, or taking any action under this Agreement. Except as otherwise expressly provided herein, the terms and conditions of this Agreement shall inure to the benefit of and are binding and enforceable upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein. All or any part of the rights, obligations and interests in and to the Registrable Securities of any Investor under this Agreement may be assigned, at any time and from time to time, to any transferee (x) that is an Affiliate of such Investor or (y) where such transfer takes place in the context of a distribution in-kind, to one or more of such Investor's investors, if applicable; provided, however that the Company is, within a reasonable amount of time after such transfer, furnished with written notice of the name and address of such transferee.

6.2. Governing Law. This Agreement and any controversy arising out of or relating to this Agreement shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the State of Delaware, without regard to its principles of conflicts of laws.

6.3. Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.4. Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

6.5. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on the signatures pages, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Subsection 6.5. If notice is given to the Company, a copy shall also be sent to Dechert LLP, 1900 K Street NW, Washington, DC 20006, Attn: David E. Schulman and if notice is given to Stockholders, a copy shall also be given to such counsel as may appear with such Investor's address on the signature pages attached to the Purchase Agreement.

Notwithstanding any of the foregoing, with respect to HBM Healthcare Investments (Cayman) Ltd., only a nationally recognized courier service (such as FedEx or DHL) shall be used to effectuate the delivery of any notices pursuant to this Subsection 6.5, and such notice or other communication for purpose of this Agreement shall not be treated as effective or having been given if some other delivery method is utilized; provided, however, that if such notice is being sent internationally, it shall not be deemed defective if such courier does not deliver such notice on the next business day following deposit (provided that such notice shall be deemed delivered on the date of delivery by such courier service), and provided further, that HBM may agree to receive notice in some other manner set forth in this Subsection 6.5 by written election; and a copy (which shall not constitute notice) shall also be sent to Sidley Austin LLP, 1999 Avenue of the Stars, 17th Floor, Los Angeles, California 90067, Attention: Mehdi Khodadad.

6.6. Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the holders of a majority of the Registrable Securities then outstanding; provided that the Company may in its sole discretion waive compliance with Subsection 2.12(c) (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Subsection 2.12(c) shall be deemed to be a waiver); provided further that Section 5.4 may be amended or waived only with the written consent of Soleus and HBM; provided further that the parenthetical in the opening of Section 3.1, Section 3.3(c) and this proviso may be amended or waived only with the written consent of Farallon; and provided further that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Investor without the written consent of such Investor, unless such amendment, termination, or waiver applies to all Investors in the same fashion (it being agreed that (i) any waiver, amendment or termination of any provision or right set forth herein that specifically references an Investor (e.g. the provisions of Section 5.4) shall not be deemed to apply to all Investors in the same fashion and (ii) a waiver of the provisions of Section 4 with respect to a particular transaction shall be deemed to apply to all Investors in the same fashion if such waiver does so by its terms, notwithstanding the fact that certain Investors may nonetheless, by agreement with the Company, purchase securities in such transaction); provided, that in the event of a waiver of the rights of Major Investors under the provisions of Section 4 with respect to a financing transaction, to the extent that any Major Investors nonetheless purchases New Securities being issued in such financing transaction after such waiver has been obtained (any such Investor, a "**Participating Investor**"), then Pfizer Ventures (US) LLC ("**Pfizer**") shall be permitted to purchase up to the same percentage (not to exceed 100%) of its pro rata share of New Securities issued in such financing transaction as the percentage of the pro rata share of the New Securities so purchased by the Participating Investor purchasing the largest portion of such Participating Investor's pro rata share in such financing transaction. Sections 1.1, 2.11, 2.12, and 5.9 of this Agreement, as well as this sentence of Section 6.6, may not be amended or terminated, and the observance of any term hereof may not be waived, in an manner that adversely affects Pfizer without the prior written consent of Pfizer. Section 1.1 (as it pertains to the Janus Investors), Section 1.17, and this sentence of Section 6.6 shall not be amended, modified, terminated or waived without the prior written consent of the Janus Investors. Further, this Agreement may not be amended, and no provision hereof may be waived, in each case, in any way which would adversely affect the rights of the Key Holders hereunder in a manner disproportionate to any adverse effect such amendment or waiver would have on the rights of the Investors hereunder, without also the written consent of the holders of at least a majority of the Key Holder Registrable Securities held by the Key Holders. The Company shall give prompt notice of any amendment or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, termination, or waiver. Any amendment, termination, or waiver effected in accordance with this Subsection 6.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

6.7. Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

6.8. Aggregation of Stock. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

6.9. Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of Series D Preferred Stock after the date hereof, any purchaser of such shares of Series D Preferred Stock may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor, so long as such additional Investor has agreed in writing to be bound by all of the obligations as an "Investor" hereunder.

6.10. Entire Agreement. This Agreement (including any Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

6.11. Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of Delaware and to the jurisdiction of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Delaware or the United States District Court for the District of Delaware, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

6.12. WAIVER OF JURY TRIAL. EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.13. Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or nondefaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

BIOATLA, INC.

By: /s/ Jay Short
Name: Jay Short
Title: Chief Executive Officer

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Investors' Rights Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

KEY HOLDERS:

Jay Short, PhD

By: /s/ Jay Short
Name: Jay Short
Title: Chief Executive Officer

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Investors' Rights Agreement]

KEY HOLDERS:

Carolyn Short

By: /s/ Carolyn Short
Name: Carolyn Short

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Investors' Rights Agreement]

KEY HOLDERS:

Scott Smith

By: /s/ Scott Smith
Name: Scott Smith

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Investors' Rights Agreement]

KEY HOLDERS:

HIMALAYA PARENT LLC

By: /s/ Jay Short
Name: Jay Short
Title: Chief Executive Officer

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Investors' Rights Agreement]

KEY HOLDERS:

BIOTECH INVESTMENT GROUP, LLC

By: /s/ Masood Tayebi
Name: Masood Tayebi
Title: Managing Member

Address: 7310 Miramar Road Suite 500
San Diego, CA 92126

[Signature Page to Investors' Rights Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

SOLEUS PRIVATE EQUITY FUND I, L.P.
By: Soleus Private Equity GP I, LLC, its General Partner

By: /s/ Steven Musumeci
Name: Steven Musumeci
Title: Chief Operating Officer

Address: Soleus Private Equity Fund I, L.P.
104 Field Point Road, Second Floor
Greenwich, CT 06830

[Signature Page to Investors' Rights Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

HBM HEALTHCARE INVESTMENTS (CAYMAN) LTD.

By: /s/ Jean-Marc LeSieur
Name: Jean-Marc LeSieur
Title: Director

Address: Governors Square, Suite #4-212-2
23 Lime Tree Bay Avenue
West Bay
Grand Cayman, Cayman Islands

[Signature Page to Investors' Rights Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

ZONE II HEALTHCARE HOLDINGS, LLC

By: Farallon Capital Management, L.L.C., its Manager

By: /s/ Philip Dreyfuss
Name: Philip Dreyfuss
Title: Managing Member

Address: c/o Farallon Capital Management, L.L.C.
One Maritime Plaza, Suite 2100
San Francisco, CA 94111
Attn: Philip Dreyfuss
Email: pdreyfuss@farallloncapital.com
And
Email: generalcounsel@farallloncapital.com

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

CORMORANT GLOBAL HEALTHCARE MASTER FUND, LP

By: Cormorant Global Healthcare GP, LLC

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member of the GP

Address: 200 Clarendon Street, 52nd Floor
Boston, MA 02116

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

CORMORANT PRIVATE HEALTHCARE FUND II, LP

By: Cormorant Private Healthcare GP II, LLC

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member of the GP

Address: 200 Clarendon Street, 52nd Floor
Boston, MA 02116

[Signature Page to Investors' Rights Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

667, L.P.

By: BAKER BROS. ADVISORS LP, management company and investment advisor to 667, L.P., pursuant to authority granted to it by Baker Biotech Capital, L.P., general partner to 667, L.P., and not as the general partner.

By: /s/ Scott Lessing
Name: Scott Lessing
Title: President

Address: 860 Washington St, 3rd Floor
New York, NY 10014

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

BAKER BROTHERS LIFE SCIENCES, L.P.

By: BAKER BROS. ADVISORS LP, management company and investment advisor to Baker Brothers Life Sciences, L.P., pursuant to authority granted to it by Baker Brothers Life Sciences Capital, L.P., general partner to Baker Brothers Life Sciences, L.P., and not as the general partner.

By: /s/ Scott Lessing
Name: Scott Lessing
Title: President

Address: 860 Washington St, 3rd Floor
New York, NY 10014

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

A.M. PAPPAS LIFE SCIENCE VENTURES V, LP

By: AMP&A Management V, LLC, its General Partner

By: /s/ Arthur M. Pappas
Name: Arthur M. Pappas
Title: CEO & Managing Partner

Address: c/o Matthew Boyer
Pappas Capital, LLC 2520 Meridian Parkway,
Suite 400
Durham, NC 27713
mboyer@pappas-capital.com
(919) 998-3300

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

PV V CE FUND, LP

By: AMP&A Management V, LLC, its General Partner

By: /s/ Arthur M. Pappas
Name: Arthur M. Pappas
Title: CEO & Managing Partner

Address: c/o Matthew Boyer
Pappas Capital, LLC 2520 Meridian Parkway, Suite 400
Durham, NC 27713
mboyer@pappas-capital.com
(919) 998-3300

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON GLOBAL LIFE SCIENCES FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

Address: c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206

With a copy (which shall not constitute notice) to:
Perkins Coie LLP
3150 Porter Drive
Palo Alto, CA 94306
Attn: Adrian Rich
Email: arich@perkinscoie.com

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON BIOTECH INNOVATION MASTER FUND LIMITED FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

Address: c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206

With a copy (which shall not constitute notice) to:
Perkins Coie LLP
3150 Porter Drive
Palo Alto, CA 94306
Attn: Adrian Rich
Email: arich@perkinscoie.com

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON CAPITAL FUNDS PLC ON BEHALF OF ITS SERIES JANUS HENDERSON GLOBAL LIFE SCIENCES FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

Address: c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206

With a copy (which shall not constitute notice) to:
Perkins Coie LLP
3150 Porter Drive
Palo Alto, CA 94306
Attn: Adrian Rich
Email: arich@perkinscoie.com

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

BOXER CAPITAL, LLC

By: /s/ Aaron Davis
Name: Aaron Davis
Title: Chief Executive Officer

Address: 11682 El Camino Real, Suite 320
San Diego, CA 92130

[Signature Page to Investors' Rights Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

MVA INVESTORS, LLC

By: /s/ Aaron Davis
Name: Aaron Davis
Title: Chief Executive Officer

Address: 11682 El Camino Real, Suite 320
San Diego, CA 92130

[Signature Page to Investors' Rights Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

PFIZER VENTURES (US) LLC

By: /s/ Barbara Dalton, Ph.D.
Name: Barbara Dalton, Ph. D.
Title: President, Pfizer Ventures (US) LLC

Address: Andrew J. Muratore, Esq.
Pfizer Inc.
235 East 42nd Street
New York, NY 10017

[Signature Page to Investors' Rights Agreement]

SCHEDULE A
Investors

Soleus Private Equity Fund I, L.P.

HBM Healthcare Investments (Cayman) Ltd.

Zone II Healthcare Holdings, LLC

Cormorant Global Healthcare Master Fund, LP

Cormorant Private Healthcare Fund II, LP

667, L.P.

Baker Brothers Life Sciences, L.P.

A.M. Pappas Life Science Ventures V, LP

PV V CEO Fund, LP

Janus Henderson Global Life Sciences Fund

Janus Henderson Capital Funds Plc—Janus Henderson Global Life Sciences Fund

Janus Henderson Biotech Innovation Master Fund Limited

Boxer Capital, LLC

MVA Investors, LLC

Pfizer Venture (US) LLC

[Signature Page to Investors' Rights Agreement]

SCHEDULE B
Key Holders

Jay Short

Carolyn Short

Scott Smith

Biotech Investment Group, LLC

Himalaya Parent LLC

RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT

THIS RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT (this "**Agreement**") is made as of the 13th day of July, 2020 by and among BioAtla, Inc., a Delaware corporation (the "**Company**"), the Investors listed on Schedule A and the Key Holders listed on Schedule B.

RECITALS:

WHEREAS, each Key Holder is the direct or indirect beneficial owner of the number of shares of Capital Stock, or of options to purchase Common Stock, set forth opposite the name of such Key Holder on Schedule B.

WHEREAS, the Company and the Investors are parties to that certain Series D Preferred Stock Purchase Agreement, of even date herewith (the "**Purchase Agreement**"), pursuant to which the Investors have agreed to purchase shares of the Series D Preferred Stock of the Company, par value $0.0001 per share ("**Series D Preferred Stock**"); and

WHEREAS, the Key Holders and the Company desire to further induce the Investors to purchase Series D Preferred Stock;

NOW, THEREFORE, the Company, the Key Holders and the Investors agree as follows:

1. Definitions.

1.1. "**Affiliate**" means, with respect to any specified Investor, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with, such Investor, including, without limitation, any general partner, managing member, officer, director or trustee of such Investor, or any limited liability company, limited partnership, investment fund or registered investment company now or hereafter existing that is controlled by one or more general partners, managers, managing members or investment advisors of, or shares the same management company or investment advisor with, such Investor; any wholly-owned subsidiary of such Investor; or any direct or indirect wholly-owned subsidiary of the ultimate parent entity of such Investor; provided, however, that (i) each Janus Investor shall be deemed to be an "Affiliate" of each other Janus Investor, and (ii) an entity that is an "Affiliate" of a Janus Investor shall not be deemed to be an "Affiliate" of any other Janus Investor unless such entity is a Janus Investor (and, for the avoidance of doubt, an "Affiliate" of such entity shall not be deemed an "Affiliate" of any Janus Investor solely by virtue of being an "Affiliate" of such entity).

1.2. "**Capital Stock**" means (a) shares of Common Stock and Preferred Stock (whether now outstanding or hereafter issued in any context), (b) shares of Common Stock issued or issuable upon conversion of Preferred Stock and (c) shares of Common Stock issued or issuable upon exercise or conversion, as applicable, of stock options, warrants or other convertible securities of the Company, in each case now owned or subsequently acquired by any Key Holder, any Investor, or their respective successors or permitted transferees or assigns. For purposes of the number of shares of Capital Stock held by an Investor or Key Holder (or any other calculation based thereon), all shares of Preferred Stock shall be deemed to have been converted into Common Stock at the then-applicable conversion ratio.

1.3. "**Certificate of Incorporation**" means the Company's Certificate of Incorporation, as amended from time to time.

1.4. "**Change of Control**" means a transaction or series of related transactions in which a person, or a group of related persons, acquires from stockholders of the Company shares representing more than fifty percent (50%) of the outstanding voting power of the Company.

1.5. "**Common Stock**" means shares of Common Stock of the Company, $0.0001 par value per share.

1.6. "**Company Notice**" means written notice from the Company notifying the selling Key Holders that the Company intends to exercise its Right of First Refusal as to all or a portion of the Transfer Stock with respect to any Proposed Key Holder Transfer.

1.7. "**Investor Notice**" means written notice from an Investor notifying the Company and the selling Key Holder that such Investor intends to exercise its Secondary Refusal Right as to a portion of the Transfer Stock with respect to any Proposed Key Holder Transfer.

1.8. "**Investors**" means the persons named on Schedule A hereto, each person to whom the rights of an Investor are assigned pursuant to Subsection 6.10, each person who hereafter becomes a signatory to this Agreement pursuant to Subsection 6.12 and any one of them, as the context may require.

1.9. "**Janus Investors**" shall mean Investors, or permitted transferees of Common Stock (issued or issuable upon conversion of Preferred Stock) held by Janus Investors, that are advisory or subadvisory clients of Janus Capital Management LLC, including, but not limited to, Janus Henderson Global Life Sciences Fund, Janus Henderson Capital Funds Plc—Janus Henderson Global Life Sciences Fund, and Janus Henderson Biotech Innovation Master Fund Limited.

1.10. "**Key Holders**" means the persons named on Schedule B hereto, each person to whom the rights of a Key Holder are assigned pursuant to Subsection 3.1, each person who hereafter becomes a signatory to this Agreement pursuant to Subsection 6.10 or 6.18 and any one of them, as the context may require.

1.11. "**Preferred Stock**" means, collectively, all shares of Series D Preferred Stock.

1.12. "**Proposed Key Holder Transfer**" means any assignment, sale, offer to sell, pledge, mortgage, hypothecation, encumbrance, disposition of or any other like transfer or encumbering of any Transfer Stock (or any interest therein) proposed by any of the Key Holders.

1.13. "**Proposed Transfer Notice**" means written notice from a Key Holder setting forth the terms and conditions of a Proposed Key Holder Transfer.

1.14. "**Prospective Transferee**" means any person to whom a Key Holder proposes to make a Proposed Key Holder Transfer.

1.15. "**Right of Co-Sale**" means the right, but not an obligation, of an Investor to participate in a Proposed Key Holder Transfer on the terms and conditions specified in the Proposed Transfer Notice.

1.16. "**Right of First Refusal**" means the right, but not an obligation, of the Company, or its permitted transferees or assigns, to purchase some or all of the Transfer Stock with respect to a Proposed Key Holder Transfer, on the terms and conditions specified in the Proposed Transfer Notice.

1.17. "**Secondary Notice**" means written notice from the Company notifying the Investors and the selling Key Holder that the Company does not intend to exercise its Right of First Refusal as to all shares of Transfer Stock with respect to any Proposed Key Holder Transfer.

1.18. "**Secondary Refusal Right**" means the right, but not an obligation, of each Investor to purchase up to its pro rata portion (based upon the total number of shares of Capital Stock then held by all Investors) of any Transfer Stock not purchased pursuant to the Right of First Refusal, on the terms and conditions specified in the Proposed Transfer Notice.

1.19. "**Transfer Stock**" means shares of Capital Stock directly or indirectly owned by a Key Holder, or issued to a Key Holder after the date hereof (including, without limitation, in connection with any stock split, stock dividend, recapitalization, reorganization, or the like), but does not include any shares of Preferred Stock or of Common Stock that are issued or issuable upon conversion of Preferred Stock.

1.20. "**Undersubscription Notice**" means written notice from an Investor notifying the Company and the selling Key Holder that such Investor intends to exercise its option to purchase all or any portion of the Transfer Stock not purchased pursuant to the Right of First Refusal or the Secondary Refusal Right.

2. Agreement Among the Company, the Investors and the Key Holders.

2.1. Right of First Refusal.

(a) Grant. Subject to the terms of Section 3 below, each Key Holder hereby unconditionally and irrevocably grants to the Company a Right of First Refusal to purchase all or any portion of Transfer Stock that such Key Holder may propose to transfer in a Proposed Key Holder Transfer, at the same price and on the same terms and conditions as those offered to the Prospective Transferee.

(b) Notice. Each Key Holder proposing to make a Proposed Key Holder Transfer must deliver a Proposed Transfer Notice to the Company and each Investor not later than forty-five (45) days prior to the consummation of such Proposed Key Holder Transfer. Such Proposed Transfer Notice shall contain the material terms and conditions (including price and form of consideration) of the Proposed Key Holder Transfer, the identity of the Prospective Transferee and the intended date of the Proposed Key Holder Transfer. To exercise its Right of First Refusal

under this Section 2, the Company must deliver a Company Notice to the selling Key Holder within fifteen (15) days after delivery of the Proposed Transfer Notice specifying the number of shares of Transfer Stock to be purchased by the Company. In the event of a conflict between this Agreement and any other agreement that may have been entered into by a Key Holder with the Company that contains a preexisting right of first refusal, the Company and the Key Holder acknowledge and agree that the terms of this Agreement shall control and the preexisting right of first refusal shall be deemed satisfied by compliance with Subsection 2.1(a) and this Subsection 2.1(b).

(c) Grant of Secondary Refusal Right to Investors. Subject to the terms of Section 3 below, each Key Holder hereby unconditionally and irrevocably grants to the Investors a Secondary Refusal Right to purchase all or any portion of the Transfer Stock not purchased by the Company pursuant to the Right of First Refusal, as provided in this Subsection 2.1(c). If the Company does not intend to exercise its Right of First Refusal with respect to all Transfer Stock subject to a Proposed Key Holder Transfer, the Company must deliver a Secondary Notice to the selling Key Holder and to each Investor to that effect no later than fifteen (15) days after the selling Key Holder delivers the Proposed Transfer Notice to the Company. To exercise its Secondary Refusal Right, an Investor must deliver an Investor Notice to the selling Key Holder and the Company within ten (10) days after the Company's deadline for its delivery of the Secondary Notice as provided in the preceding sentence.

(d) Undersubscription of Transfer Stock. If options to purchase have been exercised by the Company and the Investors with respect to some but not all of the Transfer Stock by the end of the ten (10) day period specified in the last sentence of Subsection 2.1(c) (the "**Investor Notice Period**"), then the Company shall, immediately after the expiration of the Investor Notice Period, send written notice (the "**Company Undersubscription Notice**") to those Investors who fully exercised their Secondary Refusal Right within the Investor Notice Period (the "**Exercising Investors**"). Each Exercising Investor shall, subject to the provisions of this Subsection 2.1(d), have an additional option to purchase all or any part of the balance of any such remaining unsubscribed shares of Transfer Stock on the terms and conditions set forth in the Proposed Transfer Notice. To exercise such option, an Exercising Investor must deliver an Undersubscription Notice to the selling Key Holder and the Company within ten (10) days after the expiration of the Investor Notice Period. In the event there are two (2) or more such Exercising Investors that choose to exercise the last-mentioned option for a total number of remaining shares in excess of the number available, the remaining shares available for purchase under this Subsection 2.1(d) shall be allocated to such Exercising Investors pro rata based on the number of shares of Transfer Stock such Exercising Investors have elected to purchase pursuant to the Secondary Refusal Right (without giving effect to any shares of Transfer Stock that any such Exercising Investor has elected to purchase pursuant to the Company Undersubscription Notice). If the options to purchase the remaining shares are exercised in full by the Exercising Investors, the Company shall immediately notify all of the Exercising Investors and the selling Key Holder of that fact.

(e) Consideration; Closing. If the consideration proposed to be paid for the Transfer Stock is in property, services or other non-cash consideration, the fair market value of the consideration shall be as determined in good faith by the Company's Board of Directors (the "**Board**") and as set forth in the Company Notice. If the Company or any Investor cannot for any

reason pay for the Transfer Stock in the same form of non-cash consideration, the Company or such Investor may pay the cash value equivalent thereof, as determined in good faith by the Board and as set forth in the Company Notice. The closing of the purchase of Transfer Stock by the Company and the Investors shall take place, and all payments from the Company and the Investors shall have been delivered to the selling Key Holder, by the later of (i) the date specified in the Proposed Transfer Notice as the intended date of the Proposed Key Holder Transfer and (ii) forty-five (45) days after delivery of the Proposed Transfer Notice.

2.2. Right of Co-Sale.

(a) Exercise of Right. If any Transfer Stock subject to a Proposed Key Holder Transfer is not purchased pursuant to Subsection 2.1 above and thereafter is to be sold to a Prospective Transferee, each respective Investor may elect to exercise its Right of Co-Sale and participate on a pro rata basis in the Proposed Key Holder Transfer as set forth in Subsection 2.2(b) below and, subject to Subsection 2.2(d), otherwise on the same terms and conditions specified in the Proposed Transfer Notice. Each Investor who desires to exercise its Right of Co-Sale (each, a "**Participating Investor**") must give the selling Key Holder written notice to that effect within fifteen (15) days after the deadline for delivery of the Secondary Notice described above, and upon giving such notice such Participating Investor shall be deemed to have effectively exercised the Right of Co-Sale.

(b) Shares Includable. Each Participating Investor may include in the Proposed Key Holder Transfer all or any part of such Participating Investor's Capital Stock equal to the product obtained by multiplying (i) the aggregate number of shares of Transfer Stock subject to the Proposed Key Holder Transfer (excluding shares purchased by the Company or the Participating Investors pursuant to the Right of First Refusal or the Secondary Refusal Right) by (ii) a fraction, the numerator of which is the number of shares of Capital Stock owned by such Participating Investor immediately before consummation of the Proposed Key Holder Transfer (including any shares that such Participating Investor has agreed to purchase pursuant to the Secondary Refusal Right) and the denominator of which is the total number of shares of Capital Stock owned, in the aggregate, by all Participating Investors immediately prior to the consummation of the Proposed Key Holder Transfer (including any shares that all Participating Investors have collectively agreed to purchase pursuant to the Secondary Refusal Right), plus the number of shares of Transfer Stock held by the selling Key Holder. To the extent one (1) or more of the Participating Investors exercise such right of participation in accordance with the terms and conditions set forth herein, the number of shares of Transfer Stock that the selling Key Holder may sell in the Proposed Key Holder Transfer shall be correspondingly reduced.

(c) Purchase and Sale Agreement. The Participating Investors and the selling Key Holder agree that the terms and conditions of any Proposed Key Holder Transfer in accordance with this Subsection 2.2 will be memorialized in, and governed by, a written purchase and sale agreement with the Prospective Transferee (the "**Purchase and Sale Agreement**") with customary terms and provisions for such a transaction, and the Participating Investors and the selling Key Holder further covenant and agree to enter into such Purchase and Sale Agreement as a condition precedent to any sale or other transfer in accordance with this Subsection 2.2.

(d) Allocation of Consideration.

(i) Subject to Subsection 2.2(d)(ii), the aggregate consideration payable to the Participating Investors and the selling Key Holder shall be allocated based on the number of shares of Capital Stock sold to the Prospective Transferee by each Participating Investor and the selling Key Holder as provided in Subsection 2.2(b), provided, that if a Participating Investor wishes to sell Preferred Stock, the price set forth in the Proposed Transfer Notice shall be appropriately adjusted based on the conversion ratio of the Preferred Stock into Common Stock.

(ii) In the event that the Proposed Key Holder Transfer constitutes a Change of Control, the terms of the Purchase and Sale Agreement shall provide that the aggregate consideration from such transfer shall be allocated to the Participating Investors and the selling Key Holder in accordance with Sections 2.1 and 2.2 of Article IV(B) of the Certificate of Incorporation and, if applicable, the next sentence of this Subsection 2.2(d)(ii) as if (A) such transfer were a Deemed Liquidation Event (as defined in the Certificate of Incorporation), and (B) the Capital Stock sold in accordance with the Purchase and Sale Agreement were the only Capital Stock outstanding. In the event that a portion of the aggregate consideration payable to the Participating Investor(s) and selling Key Holder is placed into escrow and/or is payable only upon satisfaction of contingencies, the Purchase and Sale Agreement shall provide that (x) the portion of such consideration that is not placed in escrow and is not subject to contingencies (the "**Initial Consideration**") shall be allocated in accordance with Sections 2.1 and 2.2 of Article IV(B) of the Certificate of Incorporation as if the Initial Consideration were the only consideration payable in connection with such transfer, and (y) any additional consideration which becomes payable to the Participating Investor(s) and selling Key Holder upon release from escrow or satisfaction of such contingencies shall be allocated in accordance with Sections 2.1 and 2.2 of Article IV(B) of the Certificate of Incorporation after taking into account the previous payment of the Initial Consideration as part of the same transfer.

(e) Purchase by Selling Key Holder; Deliveries. Notwithstanding Subsection 2.2(c) above, if any Prospective Transferee or Transferees refuse(s) to purchase securities subject to the Right of Co-Sale from any Participating Investor or Investors or upon the failure to negotiate in good faith a Purchase and Sale Agreement reasonably satisfactory to the Participating Investors, no Key Holder may sell any Transfer Stock to such Prospective Transferee or Transferees unless and until, simultaneously with such sale, such Key Holder purchases all securities subject to the Right of Co-Sale from such Participating Investor or Investors on the same terms and conditions (including the proposed purchase price) as set forth in the Proposed Transfer Notice and as provided in Subsection 2.2(d)(i); provided, however, if such sale constitutes a Change of Control, the portion of the aggregate consideration paid by the selling Key Holder to such Participating Investor or Investors shall be made in accordance with the first sentence of Subsection 2.2(d)(ii). In connection with such purchase by the selling Key Holder, such Participating Investor or Investors shall deliver to the selling Key Holder any stock certificate or certificates, properly endorsed for transfer, representing the Capital Stock being purchased by the selling Key Holder (or request that the Company effect such transfer in the name of the selling Key Holder). Any such shares transferred to the selling Key Holder will be transferred to the Prospective Transferee against payment therefor in consummation of the sale of the Transfer Stock pursuant to the terms and conditions specified in the Proposed Transfer Notice, and the selling Key Holder shall concurrently therewith remit or direct payment to each such Participating Investor the portion of the aggregate consideration to which each such Participating Investor is entitled by reason of its participation in such sale as provided in this Subsection 2.2(e).

(f) Additional Compliance. If any Proposed Key Holder Transfer is not consummated within forty-five (45) days after receipt of the Proposed Transfer Notice by the Company, the Key Holders proposing the Proposed Key Holder Transfer may not sell any Transfer Stock unless they first comply in full with each provision of this Section 2. The exercise or election not to exercise any right by any Investor hereunder shall not adversely affect its right to participate in any other sales of Transfer Stock subject to this Subsection 2.2.

2.3. Effect of Failure to Comply.

(a) Transfer Void; Equitable Relief. Any Proposed Key Holder Transfer not made in compliance with the requirements of this Agreement shall be null and void ab initio, shall not be recorded on the books of the Company or its transfer agent and shall not be recognized by the Company. Each party hereto acknowledges and agrees that any breach of this Agreement would result in substantial harm to the other parties hereto for which monetary damages alone could not adequately compensate. Therefore, the parties hereto unconditionally and irrevocably agree that any non-breaching party hereto shall be entitled to seek protective orders, injunctive relief and other remedies available at law or in equity (including, without limitation, seeking specific performance or the rescission of purchases, sales and other transfers of Transfer Stock not made in strict compliance with this Agreement).

(b) Violation of First Refusal Right. If any Key Holder becomes obligated to sell any Transfer Stock to the Company or any Investor under this Agreement and fails to deliver such Transfer Stock in accordance with the terms of this Agreement, the Company and/or such Investor may, at its option, in addition to all other remedies it may have, send to such Key Holder the purchase price for such Transfer Stock as is herein specified and transfer to the name of the Company or such Investor (or request that the Company effect such transfer in the name of an Investor) on the Company's books any certificate or certificates, instruments, or book entry representing the Transfer Stock to be sold.

(c) Violation of Co-Sale Right. If any Key Holder purports to sell any Transfer Stock in contravention of the Right of Co-Sale (a "**Prohibited Transfer**"), each Participating Investor who desires to exercise its Right of Co-Sale under Subsection 2.2 may, in addition to such remedies as may be available by law, in equity or hereunder, require such Key Holder to purchase from such Participating Investor the type and number of shares of Capital Stock that such Participating Investor would have been entitled to sell to the Prospective Transferee had the Prohibited Transfer been effected in compliance with the terms of Subsection 2.2. The sale will be made on the same terms, including, without limitation, as provided in Subsection 2.2(d)(i) and the first sentence of Subsection 2.2(d)(ii), as applicable, and subject to the same conditions as would have applied had the Key Holder not made the Prohibited Transfer, except that the sale (including, without limitation, the delivery of the purchase price) must be made within ninety (90) days after the Participating Investor learns of the Prohibited Transfer, as opposed to the timeframe proscribed in Subsection 2.2. Such Key Holder shall also reimburse each Participating Investor for any and all reasonable and documented out-of-pocket fees and expenses, including reasonable legal fees and expenses, incurred pursuant to the exercise or the attempted exercise of the Participating Investor's rights under Subsection 2.2.

3. Exempt Transfers.

3.1. Exempted Transfers. Notwithstanding the foregoing or anything to the contrary herein, the provisions of Subsections 2.1 and 2.2 shall not apply: (a) in the case of a Key Holder that is an entity, upon a transfer for no consideration by such Key Holder to its stockholders, members, partners or other equity holders, (b) to a repurchase of Transfer Stock from a Key Holder by the Company at a price no greater than that originally paid by such Key Holder for such Transfer Stock and pursuant to an agreement containing vesting and/or repurchase provisions approved by a majority of the Board, or (c) in the case of a Key Holder that is a natural person, upon a transfer of Transfer Stock by such Key Holder made for bona fide estate planning purposes, either during his or her lifetime or on death by will or intestacy to his or her spouse, child (natural or adopted), or any other direct lineal descendant of such Key Holder (or his or her spouse) (all of the foregoing collectively referred to as "**family members**"), or any other relative approved by unanimous consent of the Board, or any custodian or trustee of any trust, partnership or limited liability company for the benefit of, or the ownership interests of which are owned wholly by, such Key Holder or any such family members; provided, that in the case of clause(s) (a) and (c), the Key Holder shall deliver prior written notice to the Investors of such gift or transfer and such shares of Transfer Stock shall at all times remain subject to the terms and restrictions set forth in this Agreement and such transferee shall, as a condition to such issuance, deliver a counterpart signature page to this Agreement as confirmation that such transferee shall be bound by all the terms and conditions of this Agreement as a Key Holder (but only with respect to the securities so transferred to the transferee), including the obligations of a Key Holder with respect to Proposed Key Holder Transfers of such Transfer Stock pursuant to Section 2; and provided, further, in the case of any transfer pursuant to clause (a) or (c) above, that such transfer is made pursuant to a transaction in which there is no consideration actually paid for such transfer.

3.2. Exempted Offerings. Notwithstanding the foregoing or anything to the contrary herein, the provisions of Section 2 shall not apply to the sale of any Transfer Stock (a) to the public in an offering pursuant to an effective registration statement under the Securities Act of 1933, as amended (a "**Public Offering**") or (b) pursuant to a Deemed Liquidation Event (as defined in the Certificate of Incorporation).

3.3. Prohibited Transferees. Notwithstanding the foregoing, no Key Holder shall transfer any Transfer Stock to (a) any entity which, in the determination of the Board, directly or indirectly competes with the Company or (b) any customer, distributor or supplier of the Company, if the Board should determine that such transfer would result in such customer, distributor or supplier receiving information that would place the Company at a competitive disadvantage with respect to such customer, distributor or supplier.

4. Legend. Each certificate, instrument, or book entry representing shares of Transfer Stock held by the Key Holders or issued to any permitted transferee in connection with a transfer permitted by Subsection 3.1 hereof shall be endorsed with the following legend:

THE SALE, PLEDGE, HYPOTHECATION OR TRANSFER OF THE SECURITIES REPRESENTED HEREBY IS SUBJECT TO, AND IN CERTAIN CASES PROHIBITED BY, THE TERMS AND CONDITIONS OF A CERTAIN

RIGHT OF FIRST REFUSAL AND CO-SALE AGREEMENT BY AND AMONG THE STOCKHOLDER, THE CORPORATION AND CERTAIN OTHER HOLDERS OF STOCK OF THE CORPORATION. COPIES OF SUCH AGREEMENT MAY BE OBTAINED UPON WRITTEN REQUEST TO THE SECRETARY OF THE CORPORATION.

Each Key Holder agrees that the Company may instruct its transfer agent to impose transfer restrictions on the shares notated with the legend referred to in this Section 4 above to enforce the provisions of this Agreement, and the Company agrees to promptly do so. The legend shall be removed upon termination of this Agreement at the request of the holder.

5. Lock-Up.

5.1. Agreement to Lock-Up. Each Key Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the Company's initial public offering (the "**IPO**") and ending on the date specified by the Company and the managing underwriter, such period not to exceed one hundred eighty (180) days, or such other period, not to exceed an additional thirty-five (35) days, as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto, (a) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Capital Stock held immediately prior to the effectiveness of the registration statement for the IPO; or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Capital Stock, whether any such transaction described in clause (a) or (b) above is to be settled by delivery of Capital Stock or other securities, in cash or otherwise. The foregoing provisions of this Section 5 shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall only be applicable to the Key Holders if all officers, directors and holders of more than one percent (1%) of the outstanding Common Stock (after giving effect to the conversion into Common Stock of all outstanding Series D Preferred Stock) enter into similar agreements. The underwriters in connection with the IPO are intended third-party beneficiaries of this Section 5 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Key Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in the IPO that are consistent with this Section 5 or that are necessary to give further effect thereto.

5.2. Stop Transfer Instructions. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the shares of Capital Stock of each Key Holder (and transferees and assignees thereof) until the end of such restricted period.

6. Miscellaneous.

6.1. Term. This Agreement shall automatically terminate upon the earlier of (a) immediately prior to the consummation of the Company's IPO and (b) the consummation of a Deemed Liquidation Event (as defined in the Certificate of Incorporation).

6.2. Stock Split. All references to numbers of shares in this Agreement shall be appropriately adjusted to reflect any stock dividend, split, combination or other recapitalization affecting the Capital Stock occurring after the date of this Agreement.

6.3. Ownership. Each Key Holder represents and warrants that such Key Holder is the direct or indirect beneficial owner of the shares of Transfer Stock subject to this Agreement and that no other person or entity has any interest in such shares (other than a community property interest as to which the holder thereof has acknowledged and agreed in writing to the restrictions and obligations hereunder or, in the case of Himalaya Parent LLC, a Delaware limited liability company, as contemplated by its applicable operating agreement).

6.4. Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of Delaware and to the jurisdiction of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Delaware or the United States District Court for the District of Delaware, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

6.5. WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.6. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (a) personal delivery to the party to be notified, (b) when sent, if sent by electronic mail or facsimile during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth on the signature pages, as the case may be, or to such email address, facsimile number or address as subsequently modified by written notice given in

accordance with this Section 6.6. If notice is given to the Company, it shall be sent to 11085 Torreyana Road, San Diego, CA 92121, Attention: Chief Executive Officer; and a copy (which shall not constitute notice) shall also be sent to Dechert LLP, 1900 K Street NW, Washington, DC 20006, Attn: David E. Schulman; and if notice is given to the Investors, a copy, which shall not constitute notice, shall also be given to such counsel as may appear with such Investor's address on the signature pages attached to the Purchase Agreement.

Notwithstanding any of the foregoing, with respect to HBM Healthcare Investments (Cayman) Ltd., only a nationally recognized courier service (such as FedEx or DHL) shall be used to effectuate the delivery of any notices pursuant to this Subsection 6.6, and such notice or other communication for purpose of this Agreement shall not be treated as effective or having been given if some other delivery method is utilized; provided, however, that if such notice is being sent internationally, it shall not be deemed defective if such courier does not deliver such notice on the next business day following deposit (provided that such notice shall be deemed delivered on the date of delivery by such courier service), and provided further, that HBM may agree to receive notice in some other manner set forth in this Subsection 6.6 by written election; and a copy (which shall not constitute notice) shall also be sent to Sidley Austin LLP, 1999 Avenue of the Stars, 17th Floor, Los Angeles, California 90067, Attention: Mehdi Khodadad.

6.7. Entire Agreement. This Agreement (including the Exhibits and Schedules hereto) constitutes the full and entire understanding and agreement between the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties are expressly canceled.

6.8. Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

6.9. Amendment; Modification; Waiver and Termination. This Agreement may be amended, modified or terminated (other than pursuant to Section 6.1 above) and the observance of any term hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by (a) the Company, (b) the Key Holders holding a majority of Transfer Stock then held by all of the Key Holders who are then providing services to the Company as officers, employees, or consultants, and (c) the Investors holding a majority of the Series D Preferred Stock, voting together as a single class on an as-converted basis. Any amendment, modification, termination or waiver so effected shall be binding upon the Company, the Investors, the Key Holders and all of their respective successors and permitted assigns whether or not such party, assignee or other shareholder entered into or approved such amendment, modification, termination or waiver. Notwithstanding the foregoing,

(i) this Agreement may not be amended, modified or terminated and the observance of any term hereunder may not be waived with respect to any Investor or Key Holder without the written consent of such Investor or Key Holder unless such amendment, modification, termination or waiver applies to all Investors and Key Holders, respectively, in the same fashion, (ii) this Agreement may not be amended, modified or terminated and the observance of any term hereunder may not be waived with respect to any Investor without the written consent of such Investor, if such amendment, modification, termination or waiver would adversely affect the rights of such Investor in a manner disproportionate to any adverse effect such amendment, modification, termination or waiver would have on the rights of the other Investors under this Agreement, (iii) the consent of the Key Holders shall not be required for any amendment, modification, termination or waiver if such amendment, modification, termination or waiver does not apply to the Key Holders, (iv) Schedule A hereto may be amended by the Company from time to time in accordance with the Purchase Agreement to add information regarding Additional Purchasers (as defined in the Purchase Agreement) without the consent of the other parties hereto, and (v) the definition of "Affiliate" (as it pertains to the Janus Investors), the definition of "Janus Investors" and this Section 6.9 (as it pertains to the Janus Investors) shall not be amended, modified, terminated or waived without the prior written consent of the Janus Investors. The Company shall give prompt written notice of any amendment, modification or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, modification, termination or waiver. No waivers of or exceptions to any term, condition or provision of this Agreement, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such term, condition or provision.

6.10. Assignment of Rights.

(a) The terms and conditions of this Agreement, and the rights and obligations of the parties hereunder, shall inure to the benefit of and be binding upon the respective successors, permitted assigns, heirs, executors and legal representatives of the parties and shall inure to the benefit of and be enforceable by each person who shall be an Investor from time to time, including any permitted transferee. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement. The rights of any Investor under this Agreement may be assigned, in whole or in part, to any Affiliate of such Investor in connection with a transfer of such Investor's Capital Stock by such Investor to such Affiliate.

(b) Any successor or permitted assignee of any Key Holder, including any Prospective Transferee who purchases shares of Transfer Stock in accordance with the terms hereof, shall deliver to the Company and the Investors, as a condition to any transfer or assignment, a counterpart signature page hereto pursuant to which such successor or permitted assignee shall confirm their agreement to be subject to and bound by all of the provisions set forth in this Agreement that were applicable to the predecessor or assignor of such successor or permitted assignee.

(c) The rights of the Investors hereunder are not assignable without the Company's written consent (which shall not be unreasonably withheld, delayed or conditioned), except (i) by an Investor to any Affiliate or (ii) to an assignee or transferee who acquires at least ten percent (10%) of the shares of Capital Stock (as adjusted for any stock combination, stock split, stock dividend, recapitalization or other similar transaction) originally purchased by such Investor,

it being acknowledged and agreed that any such assignment, including an assignment contemplated by the preceding clauses (i) or (ii) shall be subject to and conditioned upon any such assignee's delivery to the Company and the other Investors of a counterpart signature page hereto pursuant to which such assignee shall confirm their agreement to be subject to and bound by all of the provisions set forth in this Agreement that were applicable to the assignor of such assignee.

(d) Except in connection with an assignment by the Company by operation of law to the acquirer of the Company, the rights and obligations of the Company hereunder may not be assigned under any circumstances.

6.11. Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.12. Additional Investors. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of the Company's Series D Preferred Stock after the date hereof, any purchaser of such shares of Series D Preferred Stock may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement and thereafter shall be deemed an "Investor" for all purposes hereunder.

6.13. Governing Law. This Agreement and any controversy arising out of or relating to this Agreement shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the State of Delaware, without regard to its principles of conflicts of laws.

6.14. Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

6.15. Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.16. Aggregation of Stock. All shares of Capital Stock held or acquired by Affiliated entities or persons shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

6.17. Specific Performance. In addition to any and all other remedies that may be available at law in the event of any breach of this Agreement, each Investor shall be entitled to specific performance of the agreements and obligations of the Company and the Key Holders hereunder and to such other injunction or other equitable relief as may be granted by a court of competent jurisdiction.

6.18. Additional Key Holders. In the event that after the date of this Agreement, the Company issues shares of Common Stock, or options to purchase Common Stock, to any employee or consultant, which shares or options would collectively constitute with respect to such employee or consultant (taking into account all shares of Common Stock, options and other purchase rights held by such employee or consultant) one percent (1%) or more of the Company's then outstanding Common Stock (treating for this purpose all shares of Common Stock issuable

upon exercise of or conversion of outstanding options, warrants or convertible securities, as if exercised or converted), the Company shall, as a condition to such issuance, cause such employee or consultant to execute a counterpart signature page hereto as a Key Holder, and such person shall thereby be bound by, and subject to, all the terms and provisions of this Agreement applicable to a Key Holder.

6.19. Consent of Spouse. If any Key Holder is married on the date of this Agreement, such Key Holder's spouse shall execute and deliver to the Company a consent of spouse in the form of Exhibit A hereto ("**Consent of Spouse**"), effective on the date hereof. Notwithstanding the execution and delivery thereof, such consent shall not be deemed to confer or convey to the spouse any rights in such Key Holder's shares of Transfer Stock that do not otherwise exist by operation of law or the agreement of the parties. If any Key Holder should marry or remarry subsequent to the date of this Agreement, such Key Holder shall within thirty (30) days thereafter obtain his/her new spouse's acknowledgement of and consent to the existence and binding effect of all restrictions contained in this Agreement by causing such spouse to execute and deliver a Consent of Spouse acknowledging the restrictions and obligations contained in this Agreement and agreeing and consenting to the same.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

BIOATLA, INC.

By: /s/ Jay Short
Name: Jay Short
Title: Chief Executive Officer

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Right of First Refusal and Co-Sale Agreement]

KEY HOLDERS:

Jay Short, PhD

By: /s/ Jay Short
Name: Jay Short
Title: Chief Executive Officer

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Right of First Refusal and Co-Sale Agreement]

KEY HOLDERS:

Carolyn Short

By: /s/ Carolyn Short
Name: Carolyn Short

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Right of First Refusal and Co-Sale Agreement]

KEY HOLDERS:

Scott Smith

By: /s/ Scott Smith
Name: Scott Smith

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Right of First Refusal and Co-Sale Agreement]

KEY HOLDERS:

HIMALAYA PARENT LLC

By: /s/ Jay Short
Name: Jay Short
Title: Chief Executive Officer

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Right of First Refusal and Co-Sale Agreement]

KEY HOLDERS:

BIOTECH INVESTMENT GROUP, LLC

By: /s/ Masood Tayebi
Name: Masood Tayebi
Title: Managing Member

Address: 7310 Miramar Road Suite 500
San Diego, CA 92126

[Signature Page to Right of First Refusal and Co-Sale Agreement]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

SOLEUS PRIVATE EQUITY FUND I, L.P.
By: Soleus Private Equity GP I, LLC, its General Partner

By: /s/ Steven Musumeci
Name: Steven Musumeci
Title: Chief Operating Officer

Address: Soleus Private Equity Fund I, L.P. 104 Field Point Road, Second Floor Greenwich, CT 06830

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

HBM HEALTHCARE INVESTMENTS (CAYMAN) LTD.

By: /s/ Jean-Marc LeSieur
Name: Jean-Marc LeSieur
Title: Director

Address: Governors Square, Suite #4-212-2 23 Lime Tree Bay Avenue
West Bay
Grand Cayman, Cayman Islands

[Signature Page to Right of First Refusal and Co-Sale Agreement]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

ZONE II HEALTHCARE HOLDINGS, LLC

By: Farallon Capital Management, L.L.C., its Manager

By: /s/ Philip Dreyfuss
Name: Philip Dreyfuss
Title: Managing Member

Address: c/o Farallon Capital Management, L.L.C.
One Maritime Plaza, Suite 2100
San Francisco, CA 94111
Attn: Philip Dreyfuss
Email:
pdreyfuss@faralloncapital.com
And
Email:
generalcounsel@faralloncapital.com

[Signature Page to Right of First Refusal and Co-Sale Agreement]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

CORMORANT GLOBAL HEALTHCARE MASTER FUND, LP

By: Cormorant Global Healthcare GP, LLC

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member of the GP

Address: 200 Clarendon Street, 52nd Floor
Boston, MA 02116

[Signature Page to Right of First Refusal and Co-Sale Agreement]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

CORMORANT PRIVATE HEALTHCARE FUND II, LP

By: Cormorant Private Healthcare GP II, LLC

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member of the GP

Address: 200 Clarendon Street, 52nd Floor
Boston, MA 02116

[Signature Page to Right of First Refusal and Co-Sale Agreement]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

667, L.P.

By: BAKER BROS. ADVISORS LP, management company and investment advisor to 667, L.P., pursuant to authority granted to it by Baker Biotech Capital, L.P., general partner to 667, L.P., and not as the general partner.

By: /s/ Scott Lessing
Name: Scott Lessing
Title: President

Address: 860 Washington St, 3rd Floor
New York, NY 10014

[Signature Page to Right of First Refusal and Co-Sale Agreement]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

BAKER BROTHERS LIFE SCIENCES, L.P.

By: BAKER BROS. ADVISORS LP, management company and investment advisor to Baker Brothers Life Sciences, L.P., pursuant to authority granted to it by Baker Brothers Life Sciences Capital, L.P., general partner to Baker Brothers Life Sciences, L.P., and not as the general partner.

By: /s/ Scott Lessing
Name: Scott Lessing
Title: President

Address: 860 Washington St, 3rd Floor
New York, NY 10014

[Signature Page to Right of First Refusal and Co-Sale Agreement]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

A.M. PAPPAS LIFE SCIENCE VENTURES V, LP

By: AMP&A Management V, LLC, its General Partner

By: /s/ Arthur M. Pappas
Name: Arthur M. Pappas
Title: CEO & Managing Partner

Address: c/o Matthew Boyer
Pappas Capital, LLC
2520 Meridian Parkway, Suite 400
Durham, NC 27713
mboyer@pappas-capital.com
(919) 998-3300

[Signature Page to Right of First Refusal and Co-Sale Agreement]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

PV V CE FUND, LP

By: AMP&A Management V, LLC, its General Partner

By: /s/ Arthur M. Pappas
Name: Arthur M. Pappas
Title: CEO & Managing Partner

Address: c/o Matthew Boyer
Pappas Capital, LLC
2520 Meridian Parkway, Suite 400
Durham, NC 27713
mboyer@pappas-capital.com
(919) 998-3300

[Signature Page to Right of First Refusal and Co-Sale Agreement]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON GLOBAL LIFE SCIENCES FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

Address: c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206

With a copy (which shall not constitute notice) to:
Perkins Coie LLP
3150 Porter Drive
Palo Alto, CA 94306
Attn: Adrian Rich
Email: arich@perkinscoie.com

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON BIOTECH INNOVATION MASTER FUND LIMITED FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

Address: c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206

With a copy (which shall not constitute notice) to:
Perkins Coie LLP
3150 Porter Drive
Palo Alto, CA 94306
Attn: Adrian Rich
Email: arich@perkinscoie.com

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON CAPITAL FUNDS PLC ON BEHALF OF ITS SERIES JANUS HENDERSON GLOBAL LIFE SCIENCES FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

Address: c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206

With a copy (which shall not constitute notice) to:
Perkins Coie LLP
3150 Porter Drive
Palo Alto, CA 94306
Attn: Adrian Rich
Email: arich@perkinscoie.com

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

BOXER CAPITAL, LLC

By: /s/ Aaron Davis
Name: Aaron Davis
Title: Chief Executive Officer

Address: 11682 El Camino Real, Suite 320
San Diego, CA 92130

[Signature Page to Right of First Refusal and Co-Sale Agreement]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

MVA INVESTORS, LLC

By: /s/ Aaron Davis
Name: Aaron Davis
Title: Chief Executive Officer

Address: 11682 El Camino Real, Suite 320
San Diego, CA 92130

[Signature Page to Right of First Refusal and Co-Sale Agreement]

IN WITNESS WHEREOF, the parties have executed this Right of First Refusal and Co-Sale Agreement as of the date first written above.

INVESTOR:

PFIZER VENTURES (US) LLC

By: /s/ Barbara Dalton, Ph.D.
Name: Barbara Dalton, Ph. D.
Title: President, Pfizer Ventures (US) LLC

Address: Andrew J. Muratore, Esq.
Pfizer Inc.
235 East 42nd Street
New York, NY 10017

[Signature Page to Right of First Refusal and Co-Sale Agreement]

SCHEDULE A
INVESTORS

Soleus Private Equity Fund I, L.P.

HBM Healthcare Investments (Cayman) Ltd.

Zone II Healthcare Holdings, LLC

Cormorant Global Healthcare Master Fund, LP

Cormorant Private Healthcare Fund II, LP 667, L.P.

Baker Brothers Life Sciences, L.P.

A.M. Pappas Life Science Ventures V, LP

PV V CEO Fund, LP

Janus Henderson Global Life Sciences Fund

Janus Henderson Capital Funds Plc—Janus Henderson Global Life Sciences Fund

Janus Henderson Biotech Innovation Master Fund Limited Fund

Boxer Capital, LLC

MVA Investors, LLC

Pfizer Ventures (US) LLC

SCHEDULE B
KEY HOLDERS

Jay Short

Carolyn Short

Scott Smith

Biotech Investment Group, LLC

Himalaya Parent LLC

VOTING AGREEMENT

THIS VOTING AGREEMENT (this "**Agreement**") is made and entered into as of this 13th day of July, 2020, by and among BioAtla, Inc., a Delaware corporation (the "**Company**"), each holder of the Company's Series D Preferred Stock, $0.0001 par value per share ("**Series D Preferred Stock**") (also referred to herein as the "**Preferred Stock**"), listed on Schedule A (together with any subsequent investors, or transferees, who become parties hereto as "Investors" pursuant to Subsections 6.1(a) or 6.2 below, the "**Investors**") and Himalaya Parent LLC, a Delaware limited liability company ("**Himalaya**") and those certain indirect beneficial owners of the Company's Common Stock, $0.0001 par value per share ("**Common Stock**") listed on Schedule B (together with any subsequent stockholders or option holders, or any transferees, who become parties hereto as "Key Holders" pursuant to Subsections 6.1(b) or 6.2 below, the "**Key Holders**", and together collectively with the Investors, the "**Stockholders**").

RECITALS

A. Concurrently with the execution of this Agreement, the Company and the Investors are entering into a Series D Preferred Stock Purchase Agreement (as amended from time to time, the "**Purchase Agreement**") providing for the sale of shares of Series D Preferred Stock by the Company and in connection with that agreement the parties desire to provide the Investors with the right, among other rights, to designate the election of certain members of the board of directors of the Company (the "**Board**") in accordance with the terms of this Agreement.

B. The Certificate of Incorporation of the Company (the "**Certificate of Incorporation**") provides that (a) the holders of record of the shares of the Company's Series D Preferred Stock, exclusively and as a separate class, shall be entitled to elect three (3) directors of the Company; and (b) the holders of record of the Company's Common Stock and of any other class or series of voting stock (including the Series D Preferred Stock), voting together as a single class on an as-converted basis, shall be entitled to elect the balance of the total number of directors of the Company.

C. The parties desire to enter into this Agreement to set forth their agreements and understandings with respect to how shares of the Company's capital stock held by them will be voted.

NOW, THEREFORE, the parties agree as follows:

1. Voting Provisions Regarding Board of Directors.

1.1. Size of the Board. Each Stockholder agrees to vote, or cause to be voted, all Shares (as defined below) owned by such Stockholder, or over which such Stockholder has voting control or the right to direct voting, from time to time and at all times, in whatever manner as shall be necessary to ensure that the size of the Board shall be set and remain at seven (7) directors. For purposes of this Agreement, the term "**Shares**" shall mean and include any securities of the Company the holders of which are entitled to vote for members of the Board, including without limitation, all shares of Common Stock and Series D Preferred Stock by whatever name called, now owned or subsequently acquired by a Stockholder, however acquired, whether through stock splits, stock dividends, reclassifications, recapitalizations, similar events or otherwise.

1.2. Board Composition. Each Stockholder agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control or the right to direct voting, from time to time and at all times, in whatever manner as shall be necessary to ensure that at each annual or special meeting of stockholders at which an election of directors is held or pursuant to any written consent of the stockholders, the following persons shall be elected to the Board:

(a) One (1) person designated by Soleus Private Equity Fund I, L.P. ("**Soleus**"), which individual shall initially be Guy Levy (the "**Soleus Designee**"), for so long as Soleus and its Affiliates continue to own beneficially at least twenty-five percent (25%) of the shares of Common Stock (including shares of Common Stock issued or issuable upon conversion of Preferred Stock) purchased by Soleus as of the date hereof, which number is subject to appropriate adjustment for all stock splits, dividends, combinations, recapitalizations and the like.

(b) One (1) person designated by HBM Healthcare Investments (Cayman) Ltd. ("**HBM**"), which individual shall initially be Dr. Priyanka Belawat (the "**HBM Designee**"), for so long as HBM and its Affiliates continue to own beneficially at least twenty-five percent (25%) of the shares of Common Stock (including shares of Common Stock issued or issuable upon conversion of Preferred Stock) purchased by HBM as of the date hereof, which number is subject to appropriate adjustment for all stock splits, dividends, combinations, recapitalizations and the like.

(c) One (1) person to be designated by the holders of a majority of the Series D Preferred Stock after the Initial Closing (as defined in the Purchase Agreement), (the "**Series D Designee**" and collectively with the Soleus Designee and the HBM Designee, the "**Series D Designees**"), for so long as at least 25% of the shares of Series D Preferred Stock outstanding as of the date hereof (subject to appropriate adjustment for all stock splits, dividends, combinations, recapitalizations and the like) remain outstanding.

(d) Scott Smith, for so long as Scott Smith remains an officer of the Company.

(e) Jay Short, for so long as Jay Short remains an officer or Chairman of the Company.

(f) One (1) person who previously served on the board of managers of the Company's predecessor, BioAtla, LLC, a Delaware limited liability company, as designated by Jay Short, which individual shall initially be Lawrence Steinman (the "**Legacy Designee**"), *provided*, that if the Legacy Designee is no longer serving as a director, any replacement of the Legacy Designee (which replacement shall not be required to have previously served on the board of managers of BioAtla, LLC) must be approved by two (2) of the three (3) Series D Designees, and *provided further*, that if two (2) of the three (3) Series D Designees do not so approve or affirmatively disapprove of any Legacy Designee within thirty (30) days after notice of such Legacy Designee's nomination, the Legacy Designee shall be designated by Jay Short without any approval by the Series D Designees.

(g) One (1) person who is mutually acceptable to Jay Short and at least two (2) of the three (3) Series D Designees, which designation shall be unfilled as of the date hereof.

To the extent that any of clauses (a) through (g) above shall not be applicable, any member of the Board who would otherwise have been designated in accordance with the terms thereof shall instead be voted upon by all the Stockholders of the Company entitled to vote thereon in accordance with, and pursuant to, the Certificate of Incorporation.

For purposes of this Agreement, an individual, firm, corporation, partnership, association, limited liability company, trust or any other entity (collectively, a "**Person**") shall be deemed an "**Affiliate**" of another Person who, directly or indirectly, controls, is controlled by, or is under common control with, such Person, including, without limitation, any general partner, managing member, officer, director or trustee of such Person, or any limited liability company, limited partnership, investment fund or registered investment company now or hereafter existing that is controlled by one or more general partners, managers, managing members or investment advisors of, or shares the same management company or investment advisor with, such Person; any wholly-owned subsidiary of such Person; or any direct or indirect wholly-owned subsidiary of the ultimate parent entity of such Person; provided, however, that (i) each Janus Investor shall be deemed to be an "Affiliate" of each other Janus Investor, and (ii) an entity that is an "Affiliate" of a Janus Investor (other than pursuant to the foregoing subpart (i)) shall not be deemed to be an "Affiliate" of any other Janus Investor unless such entity is a Janus Investor (and, for the avoidance of doubt, an "Affiliate" of such entity shall not be deemed an "Affiliate" of any Janus Investor solely by virtue of being an "Affiliate" of such entity). For the purposes of this Agreement, the term "**Janus Investors**" shall mean Investors, or permitted transferees of Shares held by Janus Investors, that are advisory or subadvisory clients of Janus Capital Management LLC, including, but not limited to, Janus Henderson Global Life Sciences Fund, Janus Henderson Capital Funds Plc—Janus Henderson Global Life Sciences Fund, and Janus Henderson Biotech Innovation Master Fund Limited.

1.3. Failure to Designate a Board Member. In the absence of any designation from the Persons or groups with the right to designate a director as specified above, the director previously designated by them and then serving shall be re-elected if still eligible to serve as provided herein.

1.4. Removal of Board Members. Each Stockholder also agrees to vote, or cause to be voted, all Shares owned by such Stockholder, or over which such Stockholder has voting control or the right to direct voting, from time to time and at all times, in whatever manner as shall be necessary to ensure that:

(a) no director elected pursuant to Subsections 1.2 or 1.3 of this Agreement may be removed from office other than for cause unless (i) such removal is directed or approved by the affirmative vote of the Person entitled under Subsection 1.2 to designate that director, or (ii) the Person(s) originally entitled to designate or approve such director or occupy such Board seat pursuant to Subsection 1.2 is no longer so entitled to designate or approve such director or occupy such Board seat;

(b) any vacancies created by the resignation, removal or death of a director elected pursuant to Subsections 1.2 or 1.3 shall be filled pursuant to the provisions of this Section 1; and

(c) upon the request of any party entitled to designate a director as provided in Subsections 1.2(a) through (e) to remove such director, such director shall be removed.

All Stockholders agree to execute any written consents required to perform the obligations of this Agreement, and the Company agrees at the request of any party entitled to designate directors to call a special meeting of stockholders for the purpose of electing directors.

1.5. No Liability for Election of Recommended Directors. No Stockholder, nor any Affiliate of any Stockholder, shall have any liability as a result of designating a person for election as a director for any act or omission by such designated person in his or her capacity as a director of the Company, nor shall any Stockholder have any liability as a result of voting for any such designee in accordance with the provisions of this Agreement.

2. Vote to Increase Authorized Common Stock. Each Stockholder agrees to vote or cause to be voted all Shares owned by such Stockholder, or over which such Stockholder has voting control or the right to direct voting, from time to time and at all times, in whatever manner as shall be necessary to (a) increase the number of authorized shares of Preferred Stock from time to time to ensure that there will be sufficient shares of Preferred Stock necessary for issuances of any Pre-IPO Make-Whole Shares that may be required to be issued to the Purchasers (as such terms are defined in the Purchase Agreement) from time to time pursuant to the Purchase Agreement and (b) increase the number of authorized shares of Common Stock from time to time to ensure that there will be sufficient shares of Common Stock (i) available for conversion of all of the shares of Preferred Stock outstanding at any given time and (ii) necessary for issuances of any Post-IPO Make-Whole Shares (as such term is defined in the Purchase Agreement) that may be required to be issued to the Purchasers from time to time pursuant to the Purchase Agreement.

3. Drag-Along Right.

3.1. Definitions. A "**Sale of the Company**" shall mean either: (a) a transaction or series of related transactions in which a Person, or a group of related Persons, acquires from stockholders of the Company shares representing more than fifty percent (50%) of the outstanding voting power of the Company (a "**Stock Sale**"); or (b) a transaction that qualifies as a "**Deemed Liquidation Event**" as defined in the Certificate of Incorporation.

3.2. Actions to be Taken. In the event that (i) the holders of a majority of the Series D Preferred Stock, voting separately (the "**Selling Investors**"), and (ii) a majority of the Board, which majority must include the affirmative vote of at least two (2) of the three (3) Series D Designees, approve a Sale of the Company in writing, specifying that this Section 3 shall apply to such transaction, then each Stockholder and the Company hereby agree:

(a) if such transaction requires stockholder approval, with respect to all Shares that such Stockholder owns or over which such Stockholder otherwise exercises voting power, to vote (in person, by proxy or by action by written consent, as applicable) all Shares in favor of, and adopt, such Sale of the Company (together with any related amendment or restatement to the Certificate of Incorporation required in order to implement such Sale of the Company) and to vote in opposition to any and all other proposals that could reasonably be expected to delay or impair the ability of the Company to consummate such Sale of the Company;

(b) if such transaction is a Stock Sale, to sell the same proportion of shares of capital stock of the Company beneficially held by such Stockholder as is being sold by the Selling Investors to the Person to whom the Selling Investors propose to sell their Shares, and, except as permitted in Subsection 3.3 below, on the same terms and conditions as the Selling Investors;

(c) to execute and deliver all related documentation and take such other action in support of the Sale of the Company as shall reasonably be requested by the Company or the Selling Investors in order to carry out the terms and provision of this Section 3, including, without limitation, executing and delivering instruments of conveyance and transfer, and any purchase agreement, merger agreement, indemnity agreement, escrow agreement, consent, waiver, governmental filing, share certificates duly endorsed for transfer (free and clear of impermissible liens, claims and encumbrances) and any similar or related documents;

(d) not to deposit, and to cause their Affiliates not to deposit, except as provided in this Agreement, any Shares of the Company owned by such party or Affiliate in a voting trust or subject any Shares to any arrangement or agreement with respect to the voting of such Shares, unless specifically requested to do so by the acquiror in connection with the Sale of the Company;

(e) to refrain from exercising any dissenters' rights or rights of appraisal under applicable law at any time with respect to such Sale of the Company;

(f) if the consideration to be paid in exchange for the Shares pursuant to this Section 3 includes any securities and due receipt thereof by any Stockholder would require under applicable law (x) the registration or qualification of such securities or of any Person as a broker or dealer or agent with respect to such securities or (y) the provision to any Stockholder of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act of 1933, as amended (the "**Securities Act**"), the Company may cause to be paid to any such Stockholder in lieu thereof, against surrender of the Shares which would have otherwise been sold by such Stockholder, an amount in cash equal to the fair value (as determined in good faith by the Board) of the securities which such Stockholder would otherwise receive as of the date of the issuance of such securities in exchange for the Shares; and

(g) in the event that the Selling Investors, in connection with such Sale of the Company, appoint a stockholder representative (the "**Stockholder Representative**") with respect to matters affecting the Stockholders under the applicable definitive transaction agreements following consummation of such Sale of the Company, (x) to consent to (i) the appointment of such Stockholder Representative, (ii) the establishment of any applicable escrow, expense or similar fund in connection with any indemnification or similar obligations, and (iii) the payment of such Stockholder's pro rata portion (from the applicable escrow or expense fund or otherwise) of any and all reasonable fees and expenses to such Stockholder Representative in connection with such Stockholder Representative's services and duties in connection with such Sale of the

Company and its related service as the representative of the Stockholders, and (y) not to assert any claim or commence any suit against the Stockholder Representative or any other Stockholder with respect to any action or inaction taken or failed to be taken by the Stockholder Representative in connection with its service as the Stockholder Representative, absent fraud or willful misconduct.

3.3. Exceptions. Notwithstanding the foregoing, a Stockholder will be required to comply with Subsection 3.2 above in connection with any proposed Sale of the Company (the "**Proposed Sale**") only if:

(a) any representations and warranties to be made by such Stockholder in connection with the Proposed Sale are limited to representations and warranties related to authority, ownership and the ability to convey title to such Shares, including, but not limited to, representations and warranties that (i) the Stockholder holds all right, title and interest in and to the Shares such Stockholder purports to hold, free and clear of all liens and encumbrances, (ii) the obligations of the Stockholder in connection with the transaction have been duly authorized, if applicable, (iii) the documents to be entered into by the Stockholder have been duly executed by the Stockholder and delivered to the acquirer and are enforceable (subject to customary limitations) against the Stockholder in accordance with their respective terms and (iv) neither the execution and delivery of documents to be entered into by the Stockholder in connection with the transaction, nor the performance of the Stockholder's obligations thereunder, will cause a breach or violation of the terms of any agreement to which the Stockholder is a party, or any law or judgment, order or decree of any court or governmental agency that applies to the Stockholder;

(b) the Stockholder shall not be liable for the inaccuracy or breach of any representation or warranty made by any other Person in connection with the Proposed Sale, other than the Company (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any stockholder of any of identical representations, warranties and covenants provided by all stockholders);

(c) the liability for indemnification, if any, of such Stockholder in the Proposed Sale and for the inaccuracy of any representations and warranties made by the Company or its Stockholders in connection with such Proposed Sale, is several and not joint with any other Person (except to the extent that funds may be paid out of an escrow established to cover breach of representations, warranties and covenants of the Company as well as breach by any stockholder of any of identical representations, warranties and covenants provided by all stockholders), and is pro rata in proportion to, and does not exceed, the amount of consideration paid to such Stockholder in connection with such Proposed Sale;

(d) liability shall be limited to such Stockholder's applicable share (determined based on the respective proceeds payable to each Stockholder in connection with such Proposed Sale in accordance with the provisions of the Certificate of Incorporation) of a negotiated aggregate indemnification amount that applies equally to all Stockholders but that in no event exceeds the amount of consideration otherwise payable to such Stockholder in connection with such Proposed Sale, except with respect to claims related to fraud by such Stockholder, the liability for which need not be limited as to such Stockholder;

(e) upon the consummation of the Proposed Sale, (i) each holder of each class or series of capital stock of the Company will receive the same form of consideration for their shares of such class or series as is received by other holders in respect of their shares of such same class or series of stock and if any holders of any capital stock of the Company are given a choice as to the form of consideration to be received as a result of the Proposed Sale, all holders of such capital stock will be given the same option, (ii) each holder of a series of Preferred Stock will receive the same amount of consideration per share of such series of Preferred Stock as is received by other holders in respect of their shares of such same series, (iii) each holder of Common Stock will receive the same amount of consideration per share of Common Stock as is received by other holders in respect of their shares of Common Stock, and (iv) unless the holders of at least a majority of the Preferred Stock voting together as a single class on an as-converted basis, elect to receive a lesser amount by written notice given to the Company at least ten (10) days prior to the effective date of any such Proposed Sale, the aggregate consideration receivable by all holders of the Preferred Stock and Common Stock shall be allocated among the holders of Preferred Stock and Common Stock on the basis of the relative liquidation preferences to which the holders of each respective series of Preferred Stock and the holders of Common Stock are entitled in a Deemed Liquidation Event (assuming for this purpose that the Proposed Sale is a Deemed Liquidation Event) in accordance with the Company's Certificate of Incorporation in effect immediately prior to the Proposed Sale; *provided, however,* that, notwithstanding the foregoing, if the consideration to be paid in exchange for the Key Holder's Shares or Investor's Shares, as applicable, pursuant to this Subsection 3.3(e) includes any securities and due receipt thereof by any Key Holder or Investor would require under applicable law (x) the registration or qualification of such securities or of any person as a broker or dealer or agent with respect to such securities or (y) the provision to any Key Holder or Investor of any information other than such information as a prudent issuer would generally furnish in an offering made solely to "accredited investors" as defined in Regulation D promulgated under the Securities Act, the Company may cause to be paid to any such Key Holder or Investor in lieu thereof, against surrender of the Key Holder's Shares or Investor's Shares, as applicable, which would have otherwise been sold by such Key Holder or Investor, an amount in cash equal to the fair value (as determined in good faith by the Company) of the securities which such Key Holder or Investor would otherwise receive as of the date of the issuance of such securities in exchange for the Key Holder Shares or Investor's Shares, as applicable;

(f) subject to clause (e) above, requiring the same form of consideration to be available to the holders of any single class or series of capital stock, if any holders of any capital stock of the Company are given an option as to the form and amount of consideration to be received as a result of the Proposed Sale, all holders of such capital stock will be given the same option; *provided, however*, that nothing in this Subsection 3.3(f) shall entitle any holder to receive any form of consideration that such holder would be ineligible to receive as a result of such holder's failure to satisfy any condition, requirement or limitation that is generally applicable to the Company's stockholders;

(g) with respect to any Stockholder who is not an officer or employee of the Company, such Stockholder is not required to (i) agree to any covenant not to compete, exclusivity covenant, covenant not to solicit or similar restrictive covenant or (ii) execute a general release (other than a release limited to claims solely in the Stockholder's capacity as a holder of shares of capital stock of the Company), in connection with the Proposed Sale;

(h) in connection with the Proposed Sale such Stockholder and its Affiliates are not required to extend or terminate any contractual or other relationship with the Company, the acquirer, or their respective Affiliates, except that the Stockholder may be required to agree to terminate the investment-related documents between or among such Stockholder, that Company, and/or other stockholders of the Company;

(i) such Stockholder shall not be obligated to make any out-of-pocket expenditures prior to the consummation of the Proposed Sale (excluding modest expenditures for postage, copies, etc.) or to pay any expenses incurred in connection with the consummation of the Proposed Sale, except indirectly to the extent such costs are incurred for the benefit of all of the Company's stockholders and are paid by the Company or the acquiring party; provided, that costs incurred by or on behalf of any Stockholder for its sole benefit will not be considered costs of the transaction thereunder; and

(j) the agreement and plan of merger or similar or related document governing the Proposed Sale (together, the "**Merger Agreement**") will, by its terms, prohibit any amendment to be made to the terms of the Merger Agreement that are contrary to the conditions set forth in this Section 3 after the Merger Agreement has been executed or adopted by a vote or written consent of the stockholders of the Company.

3.4. Restrictions on Sales of Control of the Company. No Stockholder shall be a party to any Stock Sale unless (a) all holders of Preferred Stock are allowed to participate in such transaction(s) and (b) the consideration received pursuant to such transaction is allocated among the parties thereto in the manner specified in the Certificate of Incorporation in effect immediately prior to the Stock Sale (as if such transaction(s) were a Deemed Liquidation Event), unless the holders of at least the requisite percentage required to waive treatment of the transaction(s) as a Deemed Liquidation Event pursuant to the terms of the Certificate of Incorporation elect to allocate the consideration differently by written notice given to the Company at least 10 days prior to the effective date of any such transaction or series of related transactions.

4. Remedies.

4.1. Covenants of the Company. The Company agrees to use its best efforts, within the requirements of applicable law, to ensure that the rights granted under this Agreement are effective and that the parties enjoy the benefits of this Agreement. Such actions include, without limitation, the use of the Company's best efforts to cause the nomination and election of the directors as provided in this Agreement.

4.2. Irrevocable Proxy and Power of Attorney. Each party to this Agreement hereby constitutes and appoints as the proxies of the party and hereby grants a power of attorney to the Chief Executive Officer and the President of the Company, with respect to the matters set forth in Subsection 1.2(a) through (g), the party entitled to designate the director in question and a designee of the Selling Investors, and each of them, with full power of substitution, with respect to the matters set forth herein, including without limitation, election of persons as members of the Board in accordance with Section 1 hereto, votes to increase authorized shares pursuant to Section 2 hereof and votes regarding any Sale of the Company pursuant to Section 3 hereof, and hereby authorizes each of them to represent and to vote, if and only if the party (i) fails to vote or (ii) attempts to vote (whether by proxy, in person or by written consent), in a manner which is

inconsistent with the terms of this Agreement, all of such party's Shares in favor of the election of persons as members of the Board determined pursuant to and in accordance with Section 1 of this Agreement or the increase of authorized shares or approval of any Sale of the Company pursuant to and in accordance with the terms and provisions of Sections 2 and 3, respectively, of this Agreement or to take any action necessary to effect Sections 2 and 3, respectively, of this Agreement. Each of the proxy and power of attorney granted pursuant to the immediately preceding sentence is given in consideration of the agreements and covenants of the Company and the parties in connection with the transactions contemplated by this Agreement and, as such, each is coupled with an interest and shall be irrevocable unless and until this Agreement terminates or expires pursuant to Section 5 hereof. Each party hereto hereby revokes any and all previous proxies or powers of attorney with respect to the Shares and shall not hereafter, unless and until this Agreement terminates or expires pursuant to Section 5 hereof, purport to grant any other proxy or power of attorney with respect to any of the Shares, deposit any of the Shares into a voting trust or enter into any agreement (other than this Agreement), arrangement or understanding with any person, directly or indirectly, to vote, grant any proxy or give instructions with respect to the voting of any of the Shares, in each case, with respect to any of the matters set forth herein.

4.3. Specific Enforcement. Each party acknowledges and agrees that each party hereto will be irreparably damaged in the event any of the provisions of this Agreement are not performed by the parties in accordance with their specific terms or are otherwise breached. Accordingly, it is agreed that each of the Company and the Stockholders shall be entitled to an injunction to prevent breaches of this Agreement, and to specific enforcement of this Agreement and its terms and provisions in any action instituted in any court of the United States or any state having subject matter jurisdiction.

4.4. Remedies Cumulative. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

5. Term. This Agreement shall be effective as of the date hereof and shall continue in effect until and shall terminate upon the earliest to occur of (a) the consummation of the Company's first underwritten public offering of its Common Stock (other than a registration statement relating either to the sale of securities to employees of the Company pursuant to its stock option, stock purchase or similar plan or an SEC Rule 145 transaction); (b) the consummation of a Sale of the Company, other than an Asset Sale (as defined in the Certificate of Incorporation), and distribution of proceeds to the Stockholders in accordance with the Certificate of Incorporation; *provided that* the provisions of Section 3 hereof will continue after the closing of any Sale of the Company to the extent necessary to enforce the provisions of Section 3 with respect to such Sale of the Company; and (c) termination of this Agreement in accordance with Subsection 6.8 below.

6. Miscellaneous.

6.1. Additional Parties.

(a) Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of Preferred Stock to a purchaser who is not already an Investor hereunder after the date hereof, as a condition to the issuance of such shares, the Company shall require that any such purchaser become a party to this Agreement by executing and delivering (i)

the Adoption Agreement attached to this Agreement as Exhibit A, or (ii) a counterpart signature page hereto agreeing to be bound by and subject to the terms of this Agreement as an Investor and Stockholder hereunder. In either event, each such person thereafter shall be deemed an Investor and Stockholder for all purposes under this Agreement.

(b) In the event that after the date of this Agreement, the Company enters into an agreement with any Person to issue shares of capital stock to such Person (other than to a purchaser of Preferred Stock described in Subsection 6.1(a) above), following which such Person shall hold Shares constituting one percent (1%) or more of the Company's then outstanding capital stock (treating for this purpose all shares of Common Stock issuable upon exercise of or conversion of outstanding options, warrants or convertible securities, as if exercised and/or converted or exchanged), then the Company shall cause such Person, as a condition precedent to entering into such agreement, to become a party to this Agreement by executing an Adoption Agreement in the form attached hereto as Exhibit A, agreeing to be bound by and subject to the terms of this Agreement as a Stockholder and thereafter such person shall be deemed a Stockholder for all purposes under this Agreement.

6.2. Transfers. Each transferee or assignee of any Shares subject to this Agreement shall continue to be subject to the terms hereof, and, as a condition precedent to the Company's recognizing such transfer, each transferee or assignee shall agree in writing to be subject to each of the terms of this Agreement by executing and delivering an Adoption Agreement substantially in the form attached hereto as Exhibit A. Upon the execution and delivery of an Adoption Agreement by any transferee, such transferee shall be deemed to be a party hereto as if such transferee were the transferor and such transferee's signature appeared on the signature pages of this Agreement and shall be deemed to be an Investor and Stockholder, or Key Holder and Stockholder, as applicable. The Company shall not permit the transfer of the Shares subject to this Agreement on its books or issue a new certificate representing any such Shares unless and until such transferee shall have complied with the terms of this Subsection 6.2. Each certificate, instrument, or book entry representing the Shares subject to this Agreement if issued on or after the date of this Agreement shall be notated by the Company with the legend set forth in Subsection 6.12.

6.3. Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors, assigns, heirs, executors, administrators and other legal representatives of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors, assigns, heirs, executors, administrators and other legal representatives any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement. The rights of any Investor under this Agreement may be assigned, in whole or in part, to any Affiliate in connection with the transfer of the related Shares by such Investor to such Affiliate.

6.4. Governing Law. This Agreement and any controversy arising out of or relating to this Agreement shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the State of Delaware, without regard to its principles of conflicts of laws.

6.5. Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.6. Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

6.7. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (a) personal delivery to the party to be notified, (b) when sent, if sent by electronic mail or facsimile during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next business day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth on the signature pages, or to such email address, facsimile number or address as subsequently modified by written notice given in accordance with this Subsection 6.7. If notice is given to the Company, a copy shall also be sent to Dechert LLP, 1900 K Street NW, Washington, DC 20006, Attn: David E. Schulman and if notice is given to Stockholders, a copy, which shall not constitute notice, shall also be given to such counsel as may appear with such Investor's address on the signature pages attached to the Purchase Agreement.

Notwithstanding any of the foregoing, with respect to HBM Healthcare Investments (Cayman) Ltd., only a nationally recognized courier service (such as FedEx or DHL) shall be used to effectuate the delivery of any notices pursuant to this Subsection 6.7, and such notice or other communication for purpose of this Agreement shall not be treated as effective or having been given if some other delivery method is utilized; provided, however, that if such notice is being sent internationally, it shall not be deemed defective if such courier does not deliver such notice on the next business day following deposit (provided that such notice shall be deemed delivered on the date of delivery by such courier service), and provided further, that HBM may agree to receive notice in some other manner set forth in this Subsection 6.7 by written election; and a copy (which shall not constitute notice) shall also be sent to Sidley Austin LLP, 1999 Avenue of the Stars, 17th Floor, Los Angeles, California 90067, Attention: Mehdi Khodadad.

6.8. Consent Required to Amend, Modify, Terminate or Waive. This Agreement may be amended, modified or terminated and the observance of any term hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a written instrument executed by (a) the Company; (b) the Key Holders holding a majority of the shares of Common Stock then held by the Key Holders; and (c) the holders of at least a majority of the shares of Common Stock issued or issuable upon conversion of the shares of Preferred Stock held by the Investors (voting as a single class and on an as-converted basis). Notwithstanding the foregoing:

(a) this Agreement may not be amended, modified or terminated and the observance of any term of this Agreement may not be waived with respect to any Investor or Key Holder without the written consent of such Investor or Key Holder, unless such amendment, modification, termination or waiver applies to all Investors or Key Holders, as the case may be, in the same fashion;

(b) the consent of the Key Holders shall not be required for any amendment, modification, termination or waiver if such amendment, modification, termination or waiver either (i) is not directly applicable to the rights of the Key Holders hereunder or (ii) does not adversely affect the rights of the Key Holders in a manner that is different than the effect on the rights of the other parties herein;

(c) Schedule A hereto may be amended by the Company from time to time in accordance with the Purchase Agreement to add information regarding Additional Purchasers (as defined in the Purchase Agreement) without the consent of the other parties hereto;

(d) any provision hereof may be waived by the waiving party on such party's own behalf, without the consent of any other party;

(e) Subsection 1.2(a) of this Agreement and this Subsection 6.8(e) shall not be amended, modified, terminated or waived without the written consent of Soleus;

(f) Subsection 1.2(b) of this Agreement and this Subsection 6.8(f) shall not be amended, modified, terminated or waived without the written consent of HBM;

(g) Subsection 1.2(c) of this Agreement and this Subsection 6.8(g) shall not be amended, modified, terminated or waived without the written consent of the holders of at least a majority of the shares of Common Stock issued or issuable upon conversion of the shares of Preferred Stock held by the Investors (voting as a single class and on an as-converted basis);

(h) Subsection 1.2(d), (e), (f) and (g) of this Agreement and this Subsection 6.8(h) shall not be amended, modified, terminated or waived without the written consent of the Key Holders holding a majority of the shares of Common Stock then held by Key Holders who are at such time providing services to the Company as an officer, director, employee or consultant; and

(i) Notwithstanding Subsection 6.8(a) of this Agreement, neither Subsection 3.3 of this Agreement nor any subsection thereof shall be amended, modified, terminated or waived as it applies to any Investor without the written consent of (i) the holders of the majority of shares held by such affected Investors, including Soleus so long as Soleus holds any Shares and HBM so long as HBM holds any Shares, and the Janus Investors so long as the Janus Investors hold any Shares, (ii) the holders of a majority of shares held by the Key Holders, and (iii) solely with respect to Subsections 3.3(g)—(i) and this Subsection 6.8(i) of this Agreement, such Subsections shall not be amended, modified, terminated or waived without the written consent of Pfizer Venture (US) LLC; and

(j) None of the definition of "Affiliate" (as it pertains to the Janus Investors), the definition of "Janus Investors", or this Section 6.8(j) of this Agreement shall be amended, modified, terminated or waived in a manner that would be adverse to the Janus Investors without the prior written consent of the Janus Investors.

The Company shall give prompt written notice of any amendment, modification, termination, or waiver hereunder to any party that did not consent in writing thereto. Any amendment, modification, termination or waiver effected in accordance with this Subsection 6.8 shall be binding on each party and all of such party's successors and permitted assigns, whether or not any such party, successor or assignee entered into or approved such amendment, termination or waiver. For purposes of this Subsection 6.8, the requirement of a written instrument may be satisfied in the form of an action by written consent of the Stockholders circulated by the Company and executed by the Stockholder parties specified, whether or not such action by written consent makes explicit reference to the terms of this Agreement.

6.9. Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default previously or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

6.10. Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

6.11. Entire Agreement. This Agreement (including the Exhibits hereto), the Certificate of Incorporation and the other Transaction Agreements (as defined in the Purchase Agreement) constitute the full and entire understanding and agreement between the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

6.12. Legend on Share Certificates. Each certificate, instrument, or book entry representing any Shares issued after the date hereof shall be notated by the Company with a legend reading substantially as follows:

"THE SHARES REPRESENTED HEREBY ARE SUBJECT TO A VOTING AGREEMENT, AS MAY BE AMENDED FROM TIME TO TIME, (A COPY OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST FROM THE COMPANY), AND BY ACCEPTING ANY INTEREST IN SUCH SHARES THE PERSON ACCEPTING SUCH INTEREST SHALL BE DEEMED TO AGREE TO AND SHALL BECOME BOUND BY ALL THE PROVISIONS OF THAT VOTING AGREEMENT, INCLUDING CERTAIN RESTRICTIONS ON TRANSFER AND OWNERSHIP SET FORTH THEREIN."

The Company, by its execution of this Agreement, agrees that it will cause the certificates evidencing the Shares issued after the date hereof to be notated with the legend required by this Subsection 6.12 of this Agreement, and it shall supply, free of charge, a copy of this Agreement to any holder of such Shares upon written request from such holder to the Company at its principal office. The parties to this Agreement do hereby agree that the failure to cause the certificates, instruments, or book entry evidencing the Shares to be notated with the legend required by this Subsection 6.12 herein and/or the failure of the Company to supply, free of charge, a copy of this Agreement as provided hereunder shall not affect the validity or enforcement of this Agreement.

6.13. Stock Splits, Stock Dividends, etc. In the event of any issuance of Shares of the Company's voting securities hereafter to any of the Stockholders (including, without limitation, in connection with any stock split, stock dividend, recapitalization, reorganization, or the like), such Shares shall become subject to this Agreement and shall be notated with the legend set forth in Subsection 6.12.

6.14. Manner of Voting. The voting of Shares pursuant to this Agreement may be effected in person, by proxy, by written consent or in any other manner permitted by applicable law. For the avoidance of doubt, voting of the Shares pursuant to the Agreement need not make explicit reference to the terms of this Agreement.

6.15. Further Assurances. At any time or from time to time after the date hereof, the parties agree to cooperate with each other, and at the request of any other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

6.16. Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of Delaware and to the jurisdiction of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of Delaware or the United States District Court for the District of Delaware, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

6.17. WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT

BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.18. Costs of Enforcement. If any party to this Agreement seeks to enforce its rights under this Agreement by legal proceedings, the non-prevailing party shall pay all costs and expenses incurred by the prevailing party, including, without limitation, all reasonable attorneys' fees.

6.19. Aggregation of Stock. All Shares held or acquired by a Stockholder and/or its Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement, and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

6.20. Spousal Consent. If any individual Stockholder is married on the date of this Agreement, such Stockholder's spouse shall execute and deliver to the Company a consent of spouse in the form of Exhibit B hereto ("**Consent of Spouse**"), effective on the date hereof. Notwithstanding the execution and delivery thereof, such consent shall not be deemed to confer or convey to the spouse any rights in such Stockholder's Shares that do not otherwise exist by operation of law or the agreement of the parties. If any individual Stockholder should marry or remarry subsequent to the date of this Agreement, such Stockholder shall within thirty (30) days thereafter obtain his/her new spouse's acknowledgement of and consent to the existence and binding effect of all restrictions contained in this Agreement by causing such spouse to execute and deliver a Consent of Spouse acknowledging the restrictions and obligations contained in this Agreement and agreeing and consenting to the same.

6.21. Other Business Activities of Investors. The Company hereby agrees and acknowledges that the Investors (together with their Affiliates) are in the business of venture capital and/or private equity investing, review the business plans and related proprietary information of, and invest in, many enterprises, including enterprises which may have products or services which compete directly or indirectly with those of the Company (as currently conducted or as currently proposed to be conducted). Nothing in this Agreement or any other agreement related to the transactions contemplated by this Agreement (collectively, the "**Transaction Agreements**") shall preclude or in any way restrict the Investors from investing or participating in any particular enterprise, whether or not such enterprise has products or services that compete with those of the Company. Further, the Company, each Investor, and each Stockholder acknowledges and agrees that (i) certain of the Investors (or the Affiliates of such Investors) (each, a "**Strategic Investor**") may presently have, or may engage in the future in, internal development programs, or may receive information from third parties that relates to, and may develop and commercialize products independently or in cooperation with such third parties, that are similar to or that are directly or indirectly competitive with, the Company's development programs, products or services, and (ii) any employee of such Strategic Investor serving on the Board is serving in such capacity at the request, and for the benefit, of the Company. Accordingly, such Strategic Investor's designation of any individual to the Board (the "**Board Designee**"), the service of such Board Designee on the Board, or the exercise by such Strategic Investor of any rights under this Agreement or any of the Transaction Agreements, shall not in any way preclude or restrict such

Strategic Investor from conducting any development program, commercializing any product or service or otherwise engaging in any enterprise, whether or not such development program, product, service or enterprise, competes with those of the Company, so long as such activities do not result in a violation of the confidentiality provisions of this Agreement or any other Transaction Agreement. Nothing herein or in any other Transaction Agreement shall be construed to impose on such Strategic Investor or any Board Designee any restriction, duty or obligation other than as expressly set forth herein or therein.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Voting Agreement as of the date first written above.

BIOATLA, INC.

By: /s/ Jay Short
Name: Jay Short
Title: Chief Executive Officer

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Voting Agreement]

KEY HOLDERS:

Jay Short, PhD

By: /s/ Jay Short
Name: Jay Short
Title: Chief Executive Officer

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Voting Agreement]

KEY HOLDERS:

Carolyn Short

By: /s/ Carolyn Short
Name: Carolyn Short

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Voting Agreement]

KEY HOLDERS:

Scott Smith

By: /s/ Scott Smith
Name: Scott Smith

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Voting Agreement]

KEY HOLDERS:

HIMALAYA PARENT LLC

By: /s/ Jay Short
Name: Jay Short
Title: Chief Executive Officer

Address: 11805 Torreyana Road
San Diego, CA 92121

[Signature Page to Voting Agreement]

KEY HOLDERS:

BIOTECH INVESTMENT GROUP, LLC

By: /s/ Masood Tayebi
Name: Masood Tayebi
Title: Managing Member

Address: 7310 Miramar Road Suite 500
San Diego, CA 92126

[Signature Page to Voting Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

SOLEUS PRIVATE EQUITY FUND I, L.P.

By: Soleus Private Equity GP I, LLC, its General Partner

By: /s/ Steven Musumeci
Name: Steven Musumeci
Title: Chief Operating Officer

Address: Soleus Private Equity Fund I, L.P.
104 Field Point Road, Second Floor
Greenwich, CT 06830

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

HBM HEALTHCARE INVESTMENTS (CAYMAN) LTD.

By: /s/ Jean-Marc LeSieur
Name: Jean-Marc LeSieur
Title: Director

Address: Governors Square, Suite #4-212-2
23 Lime Tree Bay Avenue
West Bay
Grand Cayman, Cayman Islands

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

ZONE II HEALTHCARE HOLDINGS, LLC

By: Farallon Capital Management, L.L.C.,
its Manager

By: /s/ Philip Dreyfuss
Name: Philip Dreyfuss
Title: Managing Member

Address: c/o Farallon Capital Management, L.L.C.
One Maritime Plaza, Suite 2100
San Francisco, CA 94111
Attn: Philip Dreyfuss
Email:
pdreyfuss@faralloncapital.com
And
Email:
generalcounsel@faralloncapital.com

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

CORMORANT GLOBAL HEALTHCARE MASTER FUND, LP

By: Cormorant Global Healthcare GP, LLC

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member of the GP

Address: 200 Clarendon Street, 52nd Floor
Boston, MA 02116

[Signature Page to Voting Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

CORMORANT PRIVATE HEALTHCARE FUND II, LP

By: Cormorant Private Healthcare GP II, LLC

By: /s/ Bihua Chen
Name: Bihua Chen
Title: Managing Member of the GP

Address: 200 Clarendon Street, 52nd Floor
Boston, MA 02116

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

667, L.P.

By: BAKER BROS. ADVISORS LP, management company and investment advisor to 667, L.P., pursuant to authority granted to it by Baker Biotech Capital, L.P., general partner to 667, L.P., and not as the general partner.

By: /s/ Scott Lessing
Name: Scott Lessing
Title: President

Address: 860 Washington St, 3rd Floor
New York, NY 10014

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

BAKER BROTHERS LIFE SCIENCES, L.P.

By: BAKER BROS. ADVISORS LP, management company and investment advisor to Baker Brothers Life Sciences, L.P., pursuant to authority granted to it by Baker Brothers Life Sciences Capital, L.P., general partner to Baker Brothers Life Sciences, L.P., and not as the general partner.

By: /s/ Scott Lessing
Name: Scott Lessing
Title: President

Address: 860 Washington St, 3rd Floor
New York, NY 10014

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

A.M. PAPPAS LIFE SCIENCE VENTURES V, LP

By: AMP&A Management V, LLC, its General Partner

By: /s/ Arthur M. Pappas
Name: Arthur M. Pappas
Title: CEO & Managing Partner

Address: c/o Matthew Boyer
Pappas Capital, LLC
2520 Meridian Parkway, Suite 400
Durham, NC 27713
mboyer@pappas-capital.com
(919) 998-3300

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

PV V CE FUND, LP

By: AMP&A Management V, LLC, its General Partner

By: /s/ Arthur M. Pappas
Name: Arthur M. Pappas
Title: CEO & Managing Partner

Address: c/o Matthew Boyer
Pappas Capital, LLC
2520 Meridian Parkway, Suite 400
Durham, NC 27713
mboyer@pappas-capital.com
(919) 998-3300

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON GLOBAL LIFE SCIENCES FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

Address: c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206

With a copy (which shall not constitute notice) to:
Perkins Coie LLP
3150 Porter Drive
Palo Alto, CA 94306
Attn: Adrian Rich
Email: arich@perkinscoie.com

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON BIOTECH INNOVATION MASTER FUND LIMITED FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

Address: c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206

With a copy (which shall not constitute notice) to:
Perkins Coie LLP
3150 Porter Drive
Palo Alto, CA 94306
Attn: Adrian Rich
Email: arich@perkinscoie.com

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

JANUS HENDERSON CAPITAL FUNDS PLC ON BEHALF OF ITS SERIES JANUS HENDERSON GLOBAL LIFE SCIENCES FUND

By: Janus Capital Management LLC, its investment advisor

By: /s/ Andrew Acker
Name: Andrew Acker
Title: Authorized Signatory

Address: c/o Janus Capital Management LLC
151 Detroit Street
Denver, CO 80206

With a copy (which shall not constitute notice) to:
Perkins Coie LLP
3150 Porter Drive
Palo Alto, CA 94306
Attn: Adrian Rich
Email: arich@perkinscoie.com

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

BOXER CAPITAL, LLC

By: /s/ Aaron Davis
Name: Aaron Davis
Title: Chief Executive Officer

Address: 11682 El Camino Real, Suite 320
San Diego, CA 92130

[Signature Page to Voting Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

MVA INVESTORS, LLC

By: /s/ Aaron Davis
Name: Aaron Davis
Title: Chief Executive Officer

Address: 11682 El Camino Real, Suite 320
San Diego, CA 92130

[Signature Page to Voting Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

PFIZER VENTURES (US) LLC

By: /s/ Barbara Dalton, Ph.D.

Name: Barbara Dalton, Ph. D.

Title: President, Pfizer Ventures (US) LLC

Address: Andrew J. Muratore, Esq.
Pfizer Inc.
235 East 42nd Street
New York, NY 10017

SCHEDULE B

KEY HOLDERS

Jay Short

Carolyn Short

Scott Smith

Biotech Investment Group, LLC

Himalaya Parent LLC

BIOATLA, INC.

2020 EQUITY INCENTIVE PLAN

Section 1. Purpose of the Plan.

The purpose of the BioAtla, Inc. 2020 Equity Incentive Plan (the "*Plan*") is to assist the Company and its Subsidiaries in attracting and retaining valued Employees, Consultants and Non-Employee Directors by offering them a greater stake in the Company's success and a closer identity with it, and to encourage ownership of the Company's shares by such Employees, Consultants and Non-Employee Directors.

Section 2. Definitions.

As used herein, the following definitions shall apply:

2.1. "*Award*" means the grant of Options, SARs, Restricted Stock, Restricted Stock Units, Performance Stock, Performance Stock Units and Other Stock-Based Awards under the Plan.

2.2. "*Award Agreement*" means the written agreement, instrument or document evidencing an Award.

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

2.4. "*Cause*" means,

(a) if the applicable Participant is party to an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, and such term is defined therein, "Cause" shall have the meaning provided in such agreement;

(b) if the applicable Participant is not a party to an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary or if no definition of "Cause" is set forth in the applicable employment, consulting, severance or similar agreement, "Cause" shall have the meaning provided in the applicable Award Agreement;

(c) if neither clause (a) nor clause (b) applies, then "Cause" shall mean (i) engaging in (A) willful or gross misconduct or (B) willful or gross neglect; (ii) failing to follow the lawful directions of superiors or the Board or the written policies and practices of the Company or any Subsidiary; (iii) the Participant's indictment for, conviction of, plea of guilty or no contest to, or commission of, a felony or a crime involving any of the following: moral turpitude, dishonesty, breach of trust or unethical business conduct; or the Participant's indictment for, conviction of, plea of guilty or no contest to, or commission of, any crime involving the Company or any Subsidiary; (iv) fraud, misappropriation or embezzlement; (v) a material breach of the Participant's employment agreement (if any) with the Company or any Subsidiary, whether or not such breach results in the termination of the Participant's employment; (vi) acts or omissions constituting a material failure to perform substantially and adequately the duties assigned to the Participant that are consistent with his or her position(s); (vii) any illegal act detrimental to the

Company or any Subsidiary; (viii) repeated failure to devote substantially all of the Participant's business time and efforts to the Company or any Subsidiary if required by the Participant's employment agreement; or (ix) the Participant's abuse of illegal drugs or other controlled substances or the Participant's habitual intoxication while providing services to the Company or any Subsidiary.

A Participant's resignation or death, in either case, at a time when Cause to terminate the Participant's employment or other service exists shall be treated as a termination for Cause for all purposes of the Plan and the Participant's Awards and Award Agreements.

2.5. "*Change in Control*" means, unless otherwise provided in an Award Agreement, after the Effective Date:

(a) the acquisition in one or more transactions (whether by purchase, merger, amalgamation or otherwise) by any "Person" (as such term is used for purposes of Section 13(d) or Section 14(d) of the Exchange Act, but excluding, for this purpose, (i) the Company and the Subsidiaries, (ii) any employee benefit plan of the Company or any Subsidiary or (iii) an entity owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of shares of the Company) of "Beneficial Ownership" (within the meaning of Rule 13d-3 under the Exchange Act), of more than fifty percent (50%) of the combined voting power of the Company's then outstanding voting securities (the "*Voting Securities*");

(b) a change in the composition of the Board such that the individuals who as of any date constitute the Board (the "*Incumbent Board*") cease to constitute a majority of the Board at any time during the 24-month period immediately following such date; provided, however, that if the election, or nomination for election by the Company's stockholders, of any new director was approved by a vote of at least a majority of the Incumbent Board, such new director shall be considered as a member of the Incumbent Board, and provided further that any reductions in the size of the Board that are instituted voluntarily by the Incumbent Board shall not constitute a Change in Control, and after any such reduction the "Incumbent Board" shall mean the Board as so reduced;

(c) a complete liquidation or dissolution or winding up of the Company (other than pursuant to a transaction in which the assets of the Company are distributed to an entity owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of shares of the Company); or

(d) the sale, directly or indirectly, of all or substantially all of the Company's and its Subsidiaries' assets (determined on a consolidated basis), other than to a Person described in clauses (i), (ii) or (iii) of Section 2.5(a) above.

Notwithstanding the foregoing, (i) a restructuring, reorganization or similar or analogous event in which the stockholders of the Company immediately before such event have "Beneficial Ownership" (within the meaning of Rule 13d-3 under the Exchange Act) of the Company, or of the resulting entity, immediately after such event in substantially the same proportions as their ownership of Shares of the Company immediately before such event shall not constitute a Change in Control and (ii) an IPO shall not be considered a Change in Control.

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

2.7. "*Company*" means BioAtla, Inc., a Delaware corporation, or any successor corporation or company.

2.8. "*Committee*" means the Compensation Committee of the Board, provided that the Committee shall at all times have at least two members, each of whom shall be a "non-employee director" as defined in Rule 16b-3 under the Exchange Act and the regulations issued thereunder and an "independent director" under the rules of any applicable stock exchange.

2.9. "*Consultant*" means a natural person (within the meaning of Form S-8 of the Securities Act) who provides bona fide services to the Company or any Subsidiary other than in connection with the offer or sale of Shares or other securities or shares in a capital-raising transaction and is not engaged in activities that directly or indirectly promote or maintain a market for the Shares or other securities of the Company.

2.10. "*Disability*" means,

(a) if the applicable Participant is party to an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary, and such term is defined therein, "Disability" shall have the meaning provided in such agreement;

(b) if the applicable Participant is not a party to an effective employment, consulting, severance or similar agreement with the Company or a Subsidiary or if no definition of "Disability" is set forth in the applicable employment, consulting, severance or similar agreement, "Disability" shall have the meaning provided in the applicable Award Agreement;

(c) if neither clause (a) nor clause (b) applies, then "Disability" shall mean that the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

2.11. "*Effective Date"* means the date that the Plan is approved by the stockholders of the Company.

2.12. "*Employee*" means an officer or other employee of the Company or a Subsidiary, including without limitation a director who is such an employee.

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

2.14. "*Fair Market Value*" means, on any given date (i) if the Shares are listed on any established stock exchange or a national market system, including without limitation The NASDAQ Global Market, the closing sales price for such Shares as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Committee deems reliable (or, if no closing sales price was reported on that date, on the last trading date such closing sales price was reported); (ii) if clause (i) does not apply, then if the Shares are regularly quoted by a recognized securities dealer but selling prices are not reported, the mean between the high bid and low asked prices for the Shares on the day of determination

(or, if no bids and asks were reported on that date, on the last trading date such bids and asks were reported); or (iii) if neither clause (i) nor clause (ii) applies, such value as the Committee in its discretion may in good faith determine in accordance with Section 409A of the Code and the regulations thereunder (and, with respect to Incentive Stock Options, in accordance with Section 422 of the Code and the regulations thereunder).

2.15. "IPO" means the initial public offering of the Company's securities, other than pursuant to a Form S-8 (or any successor form thereto).

2.16. "*Incentive Stock Option*" means an Option or portion thereof intended to meet the requirements of an incentive stock option as defined in Section 422 of the Code and designated as an Incentive Stock Option, and which in fact meets such requirements of Section 422 of the Code.

2.17. "*Incumbent Director*" means a director who either (1) is a member of the Board as of the Effective Date or (2) is elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination.

2.18. "*Non-Employee Director*" means a member of the Board who is not an Employee.

2.19. "*Non-Qualified Option*" means an Option or portion thereof that is designated as not being an Incentive Stock Option or that does not otherwise qualify as an Incentive Stock Option.

2.20. "*Option*" means a right granted under Section 6.1 of the Plan to purchase a specified number of Shares at a specified price. An Option may be an Incentive Stock Option or a Non-Qualified Option; provided, however, that unless otherwise explicitly stated in an Award Agreement, each Option is hereby designated as a Non-Qualified Option.

2.21. "*Other Stock-Based Award*" means a right granted under Section 6.7 of the Plan.

2.22. "*Participant*" means any Employee, Non-Employee Director or Consultant who receives an Award.

2.23. "*Performance Goals*" means any goals established by the Committee in its sole discretion, the attainment of which is substantially uncertain at the time such goals are established. Performance Goals may be described in terms of Company-wide objectives or objectives that are related to the performance of the individual Participant or a Subsidiary, division, department or function within the Company or a Subsidiary. Performance Goals may be measured on an absolute or relative basis. Relative performance may be measured, for example, by a group of peer companies or by a financial market index. Performance Goals may include, but are not limited to: achievement of specified research and development, publication, clinical and/or regulatory milestones, total shareholder return, earnings before interest, taxes, depreciation and amortization, net income (loss) (either before or after interest, taxes, depreciation and/or amortization), changes in the market price of the Shares, economic value-added, funds from operations or similar measure, sales or revenue, acquisitions or strategic transactions, operating income (loss), cash flow (including, but not limited to, operating cash flow and free cash flow), return on capital, assets, equity, or investment, return on sales, gross or net profit levels, productivity, expense, margins, operating efficiency, customer satisfaction, working capital, earnings (loss) per Share, sales or

market shares and number of customers, any of which may be measured either in absolute terms or as compared to any incremental increase or as compared to results of a peer group, and any combination of any of the foregoing criteria. If the Committee determines that a change in the business, operations, corporate structure or capital structure of the Company or a Subsidiary, or the manner in which it conducts its business, or other events or circumstances render the Performance Goals unsuitable, the Committee may modify such Performance Goals and/or the related minimum, target, maximum and/or other acceptable levels of achievement, in whole or in part, as the Committee deems appropriate and equitable.

2.24. "*Performance Period*" means the period selected by the Committee during which performance is measured for the purpose of determining the extent to which a Performance Goal has been achieved.

2.25. "*Performance Stock*" means Shares awarded by the Committee under Section 6.6 of the Plan that are subject to Performance Goals.

2.26. "*Performance Stock Unit*" means the right granted under Section 6.5 of the Plan to receive, on the date of settlement, one Share or an amount equal to the Fair Market Value of one Share, which right is subject to Performance Goals. Performance Stock Units may be settled in cash, Shares or any combination thereof; provided, however, that unless otherwise provided in an Award Agreement, Performance Stock Units shall be settled in Shares.

2.27. "*Person*" means an individual, corporation, partnership, association, limited liability company, estate or other entity.

2.28. "*Restricted Stock*" means a Share awarded by the Committee under Section 6.3 of the Plan.

2.29. "*Restricted Stock Unit*" means the right granted under Section 6.4 of the Plan to receive, on the date of settlement, one Share or an amount equal to the Fair Market Value of one Share. An Award of Restricted Stock Units may be settled in cash, Shares or any combination of the foregoing; provided, however, that unless otherwise provided in an Award Agreement, Restricted Stock Units shall be settled in Shares.

2.30. "*Restriction Period*" means the period during which Performance Stock, Performance Stock Units, Restricted Stock and Restricted Stock Units are subject to forfeiture.

2.31. "*SAR*" means a stock appreciation right awarded by the Committee under Section 6.2 of the Plan.

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

2.33. "*Share*" means one share of the Company's common stock, par value $0.0001 per share.

2.34. "*Subsidiary*" means any corporation, partnership, joint venture, company or other business entity of which 50% or more of the outstanding voting power is beneficially owned, directly or indirectly, by the Company.

2.35. "*Ten Percent Stockholder*" means a Person who on any given date owns, either directly or indirectly (taking into account the attribution rules contained in Section 424(d) of the Code), shares possessing more than 10% of the total combined voting power of all classes of shares of the Company, a "parent" or a "subsidiary" (as the terms "parent" and "subsidiary" are defined in Code Section 424).

Section 3. Eligibility.

Any Employee, Non-Employee Director or Consultant shall be eligible to be selected to receive an Award under the Plan, as determined in the sole discretion of the Committee; provided, however, that only persons who are Employees may be granted Incentive Stock Options.

Section 4. Administration of the Plan.

4.1. The Plan and all Award Agreements shall be administered by the Committee. Any action of the Committee in administering the Plan and an Award Agreement shall be final, conclusive and binding on all Persons, including without limitation the Company, its Subsidiaries, Participants, Persons claiming rights from or through Participants and stockholders of the Company. No member of the Committee (or any person to whom the Committee has delegated authority to act under the Plan) shall be personally liable for any action, determination, or interpretation taken or made in good faith by the Committee (or such person) with respect to the Plan or any Awards granted hereunder, and all members of the Committee (and such persons to whom the Committee has delegated authority to act under the Plan) shall be fully indemnified and protected by the Company in respect of any such action, determination or interpretation to the fullest extent permitted by law.

4.2. Subject to the provisions of the Plan, the Committee shall have full and final authority in its discretion to (i) select the Employees, Non-Employee Directors and Consultants who will receive Awards pursuant to the Plan; provided that Awards granted to Non-Employee Directors shall be subject to ratification by the full Board; (ii) determine the type or types of Awards to be granted to each Participant; (iii) determine the number of Shares to which an Award will relate, the terms and conditions of any Award granted under the Plan (including, but not limited to, restrictions as to vesting, Performance Goals relating to an Award, transferability or forfeiture, exercisability or settlement of an Award, waivers or accelerations thereof, and waivers of or modifications to Performance Goals relating to an Award, based in each case on such considerations as the Committee shall determine) and all other matters to be determined in connection with an Award; (iv) determine the exercise price or purchase price (if any) of an Award; (v) determine whether, to what extent, and under what circumstances an Award may be cancelled, forfeited, or surrendered; (vi) determine whether (and, if necessary, certify that) Performance Goals to which an Award is subject are satisfied; (vii) determine whether Participants will be permitted to defer the settlement of certain Awards; (viii) correct any defect or supply any omission or reconcile any inconsistency in the Plan and Award Agreements, and adopt, amend and rescind such rules, regulations, guidelines, forms of agreements and instruments relating to the Plan and Award Agreements as it may deem necessary or advisable; (ix) construe and interpret the Plan and Award Agreements; and (x) make all other determinations as it may deem necessary or advisable for the administration of the Plan and Award Agreements. Notwithstanding anything in the Plan or an Award Agreement to the contrary, no Award may be repriced, replaced or regranted through cancellation, nor may any underwater Option or underwater SAR be repurchased for cash, in any case, without the approval of the stockholders of the Company, provided that nothing herein shall prevent the Committee from taking any action provided for in Sections 7 or 8.

4.3. To the extent permitted by applicable law and the Company's by-laws, the Committee may delegate some or all of its authority with respect to the Plan and Awards to any executive officer of the Company or any other person or persons designated by the Committee, in each case, acting individually or as a committee, provided that the Committee may not delegate its authority hereunder to any person to make Awards to (a) Employees who are (i) subject to the requirements of Rule 16b-3 of the Exchange Act or (ii) officers or other Employees who are delegated authority by the Committee pursuant to this Section 4.3 or (b) members of the Board. Any delegation hereunder shall be subject to the restrictions and limits that the Committee specifies at the time of such delegation or thereafter in its sole discretion. The Committee may at any time rescind the authority delegated to any person pursuant to this Section 4.3. Any action undertaken by any such person or persons in accordance with the Committee's delegation of authority pursuant to this Section 4.3 shall have the same force and effect as if undertaken directly by the Committee.

4.4. Notwithstanding any other provision to the contrary, (i) Awards granted to Non-Employee Directors shall be administered by the full Board, and any authority reserved under the Plan for the Committee with regard to Awards granted to Non-Employee Directors shall be exercised by the full Board and (ii) prior to the occurrence of the IPO, the Plan, all Awards and all Award Agreements shall be administered by the Board (unless such authority is delegated by the Board to a committee thereof), and all references herein to "Committee" shall be deemed to refer to the Board.

Section 5. Shares Subject to the Plan.

5.1. Subject to adjustment as provided in Section 8 hereof and this Section 5, the maximum number of Shares that may be issued pursuant to Awards under the Plan shall be 25,215,823 (the "*Cap*"). No more than 25,215,823 Shares issued under the Plan may be issued pursuant to the exercise of Incentive Stock Options. The Shares issued under the Plan may, at the election of the Board, be (i) authorized but previously unissued Shares or (ii) Shares previously issued and outstanding and reacquired by the Company. Notwithstanding the foregoing, Shares issued under Awards granted in assumption, substitution or exchange for previously granted awards of a company acquired by the Company or any Subsidiary ("*Substitute Awards*") shall not count against the Cap, and to the extent permitted by the rules of the stock exchange on which the Shares are then listed or quoted, shares under a stockholder approved plan of an acquired company (adjusted to reflect the transaction) may be used for Awards under the Plan and do not count against the Cap. In addition, Shares issued pursuant to Awards granted under the Plan that satisfy the requirements of the "inducement grant exception" under NASDAQ Listing Rule 5635(c) (or any successor rule or analogous rule of another applicable stock exchange) ("*Inducement Awards*") shall not count against the Cap. The Award Agreement for any Award intended to be an Inducement Award must state that the Award subject thereto is intended to be an Inducement Award.

5.2. If any Shares subject to an Award under the Plan are forfeited or such Award otherwise terminates for any reason whatsoever without an actual distribution of Shares to the Participant, any Shares counted against the number of Shares available for issuance pursuant to the Plan with respect to such Award shall, to the extent of any such forfeiture or termination, be added back to the Cap and shall again be available for Awards under the Plan; provided, however, that (i) such treatment shall not apply for Substitute Awards or Inducement Awards and (ii) the Committee may adopt procedures for the counting of Shares relating to any Award to ensure appropriate counting, avoid double counting, provide for adjustments in any case in which the number of Shares actually distributed differs from the number of Shares previously counted in connection with such Award, and if necessary, to comply with applicable law or regulations. In addition, and notwithstanding anything contained herein to the contrary, Shares tendered in payment of the exercise price or withholding taxes with respect to an Award shall not become, or again be, available for Awards under the Plan.

Section 6. Awards.

Awards may be granted on the terms and conditions set forth in this Section 6. In addition, the Committee may impose on any Award or the settlement or exercise thereof, at the grant date or thereafter, such additional terms and conditions, not inconsistent with the provisions of the Plan, as the Committee shall determine, including without limitation terms requiring forfeiture of Awards in the event of a Participant's termination of employment or other service with the Company or any Subsidiary; provided, however, that the Committee shall retain full power to accelerate or waive any such additional term or condition as it may have previously imposed (provided that, in any case, any such action is permitted under Code Section 409A). The right of a Participant to exercise or receive a grant or settlement of any Award, and the timing thereof, may be subject to such Performance Goals as may be determined by the Committee. Each Award, and the terms and conditions applicable thereto, shall be evidenced by an Award Agreement.

6.1. *Options.* Options give a Participant the right to purchase a specified number of Shares from the Company for a specified time period at a fixed exercise price, as provided in the applicable Award Agreement. Options may be either Incentive Stock Options or Non-Qualified Options; provided that Incentive Stock Options may be granted only to employees of the Company or a "subsidiary" (as defined in Code Section 424(f)) of the Company. The grant of Options shall be subject to the following terms and conditions:

(a) *Exercise Price.* The price per Share at which Shares may be purchased upon exercise of an Option shall be determined by the Committee and specified in the Award Agreement, but shall be not less than the Fair Market Value of one Share on the grant date (or 110% of the Fair Market Value of one Share on the grant date in the case of an Incentive Stock Option granted to a Ten Percent Stockholder).

(b) *Term of Options.* The term of an Option shall be specified in the Award Agreement, but shall in no event be greater than ten years from the grant date (or five years from the grant date in the case of an Incentive Stock Option granted to a Ten Percent Stockholder).

(c) *Exercise of Option.* Each Award Agreement with respect to an Option shall specify the time or times at which an Option may be exercised in whole or in part and the terms and conditions applicable thereto, including without limitation (i) a vesting schedule which may be based upon the passage of time, attainment of Performance Goals or a combination thereof, (ii) whether the exercise price for an Option shall be paid in cash, with Shares, with any combination of cash and Shares, or with other legal consideration that the Committee may deem appropriate and to the extent permitted by applicable law, (iii) the methods of payment, which may include payment through cashless and net exercise arrangements, to the extent permitted by applicable law and (iv) the methods by which, or the time or times at which, Shares will be delivered or deemed to be delivered to Participants upon the exercise of such Option. Payment of the exercise price shall in all events be made within three days after the date of exercise of an Option. With respect to any Participant who is subject to Section 16 of the Exchange Act with respect to the Company, such Participant may direct the Company to reduce the number of Shares that would otherwise be deliverable upon the exercise of his or her Option by the number of Shares having a Fair Market Value on the date of exercise equal to the exercise price of the portion of the Option then being exercised.

(d) *Incentive Stock Options.* Each Participant awarded an Incentive Stock Option under the Plan shall notify the Company in writing immediately after the date he or she makes a "disqualifying disposition" (as defined in Section 421(b) of the Code) of any Shares acquired pursuant to the exercise of such Incentive Stock Option. The Company may, if determined by the Committee and in accordance with procedures established by it, retain possession of any Shares acquired pursuant to the exercise of an Incentive Stock Option as agent for the applicable Participant until the end of any period during which a disqualifying disposition could occur, subject to complying with any instructions from such Participant as to the sale of such Shares. The aggregate Fair Market Value, determined as of the grant date, for Awards granted under the Plan (or any other stock or share option plan required to be taken into account under Section 422(d) of the Code) that are intended to be Incentive Stock Options which are first exercisable by the Participant during any calendar year shall not exceed $100,000. To the extent an Award purporting to be an Incentive Stock Option exceeds the limitation in the previous sentence or does not otherwise qualify as an Incentive Stock Option, the portion of the Award in excess of such limit or that does not so qualify shall be a Non-Qualified Option.

(e) *No Dividend Equivalent Rights.* No Participant shall be entitled to dividend equivalent rights or payments with respect to any Shares underlying the Participant's Options.

6.2. *Stock Appreciation Rights.* A SAR shall confer on the Participant a right to receive, upon exercise thereof, the excess of (i) the Fair Market Value of one Share on the date of exercise over (ii) the grant price of the SAR as determined by the Committee, but which may never be less than the Fair Market Value of one Share on the grant date. No payment from the Participant shall be required to exercise a SAR. The grant of SARs shall be subject to the following terms and conditions:

(a) *General.* Each Award Agreement with respect to a SAR shall specify the number of SARs granted, the grant price of the SAR, the time or times at which the SAR may be exercised in whole or in part (including without limitation vesting upon the passage of time, the attainment of Performance Goals or a combination thereof), the method of exercise, method of settlement (in cash, Shares or a combination thereof), method by which Shares will be delivered or deemed to be delivered to Participants (if applicable) and any other terms and conditions of the SAR. Unless provided otherwise in an Award Agreement, all SARs shall be settled in Shares.

(b) *Term.* The term of a SAR shall be specified in the Award Agreement, but shall in no event be greater than ten years from the grant date.

(c) *No Dividend Equivalent Rights.* No Participant shall be entitled to dividend equivalent rights or payments with respect to any Shares underlying the Participant's SARs.

6.3. *Restricted Stock.* An Award of Restricted Stock is a grant by the Company of a specified number of Shares to the Participant, which Shares are subject to forfeiture upon the occurrence of specified events during the Restriction Period. Such an Award shall be subject to the following terms and conditions:

(a) *General.* Each Award Agreement with respect to Restricted Stock shall specify the duration of the Restriction Period and/or each installment thereof, the conditions under which the Restricted Stock may be forfeited to the Company, and the amount, if any, the Participant must pay to receive the Restricted Stock. Such restrictions may include a vesting schedule based upon the passage of time.

(b) *Transferability.* During the Restriction Period, the transferability of Restricted Stock shall be prohibited or restricted in the manner and to the extent prescribed in the applicable Award Agreement. Such restrictions may include, without limitation, rights of repurchase or first refusal in the Company or provisions subjecting the Restricted Stock to a continuing substantial risk of forfeiture in the hands of any transferee.

(c) *Stockholder Rights.* Unless otherwise provided in the applicable Award Agreement, during the Restriction Period the Participant shall have all the rights of a stockholder with respect to Restricted Stock, including, without limitation, the right to receive dividends thereon (whether in cash or Shares) and to vote such Shares of Restricted Stock in accordance with the Company's by-laws. Dividends may, in the discretion of the Committee, be paid currently or subject to the same restrictions as the underlying Restricted Stock, in either case, as set forth in the applicable Award Agreement (and the Committee may, in its sole discretion, withhold any cash dividends paid on Restricted Stock until the restrictions applicable to such Restricted Stock have lapsed); provided, however, that dividends paid on unvested Restricted Stock that is subject to Performance Goals shall not be paid or released unless and until the applicable Performance Goals have been achieved.

(d) *Additional Matters.* Upon the Award of Restricted Stock, the Committee may direct the number of Shares subject to such Award be issued to the Participant or placed in a restricted stock account (including without limitation an electronic account) with the transfer agent and in either case designating the Participant as the registered owner. The certificate(s), if any, representing such Shares shall be physically or electronically legended, as applicable, as to sale, transfer, assignment, pledge or other encumbrances during the Restriction Period and, if issued to the Participant, returned to the Company to be held in escrow during the Restriction Period. In all cases, the Participant shall sign a stock power or share transfer form (as appropriate) endorsed in blank to the Company to be held in escrow during the Restriction Period.

6.4. *Restricted Stock Units.* Restricted Stock Units are solely a device for the measurement and determination of the amounts to be paid to a Participant under the Plan. Restricted Stock Units do not constitute Shares and shall not be treated as (or as giving rise to) property or as a trust fund of any kind; provided, however, that the Company may establish a bookkeeping reserve to meet its obligations hereunder or a trust or other funding vehicle that would not cause the Plan to be deemed to be funded for tax purposes or for purposes of Title I of the Employee Retirement Income Security Act of 1974, as amended. The right of any Participant in respect of an Award of Restricted Stock Units shall be no greater than the right of any unsecured general creditor of the Company. The grant of Restricted Stock Units shall be subject to the following terms and conditions:

(a) *Restriction Period.* Each Award Agreement with respect to Restricted Stock Units shall specify the duration of the Restriction Period, if any, and/or each installment thereof and the conditions under which such Award may be forfeited to the Company. Such restrictions may include a vesting schedule based upon the passage of time.

(b) *Settlement.* Unless otherwise provided in an Award Agreement (i) an Award of Restricted Stock Units shall be settled in Shares, provided that any fractional Restricted Stock Units shall be settled in cash and (ii) subject to the Participant's continued employment or other service with the Company or a Subsidiary from the date of grant through the expiration of the Restriction Period (or applicable portion thereof), the vested portion of an Award of Restricted Stock Units shall be settled within 60 days after the expiration of the Restriction Period (or applicable portion thereof).

(c) *Stockholder Rights.* Nothing contained in the Plan shall be construed to give any Participant rights as a stockholder with respect to an Award of Restricted Stock Units (including, without limitation, any voting, dividend or derivative or other similar rights). Notwithstanding the foregoing, the Committee may provide in an Award Agreement that amounts equal to any dividends declared during the Restriction Period or deferral period on the Shares represented by an Award of Restricted Stock Units will be credited to the Participant's account and settled in Shares unless otherwise specified in the applicable Award Agreement at the same time (and subject to the same forfeiture restrictions) as the Restricted Stock Units to which such dividend equivalents relate (with the number of Shares released in payment of such dividend equivalents to equal the amount of dividend equivalents then being settled, divided by the Fair Market Value of one Share on the settlement date of such dividend equivalents); provided, however, that the Committee may determine at or after the grant date to settle any such dividend equivalents in cash.

6.5. *Performance Stock Units.* Performance Stock Units are solely a device for the measurement and determination of the amounts to be paid to a Participant under the Plan. Performance Stock Units do not constitute Shares and shall not be treated as (or as giving rise to) property or as a trust fund of any kind; provided, however, that the Company may establish a bookkeeping reserve to meet its obligations hereunder or a trust or other funding vehicle that would not cause the Plan to be deemed to be funded for tax purposes or for purposes of Title I of the

Employee Retirement Income Security Act of 1974, as amended. The right of any Participant in respect of an Award of Performance Stock Units shall be no greater than the right of any unsecured general creditor of the Company. The grant of Performance Stock Units shall be subject to the following terms and conditions:

(a) *Restriction Period.* Each Award Agreement with respect to Performance Stock Units shall specify the duration of the Performance Period and the Restriction Period, if any, and/or each installment thereof, the Performance Goals applicable to the Performance Stock Units and the conditions under which the Performance Stock Units may be forfeited to the Company. Such restrictions shall include a vesting schedule based on the attainment of one or more Performance Goals.

(b) *Settlement.* Unless otherwise provided in an Award Agreement, subject to the Participant's continued employment or other service with the Company or a Subsidiary from the grant date through the expiration of the Restriction Period (or applicable portion thereof), the vested portion of an Award of Performance Stock Units shall be settled within 60 days after the expiration of the Restriction Period (or applicable portion thereof). Unless provided otherwise in an Award Agreement, all Performance Stock Units will be settled in Shares (except that fractional Performance Stock Units shall be settled in cash).

(c) *Stockholder Rights.* Nothing contained in the Plan shall be construed to give any Participant rights as a stockholder with respect to an Award of Performance Stock Units (including, without limitation, any voting, dividend or derivative or other similar rights). Notwithstanding the foregoing, the Committee may provide in an Award Agreement that amounts equal to any dividends declared by the Company during the Restriction Period on the Shares represented by an Award of Performance Stock Units will be credited to the Participant's account and settled in cash or Shares at the same time (and subject to the same forfeiture restrictions and Performance Goals) as the Performance Stock Units to which such dividend equivalents relate (with the number of Shares released in payment of such dividend equivalents to equal the amount of dividend equivalents then being settled in Shares, divided by the Fair Market Value of one Share on the settlement date of such dividend equivalents).

6.6. *Performance Stock.* An Award of Performance Stock is a grant by the Company of a specified number of Shares to the Participant, which Shares are conditional on the achievement of one or more Performance Goals during the Performance Period and subject to forfeiture upon the occurrence of specified events during the Restriction Period. An Award of Performance Stock shall be subject to the following terms and conditions.

(a) *General.* Each Award Agreement with respect to Performance Stock shall specify the duration of the Performance Period and the Restriction Period, if any, and/or each installment thereof, the Performance Goals applicable to the Performance Stock and the conditions under which the Performance Stock may be forfeited to the Company, and the amount, if any, the Participant must pay to receive the Performance Stock.

(b) *Transferability.* During the Restriction Period, if any, the transferability of Performance Stock shall be prohibited or restricted in the manner and to the extent prescribed in the applicable Award Agreement. Such restrictions may include, without limitation, rights of repurchase or first refusal in the Company or provisions subjecting the Performance Stock to a continuing substantial risk of forfeiture in the hands of any transferee.

(c) *Stockholder Rights.* Unless otherwise provided in the applicable Award Agreement, during the Restriction Period the Participant shall have all the rights of a stockholder with respect to Performance Stock, including, without limitation, the right to receive dividends thereon (whether in cash or Shares), but only to the extent that Performance Stock vests based on the achievement of Performance Goals, and to vote such shares of Performance Stock. Dividends shall be subject to the same restrictions (and Performance Goals) as the underlying Performance Stock and the Committee shall withhold any cash dividends paid on Performance Stock until the Performance Goals are achieved and restrictions applicable to such Performance Stock have lapsed.

6.7. *Other Stock-Based Awards.* The Committee is authorized, subject to limitations under applicable law, to grant to Participants any type of Award (in addition to those Awards provided in Sections 6.1, 6.2, 6.3, 6.4, 6.5 and 6.6 hereof) that is payable in, or valued in whole or in part by reference to, Shares, and that is deemed by the Committee to be consistent with the purposes of the Plan, including, without limitation, fully vested Shares and dividend equivalents ("*Other Awards*").

6.8. *Termination of Employment or Other Service*. Unless otherwise provided in an Award Agreement, and except as otherwise provided in Section 7.2 hereof, upon a Participant's termination of employment or other service with the Company and its Subsidiaries (x) for any reason other than for Cause, the unvested portion of each Award shall be immediately forfeited upon such termination with no compensation or other payment due the Participant, and the vested portion of each Option and SAR shall be exercisable for the period set forth in the Award Agreement (but not beyond the stated term of such vested Option or vested SAR) or (y) for Cause, all vested and unvested Awards granted to such Participant shall be immediately forfeited upon such termination with no compensation or other payment due the Participant.

Section 7. Change in Control.

7.1. *General.* Unless otherwise provided in an Award Agreement, a Change in Control shall not, in and of itself, accelerate the vesting, settlement or exercisability of outstanding Awards. Notwithstanding the foregoing and unless otherwise provided in an Award Agreement, if (i) the successor corporation or company (or its direct or indirect parent) does not agree to assume an outstanding Award or does not agree to substitute or replace such Award with an award involving the ordinary equity securities of such successor corporation (or its direct or indirect parent) on terms and conditions necessary to preserve the rights of the applicable Participant with respect to such Award, (ii) the securities of the Company or the successor corporation or company (or its direct or indirect parent) will not be publicly traded on a U.S. securities exchange immediately following such Change in Control or (iii) the Change in Control is not approved by a majority of the Incumbent Directors immediately prior to such Change in Control, then the Committee, in its sole discretion, may take one or more of the following actions with respect to all, some or any such Awards: (a) accelerate the vesting and, if applicable, exercisability of such Awards such that the Awards are fully vested and, if applicable, exercisable (effective immediately prior to such Change in Control); (b) with respect to any Awards that do not constitute "non-

qualified deferred compensation" within the meaning of Code Section 409A, accelerate the settlement of such Awards upon such Change in Control; (c) with respect to Awards that constitute "non-qualified deferred compensation" within the meaning of Code Section 409A, terminate all such Awards and settle all such Awards for a cash payment equal to the Fair Market Value of the Shares underlying such Awards less the amount the Participant is required to pay for such Shares, if any, provided that (I) such Change in Control satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(v), (vi) or (vii) and (II) all other arrangements that would be aggregated with such Awards under Code Section 409A are terminated and liquidated within 30 days before or 12 months after such Change in Control; (d) cancel outstanding Options and SARs in exchange for a cash payment in an amount equal to the excess, if any, of the Fair Market Value of the Shares underlying the unexercised portion of the Option or SAR as of the date of the Change in Control over the exercise price or grant price, as the case may be, of such portion, provided that any Option or SAR with a per Share exercise price or grant price, as the case may be, that equals or exceeds the Fair Market Value of one Share on the date of the Change in Control shall be cancelled with no payment due the Participant and (e) take such other actions as the Committee deems appropriate (to the extent permitted by Code Section 409A). If any action is taken with respect to any Award under items (a) through (e) of this Section 7.1 and such Award is subject to Performance Goals, such Performance Goals shall be deemed satisfied based on the actual level of achievement of the applicable Performance Goals through the date of the Change in Control or, if determined by the Committee in its sole discretion prior to such Change in Control, using the applicable target level of achievement rather than such actual level of achievement. The judgment of the Committee with respect to any matter referred to in this Section 7.1 shall be conclusive and binding upon each Participant (and all other Persons) without the need for any amendment to the Plan or any Award or Award Agreement. Notwithstanding the foregoing, no Award that constitutes "non-qualified deferred compensation" (within the meaning of Section 409A of the Code) shall be payable upon the occurrence of a Change in Control unless such Change in Control satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5).

7.2. *Termination Following a Change in Control.* Notwithstanding anything contained in the Plan to the contrary, unless otherwise provided in an Award Agreement, in the event that Awards under the Plan are assumed in connection with a Change in Control or are substituted with new awards, in either case, pursuant to Section 7.1 above, and a Participant's employment or other service with the Company and its Subsidiaries is terminated by the Company or a Subsidiary without Cause or due to Disability or as the result of the Participant's death, in any case, within 24 months following a Change in Control, (i) the unvested portion of such Participant's Awards (including without limitation any awards received in substitution of an Award) shall vest in full (with any applicable Performance Goals being deemed to have been achieved at target or, if greater, actual levels of performance), (ii) Awards of Options and SARs (including without limitation options and stock or share appreciation rights received in substitution of an Award) shall remain exercisable by the Participant or the Participant's beneficiary or legal representative, as the case may be, for a period of one-year thereafter (but not beyond the stated term of such Option or SAR), (iii) all Restricted Stock Units and Performance Stock Units (including without limitation restricted stock units and performance stock units received in substitution of an Award) shall be settled within 30 days after such termination and (iv) all Other Stock-Based Awards (including without limitation any received in substitution of an Award) shall be settled within 30 days after such termination; provided, however, that with respect to clauses (iii) and (iv), if settlement of such Awards on the date described in this Section 7.2 would violate Code Section 409A, then such Award instead shall be settled in full at the time it otherwise would have been settled in connection with a termination of employment or service without Cause or due to death or Disability, as applicable.

Section 8. Adjustments upon Changes in Capitalization.

8.1. In order to prevent dilution or enlargement of the rights of Participants under the Plan as a result of any share dividend, recapitalization, forward share split or reverse share split, reorganization, merger, consolidation, amalgamation, spin-off, combination, extraordinary cash distribution or other similar or analogous corporate transaction or event that affects the Shares, the Committee shall adjust (i) the number and kind of Shares which may thereafter be issued in connection with Awards, (ii) the number and kind of Shares issuable in respect of outstanding Awards, (iii) the Cap and the specific limitations under Section 5 hereof and (iv) the exercise or grant price relating to any Award. Any such adjustment shall be made in an equitable manner which reflects the effect of such transaction or event. It is provided, however, that in the case of any such transaction or event, the Committee may make any additional adjustments to the items in clauses (i) through (iv) above which it deems appropriate in the circumstances, or make provision for a cash payment with respect to any outstanding Award.

8.2. In addition to the adjustments described in Section 8.1 above, the Committee is authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards, including without limitation any Performance Goals, in recognition of unusual or nonrecurring events affecting the Company or any Subsidiary, or in response to changes in applicable laws, regulations, or accounting principles (including, without limitation, (a) asset write-downs; (b) significant litigation or claim judgments or settlements; (c) the effect of changes in tax laws, accounting standards or principles, or other laws or regulatory rules affecting reporting results; (d) any reorganization and/or restructuring programs or change in the corporate structure or capital structure of the Company or a Subsidiary; (e) extraordinary nonrecurring items as described in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual report to stockholders for the applicable year or period; (f) acquisitions or divestitures; (g) any other specific unusual or nonrecurring events or objectively determinable category thereof; (h) foreign exchange gains and losses; and (i) a change in the Company's fiscal year).

8.3. If Sections 7 and 8 hereof could both apply to an event, Section 7 hereof shall control.

Section 9. Termination and Amendment.

9.1. *Changes to the Plan and Awards.* The Board may amend, alter, suspend, discontinue, or terminate the Plan without the consent of the Company's stockholders or Participants, except that any such amendment or alteration shall be subject to the approval of the Company's stockholders if (i) such action would increase the number of Shares subject to the Plan (other than in connection with adjustments under Section 8.1 hereof), (ii) such action would decrease the price at which Awards may be granted, or (iii) such stockholder approval is required by any applicable federal, state or foreign law or regulation or the rules of any stock exchange or automated quotation system on which the Shares may then be listed or quoted, and the Board may

otherwise, in its discretion, determine to submit such other changes to the Plan to the Company's stockholders for approval; provided, however, that except as provided in Section 18 hereof, without the consent of an affected Participant, no amendment, alteration, suspension, discontinuation, or termination of the Plan may materially and adversely affect the rights of such Participant under any outstanding Award unless such amendment, alteration, suspension, discontinuation or termination is required by law or the rules of any applicable securities exchange.

9.2. The Committee may waive any conditions or rights under, or amend, alter, suspend, discontinue, or terminate, any Award theretofore granted and any Award Agreement relating thereto; provided, however, that except as provided in Section 18 hereof, without the consent of an affected Participant, no such amendment, alteration, suspension, discontinuation, or termination of any Award may materially and adversely affect the rights of such Participant under such Award unless such amendment, alteration, suspension, discontinuation or termination is required by law or the rules of any applicable securities exchange.

9.3. Notwithstanding anything in Section 8 hereof or this Section 9 to the contrary, any Performance Goal applicable to an Award shall not be deemed a fixed contractual term, but shall remain subject to adjustment by the Committee, in its discretion at any time in view of the Committee's assessment of the Company's strategy, performance of comparable companies, and other circumstances.

9.4. *No Repricing*. Notwithstanding anything in the Plan or an Award Agreement to the contrary, no Award may be repriced, replaced or regranted through cancellation, nor may any underwater option or underwater SAR be repurchased for cash, in any case, without the approval of the stockholders of the Company, provided that nothing herein shall prevent the Committee from taking any action provided for in Sections 7 and/or 8 hereof.

Section 10. No Right to Award, Employment or Service.

No Employee, Consultant or Non-Employee Director shall have any claim to be granted any Award under the Plan, and there is no obligation that the terms of Awards be uniform or consistent among Participants. Neither the Plan nor any action taken hereunder shall be construed as giving any Participant any right to be retained in the employ or service of the Company or any Subsidiary. For purposes of the Plan, a transfer of employment or service between the Company and any of its Subsidiaries shall not be deemed a termination of employment or service; provided, however, that individuals employed by, or otherwise providing services to, an entity that ceases to be a Subsidiary shall be deemed to have incurred a termination of employment or service, as the case may be, as of the date such entity ceases to be a Subsidiary unless such individual becomes an employee of, or service provider to, the Company or another Subsidiary as of the date of such cessation. A change in status from Employee to Consultant shall be deemed to be a termination of employment, unless otherwise determined by the Committee. The Committee may adopt rules and make determinations on how a leave of absence will impact an Award, including, without limitation, tolling the vesting schedule or treating such leave of absence as a termination of employment or other service (such rules may be applied retroactively).

Section 11. Taxes.

Each Participant must make appropriate arrangement for the payment of any taxes relating to an Award granted hereunder. The Company or any Subsidiary is authorized to withhold from any payment relating to an Award under the Plan, including without limitation from a distribution of Shares or cash, amounts of withholding and other taxes due in connection with any transaction involving an Award, and to take such other action as the Committee may deem advisable to enable the Company and Participants to satisfy obligations for the payment of withholding taxes and other tax obligations relating to any Award (including without limitation withholding from any payroll or other payment due to a Participant). This authority shall include the ability to withhold or receive Shares or other property and to make cash payments in respect thereof in satisfaction of a Participant's tax obligations. With respect to any Participant who is subject to Section 16 of the Exchange Act with respect to the Company, such Participant may direct the Company to reduce the number of Shares that would otherwise be deliverable upon the exercise, settlement or vesting of his or her Awards having a Fair Market Value on the date of exercise, settlement or vesting (as the case may be) equal to the withholding due in connection with such exercise, settlement or vesting (as the case may be). Withholding of taxes in the form of Shares with respect to an Award shall not occur at a rate that equals or exceeds the rate that would result in liability accounting treatment.

Section 12. Limits on Transferability; Beneficiaries.

No Award or other right or interest of a Participant under the Plan shall be (i) pledged, encumbered, or hypothecated to, or in favor of, or subject to any lien, obligation, or liability of such Participant to, any party, other than the Company or any Subsidiary, or (ii) assigned or transferred by such Participant other than by will or the laws of descent and distribution, and such Awards and rights shall be exercisable during the lifetime of the Participant only by the Participant or (with respect to Awards other than Incentive Stock Options) his or her guardian or legal representative. Notwithstanding the foregoing, the Committee may, in its discretion, provide that Non-Qualified Options, SARs, Performance Stock and Restricted Stock be transferable, without consideration, to immediate family members (i.e., children, grandchildren or spouse), to trusts for the benefit of such immediate family members and to partnerships in which such family members are the only partners (any vesting conditions shall be unaffected by such transfer). The Committee may attach to such transferability feature such terms and conditions as it deems advisable. In addition, a Participant may, in the manner established by the Committee, designate a beneficiary (which may be a Person or a trust) to exercise the rights of the Participant, and to receive any distribution, with respect to any Award upon the death of the Participant. A beneficiary, guardian, legal representative or other Person claiming any rights under the Plan from or through any Participant shall be subject to all terms and conditions of the Plan and any Award Agreement applicable to such Participant, except as otherwise determined by the Committee, and to any additional restrictions deemed necessary or appropriate by the Committee.

Section 13. Foreign Nationals.

Without amending the Plan, Awards may be granted to Employees, Consultants and Non-Employee Directors who are foreign nationals or are employed or providing services outside the United States or both, on such terms and conditions different from those specified in the Plan as may, in the judgment of the Committee, be necessary or desirable to further the purpose of the Plan. Moreover, the Committee may approve such supplements to, or sub-plans, amendments,

restatements or alternative versions of, the Plan as it may consider necessary or appropriate for such purposes without thereby affecting the terms of the Plan as in effect for any other purpose, provided that no such supplements, sub-plans, amendments, restatements or alternative versions shall include any provisions that are prohibited by the terms of the Plan, as then in effect, unless the Plan could have been amended to eliminate such prohibition without further approval by the stockholders of the Company.

Section 14. Securities Law Requirements.

14.1. No Shares may be issued hereunder if the Company shall at any time determine that to do so would (i) violate the listing requirements of an applicable securities or stock exchange, or adversely affect the registration or qualification of the Company's Shares under any state or federal law, or otherwise violate any law, rule or regulation, or (ii) require the consent or approval of any regulatory or supervising body or stockholders. In any of the events referred to in clause (i) or clause (ii) above, the issuance of such Shares shall be suspended and shall not be effective unless and until it is done in compliance with all applicable laws, rules and regulations, and such listing, registration, qualifications, consents or approval shall have been effected or obtained free of any conditions not acceptable to the Company in its sole discretion, notwithstanding any termination of any Award or any portion of any Award during the period when issuance has been suspended (provided, however, that if permitted under Code Section 409A, the Committee may toll the expiration date of an Award such that it will not terminate during any such period of suspension).

14.2. The Committee may require, as a condition to the issuance of Shares hereunder, representations, warranties and agreements to the effect that such Shares are being purchased or acquired by the Participant for investment only and without any present intention to sell or otherwise distribute such Shares, and that the Participant will not dispose of such Shares in transactions which, in the opinion of counsel to the Company, would violate the registration provisions of the Securities Act and the rules and regulations thereunder.

Section 15. Termination.

Unless earlier terminated, the Plan shall terminate with respect to the grant of new Awards on the earlier of the 10-year anniversary of the Effective Date or the 10-year anniversary of the date the Plan was approved by the Board, and no Awards under the Plan shall thereafter be granted; provided that no such termination shall impact Awards that were granted prior to such termination.

Section 16. Fractional Shares.

The Company will not be required to issue any fractional Shares pursuant to the Plan. The Committee may provide for the elimination of fractions and settlement of such fractional Shares in cash, in its sole discretion.

Section 17. Discretion.

In exercising, or declining to exercise, any grant of authority or discretion hereunder, the Committee may consider or ignore such factors or circumstances and may accord such weight to such factors and circumstances as the Committee alone and in its sole judgment deems appropriate and without regard to the effect such exercise, or declining to exercise such grant of authority or discretion, would have upon the affected Participant, any other Participant, any Employee, any Consultant, any Non-Employee Director, the Company, any Subsidiary, any affiliate, any stockholder or any other Person.

Section 18. Code Section 409A.

The Plan and all Awards are intended to comply with, or be exempt from, Code Section 409A and all regulations, guidance, compliance programs and other interpretative authority thereunder, and shall be interpreted in a manner consistent therewith without increasing the cost to the Company. In the event that a Participant is a "specified employee" within the meaning of Code Section 409A, and a payment or benefit provided for under the Plan would be subject to additional tax under Code Section 409A if such payment or benefit is paid within six (6) months after such Participant's "separation from service" (within the meaning of Code Section 409A), then such payment or benefit shall not be paid (or commence) during the six (6) month period immediately following such Participant's separation from service except as provided in the immediately following sentence. In such an event, any payments or benefits that would otherwise have been made or provided during such six (6) month period and which would have incurred such additional tax under Code Section 409A shall instead be paid to the Participant in a lump-sum, without interest, on the earlier of (i) the first business day of the seventh month following the month in which such Participant's separation from service occurs or (ii) the tenth business day following such Participant's death (but not earlier than if such delay had not applied). A Participant's right to receive any installment payments under an Award Agreement, including without limitation as the result of any deferral of an Award in accordance with Code Section 409A, shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Code Section 409A. Notwithstanding anything contained in the Plan or in an Award Agreement to the contrary, neither the Company, any member of the Committee nor any Subsidiary shall have any liability or obligation to any Participant or any other Person for taxes, interest, penalties or fines (including without limitation any of the foregoing resulting from the failure of any Award granted hereunder to comply with, or be exempt from, Code Section 409A). For purposes of any Award that constitutes "non-qualified deferred compensation" under Code Section 409A, the terms "termination of employment" or "termination of service" and similar phrases to each shall mean "separation from service" within the meaning of Code Section 409A.

Section 19. Governing Law.

The validity and construction of the Plan and any Award Agreements entered into hereunder shall be construed and enforced in accordance with the laws of the State of Delaware, but without giving effect to the conflict of laws principles thereof.

Section 20. Recoupment/Share Ownership.

Any Award granted pursuant to the Plan (and all Shares acquired thereunder) shall be subject to mandatory repayment and clawback pursuant to the terms of the Company's corporate governance guidelines, as in effect from time to time, and as may otherwise be required by law or the rules of any applicable securities exchange. Additional recoupment and clawback policies may be provided in the Participant's Award Agreement. In addition, all Awards granted under the Plan (and all Shares acquired hereunder) shall be subject to the holding periods set forth in the Company's stock ownership guidelines, as in effect from time to time.

Section 21. Effective Date.

The Plan shall become effective upon the Effective Date.

[end of Plan]

AMENDMENT 1 TO
BIOATLA, INC.
2020 EQUITY INCENTIVE PLAN

Pursuant to the authority reserved to it in Section 9.1 of the BioAtla, Inc. 2020 Equity Incentive Plan, adopted October 29, 2020 and as amended from time to time (the "Plan"), the Board of Directors of BioAtla, Inc. (the "Board") hereby amends the Plan as follows, effective December 7, 2020:

1. Section 5.1 of the Plan is hereby amended in its entirety to read as follows:

"Subject to adjustment as provided in Section 8 hereof and this Section 5, the maximum number of Shares that may be issued pursuant to Awards under the Plan shall be 4,939,678 Shares (the "*Cap*"); provided, however, that on January 1st of each year, commencing with the first January 1st following the Effective Date of the Plan, the Cap shall be increased by a number of Shares equal to (x) 4% of the total number of Shares outstanding on the immediately preceding December 31st and (y) such lesser number of Shares determined by the Board. No more than 4,939,678 Shares issued under the Plan may be issued pursuant to the exercise of Incentive Stock Options (provided that on January 1st of each year of the term of the Plan, this limitation shall be increased by the lesser of (x) 4% of the total number of Shares outstanding on the immediately preceding December 31st and (y) 1,538,461 Shares (subject to adjustment as provided in Section 8 hereof)). The Shares issued under the Plan may, at the election of the Board, be (i) authorized but previously unissued Shares or (ii) Shares previously issued and outstanding and reacquired by the Company. Notwithstanding the foregoing, Shares issued under Awards granted in assumption, substitution or exchange for previously granted awards of a company acquired by the Company or any Subsidiary ("*Substitute Awards*") shall not count against the Cap, and to the extent permitted by the rules of the stock exchange on which the Shares are then listed or quoted, shares under a stockholder approved plan of an acquired company (adjusted to reflect the transaction) may be used for Awards under the Plan and do not count against the Cap. No Non-Employee Director may be granted Awards in any one calendar year covering a number of Shares that have a Fair Market Value on the grant date in excess of (i) $750,000 in the first calendar year of such Non-Employee Director's initial service as a Non-Employee Director and (ii) $500,000 in any other calendar year of such Non-Employee Director's service."

2. The reference to "or Inducement Awards" in Section 5.2 of the Plan is hereby deleted.

3. Clause (iii) in Section 8.1 of the Plan is hereby amended and restated in its entirety to read as follows:

"(iii) the Cap, the number of Shares set forth in the second clause (y) in Section 5.1 hereof, and the specific Share limitations under Section 5 hereof and"

4. Section 2.11 of the Plan is hereby amended in its entirety to read as follows:

"'*Effective Date'* means the date that the Plan is approved by the Board, but subject to the approval of the Plan by the Company's stockholders within one year after such date."

*****

[*signature page follows*]

To record the adoption of this Amendment 1 to the Plan, the Board has caused its authorized officer to execute this Amendment this 7th day of December 2020. This Amendment 1 to the Plan shall become effective upon its approval by the Company's stockholders.

BIOATLA, INC.

By:

/s/ Jay Short

Name: Jay Short
Title: Chief Executive Officer

RESTRICTED STOCK UNIT AGREEMENT
UNDER THE BIOATLA, INC.
2020 EQUITY INCENTIVE PLAN

THIS RESTRICTED STOCK UNIT AGREEMENT (this "***Agreement***") is between BioAtla, Inc., a Delaware corporation (the "***Company***"), and [_____] (the "***Grantee***") and is made as of [_____], 2020 (the "***Grant Date***").

RECITALS

WHEREAS, the Company maintains the BioAtla, Inc. 2020 Equity Incentive Plan (as it may be amended and/or restated from time to time, the "***Plan***");

WHEREAS, the Plan permits the Company to award Restricted Stock Units with respect to shares of the Company's common stock, $0.0001 par value per share ("***Shares***"), subject to the terms of the Plan; and

WHEREAS, the Company desires to grant Restricted Stock Units to the Grantee in accordance with the terms of this award agreement (this "***Agreement***").

NOW, THEREFORE, in consideration of these premises and the agreements set forth herein, the parties, intending to be legally bound hereby, agree as follows:

1. Award of Restricted Stock Units. The Company hereby grants to the Grantee, as of the Grant Date, [_____] Restricted Stock Units (the "***RSUs***"). With respect to each RSU that becomes vested in accordance with the terms of this Agreement, the Grantee will be entitled to receive one Share upon the settlement of such RSU (the "***RSU Shares***"). The RSUs are subject to the terms set forth herein, and the terms of the Plan, which terms and provisions are incorporated herein by reference. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

2. Vesting; Settlement.

(a) As of the Grant Date, the RSUs are unvested and shall become vested as follows:

Vesting Date	Vesting Percentage on Vesting Date
First anniversary of the Vesting Commencement Date	25%
The last day of each of the 36 months following the month in which the first anniversary of the Vesting Commencement Date occurs	2.08333%

The "***Vesting Commencement Date***" means August 25, 2020. If the percentages above would result in a fraction of an RSU vesting on a vesting date, then the number of RSUs vesting on such vesting date shall be rounded up to the next whole number; provided, however, that in no event shall more than 100% of the RSUs become vested and settled.

Notwithstanding the foregoing, if neither a Change in Control nor the IPO has occurred prior to a vesting date set forth above, then no vesting shall occur on such date, and instead, the RSUs that would have vested on the vesting date set forth above but for this sentence (the "***Liquidity Vesting RSUs***") shall remain unvested and shall become vested upon the occurrence of the earlier of a Change in Control and the IPO, and all remaining RSUs shall continue to vest in accordance with the vesting schedule set forth above.

Vesting of any RSUs in all cases is subject to the Grantee's continued employment with the Company or one of its Subsidiaries from the Grant Date through and including the applicable vesting date, which in the case of Liquidity Vesting RSUs, shall be the date on which the earlier of a Change in Control and the IPO occurs. Except as otherwise specifically provided in Section 7.2 of the Plan, if the Grantee's employment with the Company or any of its Subsidiaries terminates for any reason prior to the date on which all of the RSUs have become vested, regardless of whether such termination is initiated by the Grantee, by the Company or by any of the Company's Subsidiaries, then all RSUs which are unvested as of the date of such termination shall be forfeited immediately upon such termination with no compensation or other payment due to the Grantee or any other Person. In addition, if the Grantee's employment with the Company or any of its Subsidiaries is terminated for Cause, then any RSUs which have not been settled as of such termination of employment (even if such RSUs are vested) shall be forfeited immediately upon such termination with no compensation or other payment due to the Grantee or any other Person.

Notwithstanding anything to the contrary contained in any offer letter, severance agreement, employment agreement, consulting agreement or similar agreement between the Grantee and the Company or any of its Affiliates, (i) the RSUs shall not vest upon or following Grantee's termination of employment except as provided in Section 7.2 of the Plan and (ii) the RSUs shall not vest upon a Change in Control, a change in control, a change of control or any similar event except as provided in this Agreement or in the Plan.

(b) Each RSU that becomes vested shall be settled as soon as reasonably practicable following the date on which such RSU becomes vested, and in any event within 30 days after the vesting event.

(c) Prior to the receipt by the Grantee of an RSU Share in settlement of an RSU, the Grantee shall have no rights of a stockholder with respect to such RSU or RSU Share, including, without limitation, the right to receive dividends with respect to such RSU or RSU Share or the right to vote such RSU or RSU Share. Notwithstanding the foregoing or anything contained in this Agreement to the contrary, if the Company declares a cash dividend on Shares with a record

date during the period between the Grant Date and the date immediately preceding the date on which an RSU Share is delivered upon the settlement of a vested RSU, then the Grantee shall be entitled to receive with respect to the vested RSUs being settled on such date an amount in cash equal to the product of (i) the number of vested RSUs then being settled, multiplied by (ii) the amount of cash dividends declared per Share during the period between the Grant Date and the date immediately preceding the date on which such RSU Shares are delivered upon the settlement of such vested RSUs, with such cash payment to be made to the Grantee at the same time as RSU Shares are issued upon the settlement of such vested RSUs; provided, however, that if any such cash dividends have been declared but not paid, such payment shall not be made in respect of such cash dividend until the first payroll date after such cash dividend is paid (and if such dividend equivalent described in this Section 2(c) is not paid to the Participant by March 15th of the year immediately following the year in which the applicable RSU vested, then such dividend equivalent shall be forfeited). Any such amounts will be forfeited upon the forfeiture of the underlying RSU, with no compensation or other payment due to the Grantee or any other Person.

3. Non-Transferability of RSUs. The RSUs may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution.

4. Conditions on All Transfers of RSU Shares. Notwithstanding anything to the contrary contained in this Agreement or the Plan, no transfer of an RSU Share shall be made, or, if attempted or purported to be made, shall be effective, unless and until the Company is satisfied that the transfer will not violate any federal or state securities law or any other law or agreement (including this Agreement or the Plan) or the rules of any applicable stock exchange. If the transfer would violate any such law, agreement or rule and the Grantee nevertheless attempts or purports to engage in a transfer of RSU Shares, then the Company shall not recognize such transfer on the books and records of the Company and such transfer will be null and void *ab initio*. In addition, the Grantee will be liable to the Company for damages, if any, which may result from such attempted or purported transfer.

5. No Promise of Employment or Other Service. Neither the Plan nor the granting or holding of the RSUs nor the holding of RSU Shares will confer upon the Grantee any right to continue in the employ or other service of the Company or any Subsidiary, or limit, in any respect, the right of the Company or any Subsidiary to discharge the Grantee at any time, for any reason and with or without notice.

6. Withholding. The Grantee shall be responsible for making appropriate provision for all taxes required to be withheld in connection with the grant of RSUs and/or the settlement thereof (and the payment of any dividend equivalents). Such responsibility shall extend to all applicable federal, state, local and foreign withholding taxes. The Company or its Subsidiaries, in their sole discretion, shall have the right to retain the number of shares whose Fair Market Value equals the amount to be withheld in satisfaction of the applicable withholding taxes (or to withhold from any payroll or other amounts otherwise due to the Grantee the amount of withholding taxes due in connection with the RSUs or any dividend equivalents).

7. The Plan. The Grantee has received a copy of the Plan, has read the Plan and is familiar with its terms, and hereby accepts the RSUs subject to all of the terms and

provisions of the Plan and this Agreement. Pursuant to the Plan, the Committee is authorized to interpret the Plan and to adopt rules and regulations not inconsistent with the Plan as it deems appropriate. The Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee with respect to the Plan, this Agreement, the RSUs, the RSU Shares or any agreement relating to the RSUs or the RSU Shares. In the event of a conflict between the terms of the Plan and the terms of this Agreement, the terms of the Plan shall control.

8. Investment Representation. The Grantee hereby represents and warrants to the Company that the Grantee, by reason of the Grantee's business or financial experience (or the business or financial experience of the Grantee's professional advisors who are unaffiliated with and who are not compensated by the Company or any affiliate or selling agent of the Company, directly or indirectly), has the capacity to protect the Grantee's own interests in connection with the transactions contemplated under this Agreement.

9. Governing Law. This Agreement will be construed in accordance with the laws of the State of Delaware, without regard to the application of the principles of conflicts of laws of Delaware or any other jurisdiction.

10. Severability. All provisions of this Agreement are distinct and severable and if any clause shall be held to be invalid, illegal or against public policy, the validity or the legality of the remainder of this Agreement shall not be affected thereby, and the remainder of this Agreement shall be interpreted to give maximum effect to the original intention of the parties hereto.

11. Amendment. Subject to the provisions of the Plan, this Agreement may only be amended by a writing signed by each of the parties hereto.

12. Entire Agreement. This Agreement, together with the Plan, represents the entire agreement between the parties hereto relating to the subject matter hereof, and merges and supersedes all prior and contemporaneous discussions, agreements and understandings of every nature relating to the award of the RSUs to the Grantee by the Company.

[signature page follows]

IN WITNESS WHEREOF, the Company has caused its duly authorized officer to execute this Agreement, and the Grantee has placed his or her signature hereon evidencing his or her agreement to the terms hereof, effective as of the Grant Date.

BIOATLA, INC.

By: _____
Name:
Title:

GRANTEE

_____
Name:

RESTRICTED STOCK UNIT AGREEMENT
UNDER THE BIOATLA, INC.
2020 EQUITY INCENTIVE PLAN

THIS RESTRICTED STOCK UNIT AGREEMENT (this "***Agreement***") is between BioAtla, Inc., a Delaware corporation (the "***Company***"), and [_____] (the "***Grantee***") and is made as of [_____], 2020 (the "***Grant Date***").

RECITALS

WHEREAS, the Company maintains the BioAtla, Inc. 2020 Equity Incentive Plan (as it may be amended and/or restated from time to time, the "***Plan***");

WHEREAS, the Plan permits the Company to award Restricted Stock Units with respect to shares of the Company's common stock, $0.0001 par value per share ("***Shares***"), subject to the terms of the Plan; and

WHEREAS, the Company desires to grant Restricted Stock Units to the Grantee in accordance with the terms of this award agreement (this "***Agreement***").

NOW, THEREFORE, in consideration of these premises and the agreements set forth herein, the parties, intending to be legally bound hereby, agree as follows:

1. Award of Restricted Stock Units. The Company hereby grants to the Grantee, as of the Grant Date, [_____] Restricted Stock Units (the "***RSUs***"). With respect to each RSU that becomes vested in accordance with the terms of this Agreement, the Grantee will be entitled to receive one Share upon the settlement of such RSU (the "***RSU Shares***"). The RSUs are subject to the terms set forth herein, and the terms of the Plan, which terms and provisions are incorporated herein by reference. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

2. Vesting; Settlement.

(a) The RSUs are unvested on the Grant Date and shall become vested as follows:

Vesting Date	Vesting Percentage on Vesting Date
First anniversary of the Grant Date	50%
The last day of each of the 24 months following the month in which the first anniversary of the Grant Date occurs	2.08333%

If the percentages above would result in a fraction of an RSU vesting on a vesting date, then the number of RSUs vesting on such vesting date shall be rounded up to the next whole number; provided, however, that in no event shall more than 100% of the RSUs become vested and settled.

Notwithstanding the foregoing, if neither a Change in Control nor the IPO has occurred prior to a vesting date set forth above, then no vesting shall occur on such date, and instead, the RSUs that would have vested on the vesting date set forth above but for this sentence (the "***Liquidity Vesting RSUs***") shall remain unvested and shall become vested upon the occurrence of the earlier of a Change in Control and the IPO, and all remaining RSUs shall continue to vest in accordance with the vesting schedule set forth above.

Vesting of any RSUs in all cases is subject to the Grantee's continued employment with the Company or one of its Subsidiaries from the Grant Date through and including the applicable vesting date, which in the case of Liquidity Vesting RSUs, shall be the date on which the earlier of a Change in Control and the IPO occurs. Except as otherwise specifically provided in Section 7.2 of the Plan, if the Grantee's employment with the Company or any of its Subsidiaries terminates for any reason prior to the date on which all of the RSUs have become vested, regardless of whether such termination is initiated by the Grantee, by the Company or by any of the Company's Subsidiaries, then all RSUs which are unvested as of the date of such termination shall be forfeited immediately upon such termination with no compensation or other payment due to the Grantee or any other Person. In addition, if the Grantee's employment with the Company or any of its Subsidiaries is terminated for Cause, then any RSUs which have not been settled as of such termination of employment (even if such RSUs are vested) shall be forfeited immediately upon such termination with no compensation or other payment due to the Grantee or any other Person.

Notwithstanding anything to the contrary contained in any offer letter, severance agreement, employment agreement, consulting agreement or similar agreement between the Grantee and the Company or any of its Affiliates, (i) the RSUs shall not vest upon or following Grantee's termination of employment except as provided in Section 7.2 of the Plan and (ii) the RSUs shall not vest upon a Change in Control, a change in control, a change of control or any similar event except as provided in this Agreement or in the Plan.

(b) Each RSU that becomes vested shall be settled as soon as reasonably practicable following the date on which such RSU becomes vested, and in any event within 30 days after the vesting event.

(c) Prior to the receipt by the Grantee of an RSU Share in settlement of an RSU, the Grantee shall have no rights of a stockholder with respect to such RSU or RSU Share, including, without limitation, the right to receive dividends with respect to such RSU or RSU Share or the right to vote such RSU or RSU Share. Notwithstanding the foregoing or anything contained in this Agreement to the contrary, if the Company declares a cash dividend on Shares with a record date during the period between the Grant Date and the date immediately preceding the date on which an RSU Share is delivered upon the settlement of a vested RSU, then the Grantee shall be entitled to receive with respect to the vested RSUs being settled on such date an amount in cash equal to the product of (i) the number of vested RSUs then being settled, multiplied by (ii) the

amount of cash dividends declared per Share during the period between the Grant Date and the date immediately preceding the date on which such RSU Shares are delivered upon the settlement of such vested RSUs, with such cash payment to be made to the Grantee at the same time as RSU Shares are issued upon the settlement of such vested RSUs; provided, however, that if any such cash dividends have been declared but not paid, such payment shall not be made in respect of such cash dividend until the first payroll date after such cash dividend is paid (and if such dividend equivalent described in this Section 2(c) is not paid to the Participant by March 15th of the year immediately following the year in which the applicable RSU vested, then such dividend equivalent shall be forfeited). Any such amounts will be forfeited upon the forfeiture of the underlying RSU, with no compensation or other payment due to the Grantee or any other Person.

3. Non-Transferability of RSUs. The RSUs may not be sold, pledged, assigned, hypothecated, gifted, transferred or disposed of in any manner either voluntarily or involuntarily by operation of law, other than by will or by the laws of descent and distribution.

4. Conditions on All Transfers of RSU Shares. Notwithstanding anything to the contrary contained in this Agreement or the Plan, no transfer of an RSU Share shall be made, or, if attempted or purported to be made, shall be effective, unless and until the Company is satisfied that the transfer will not violate any federal or state securities law or any other law or agreement (including this Agreement or the Plan) or the rules of any applicable stock exchange. If the transfer would violate any such law, agreement or rule and the Grantee nevertheless attempts or purports to engage in a transfer of RSU Shares, then the Company shall not recognize such transfer on the books and records of the Company and such transfer will be null and void *ab initio*. In addition, the Grantee will be liable to the Company for damages, if any, which may result from such attempted or purported transfer.

5. No Promise of Employment or Other Service. Neither the Plan nor the granting or holding of the RSUs nor the holding of RSU Shares will confer upon the Grantee any right to continue in the employ or other service of the Company or any Subsidiary, or limit, in any respect, the right of the Company or any Subsidiary to discharge the Grantee at any time, for any reason and with or without notice.

6. Withholding. The Grantee shall be responsible for making appropriate provision for all taxes required to be withheld in connection with the grant of RSUs and/or the settlement thereof (and the payment of any dividend equivalents). Such responsibility shall extend to all applicable federal, state, local and foreign withholding taxes. The Company or its Subsidiaries, in their sole discretion, shall have the right to retain the number of shares whose Fair Market Value equals the amount to be withheld in satisfaction of the applicable withholding taxes (or to withhold from any payroll or other amounts otherwise due to the Grantee the amount of withholding taxes due in connection with the RSUs or any dividend equivalents).

7. The Plan. The Grantee has received a copy of the Plan, has read the Plan and is familiar with its terms, and hereby accepts the RSUs subject to all of the terms and provisions of the Plan and this Agreement. Pursuant to the Plan, the Committee is authorized to interpret the Plan and to adopt rules and regulations not inconsistent with the Plan as it deems appropriate. The Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee with respect to the Plan, this Agreement, the RSUs, the RSU Shares or any agreement relating to the RSUs or the RSU Shares. In the event of a conflict between the terms of the Plan and the terms of this Agreement, the terms of the Plan shall control.

8. Investment Representation. The Grantee hereby represents and warrants to the Company that the Grantee, by reason of the Grantee's business or financial experience (or the business or financial experience of the Grantee's professional advisors who are unaffiliated with and who are not compensated by the Company or any affiliate or selling agent of the Company, directly or indirectly), has the capacity to protect the Grantee's own interests in connection with the transactions contemplated under this Agreement.

9. Governing Law. This Agreement will be construed in accordance with the laws of the State of Delaware, without regard to the application of the principles of conflicts of laws of Delaware or any other jurisdiction.

10. Severability. All provisions of this Agreement are distinct and severable and if any clause shall be held to be invalid, illegal or against public policy, the validity or the legality of the remainder of this Agreement shall not be affected thereby, and the remainder of this Agreement shall be interpreted to give maximum effect to the original intention of the parties hereto.

11. Amendment. Subject to the provisions of the Plan, this Agreement may only be amended by a writing signed by each of the parties hereto.

12. Entire Agreement. This Agreement, together with the Plan, represents the entire agreement between the parties hereto relating to the subject matter hereof, and merges and supersedes all prior and contemporaneous discussions, agreements and understandings of every nature relating to the award of the RSUs to the Grantee by the Company.

[signature page follows]

IN WITNESS WHEREOF, the Company has caused its duly authorized officer to execute this Agreement, and the Grantee has placed his or her signature hereon evidencing his or her agreement to the terms hereof, effective as of the Grant Date.

BIOATLA, INC.

By: _____
Name:
Title:

GRANTEE

_____
Name:

BIOATLA, INC.

EMPLOYEE STOCK PURCHASE PLAN

Adopted by the Board of Directors December 7, 2020

Approved by the Stockholders December 7, 2020

BIOATLA, INC.
EMPLOYEE STOCK PURCHASE PLAN

SECTION 1. PURPOSE OF THE PLAN.

The BioAtla, Inc. Employee Stock Purchase Plan (the "**Plan**") is intended to provide Eligible Employees (as defined below) the opportunity to increase their proprietary interest in BioAtla, Inc. (the "**Company**") by conveniently purchasing shares of the Company's common stock, par value $0.001 per share (the "**Stock**"). The Plan is composed of two components: a 423 Component and a Non-423 Component. The 423 Component is intended to qualify under Section 423 of the Internal Revenue Code of 1986, as amended (the "**Code**"). Accordingly, the provisions of the 423 Component will be construed in a manner consistent with the requirements of Section 423 of the Code. The Plan also authorizes participation in the Plan under the Non-423 Component under terms that do not meet the requirements of Section 423 of the Code. The Company shall be permitted to grant rights to purchase Stock under separate offerings not having identical terms (provided that such terms are not inconsistent with the terms of the Plan and, with respect to an offering under the 423 Component, the requirements of Section 423 of the Code), and offerings may run concurrently (in whole or in part) with each other. Each offering under the Non-423 Component shall be separate and distinct from (and shall not be included in or be part of) any offering under the 423 Component, and each offering to a Participating Company shall be treated as an offering that is separate from any other offering made to another Participating Company, in each case, even if such offerings are running concurrently (in whole or in part) and/or have common terms and conditions.

SECTION 2. DEFINITIONS.

(a) "**423 Component**" means the portion of the Plan under which any right to purchase Stock shall be granted in a manner that is intended to satisfy the requirements of Section 423 of the Code.

(b) "**Affiliate**" means any branch or representative office or other disregarded entity of the Company or a Subsidiary, as determined by the Committee, whether now or hereafter existing.

(c) "**Board**" means the Board of Directors of the Company, as constituted from time to time.

(d) "**Change in Control**" shall have the meaning set forth in the Company's most recently adopted equity incentive plan as of the date of determination, as in effect from time to time.

(e) "**Committee**" means the duly constituted committee appointed by the Board to administer the Plan, as described in Section 3 of the Plan. If no such committee is appointed, the Compensation Committee of the Board shall be the Committee.

(f) "**Compensation**" means all of an Eligible Employee's base salary or wages. "Compensation" shall exclude (i) commissions, bonuses and special incentive payments, (ii) equity compensation and income attributable to equity-based awards (including, without limitation, amounts realized from the exercise of any stock option and any dividends paid with respect to equity awards), (iii) all non-cash items, (iv) pre-tax contributions made by the Participant under Sections 401(k) or 125 of the Code or under any similar arrangements available under laws outside the United States and (v) allowances and other miscellaneous payments, including, without limitation, moving or relocation allowances, cost-of-living equalization payments, car allowances, tuition reimbursements, imputed income attributable to cars or life insurance, severance pay, fringe benefits and benefits received under employee benefit plans. The Committee shall determine whether a particular item not listed in this Section 2(f) is included in Compensation.

(g) "**Effective Date**" means the date that the Plan is approved by the stockholders of the Company.

(h) "**Eligible Employee**" means any individual who (i) is an Employee of a Participating Company and (ii) does not own 5% or more of the total combined voting power or value of all classes of stock of the Company or any Parent or Subsidiary, including, for purposes of this provision, through application of the rules of Section 424(d) of the Code. The foregoing notwithstanding, an individual who is a citizen or resident of a jurisdiction other than the United States (even if he or she is also a citizen of the United States or a resident alien) shall not be considered an Eligible Employee if, as determined in the sole discretion of the Committee, (i) his or her participation in the Plan is prohibited by the laws or regulations of any country which has jurisdiction over him or her or (ii) compliance with the laws and regulations of the foreign country that has jurisdiction over him or her would cause the Plan or an offering under the 423 Component to violate Section 423 of the Code.

(i) "**Employee**" means an individual who is a common-law employee of a Participating Company and, if such employee is employed in the United States, whose earnings are reported on a Form W-2. For the avoidance of doubt, the term "Employee" shall not include any consultant, independent contractor or non-employee director of a Participating Company.

(j) "**Fair Market Value**" means, on any given date (i) if the Stock is listed on any established U.S. stock exchange or a U.S. national market system, the closing sales price for such Stock as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Committee deems reliable (or, if no closing sales price was reported on that date, as applicable, on the last preceding trading date such closing sales price was reported); (ii) if the foregoing clause (i) does not apply, then if the Stock is regularly quoted by a recognized U.S. securities dealer but selling prices are not reported, the mean between the high bid and low asked prices for the Stock on the day of determination (or, if no bids and asks were reported on that date, as applicable, on the last preceding trading date such bids and asks were reported); or (iii) if the foregoing clauses (i) and (ii) do not apply, such value as the Committee in its discretion may in good faith determine in accordance with Section 423 of the Code.

(k) "**Non-423 Component**" means the portion of the Plan under which the right to purchase Stock may be granted in a manner that is not intended to satisfy the requirements of Section 423 of the Code.

(l) "**Offering Period**" means a period with respect to which the right to purchase Stock may be granted under the Plan, as determined pursuant to Section 4(a) of the Plan.

(m) "**Parent**" has the meaning given to such term under U.S. Treasury Regulation Section 1.424-1(f). As used in the Plan, "Parent" shall mean a Parent of the Company.

(n) "**Participant**" means an Eligible Employee who elects to participate in the Plan, as provided in Section 4(b) of the Plan.

(o) "**Participating 423 Company**" means any of the following that is designated by the Committee as participating in the 423 Component: (i) the Company, (ii) any present or future Parent and/or (iii) any present or future Subsidiary.

(p) "**Participating Company**" means each Participating 423 Company and Participating Non-423 Company.

(q) "**Participating Non-423 Company**" means any of the following that is designated by the Committee as participating in the Non-423 Component: (i) the Company, (ii) any present or future Parent, (iii) any present or future Subsidiary and/or (iv) any present or future Affiliate. Unless determined otherwise by the Committee, only entities incorporated or formed outside of the United States shall be Participating Non-423 Companies.

(r) "**Plan Account**" means the account established for each Participant pursuant to Section 8(a) of the Plan.

(s) "**Purchase Price**" means the price at which Participants may purchase Stock under the Plan, as determined pursuant to Section 8(b) of the Plan.

(t) "**Subsidiary**" means a subsidiary corporation of the Company as that term is defined in Section 424(f) of the Code.

SECTION 3. ADMINISTRATION OF THE PLAN.

(a) **General**. The Plan shall be administered by the Committee. To the extent permitted by applicable law, the Committee may delegate some or all of its authority with respect to the Plan to any executive officer of the Company or any other person or persons designated by the Committee, in each case, acting individually or as a committee.

(b) **Committee Authorities**. The Committee shall have the exclusive power and authority to administer the Plan, including, without limitation, the right and power to interpret the provisions of the Plan and make all determinations deemed necessary or advisable for the administration of the Plan (including, without limitation, a determination as to whether a Change in Control has occurred, whether to designate the Company, a Parent or Subsidiary as a Participating 423 Company or as a Participating Non-423 Company and whether to establish separate offerings). All such actions, interpretations and determinations that are done or made by the Committee shall be final, conclusive and binding on the Company, the Participating Companies, the Participants and all other parties and shall not subject the Committee (or its members) to any liability.

SECTION 4. ENROLLMENT AND PARTICIPATION.

(a) **Offering Periods**. Two Offering Periods shall commence in each calendar year, which shall be the periods commencing on January 1 and ending on June 30 and commencing on July 1 and ending on December 31; provided, however, that the first Offering Period may commence on a different date as determined by the Committee, but shall end on June 30 of the year commenced if commenced prior to June 30 or on December 31 of the year commenced if commenced after June 30.

(b) **Enrollment**. Any individual who, on the day preceding the first day of an Offering Period, qualifies as an Eligible Employee may elect to become a Participant in the Plan for such Offering Period by executing the enrollment form prescribed for this purpose by the Committee. The enrollment form shall be filed with the Company or its designee according to procedures established by the Committee.

(c) **Duration of Participation**. Once enrolled in the Plan, a Participant shall continue to participate in the Plan (according to the elections made on the Participant's most recently-filed enrollment form) until he or she ceases to be an Eligible Employee, withdraws from the Plan under Section 6(a) of the Plan or reaches the end of the Offering Period in which his or her contributions were discontinued under Section 5(c) or Section 9(b) of the Plan. A Participant who discontinued his or her contributions under Section 5(c) of the Plan or withdrew from the Plan under Section 6(a) of the Plan may again become a Participant, if he or she then is an Eligible Employee, by following the procedure described in Section 4(b) of the Plan. A Participant whose employee contributions were discontinued automatically under Section 9(b) of the Plan shall automatically resume participation at the beginning of the next Offering Period in which such Participant's participation would not be limited by Section 9(b) of the Plan, if he or she then is an Eligible Employee.

SECTION 5. EMPLOYEE CONTRIBUTIONS.

(a) **Frequency of Employee Contributions**. A Participant may make contributions to the Plan for purchasing shares of Stock by means of payroll deductions (unless payroll deductions are not permitted under applicable laws or regulations or unless the Company determines that another means of making employee contributions is necessary or appropriate for legal or administrative reasons).

(b) **Amount of Employee Contributions**. An Eligible Employee shall designate on the enrollment form the portion of his or her Compensation that he or she elects to contribute to the Plan with respect to the applicable Offering Period. Such portion shall be a whole percentage of the Eligible Employee's Compensation, on an after-tax basis, but not less than 1% nor more than 15% of the Eligible Employee's Compensation with respect to the applicable Offering Period. A Participant may not change the rate of his or her contributions during an Offering Period unless the Participant seeks (i) to discontinue contributions under Section 5(c) of the Plan or (ii) to withdraw from the Plan under Section 6(a) of the Plan, and, in either such case, the Company will cease contributions on behalf of the Participant as soon as reasonably practicable (which may not be until the payroll period following receipt of the applicable form or later).

(c) **Discontinuing Employee Contributions**. A Participant may discontinue contributions by filing a new enrollment form. Any contributions made from payroll shall cease as soon as reasonably practicable (which may not be until the payroll period following receipt or later). A Participant who has discontinued employee contributions may not resume such contributions until the next Offering Period. If a Participant discontinues contributions, previously made contributions shall remain in the Participant's Plan Account (and will be used to purchase shares) unless and until the Participant withdraws from the Plan in accordance with the provisions of Section 6 of the Plan.

SECTION 6. WITHDRAWAL FROM THE PLAN.

(a) **Withdrawal**. A Participant may elect to withdraw from the Plan by filing the prescribed form with the Company or its designee at any time before the last day of an Offering Period. As soon as reasonably practicable thereafter, contributions shall cease and all employee contributions made by the Participant for the then current Offering Period shall be refunded to the Participant in cash, without interest. No partial withdrawals shall be permitted.

(b) **Re-enrollment After Withdrawal**. A former Participant who has withdrawn from the Plan shall not be a Participant until he or she re-enrolls in the Plan under Section 4(b) of the Plan. Re-enrollment shall be effective only at the commencement of an Offering Period.

SECTION 7. CHANGE IN EMPLOYMENT STATUS.

(a) **Termination of Employment**. Termination of employment with a Participating Company, or otherwise ceasing to be an Eligible Employee, for any reason, including death, shall be treated as an automatic withdrawal from the Plan under Section 6(a) of the Plan, unless, with respect to an offering under the Non-423 Component, otherwise required by applicable laws or regulations. A transfer from one Participating Company to another shall not be treated as a termination of employment.

(b) **Leave of Absence**. For purposes of the Plan, employment shall not be deemed to terminate when the Participant goes on a military leave, a sick leave or another *bona fide* leave of absence, if the leave was approved by a Participating Company in writing or if such leave of absence is protected under applicable laws or regulations. Employment shall be deemed to terminate in any event when the approved leave ends, unless the Participant immediately returns to work.

(c) **Death**. In the event of the Participant's death, any amounts then held in the Participant's Plan Account and any shares of Stock then held in the Participant's name by the Company or the broker designated by the Company shall be paid or transferred to the Participant's estate or as otherwise required by applicable laws of descent and distribution, or as may be otherwise provided pursuant to Section 8(e) of the Plan.

SECTION 8. PLAN ACCOUNTS AND PURCHASE OF SHARES.

(a) **Plan Accounts**. The Company shall maintain a Plan Account on its books in the name of each Participant. Whenever an amount is contributed to the Plan, such amount shall be credited to the Participant's Plan Account. Amounts credited to Plan Accounts shall not be trust funds and may be commingled with the general assets of the Company or any Parent or Subsidiary and applied to general corporate purposes, unless otherwise required by applicable law or regulation. Unless required by applicable law or regulation, no interest will be paid or credited with respect to any amounts held in a Participant's Plan Account.

(b) **Purchase Price**. The Purchase Price for each share of Stock purchased at the close of an Offering Period shall be the lesser of:

(i) 85% of the Fair Market Value of such share on the last day of such Offering Period; or

(ii) 85% of the Fair Market Value of such share on the first day of such Offering Period.

The Committee may round the Purchase Price up (but not down) to a whole cent, and in no event shall the Purchase Price be less than the par value of the shares of Stock being purchased.

(c) **Number of Shares Purchased**. As of the last day of each Offering Period, each Participant shall be deemed to have elected to purchase the number of shares of Stock calculated in accordance with this Section 8(c), unless the Participant has withdrawn from the Plan under Section 6(a) or Section 7 of the Plan. The amount then in the Participant's Plan Account shall be divided by the Purchase Price, and the number of shares that results shall be purchased with the funds in the Participant's Plan Account. The foregoing notwithstanding, no Participant shall purchase more than 10,000 shares of Stock (subject to adjustment pursuant to Section 14(b) of the Plan) with respect to any Offering Period (or, if the Board determines that a different number of Offering Periods shall commence in each calendar year in accordance with Section 4(a) of the Plan, a proportionate number of shares of Stock (subject to adjustment pursuant to Section 14(b) of the Plan) with respect to any Offering Period) nor more than the amounts of Stock set forth in Sections 9(b) and 14(a) of the Plan. The Committee may determine with respect

to all Participants that any fractional share, as calculated under this Section 8(c), shall be (i) rounded down to the next lower whole share (with the Purchase Price for such fractional share to be carried over to the next Offering Period as provided in Section 8(g) of the Plan) or (ii) credited as a fractional share. To the extent permitted by law, the Committee may adjust the individual share limit set forth in this Section 8(c) from time to time without stockholder approval, provided that any such change shall not apply until the Offering Period commencing after such change is made.

(d) **Available Shares Insufficient**. In the event that the aggregate number of shares of Stock that all Participants elect to purchase during an Offering Period exceeds the maximum number of shares of Stock remaining available for issuance under Section 14(a) of the Plan, then the number of shares of Stock a Participant shall purchase shall be determined by multiplying the number of shares of Stock available for issuance by a fraction, the numerator of which is the number of shares of Stock that such Participant has elected to purchase and the denominator of which is the number of shares of Stock that all Participants have elected to purchase.

(e) **Issuance of Shares**. Shares of Stock shall be issued either in book entry form or in certificates. Certificates, if any, representing the shares of Stock purchased by a Participant under the Plan shall be issued to the Participant, or book entry in the Participant's name shall be made, as soon as reasonably practicable after the close of the applicable Offering Period, except that the Committee may determine that such certificates shall be held for each Participant's benefit by a broker designated by the Committee. Shares may be registered in the name of the Participant or jointly in the name of the Participant and his or her spouse as joint tenants with right of survivorship or as community property or in such other manner of taking title as may be permitted under applicable law or regulation; provided, however, that unless otherwise required by applicable law or specified by the Participant in writing, shares of Stock purchased under the Plan will be registered in the name of the Participant.

(f) **Transfer of Shares**. If certificates representing shares of Stock are not otherwise issued to the Participant in connection with the purchase of such shares at the end of an Offering Period, a Participant may elect to transfer any number of shares of Stock previously purchased under the Plan by providing notification and transfer instructions to Company or the broker designated by the Company, in accordance with procedures established under the Plan. As soon as administratively practicable following receipt of a Participant's election to transfer shares of Stock, the Company or the designated broker shall cause a transfer of the shares or a certificate representing the number of shares to be transferred to be delivered to the Participant or a broker designated by the Participant.

(g) **Unused Cash Balances**. Any amount remaining in the Participant's Plan Account that represents the Purchase Price for whole shares that could not be purchased by reason of Section 8(c), Section 9(b) or Section 14(a) of the Plan or otherwise shall be refunded to the Participant in cash, without interest, promptly after the end of the applicable Offering Period.

SECTION 9. LIMITATIONS ON STOCK OWNERSHIP.

(a) **Five Percent Limit**. Any other provision of the Plan notwithstanding, no Participant shall be granted a right to purchase Stock under the Plan if such Participant, immediately after his or her election to purchase such Stock, would own stock possessing 5% or more of the total combined voting power or value of all classes of stock of the Company or any Parent or Subsidiary. For purposes of this Section 9(a), the following rules shall apply:

(i) the attribution rules of Section 424(d) of the Code shall be applied in determining ownership of Stock;

(ii) each Participant shall be deemed to own any stock that he or she has a right or option to purchase under this Plan or any other plan or arrangement; and

(iii) each Participant shall be deemed to have the right to purchase under this Plan with respect to each Offering Period 10,000 shares of Stock (as adjusted pursuant to Section 8(c) of the Plan), subject to adjustment pursuant to Section 14(b) of the Plan.

(b) **Dollar Limit**. Any other provision of the Plan notwithstanding, consistent with Treasury Regulation Section 1.423-2(i), no Participant shall purchase Stock under this Plan and all other employee stock purchase plans of the Company or any Parent or Subsidiary at a rate that exceeds $25,000 in fair market value of the Stock (determined at the time the option is granted) for each calendar year in which any option granted to the Participant is outstanding at any time.

For purposes of this Section 9(b), the Fair Market Value of Stock shall be determined as of the first day of the Offering Period in which such Stock is purchased. Employee stock purchase plans not described in Section 423 of the Code shall be disregarded. If a Participant is precluded by this Section 9(b) from purchasing additional Stock under the Plan, then his or her employee contributions shall automatically be discontinued, and shall resume (in accordance with the Participant's most recently-filed enrollment form) on the first day of the earliest Offering Period in which this Section 9(b) would not prohibit such participation, provided that he or she then is an Eligible Employee.

SECTION 10. RIGHTS NOT TRANSFERABLE.

The rights of any Participant under the Plan, or the interest in any Stock or moneys to which any Participant may be entitled under the Plan, shall not be transferable by voluntary or involuntary assignment or by operation of law, or in any manner other than by beneficiary designation or the laws of descent and distribution. If a Participant attempts to transfer, assign or otherwise encumber his or her rights or interest under the Plan, other than as permitted by this Section 10, such act shall be treated as an election by the Participant to withdraw from the Plan under Section 6(a) of the Plan.

SECTION 11. NO RIGHTS AS AN EMPLOYEE.

Nothing in the Plan or in any right granted under the Plan shall confer upon the Participant any right to continue in the employ of a Participating Company for any period or interfere with or otherwise restrict in any way the rights of the Participating Companies or of the Participant, which rights are hereby expressly reserved by each, to terminate his or her employment at any time and for any reason, with or without cause, to the fullest extent permitted by applicable laws or regulations.

SECTION 12. NO RIGHTS AS A STOCKHOLDER.

A Participant shall have no rights as a stockholder with respect to any shares of Stock that he or she may have a right to purchase under the Plan until such shares have been purchased on the last day of the applicable Offering Period.

SECTION 13. SECURITIES LAW REQUIREMENTS.

Shares of Stock shall not be issued under the Plan unless the issuance and delivery of such shares comply with (or are exempt from) all applicable requirements of law, including, without limitation, the U.S. Securities Act of 1933, as amended, the rules and regulations promulgated thereunder, all state securities laws and regulations, any applicable non-U.S. securities laws and regulations, and the regulations of any stock exchange or other securities market on which the Company's securities are then traded.

SECTION 14. STOCK OFFERED UNDER THE PLAN.

(a) **Authorized Shares**. The aggregate number of shares of Stock available for purchase under the Plan as of the Effective Date shall be 464,829, and on January 1st of each year during which the Plan is in effect, the number of shares available for purchase under the Plan shall be increased by the lesser of (x) 1.0% of the number of shares of Stock outstanding as of the immediately preceding December 31 (calculated on a fully diluted basis), (y) 929,658 shares of Stock and (z) such lesser number of shares of Stock as the Board may determine, in each case, as subject to adjustment as provided in this Section 14. Shares of Stock issued under the Plan may be shares already outstanding or newly issued or treasury shares.

(b) **Changes in Capitalization**. In the event of a reorganization, recapitalization, stock split, spin-off, split-off, split-up, stock or extraordinary cash dividend or other distribution, combination of shares, merger, amalgamation, consolidation or any other change in the corporate structure of the Company, or a sale by the Company of all or part of its assets, the Committee shall make such adjustments to the aggregate number of shares of Stock offered under the Plan, the maximum annual increase number in clause (y) of Section 14(a) of the Plan, the share limitation described in Section 8(c) of the Plan (and the corresponding number of shares specified in clause (iii) of Section 9(a) of the Plan) and/or the price of shares that any Participant has elected to purchase under the Plan as may be necessary to prevent the dilution or enlargement of Participants' rights. The Plan shall in no event be construed to restrict in any way the Company's right to undertake a dissolution, liquidation, merger, amalgamation, consolidation or other reorganization or corporate transaction of any kind or type.

(c) **Change in Control**. Any other provision of the Plan notwithstanding, immediately prior to the effective time of a Change in Control, the Plan shall terminate and shares shall be purchased pursuant to Section 8 of the Plan as if the Offering Period during which such Change in Control occurs was scheduled to end on the day immediately preceding such Change in Control, unless the Plan is expressly assumed by the surviving corporation, the buyer or an affiliate of the foregoing. In addition, in anticipation of a Change in Control, the Committee may take any action under the Plan as it deems necessary or appropriate, including, without limitation, terminating the Plan and preventing Participants from continuing or increasing their contributions to the Plan.

SECTION 15. WITHHOLDING

To the extent any payments or distributions under the Plan are determined by any Participating Company to be subject to U.S. Federal, state or local taxes, or the taxes of a jurisdiction other than the United States, the Participating Company is authorized (but not obligated) to withhold any required taxes. The Participating Company may satisfy any withholding obligation by (i) withholding shares of Stock purchased under the Plan; (ii) withholding from the proceeds from the sale of shares of Stock purchased under the Plan, either through a voluntary sale or through a mandatory sale arranged by the Company; (iii) deducting cash from a Participant's Plan Account; (iv) deducting cash from a Participant's other cash compensation payable to him or her by any Participating Company or (v) any other method deemed appropriate by the Participating Company, in each case, as approved by the Committee. A Participant's election to participate in the Plan authorizes any Participating Company to take any of the actions described in the preceding sentence.

SECTION 16. GOVERNING LAW

To the extent that U.S. Federal laws do not otherwise control, the validity and construction of the Plan shall be construed and enforced in accordance with the laws of the State of Delaware, without giving effect to the choice of law principles thereof.

SECTION 17. NON-423 COMPONENT AND SUB-PLANS

The Board and/or the Committee may adopt procedures and sub-plans to this Plan that are necessary or appropriate to permit or facilitate participation in the Plan by Eligible Employees who are employed or located in a jurisdiction other than the United States or to generally operate the Plan in jurisdictions outside the United States (provided that such procedures or sub-plans would not result in (i) the Plan failing to be eligible to qualify under Section 423 of the Code or (ii) any offering under the 423 Component not complying with Section 423 of the Code). Without limiting the generality of, but consistent with, the foregoing, the Board and/or the Committee are expressly authorized to adopt rules, procedures, and sub-plans, which, for purposes of the Non-423 Component, may be beyond the scope of Section 423 of the Code, regarding, without limitation, eligibility to participate in the Plan, excluding Employees in certain countries under the Non-423 Component (even

if employed by a Participating Company), handling and making of employee contributions under the Plan, satisfying payroll taxes, determining beneficiaries, withholding procedures and issuances of Stock, any of which may vary from time to time and between jurisdictions, as determined by the Board and/or the Committee.

SECTION 18. TAX QUALIFICATION.

The 423 Component is intended to be exempt from the application of Section 409A of the Code under Section 1.409A-1(b)(5)(ii) of the U.S. Treasury Regulations. Purchases of stock by Participants who are U.S. taxpayers participating in the Non-423 Component are intended to be exempt from the application of Section 409A of the Code under the short-term deferral exception and any ambiguities will be construed and interpreted in accordance with such intent. Subject to the provisions of this Section 18, Participants who are U.S. taxpayers participating in the Non-423 Component shall be subject to such terms and conditions as shall permit his or her participation in the Plan to satisfy the requirements of the short-term deferral exception to Section 409A of the Code, including the requirement that the shares subject to the right to purchase Stock under the Plan be delivered within the short-term deferral period. Notwithstanding the foregoing or any other provision of the Plan to the contrary, neither the Company nor any Parent or Subsidiary shall have any liability to a Participant or any other person or entity if the right to purchase Stock under the Plan that is intended to be exempt from or compliant with Section 409A of the Code is not so exempt or compliant or for any action taken by the Committee, the Board, the Company or any Parent or Subsidiary in relation thereto. Notwithstanding the foregoing or any other provision of the Plan to the contrary, although the Company may endeavor to (i) qualify the 423 Component or Non-423 Component for special tax treatment under the laws and regulations of the United States or of a jurisdiction other than the United States or (ii) avoid adverse tax treatment (e.g., under Section 409A of the Code), the Company makes no representation to that effect and expressly disavows any covenant to maintain special, or to avoid unfavorable, tax treatment. The Company and each Parent and Subsidiary shall be unconstrained in their corporate activities without regard to any potentially negative tax impact on any one or more Participants.

SECTION 19. SEVERABILITY.

If any particular provision of the Plan is found to be invalid or otherwise unenforceable, such provision shall not affect the other provisions of the Plan, and the Plan shall be construed in all respects as if such invalid provision were omitted.

SECTION 20. AMENDMENT AND TERMINATION.

The Board shall have the right to amend, suspend or terminate the Plan, and to shorten an Offering Period (and refund Participant contributions in the event of any such shortening, suspension or termination) at any time and without notice. Except as provided in Section 14 of the Plan, any increase in the aggregate number of shares of Stock to be issued under the Plan shall be subject to approval by a vote of the stockholders of the Company. In addition, any other amendment of the Plan shall be subject to approval by a vote of the stockholders of the Company to the extent required by applicable law, rule or regulation, including, without limitation, Section 423 of the Code.

[End of Plan]

Exhibit 10.11

Short Employment Letter Agreement

This letter agreement ("Agreement") memorializes a verbal agreement discussed as noted between the members of BioAtla LLC ("BioAtla"), a Delaware company, and Dr. Jay M. Short ("Dr. Short"), it's Chairman and Chief Executive Officer.

1. For his roll as Chairman & Chief Executive Officer of BioAtla, beginning April 2nd, 2007, Dr. Jay M. Short, shall be paid a starting annual base salary of $250,000 (paid twice monthly);
2. Salary shall be paid through BioAtla payroll.
3. Dr. Short shall receive all company benefits available to employees including, but not limited to, health and dental insurance, vision coverage, vacations, and bonuses.
4. Beginning in January 1st, 2008, Dr. Short, subject to his approval on an annual basis, voluntarily limited his salary increase to the average raise given to the employees of the company.

Carolyn Anderson

Managing Member

BioAtla

Letter Amendment
Short Employment
October 1st, 2011

This letter amendment ("Amendment") memorializes an agreement by Dr. Jay M. Short ("Dr. Short"), Chairman and Chief Executive Officer of BioAtla LLC to modify his BioAtla annual salary ("Salary"). From October 1st, 2011 to July 31st, 2013, Dr. Short's Salary shall to one third of his existing salary. His salary shall resume August 1st, 2013 at the normal rate (rate includes a 4% annual COLA).

/s/ Carolyn Anderson
Carolyn Anderson
Managing Member
BioAtla

November 30, 2015

Carolyn Anderson Short
12985 Via Esperia
Del Mar, CA 92114

Re: *Offer of Employment*

Dear Carolyn:

I am pleased to offer you employment with BioAtla, LLC, Delaware limited liability company ("Company"). Once signed by you, this Offer Letter will confirm your acceptance of the following terms and conditions:

1. Your title will be Chief of IP and Strategy. Your duties and responsibilities are as set forth in the attached job description and such other duties as shall be assigned to you from time to time by the CEO. Your main work location will be at the Company's corporate headquarters in San Diego, California, although you will be required to travel on behalf of the Company, as and when directed by the Company.

2. Your employment is to begin effective as of December 1, 2015 (the "Start Date").

3. You will receive a base salary at the annualized rate of $320,000 (the "Base Salary"), which shall be subject to standard payroll deductions and withholdings and paid on a regular basis in accordance with the Company's normal payroll procedures and policies. You will also be eligible to participate in the Company's paid vacation plan, and be eligible for the other benefits that the Company provides to comparable employees, in accordance with the Company's policies and procedures.

4. You will be eligible to earn annual discretionary incentive compensation up to a target amount of forty percent (40%) of your Base Salary, based on achievement of individual and corporate performance targets, metrics and/or management-by-objectives ("**MBOs**") to be determined and approved by the Company's Compensation Committee. Annual incentive compensation is paid on an annual basis, after the close of the fiscal year and after determination by the Compensation Committee of (i) the level of achievement of the applicable individual and corporate performance targets, metrics and/or MBOs, and (ii) the amount of any annual incentive compensation earned by you. No annual incentive compensation is guaranteed and, in addition to the other conditions for earning such compensation, you must remain an employee in good standing of the Company on the scheduled annual incentive compensation payment date in order to be eligible for any annual incentive compensation. This annual incentive compensation program will be the only incentive compensation, commission, or other bonus program that will apply to you. For the 2016 annual incentive compensation period, your eligibility will be prorated based on the Start Date.

5. This is a 75% time position, and you will be expected to devote such working time and ability to the performance of your duties. You will also be expected to give the Company your undivided loyalty, and to refrain from any activity that might interfere with your duties to the Company or create a potential or actual conflict of interest.

6. In your work for the Company, you will be prohibited from using or disclosing any confidential, proprietary or trade secret information of any former employer or other person to whom you have an obligation of confidentiality. Rather, you will be required to use only information that is generally known and used by persons with training and experience comparable to your own, is common knowledge in the industry or otherwise legally in the public domain, or is otherwise provided or developed by the Company. You agree that you will not bring onto Company premises or use in your work for the Company any unpublished documents or property belonging to any former employer or third party that you are not authorized to use and disclose. You represent further that you have disclosed to the Company any contract you have signed that might restrict your activities on behalf of the Company. By accepting employment with the Company, you are representing that you will be able to perform your job duties within these parameters.

7. This offer is not to be considered a contract guaranteeing employment for any specific duration. Your employment with the Company is "at-will" and, therefore, is not guaranteed. You may terminate your employment at any time and for any reason whatsoever. Likewise, the Company may terminate your employment at any time, with or without cause or prior warning. This provision for "at-will" employment supersedes all prior agreements and understandings concerning termination of employment, whether oral, written, or implied, and it can be changed or revoked only in a writing signed by you and the Chief Executive Officer or President of the Company.

8. In addition to the compensation package described above, you will be reimbursed for any Company-approved and IRS permitted out-of-pocket expenses (other than Company-approved expenses which are charged by you on Company credit cards), in accordance with our policies.

9. As a condition of employment, you must agree to sign and abide by the Company's Employee Inventions and Non Disclosure Agreement ("EINDA").

10. You also agree to comply with the Company's rules, policies and procedures as they are issued from time to time by the Company.

11. Before commencing employment, you must provide proof of your identity and authorization to work in the United States, and fill out a form 1-9 as required by federal immigration laws. Further, this offer is contingent upon your successful completion of a background check to the satisfaction of the Company.

12. To ensure the rapid and economical resolution of disputes that may arise in connection with your employment with the Company, you and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this Offer Letter, your employment with the Company, or the termination of your employment from the Company, will be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §1-16, and to the fullest extent permitted by law, by final, binding and confidential arbitration conducted in San Diego, California by JAMS, Inc. ("JAMS") or its successors by a single arbitrator, under JAMS' then applicable rules and procedures for employment disputes (which can be found at http://www.jamsadr.com/rules-clauses/, and which will be provided to you on request); provided that the arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision including the arbitrator's essential findings and conclusions and a statement of the award. You and the Company shall be entitled to all rights and remedies that either would be entitled to pursue in a court of law. **Both you and the Company acknowledge that by agreeing to this arbitration procedure, you each waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding.** The Company shall pay all filing fees in excess of those which would be required if the dispute were decided in a court of law, and shall pay the arbitrator's fee. Nothing in this Offer Letter intended to prevent either the Company or you from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.

13. This Offer Letter and the EINDA sets forth the entire agreement between you and the Company with respect to the subject matter thereof. Once signed by you and an officer of the Company, this Offer Letter and the EINDA will become legally binding contracts, and will supersede all prior agreements, promises, and understandings between you and the Company.

14. This Offer Letter will be governed by and construed in accordance with the laws of the State of California. The validity or unenforceability of any provision of this Offer Letter, or any terms hereof, shall not affect the validity or enforceability of any other provision or term of this Offer Letter.

15. All payments made pursuant to this Offer Letter shall be subject to withholding of applicable income and employment taxes. The Company may withhold from any payments made under this Offer Letter all authorized or legally required deductions and withholdings, including but not limited to income, employment and social insurance taxes. Nothing in this Agreement shall create any obligation on the part of the Company to indemnify, reimburse, gross up, or otherwise compensate you for any taxes, interest, penalties, costs, losses, damages, or expenses arising out of any violation of tax laws or any corresponding provision of law. Your signature below constitutes your agreement with the Company's employment terms and conditions.

To confirm that you agree to the terms stated in this Offer Letter, please sign and date the enclosed copy of this Offer Letter and return it to me as soon as, possible, but no later than November 30, 2015.

On behalf of the Company, I am very pleased to make this offer and look forward to you joining our team.

Very truly yours,

BIOATLA, LLC

By: /s/ Jay M. Short
Name: Jay M. Short
Title: Chairman and CEO

I agree to the terms stated in this letter.

Dated: 11-30-15

/s/ Carolyn Anderson Short
Carolyn Anderson Short

JOB DESCRIPTION

Effective Date: December 1, 2015

Job Title: Chief of IP and Strategy

Primary Location: San Diego, USA

Employee Status: Regular

Travel: Yes

Main tasks:

Business Strategy:

- **Participate in, and manage aspects as required, global business strategy of BioAtla**
- **Act as General Manager of BioAtla Cayman and BioAtla Hong Kong**

Legal/Contracts:

- **Draft, review, revise, negotiate, execute company contracts including but not limited to: term sheets, confidentiality, consulting, materials transfer, lease, license, collaboration, service and any and all amendments thereto**

Intellectual Property:

- **Implement global IP and patent strategy**
- **Co-manage patent portfolio**
- **Co-manage and provide IP diligence support for all customer/investor diligence proceedings**
- **Co-manage outside counsel**
- **Evaluate third party claims D Manage strategic issues regarding portfolio management and patent prosecution matters**
- **Manage intellectual property budget**

BioAtla, LLC

Effective July l, 2018

Jay M. Short, PhD
C/o BioAtla, LLC

Re: Severance Agreement

Dear Jay,

BioAtla, LLC (the **"Company"),** is pleased to provide the following Severance Agreement (the **"Agreement")** to you. This Agreement will be effective only if you sign and return this Agreement within ten (10) business days.

1. Eligibility / Severance Benefits. If (i) your employment ceases at any time following a Change in Control (either, a "Qualifying Termination"), and (ii) you satisfy the Release Requirement (as defined in Section 2 below), then you will receive the following "Severance Benefits":

1.1. Severance Payment. A severance payment equal to twenty-four (24) months of your final monthly base salary (the **"Severance Payment").** The Severance Payment will be paid to you, in the form of a lump sum payment, subject to required payroll deductions and tax withholdings, within twenty (20) business days following the Release Effective Date (as defined in Section 2 below). For purposes of calculating the Severance Payment, your final base salary will be calculated prior to giving effect to any reduction in base salary that would give rise to your right to resign for Good Reason.

1.2. Prorata Bonus Payment. An amount equal to a prorated portion of your target bonus amount for the Termination Year (the **"Target Bonus Amount")** that corresponds to your service during the Termination Year (the **"Prorata Bonus Payment"),** which shall be calculated by multiplying (i) the Target Bonus Amount, by (ii) a fraction, the numerator of which is the number of days during the Termination Year that you were employed by the Company and the denominator of which is three hundred and sixty-five (365). The Prorata Bonus Payment will be paid to you, in the form of a lump sum payment, subject to required payroll deductions and tax withholdings, within twenty (20) business days following the Release Effective Date. For purposes of calculating the Target Bonus Amount for any Termination Year, your final base salary will be calculated prior to giving effect to any reduction in base salary that would give rise to your right to resign for Good Reason.

1.3. Prior Year Bonus Payment. If the Qualifying Termination occurs prior to the date on which bonuses are paid for the year immediately preceding the Termination Year (the **"Prior Year"),** an amount equal to your full target bonus amount for the Prior Year (the **"Prior Year Bonus Payment").** The Prior Year Bonus Payment will be paid to you (if applicable), in the form of a lump sum payment, subject to required payroll deductions and tax withholdings, within twenty (20) business days following the Release Effective Date. For purposes of calculating the Prior Year Bonus Payment, your final base salary will be calculated prior to giving effect to any reduction in base salary that would give rise to your right to resign for Good Reason.

1.4. Double Trigger Accelerated Vesting. The vesting and exercisability of all unvested time-based vesting equity awards then held by you shall accelerate such that all shares become immediately vested and exercisable, if applicable, by you upon such termination and shall remain exercisable, if applicable, following your termination as set forth in the applicable equity award documents. With respect to any performance-based vesting equity award, such award shall continue to be governed in all respects by the terms of the applicable equity award documents.

2. Conditions to Receipt of Severance Benefits. To be eligible for any of the Severance Benefits pursuant to Section 1 of this Agreement, you must satisfy the following release requirement (the **"Release Requirement"):** return to the Company a signed and dated general release of all known and unknown claims in a termination agreement acceptable to the Company (the **"Release")** within the applicable deadline set forth therein, but in no event later than forty-five (45) calendar days following your termination date, and permit the Release to become effective and irrevocable in accordance with its terms (such effective date of the Release, the **"Release Effective Date").** No Severance Benefits will be paid hereunder prior to the Release Effective Date. Accordingly, if you refuse to sign and deliver to the Company an executed Release or you sign and deliver to the Company the Release but exercise your right, if any, under applicable law to revoke the Release (or any portion thereof), then you will not be entitled to any severance, payment or benefit under this Agreement.

3. IRS Code Section 409A. All payments provided hereunder are intended to constitute separate payments for purposes of **Treasury** Regulation Section 1.409A-2(b) (2). If the Company determines that any benefits provided under this Agreement constitute "deferred compensation" under Section 409A of the Internal Revenue Code of 1986 as amended **("Section 409A"),** such benefits will not commence in connection with your termination of employment unless such termination also qualifies as a "separation from service" with the Company within the meaning of Treasury Regulation Section 1.409A-1(h) (without regard to any permissible alternative definition thereunder) **("Separation from Service").** If the Company determines that any benefits provided under this Agreement constitute "deferred compensation" under Section 409A and you are a "specified employee" of the Company or any affiliate thereof (or any successor entity thereto) within the meaning of Section 409A(a)(2)(B)(i) of the Code on the date of your Separation from Service, then the payment of any such benefits shall be delayed until the earlier of: (i) the date that is six (6) months and one (1) day after the date of your Separation from Service, or (ii) the date of your death (such date, the **"Delayed Payment Date"),** and the Company (or the successor entity thereto, as applicable) shall (A) pay to you a lump sum amount equal to the sum of the benefit payments that otherwise would have been paid to you on or before the Delayed Payment Date, without any adjustment on account of such delay, and (B) continue the benefit payments in accordance with any applicable payment schedules set forth for the balance of the period specified herein. In addition to the above, to the extent required to comply with Section 409A and the applicable regulations and guidance issued thereunder, if the applicable deadline for you to execute (and not revoke) the applicable Release spans two calendar years, the Release Effective Date shall not be deemed to occur until the second calendar year.

4. Section 280G; Limitations on Payment.

4.1. If any payment or benefit you will or may receive from the Company or otherwise (a **"280G Payment")** would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the **"Excise Tax"),** then any such 280G Payment provided pursuant to this Agreement (a **"Payment")** shall be equal to the Reduced Amount. The **"Reduced Amount"** shall be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Executive's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount

is determined pursuant to clause (x) of the preceding sentence, the reduction shall occur in the manner (the **"Reduction Method")** that results in the greatest economic benefit for you. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the **"Pro Rata Reduction Method").**

4.2. Notwithstanding any provision of Section 4.1 to the contrary, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A that would not otherwise be subject to taxes pursuant to Section 409A, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, shall be modified so as to avoid the imposition of taxes pursuant to Section 409A as follows: (A) as a first priority, the modification shall preserve to the greatest extent possible, the greatest economic benefit for Executive as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events *(e.g.,* being terminated without Cause), shall be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A shall be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A.

4.3. Unless you and the Company agree on an alternative accounting firm or, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the Change in Control transaction shall perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the Change in Control transaction, the Company shall appoint a nationally recognized accounting or law firm to make the determinations required by this Section 4. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The Company shall use commercially reasonable efforts to cause the accounting or law firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to you and the Company within fifteen (15) calendar days after the date on which your right to a 280G Payment becomes reasonably likely to occur (if requested at that time by you or the Company) or such other time as requested by you or the Company.

4.4. If you receive a Payment for which the Reduced Amount was determined pursuant to clause (x) of Section 4.1 and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, you agree to promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of Section 4.1) so that no portion of the remaining Payment is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) of Section 4.1, you shall have no obligation to return any portion of the Payment pursuant to the preceding sentence.

5. Definitions.

5.1. Change in Control. For purposes of this Agreement, the term **"Change in Control"** means a transaction or series of transactions (including by way of merger, consolidation, recapitalization, reorganization or sale of stock or units), the result of which is that Jay Short and Carolyn Short are, after giving effect to such transaction, no longer, in the aggregate, in control, directly or indirectly (including through one or more intermediaries and/or voting rights agreements), of more than 50% of the voting power of the outstanding voting securities of the surviving entity of such transaction, and including a capital raising transaction in which the Company is the surviving entity.

5.2. Termination Year. For purposes of this Agreement, **"Termination Year"** means the fiscal year in which your Company employment is terminated for any reason.

6. Miscellaneous. Nothing in this Agreement is intended to alter the at-will nature of your employment with the Company or the terms of any offer letter and/or employment-related agreement with the Company. This Agreement constitutes the complete, final and exclusive embodiment of the entire agreement between the Company and you with regard to Severance Benefits, and it supersedes and replaces any other agreements (whether written or unwritten) you may have with the Company concerning any severance benefits. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. This Agreement may not be modified or amended except in a written agreement approved by the Board and signed by you and a duly authorized and independent member of the Board. This Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, their heirs, successors and assigns. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this Agreement and the provision in question shall be modified so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This Agreement shall be construed and enforced in accordance with the laws of the State of California without regard to conflicts of law principles. Any ambiguity in this Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Agreement, or rights hereunder, shall be in writing and shall not be deemed to be a waiver of any successive breach or rights hereunder. This Agreement may be executed in counterparts which shall be deemed to be part of one original, and facsimile signatures, and signatures sent via PDF, shall be equivalent to original signatures.

To indicate your understanding and acceptance of this Agreement, please sign and date below, and return this Agreement to the Company.

We look forward to a continued productive employment relationship.

Sincerely,

BioAtla, LLC

/s/ Richard Waldron
Richard Waldron
Chief Financial Officer

Understood and Accepted:

/s/ Jay M. Short
Jay M. Short, PhD

August 2, 2018

Mr. Scott Smith
100 Barclay Street, 17L
New York, NY 10007

Dear Scott:

On behalf of BioAtla LLC (the "Company"), I am pleased to confirm the terms of your employment offered by the Company in connection with your role as President of the Company.

1. Position: Your employment as President shall be a full-time position as an officer of the Company reporting to the Chief Executive Officer of the Company, Jay M. Short, Ph.D., or the Board of Directors of the Company. At a future date, as determined by Dr. Short in his discretion, you may also take on the responsibilities of Chief Executive Officer (CEO) of the Company. You acknowledge that Dr. Short may direct you to take on the responsibilities of CEO without any changes to your salary or other compensation from the Company.

2. Work Location: Your principal place of employment will be the Company's offices which are currently located in San Diego, California, subject to business travel requirements. As a condition of your employment, you will be required to relocate your primary residence to the San Diego metropolitan area on or before February 1, 2019.

3. Start Date: Your first day of employment on a part-time basis will be August 23, 2018 (the "Start Date"). Your first day of employment on a full-time basis will be October 1, 2018.

4. Salary: You will receive an initial base salary at the annualized rate of Five Hundred Thousand Dollars ($500,000), which shall be subject to standard payroll deductions and withholdings and paid on a regular basis in accordance with the Company's normal payroll procedures and policies. Such base salary shall be pro-rated during your employment on a part-time basis based on your hours worked. You will be eligible to participate in the Company's flexible paid time off policy, and also be eligible to participate in the employee benefit plans and programs that the Company offers to other executive employees of the Company, including health, life, disability and dental insurance, and participation in the Company's 401(k) retirement savings plan, pursuant to the terms and conditions of the benefit plans and applicable Company policies and procedures (as such plans, policies and procedures may be terminated or changed from time to time in the Company's discretion) .

5. Bonus: You will be eligible to earn annual discretionary incentive compensation in any amount up to fifty percent (50%) of your then current base salary (subject to standard

payroll deductions and withholdings), based on achievement of individual and corporate performance targets, metrics and/or management by objectives (collectively, "MBOs") to be determined and approved by the Company in its discretion. Annual incentive compensation is paid on an annual basis, after the close of the fiscal year and after determination by the Company of (a) the level of achievement of the applicable individual and corporate performance targets, metrics and/or MBOs, and (b) the amount of any annual incentive compensation earned by you. No annual incentive compensation amount is guaranteed and, in addition to the other conditions for earning such compensation, you must remain an employee of the Company on the date on which the annual incentive compensation is paid in order to be eligible for any annual incentive compensation. This annual incentive compensation program will be the only incentive compensation, commission, or other bonus program that will apply to you. For the 2018 annual incentive compensation period, your eligibility will be prorated based on the period of employment on a full-time basis.

6. Profits Interests: Following the Start Date and subject to Board approval and your signing (within ten business days of receipt thereof) of such agreements and other documents as the Board may require, you will receive a grant of a total of 3,500,000 Class B Profits Interest Units of the Company (the "Units") under the Company's Amended and Restated Profits Interest Incentive Plan or a successor equity plan ("Plan"). The Units will be subject to the terms of the Plan and the Unit Issuance Agreement between you and the Company evidencing the grant (the "Issuance Agreement") as well as the Company's Second Amended and Restated Operating Agreement (the "Operating Agreement"). The Units generally are intended to qualify as "profits interests" under Revenue Procedure 93-27 and Revenue Procedure 2001-43 and thus shall not participate with respect to any Net Income or Net Loss of the Company prior to the issuance date of the Units (nor shall the Units be attributed any value of the assets of the Company held immediately prior to the issuance date of such Units). Subject to the terms of the Plan, the Issuance Agreement and the Operating Agreement, and your continuous service, the Units will vest as follows: (a) One Million Seven Hundred Fifty Thousand (1,750,000) of the Units will vest over a period of four (4) years in accordance with the following schedule: twenty-five percent (25%) of such Units shall vest after the first twelve (12) months of continuous service from your Start Date and the balance of such Units (totaling 1,312,500 Units) shall vest in equal monthly installments over the next three (3) years of continuous service; and (b) One Million Seven Hundred Fifty Thousand (1,750,000) of the Units will vest as follows: (i) should you be appointed CEO and President at any point during the four (4)-year period following the Start Date, twenty-five percent (25%) of such Units shall vest upon the later of the date of your appointment as CEO and President (the "Appointment Date") and the date of the end of twelve (12) months of continuous service from your Start Date, an amount equal to the product of (x) 1/48 of such Units and (y) the positive number of months, if any, equal to the difference between the number months following your Start Date in which the Appointment Date occurred and the 12th month following your Start Date shall vest on the Appointment Date, and thereafter the balance of such Units will vest following the Appointment Date in equal monthly installments until the date of four (4) years of continuous service from your Start Date; and (ii) should you not be appointed President and CEO within four (4) years of your Start Date, the full amount of such Units shall vest on the date of the end of the first 48 months of continuous service from your Start Date. In addition to the other terms and conditions of the Plan, the Units shall be subject to the "Participation Threshold" as described in the Plan, which will generally be equal to or greater than the net fair value of the Company on the date of grant in each case as determined by the

Board. You acknowledge that, inasmuch as the Units are wholly subject to Board approval, the terms and conditions of the Plan, the Issuance Agreement and the Operating Agreement, nothing in this Offer Letter shall vary the terms of any Issuance Agreement signed by the Company and you and in the event of a conflict between this Offer Letter and any Issuance Agreement, the terms of the Issuance Agreement shall govern.

7. NewCo Equity: Following the Start Date and subject to Board approval and your signing (within ten business days of receipt thereof) of such agreements and other documents as the Board may require, you will receive a grant of a total of One Million Seven Hundred Fifty Thousand (1,750,000) ordinary units of NewCo ("NewCo Units"), a limited liability company established by the Company to which the Company is transferring its holdings of common stock in F1 Oncology Inc. Subject to the terms of the plan of transfer of the F1 Oncology shares and your continuous service to the Company, the NewCo Units will vest over a period of four (4) years in accordance with the following schedule: twenty-five percent (25%) of such Units shall vest on the date of the end of the first twelve (12) months of continuous service to the Company following your Start Date and the balance of such NewCo Units shall vest in equal monthly installments over the next three (3) years of continuous service to the Company.

8. Relocation Benefit: The Company will advance to you a cash payment in an amount such that you will receive a net payment in the amount of One Hundred Twenty-Five Thousand Dollars ($125,000) after deduction of all applicable withholding taxes, payable in a lump sum on the first administratively practicable payroll pay date following the Start Date (the "Relocation Benefit"). You agree and acknowledge that if (a) you do not relocate your primary residence to the San Diego metropolitan area on or before February 1, 2019, and (b) the Company terminates your employment based on your failure to relocate within this time-frame (which termination shall be for Cause as defined below), you must repay the entire Relocation Benefit to the Company within thirty (30) days following your termination date.

9. Following the Start Date and the period of your employment on a part-time basis, your employment with the Company shall be on a full-time basis and you agree that you will devote your full working time and ability to the performance of your duties. You will further give the Company your undivided loyalty, and refrain during your employment from engaging in any activity that might interfere with your duties to the Company or create a potential or actual conflict of interest.

10. In your work for the Company, you will be prohibited from using or disclosing any confidential, proprietary or trade secret information of any former employer or other person to whom you have an obligation of confidentiality. Rather, you will be required to use only information that is generally known and used by persons with training and experience comparable to your own, is common knowledge in the industry or otherwise legally in the public domain, or is otherwise provided or developed by the Company. You agree that you will not bring onto Company premises or use in your work for the Company any unpublished documents or property belonging to any former employer or third party that you are not authorized to use and disclose. You represent further that you have disclosed to the Company any contract you have signed that might restrict your activities on behalf of the Company. By accepting employment with the Company, you are representing that you will be able to perform your job duties within these parameters.

11. Termination of Employment:

(a) Your employment with the Company may be terminated by you or the Company at any time for any reason upon written notice. In the event that your employment is terminated by the Company without Cause (as defined below), the Company shall provide you with severance in a total amount equal to twelve (12) months' pay at your final base salary rate, payable in the form of salary continuation. Any obligation of the Company to provide you with the payments described in the preceding sentence is conditioned on your signing a timely and effective general release of claims in a form acceptable to the Company and your continued compliance with the terms of this Offer Letter. Such release shall be considered timely if it is executed and delivered (and no longer subject to revocation, if applicable) within sixty (60) days following the date of the termination of your employment and any payments to which you are entitled pursuant to this Section shall commence on the Company's first regular pay date following the effective date of the aforementioned release of claims and the first such payment shall be retroactive to the day immediately following the date of the termination of your employment.

(b) For purposes of this Offer Letter, "Cause" shall mean the following, as determined by the Board in its reasonable judgment: (i) your failure to perform, or material negligence in the performance of, your duties and responsibilities to the Company or any of its affiliates; (ii) your material breach of this Offer Letter or any other agreement between you and the Company or any of its affiliates; (iii) willful misconduct by you that is or could reasonably be expected to be materially harmful to the business interests or reputation of the Company or any of its affiliates; (iv) your conviction of (or the pleading by you of nolo contendere to) any felony; (v) your failure to relocate your primary residence as required by Section 2 above; or (vi) your failure to commence employment on a full-time basis as required by Section 3 above.

(c) Notwithstanding anything to the contrary contained in this Offer Letter, in the event that at the time of your separation from service you are a "specified employee," as hereinafter defined, any and all amounts payable under this Section in connection with such separation from service that constitute deferred compensation subject to Section 409A of the Internal Revenue Code of 1986, as amended, ("Section 409A"), as determined by the Company in its sole discretion, and that would (but for this sentence) be payable within six (6) months following such separation from service, shall instead be paid on the earlier of (i) the expiration of the six (6)-month period measured from the date of your separation from service, and (ii) the date of your death. For purposes of the preceding sentence, "separation from service" shall be determined in a manner consistent with subsection (a)(2)(A)(i) of Section 409A and the term "specified employee" shall mean an individual determined by the Company to be a specified employee as defined in subsection (a)(2)(B)(i) of Section 409A. For purposes of Section 409A, your right to receive installment payments pursuant to this Offer Letter shall be treated as a right to receive a series of separate and distinct payments. Except as expressly stated in this Section or as provided in any employee benefit plan of the Company, or as required by the Consolidated Omnibus Budget Reconciliation Act (COBRA), any and all payments, compensation and benefits provided to you by the Company shall cease as of the date of the termination of your employment.

12. In addition to the compensation package described above, you will be reimbursed for any Company-approved and IRS permitted out-of-pocket expenses (other than Company-approved expenses which are charged by you on Company credit cards), in accordance with the Company's policies.

13. As a condition of employment, you must agree to sign and abide by the Company's Employee Inventions and Non Disclosure Agreement ("EINDA"). You acknowledge and agree that the Company's obligation to provide you with any severance payments pursuant to Section 11 above is conditioned upon your continued compliance with all terms of the EINDA.

14. You also agree to comply with the Company's rules, policies and procedures as they are issued from time to time by the Company.

15. Before commencing employment, you must provide proof of your identity and authorization to work in the United States, and till out a form 1-9 as required by federal immigration laws. Further, this offer is contingent upon your successful completion of a background check to the satisfaction of the Company.

16. To ensure the rapid and economical resolution of disputes that may arise in connection with your employment with the Company, you and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this Offer Letter, your employment with the Company, or the termination of your employment from the Company, will be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. §1-16, and to the fullest extent permitted by law, by final, binding and confidential arbitration by JAMS, Inc. ("JAMS") or its successors by a single arbitrator. The arbitration will be held in San Diego, California, or in such other location as then-agreed by the parties. **BOTH YOU AND THE COMPANY ACKNOWLEDGE THAT BY AGREEING TO THIS ARBITRATION PROCEDURE, YOU EACH WAIVE THE RIGHT TO RESOLVE ANY SUCH DISPUTE THROUGH A TRIAL BY JURY OR JUDGE OR ADMINISTRATIVE PROCEEDING**. Any such arbitration proceeding will be governed by JAMS' then applicable rules and procedures for employment disputes (which can be found at https://www.jamsadr.com/rukes-employment-arbitration/, and which will be provided to you on request). In any such proceeding, the arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision including the arbitrator's essential findings and conclusions and a statement of the award. You and the Company shall be entitled to all rights and remedies that either would be entitled to pursue in a court of law. Nothing in this Offer Letter is intended to prevent either the Company or you from obtaining injunctive relief in any court of competent jurisdiction to prevent irreparable harm pending the conclusion of any such arbitration, including but not limited to pursuant to the EINDA. The Company shall pay all filing fees in excess of those which would be required if the dispute were decided in a court of law, and shall pay the arbitrator's fees and any other fees or costs unique to arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction.

17. This Offer Letter and the EINDA sets forth the entire agreement between you and the Company with respect to the subject matter thereof. Once signed by you and a duly authorized officer of the Company, this Offer Letter and the EINDA will become legally binding contracts, and will supersede all prior agreements, promises, and understandings (either oral or written) between you and the Company.

18. This Offer Letter may not be amended or modified except by a written modification signed by you and a duly authorized officer of the Company, with the exception of those changes expressly reserved to the Company's discretion in this Offer Letter. This Offer Letter will be governed by and construed in accordance with the laws of the State of California. The validity or unenforceability of any provision of this Offer Letter, or any terms hereof, shall not affect the validity or enforceability of any other provision or term of this Offer Letter.

19. All payments made pursuant to this Offer Letter shall be subject to withholding of applicable income and employment taxes. The Company may withhold from any payments made under this Offer Letter all authorized or legally required deductions and withholdings, including but not limited to income, employment and social insurance taxes. Nothing in this Offer Letter shall create any obligation on the part of the Company to indemnify, reimburse, gross up, or otherwise compensate you for any taxes, interest, penalties, costs, losses, damages, or expenses arising out of any violation of tax laws or any corresponding provision of law. Your signature below constitutes your agreement with the Company's employment terms and conditions and this agreement is contingent on final references and standard background check.

To confirm that you agree to the terms stated in this Offer Letter, please sign and date the enclosed copy of this Offer Letter and return it to me as soon as possible, but no later than August 3, 2018.

On behalf of the Company, I am very pleased to make this offer and look forward to you joining our team.

Very truly yours,

BIOATLA, LLC

By: /s/ Jay M. Short
Name: Jay M. Short, Ph.D.
Title: Chairman, CEO & President

I agree to the terms stated in this letter.

Dated: _____

_____
Scott Smith

August 3, 2018

Mr. Scott Smith
100 Barclay Street, 17L
New York, NY 10007

Dear Scott:

We are excited at the prospect of your agreement to the BioAtla LLC offer letter dated August 2, 2018. I wish to clarify an important provision related to the Profits Interests and NewCo equity elements in paragraph 6 of the letter copied here in entirety for convenient reference:

> Profits Interests: Following the Start Date and subject to Board approval and your signing (within ten business days of receipt thereof) of such agreements and other documents as the Board may require, you will receive a grant of a total of 3,500,000 Class B Profits Interest Units of the Company (the "Units") under the Company's Amended and Restated Profits Interest Incentive Plan or a successor equity plan ("Plan"). The Units will be subject to the terms of the Plan and the Unit Issuance Agreement between you and the Company evidencing the grant (the "Issuance Agreement") as well as the Company's Second Amended and Restated Operating Agreement (the "Operating Agreement"). The Units generally are intended to qualify as "profits interests" under Revenue Procedure 9327 and Revenue Procedure 2001-43 and thus shall not participate with respect to any Net Income or Net Loss of the Company prior to the issuance date of the Units (nor shall the Units be attributed any value of the assets of the Company held immediately prior to the issuance date of such Units). Subject to the terms of the Plan, the Issuance Agreement and the Operating Agreement, and your continuous service, the Units will vest as follows: (a) One Million Seven Hundred Fifty Thousand (1,750,000) of the Units will vest over a period of four (4) years in accordance with the following schedule: twenty-five percent (25%) of such Units shall vest after the first twelve (12) months of continuous service from your Start Date and the balance of such Units (totaling 1,312,500 Units) shall vest in equal monthly installments over the next three (3) years of continuous service; and (b) One Million Seven Hundred Fifty Thousand (1,750,000) of the Units will vest as follows: (i) should you be appointed CEO and President at any point during the four (4)-year period following the Start Date, twenty-five percent (25%) of such Units shall vest upon the later of the date of your appointment as CEO and President (the "Appointment Date") and the date of the end of twelve (12) months of continuous service from your Start Date, an amount equal to the product of (x) 1/48 of such Units and (y) the

positive number of months, if any, equal to the difference between the number months following your Start Date in which the Appointment Date occurred and the 12th month following your Start Date shall vest on the Appointment Date, and thereafter the balance of such Units will vest following the Appointment Date in equal monthly installments until the date of four (4) years of continuous service from your Start Date; and (ii) should you not be appointed President and CEO within four (4) years of your Start Date, the full amount of such Units shall vest on the date of the end of the first 48 months of continuous service from your Start Date. In addition to the other terms and conditions of the Plan, the Units shall be subject to the "Participation Threshold" as described in the Plan, which will generally be equal to or greater than the net fair value of the Company on the date of grant in each case as determined by the Board. You acknowledge that, inasmuch as the Units are wholly subject to Board approval, the terms and conditions of the Plan, the Issuance Agreement and the Operating Agreement, nothing in this Offer Letter shall vary the terms of any Issuance Agreement signed by the Company and you and in the event of a conflict between this Offer Letter and any Issuance Agreement, the terms of the Issuance Agreement shall govern.

NewCo Equity: Following the Start Date and subject to Board approval and your signing (within ten business days of receipt thereof) of such agreements and other documents as the Board may require, you will receive a grant of a total of One Million Seven Hundred Fifty Thousand (1,750,000) ordinary units of NewCo ("NewCo Units"), a limited liability company established by the Company to which the Company is transferring its holdings of common stock in F1 Oncology Inc. Subject to the terms of the plan of transfer of the F1 Oncology shares and your continuous service to the Company, the NewCo Units will vest over a period of four (4) years in accordance with the following schedule: twenty-five percent (25%) of such Units shall vest on the date of the end of the first twelve (12) months of continuous service to the Company following your Start Date and the balance of such NewCo Units shall vest in equal monthly installments over the next three (3) years of continuous service to the Company.

We recognize the importance of preserving for our employees the value in their BioAtla equity. To that objective, the Plan addresses the Profits Interests in the event of a Change in Control as follows:

"No additional Units shall vest after the date of termination of Participant's Continuous Service. Immediately prior to the effective date of a Change in Control while the Participant is providing Continuous Service, any then Unvested Units shall vest, unless the profits interest award represented by this Agreement is continued, assumed, or substituted for by the acquiring or successor entity (or parent thereof) in connection with such Change in Control. If pursuant to a Change in Control the acquiring or successor entity (or parent thereof) provides for the continuance or assumption of the profits interest award or the substitution for the profits interest award covering securities or comparable value of a successor corporation (with appropriate adjustments as to the number and kind of securities and the purchase price), then 50% of then-unvested units shall vest immediately prior to such Change in Control. However, if Participant's Continuous Service is terminated without Cause within twelve (12) months following such Change in Control, vesting of the Units or any substituted securities shall accelerate in full automatically effective upon such termination."

Change of control, as described above, is the only event that the Plan provides for acceleration of vesting of BioAtla Profits Interests units. The vesting of units in NewCo will mirror those in the Plan, that is, no additional units of NewCo shall vest after the date of termination of the Participant's Continuous Service to BioAtla. In the event of Change in Control of BioAtla, the vesting of the Participant's NewCo units would continue as scheduled, however, if the Participant's Continuous Service is terminated without Cause within twelve (12) months following such Change in Control, vesting of the Participant's NewCo units shall accelerate in full automatically effective upon such termination. Because NewCo's essential purpose is to hold the F1 Oncology common shares as described, the vesting of the NewCo units would be unaffected by a change in control of F1 Oncology. The proceeds of such change in control, be they cash or securities, that NewCo might receive would be held by NewCo and sold or distributed if and when at the decision of the NewCo managers.

On behalf of the Company, I am very pleased to have made the employment offer and look forward to you joining our team.

Very truly yours,

BIOATLA, LLC

By: /s/ Jay M. Short
Name: Jay M. Short, Ph.D.
Title: Chairman, CEO & President

I agree to the terms stated in this letter.

Dated: _____

_____
Scott Smith

BioAtla, LLC

August 20th, 2018

Scott Smith
c/o BioAtla, LLC

Re: Severance Agreement

Dear Scott,

BioAtla, LLC (the "**Company**"), is pleased to provide the following Severance Agreement (the "**Agreement**") to you. This Agreement will be effective only if you sign and return this Agreement within ten (10) business days.

1. Eligibility / Change in Control Severance Benefits. If (i) your employment is terminated by the Company without Cause (other than due to your death or disability), or you resign your employment for Good Reason (either, a "**Qualifying Termination**"), within the Change in Control Period and (ii) you satisfy the Release Requirement (as defined in Section 2 below), then you will receive the following "**Severance Benefits**":

1.1. Severance Payment. A severance payment equal to twelve (12) months of your final monthly base salary (the "**Severance Payment**"). The Severance Payment will be paid to you, in the form of a lump sum payment, subject to required payroll deductions and tax withholdings, within twenty (20) business days following the Release Effective Date (as defined in Section 2 below). For purposes of calculating the Severance Payment, your final base salary will be calculated prior to giving effect to any reduction in base salary that would give rise to your right to resign for Good Reason.

1.2. Prorata Bonus Payment. An amount equal to a prorated portion of your target bonus amount for the Termination Year (the "**Target Bonus Amount**") that corresponds to your service during the Termination Year (the "**Prorata Bonus Payment**"), which shall be calculated by multiplying (i) the Target Bonus Amount, by (ii) a fraction, the numerator of which is the number of days during the Termination Year that you were employed by the Company and the denominator of which is three hundred and sixty-five (365). The Prorata Bonus Payment will be paid to you, in the form of a lump sum payment, subject to required payroll deductions and tax withholdings, within twenty (20) business days following the Release Effective Date. For purposes of calculating the Target Bonus Amount for any Termination Year, your final base salary will be calculated prior to giving effect to any reduction in base salary that would give rise to your right to resign for Good Reason.

1.3. Prior Year Bonus Payment. If the Qualifying Termination occurs prior to the date on which bonuses are paid for the year immediately preceding the Termination Year (the "**Prior Year**"), an amount equal to your full target bonus amount for the Prior Year (the "**Prior Year Bonus Payment**"). The Prior Year Bonus Payment will be paid to you (if applicable), in the form of a lump sum payment, subject to required payroll deductions and tax withholdings, within twenty (20) business days following the Release Effective Date. For purposes of calculating the Prior Year Bonus Payment, your final base salary will be calculated prior to giving effect to any reduction in base salary that would give rise to your right to resign for Good Reason.

1.4. Accelerated Vesting and Continuation of Exercise Period. Accelerated vesting of all outstanding units, shares, or options (as the case may be), and continuation of exercise period of all units, shares, or options (as the case may be) until the expiration date of the outstanding units, shares, or options (the "**Exercise Term**"), under a separate consulting agreement ("**Consulting Agreement**") between you and the Company, a version of which is attached hereto as Exhibit A. The Consulting Agreement shall include the following terms: 1) the term of the Consulting Agreement shall equal the Exercise Term, 2) the nature of services shall be mutually agreed upon, 3) there shall be a $100.00 annual retainer fee, and 4) the compensation for the services shall be at a mutually agreed upon hourly rate. For clarity, you will retain the benefits of your units, shares, or options (as the case may be) for the full exercise period of such units, shares, or options (as the case may be).

1.5. Other Terminations. You will not be eligible for, or entitled to any severance benefits, including (without limitation) the Severance Benefits listed in this Section 1, if (i) the Company terminates your employment for Cause, (ii) you resign your employment without Good Reason, (iii) your employment terminates due to your death or disability (iv) the Company terminates your employment without Cause outside the Change in Control Period, or (v) you resign with Good Reason outside the Change in Control Period.

2. Conditions to Receipt of Severance Benefits. To be eligible for any of the Severance Benefits pursuant to Section 1 of this Agreement, you must satisfy the following release requirement (the "**Release Requirement**"): return to the Company a signed and dated general release of all known and unknown claims in a termination agreement acceptable to the Company (the "**Release**") within the applicable deadline set forth therein, but in no event later than forty-five (45) calendar days following your termination date, and permit the Release to become effective and irrevocable in accordance with its terms (such effective date of the Release, the "**Release Effective Date**"). No Severance Benefits will be paid hereunder prior to the Release Effective Date. Accordingly, if you refuse to sign and deliver to the Company an executed Release or you sign and deliver to the Company the Release but exercise your right, if any, under applicable law to revoke the Release (or any portion thereof), then you will not be entitled to any severance, payment or benefit under this Agreement.

3. IRS Code Section 409A. All payments provided hereunder are intended to constitute separate payments for purposes of Treasury Regulation Section 1.409A-2(b)(2). If the Company determines that any benefits provided under this Agreement constitute "deferred compensation" under Section 409A of the Internal Revenue Code of 1986 as amended ("**Section 409A**"), such benefits will not commence in connection with your termination of employment unless such termination also qualifies as a "separation from service" with the Company within the meaning of Treasury Regulation Section 1.409A-1(h) (without regard to any permissible alternative definition thereunder) ("**Separation from Service**"). If the Company determines that any benefits provided under this Agreement constitute "deferred compensation" under Section 409A and you are a "specified employee" of the Company or any affiliate thereof (or any successor entity thereto) within the meaning of Section 409A(a)(2)(B)(i) of the Code on the date

of your Separation from Service, then the payment of any such benefits shall be delayed until the earlier of: (i) the date that is six (6) months and one (1) day after the date of your Separation from Service, or (ii) the date of your death (such date, the "**Delayed Payment Date**"), and the Company (or the successor entity thereto, as applicable) shall (A) pay to you a lump sum amount equal to the sum of the benefit payments that otherwise would have been paid to you on or before the Delayed Payment Date, without any adjustment on account of such delay, and (B) continue the benefit payments in accordance with any applicable payment schedules set forth for the balance of the period specified herein. In addition to the above, to the extent required to comply with Section 409A and the applicable regulations and guidance issued thereunder, if the applicable deadline for you to execute (and not revoke) the applicable Release spans two calendar years, the Release Effective Date shall not be deemed to occur until the second calendar year.

4. Section 280G; Limitations on Payment.

4.1. If any payment or benefit you will or may receive from the Company or otherwise (a "**280G Payment**") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then any such 280G Payment provided pursuant to this Agreement (a "**Payment**") shall be equal to the Reduced Amount. The "**Reduced Amount**" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Executive's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction shall occur in the manner (the "**Reduction Method**") that results in the greatest economic benefit for you. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "**Pro Rata Reduction Method**").

4.2. Notwithstanding any provision of Section 4.1 to the contrary, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A that would not otherwise be subject to taxes pursuant to Section 409A, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, shall be modified so as to avoid the imposition of taxes pursuant to Section 409A as follows: (A) as a first priority, the modification shall preserve to the greatest extent possible, the greatest economic benefit for Executive as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events *(e.g.,* being terminated without Cause), shall be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A shall be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A.

4.3. Unless you and the Company agree on an alternative accounting firm or, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the Change in Control transaction shall perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the Change in Control transaction, the Company shall appoint a nationally recognized accounting or law firm to make the determinations required by this Section 4. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The Company shall use commercially reasonable efforts to cause the accounting or law firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to you and the Company within fifteen (15) calendar days after the date on which your right to a 280G Payment becomes reasonably likely to occur (if requested at that time by you or the Company) or such other time as requested by you or the Company.

4.4. If you receive a Payment for which the Reduced Amount was determined pursuant to clause (x) of Section 4.1 and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, you agree to promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of Section 4.1) so that no portion of the remaining Payment is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) of Section 4.1, you shall have no obligation to return any portion of the Payment pursuant to the preceding sentence.

5. Definitions.

5.1. Cause. For purposes of this Agreement, *"**Cause**"* shall mean the following, as determined by the Board in its reasonable judgment: (i) your failure to perform, or material negligence in the performance of, your duties and responsibilities to the Company or any of its affiliates; (ii) your material breach of any [material] agreement between you and the Company or any of its affiliates; (iii) willful misconduct by you that is or could reasonably be expected to be materially harmful to the business interests or reputation of the Company or any of its affiliates; or (iv) your conviction of (or the pleading by you of nolo contendere to) any felony.

5.2. Change in Control. For purposes of this Agreement, the term "**Change in Control**" means a "**Sale of the Company**", as that term is defined in section 2.34 of the Second Amended and Restated Operating Agreement of the Company.

5.3. Change in Control Period. For purposes of this Agreement, "**Change in Control Period**" means the time period commencing three (3) months before the effective date of a Change in Control and ending on the date that is twelve (12) months after the effective date of a Change in Control.

5.4. Good Reason. For purposes of this Agreement, you shall have "**Good Reason**" for resignation from employment with the Company if any of the following actions are taken by the Company without your prior written consent: (i) a material reduction in your base salary, unless pursuant to a salary reduction program applicable generally to the Company's

senior executives; (ii) a material reduction in your duties (including responsibilities and/or authorities), provided, however, that a change in job position (including a change in title) shall not be deemed a "material reduction" in and of itself unless your new duties are materially reduced from the prior duties; or (iii) relocation of your principal place of employment to a place that increases your one-way commute by more than thirty-five (35) miles as compared to your then-current principal place of employment immediately prior to such relocation. In order for you to resign for Good Reason, each of the following requirements must be met: (A) you must provide written notice to the Company within thirty (30) calendar days after the first occurrence of the event giving rise to Good Reason setting forth the basis for your resignation, (B) you must allow the Company at least thirty (30) calendar days from receipt of such written notice to cure such event, (C) such event is not reasonably cured by the Company within such thirty (30) calendar day period (the "Cure Period"), and (D) you must resign from all positions you then hold with the Company not later than thirty (30) calendar days after the expiration of the Cure Period.

5.5. Termination Year. For purposes of this Agreement, "**Termination Year**" means the fiscal year in which your Company employment is terminated for any reason.

6. Miscellaneous. Nothing in this Agreement is intended to alter the at-will nature of your employment with the Company or the terms of any offer letter and/or employment-related agreement with the Company. This Agreement constitutes the complete, final and exclusive embodiment of the entire agreement between the Company and you with regard to Severance Benefits, and it supersedes and replaces any other agreements (whether written or unwritten) you may have with the Company concerning any severance benefits. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. This Agreement may not be modified or amended except in a written agreement approved by the Board and signed by you and a duly authorized and independent member of the Board. This Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, their heirs, successors and assigns. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this Agreement and the provision in question shall be modified so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This Agreement shall be construed and enforced in accordance with the laws of the State of California without regard to conflicts of law principles. Any ambiguity in this Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Agreement, or rights hereunder, shall be in writing and shall not be deemed to be a waiver of any successive breach or rights hereunder. This Agreement may be executed in counterparts which shall be deemed to be part of one original, and facsimile signatures, and signatures sent via PDF, shall be equivalent to original signatures.

To indicate your understanding and acceptance of this Agreement, please sign and date below, and return this Agreement to the Company.

We look forward to a continued productive employment relationship.

Sincerely,

BioAtla, LLC

/s/ Carolyn Short
Carolyn Short
Managing Member

Understood and Accepted:
/s/ Scott Smith
Scott Smith

EXHIBIT A

CONSULTING AGREEMENT

This CONSULTING AGREEMENT ("Agreement") effective as of the _____ day of _____, 20__ ("Effective Date") and entered into by and between BioAtla LLC ("BioAtla"), a Delaware Limited Liability Corporation, and _____, a(n) (individual/_____ corporation) with an address at _____ ("Consultant"), collectively the "Parties".

WHEREAS, BioAtla is a global biotherapeutics development company; and

WHEREAS, Consultant is engaged in providing consulting services; and

WHEREAS, Consultant is desirous of providing consulting services to BioAtla; and

WHEREAS, BioAtla is desirous of retaining Consultant; and

WHEREAS, Consultant will have access to Proprietary Information of BioAtla.

NOW THEREFORE, in consideration of the mutual promises and other good and valuable consideration, the Parties hereby agree as follows:

1. **Engagement**. BioAtla hereby appoints Consultant, and Consultant hereby accepts such appointment, upon the terms and conditions set forth herein.

2. **Services**. The nature of the services to be provided by Consultant and the compensation Consultant shall receive from BioAtla are set forth in Schedule A, attached and incorporated herein by reference.

3. **Term**. The term of this Agreement shall commence on the _____ day of _____, 20_ and shall continue in force for _____ months from that date.

4. **Independent Contractor**. The Parties expressly intend and agree that Consultant is acting as an independent contractor and not as an employee of BioAtla. Under no circumstances shall Consultant look to BioAtla as his employer, or as a partner, agent or principal. Consultant will determine the method, details and means of performing the services for BioAtla.

5. **Confidentiality**.

5.1 Acknowledgment of Proprietary Interest. Consultant recognizes the proprietary interest of BioAtla in any and all Proprietary Information of BioAtla. As used herein, the term "Proprietary Information" includes any and all of BioAtla's confidential or proprietary information, including without limitation, any and all confidential information of BioAtla encompassed in any and all reports, investigations, experiments, research or developmental work, experimental work, work in progress, plans, proposals, marketing and sales information and data, financial projections, cost summaries, pricing formulas, and all concepts or ideas, materials or information related to

the business, products or sales of BioAtla or BioAtla's licensees or customers which has not previously been released to the public at large by duly authorized representatives of BioAtla, whether or not such information would be enforceable as a trade secret or the copying of which would be enjoined or restrained by a court as constituting unfair competition. Consultant acknowledges and agrees that any and all Proprietary Information of BioAtla, learned by Consultant during the course of the engagement by BioAtla or otherwise, whether developed by Consultant alone or in conjunction with others or otherwise, shall be and is the property of BioAtla.

5.2 Covenant Not to Divulge Proprietary Information. Consultant acknowledges and agrees that BioAtla is entitled to prevent the disclosure of Proprietary Information of BioAtla. As a portion of the consideration for the appointment of Consultant and for the compensation being paid to Consultant from time to time by BioAtla, Consultant agrees at all times during the term of engagement with BioAtla, and thereafter for a period of ten (10) years, to maintain in strict confidence, and not to disclose or allow to be disclosed, directly or indirectly, to any person, firm or other entity, other than to persons engaged by BioAtla to further the business of BioAtla, and not to use except in the pursuit of the business of BioAtla, Proprietary Information of BioAtla, without the prior written consent of BioAtla, including Proprietary Information developed by Consultant.

5.3 No Licenses. No rights or licenses in or to the Proprietary Information of BioAtla are granted to Consultant by virtue of this Agreement.

5.4 Solicitation. Consultant shall not, during the term of this Agreement and for a period of one (1) year immediately following the termination of this Agreement, for any reason, either directly or indirectly solicit or take away, or attempt to solicit or take away, any of BioAtla's employees or consultants either for Consultant or for any other person or entity. Any such solicitation by Consultant shall constitute a breach hereunder.

5.5 Refraining from Certain Actions. Consultant shall not induce or incite claims of discrimination, wrongful discharge, breach of contract, tortious acts, or any other claims against BioAtla by any other person or Consultant, and shall not undertake any harassing or disparaging conduct directed at, and shall refrain from making any negative or derogatory statements concerning, BioAtla. Any such solicitation by Consultant shall constitute a breach hereunder.

6. **Termination**.

6.1 Remedies Upon Breach. In the event of any breach of this Agreement by Consultant, BioAtla shall have the right to terminate the consulting services of Consultant immediately upon written notice to Consultant. BioAtla shall also be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either in law or in equity, to enjoin Consultant from violating any of the terms of this Agreement, to enforce by specific performance any of the terms of this Agreement and to obtain damages, or any of these aforementioned remedies, but nothing herein contained shall be construed to prevent such remedy or combination of remedies as BioAtla may elect to invoke. The failure of BioAtla to promptly institute legal action upon any breach of this Agreement shall not constitute a waiver of that or any other breach hereof.

6.3 Return of Materials at Termination. In the event of any termination of Consultant's appointment, with or without cause, Consultant shall promptly deliver to BioAtla any and all materials, property, documents, data and all other information belonging to BioAtla or pertaining to Proprietary Information, whether prepared by BioAtla or Consultant. Consultant shall not take any materials, property, documents or other information, or any reproduction or excerpt thereof, belonging to BioAtla or pertaining to any Proprietary Information.

6.4 Obligations Surviving Termination. The obligations of Sections 4, 5, 7, 8.9 and 8.10 shall survive any termination of this Agreement.

7. **Ownership of Intellectual Property**.

7.1 Disclosure of Intellectual Property. Consultant shall promptly disclose to BioAtla any and all inventions, developments, discoveries, improvements, processes, techniques, know-how and data, whether or not patentable, made, conceived, reduced to practice or learned by Consultant, either alone or jointly with others, during the term of engagement with BioAtla which (a) result from responsibilities assigned to Consultant by BioAtla, (b) are funded by BioAtla or (c) result from use of facilities owned, leased or contracted for by BioAtla (all of said inventions, developments, discoveries, improvements, processes, techniques, know-how and data shall be collectively referred to as "Inventions"). Such disclosure shall continue for one (1) year after termination of this Agreement with respect to any subject matter that would be an Invention if made, conceived, reduced to practice or learned during the term of this Agreement; provided, however, that should this Agreement be terminated within the one (1) year period commencing with the date of this Agreement such disclosure shall continue for six (6) months after termination of this Agreement.

7.2 Assignment of Intellectual Property. Consultant agrees that all Inventions shall be the sole and exclusive property of BioAtla and its assigns, and BioAtla and its assigns shall be the sole owner of all patents, copyrights and other rights in connection therewith. Consultant hereby assigns to BioAtla any rights Consultant may have or acquire in such Inventions. Consultant further agrees as to all Inventions to assist BioAtla, at BioAtla's expense, as is reasonably necessary to obtain, and from time to time enforce, patents on all Inventions in any and all countries. To that end, Consultant shall execute all documents reasonably necessary to apply for and obtain patents on all Inventions and enforce the same, together with any assignments thereof to BioAtla or persons designated by it. In the event that BioAtla is unable for any reason whatsoever to secure Consultant's signature to any lawful and necessary document required to apply for or obtain patents on any such Invention, Consultant hereby irrevocably designates and appoints BioAtla, and its duly authorized officers and agents, as Consultant's agent and attorney-in-fact to act for and on behalf of Consultant to execute and file patent applications on any such Invention and to do all other lawfully permitted acts reasonably necessary to further the prosecution and issuance of patents thereon with the same legal force and effect as if executed by Consultant.

8. **General Provisions**.

8.1 Entire Agreement. This Agreement constitutes the entire and exclusive agreement between the Parties with respect to the subject matter hereof and supersedes any prior or contemporaneous agreements, representations and understandings of the Parties with respect thereto.

8.2 Amendments. No amendment or modification of the terms or conditions of this Agreement shall be valid unless in writing and signed by the Parties hereto.

8.3 Severability. If any provision of this Agreement shall be held illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

8.4 Waiver. The failure of any party hereto to insist upon strict compliance of any provision of this Agreement or to exercise any right hereunder will not constitute a waiver of that provision or right.

8.5 Representations and Warranties. Consultant represents and warrants that to the best of his knowledge, he is permitted to enter into this Agreement and perform the obligations contemplated thereby and that this Agreement and the terms and obligations thereof are not inconsistent with any obligation he may have.

8.6 Confidential Information. Consultant represents, warrants and agrees that he can and will perform the services required by this Agreement without disclosing or using any confidential information and/or proprietary information of a third party.

8.7 Successors and Assigns. The rights and obligations of BioAtla under this Agreement shall inure to the benefit of and shall be binding upon the successors and assigns of BioAtla. Consultant shall not be entitled to assign any of Consultant's rights or obligations under this Agreement.

8.8 Attorneys' Fees. In the event of any litigation concerning any controversy, claim or dispute between the Parties hereto, arising out of or relating to this Agreement, the breach hereof or the interpretation hereof, the prevailing party shall be entitled to recover from the other party expenses, including reasonable attorneys' fees, and costs incurred therein.

8.9 Taxes. Consultant shall pay, when and as due, any and all taxes incurred as a result of Consultant's compensation hereunder, including estimated taxes.

8.10 Indemnification. Each party shall and does indemnify, defend and hold harmless the other party, and its officers, directors and shareholders from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages and recoveries, including without limitation, interest, penalties and reasonable attorney's fees and costs, that the party may incur or suffer and that arise as a result from or are related to the performance of the party's obligations under this Agreement and/or any breach or failure of a party to perform any of the representations, warranties and agreements contained in this Agreement.

8.11 Notices. Any notices or communications provided for in this Agreement to be made by either of the Parties to the other shall be in writing and delivered personally or sent by (i) United States mail, registered or certified, postage paid, (ii) overnight delivery service such as FedEx or UPS or (iii) facsimile, with confirmation of receipt, addressed as follows:

If to BioAtla:

BioAtla
Attn: VP, IP and Contracts
11011 Torreyana Road
San Diego, CA 92121
Phone No. : 858.558.0708 x 3101
Fax No. : 858.558.0701

If to Consultant:

_____

Address:

_____

_____

_____

Phone No.:_____

_____

Either party may, by like notice, specify or change an address to which notices and communications shall thereafter be sent. Notices sent by facsimile shall be effective upon confirmation of receipt, notices sent by mail or overnight delivery service shall be effective upon receipt and notices given personally shall be effective when delivered.

8.12 Governing Law. This Agreement shall be interpreted, construed, governed and enforced according to the laws of the State of California without giving effect to its conflict of laws principles.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the effective date set forth above.

BioAtla, LLC	Consultant
_____	_____

BioAtla, I.LC

Effective April 1st, 2020

Carolyn Short
c/o BioAtla, LLC

Re: Severance Agreement April 2020

Dear Carolyn Short,

BioAtla, LLC (the "**Company**-), is pleased to provide the following Amended Severance Agreement (the -**Agreement**") to you (the "**Executive**"). This Agreement will be effective only if you sign and return this Agreement within ten (10) business days.

1. Eligibility / Severance Benefits. If (i) your employment ceases at any time prior to a Change in Control (a "**Qualifying Termination**"), for any reason other than termination for Cause, and (ii) you satisfy the Release Requirement (as defined in Section 2 below), then you will receive the following "**Severance Benefits**":

1.1. Severance Payment. A severance payment equal to twenty-four (24) months of the greater of: i) your final monthly base salary prior to any company wide salary reduction plan, or ii) in the event your date of termination occurs prior to a salary increase for the previous year performance, your final monthly base salary prior to any company wide salary reduction plan including the greater of: a) the maximum salary increase percentage provided to any employee (without a title change) or b) 4% (the "**Severance Payment**"). The Severance Payment will be paid to you, in the form of monthly payments beginning the later date of the following: 1) the date of termination and for twenty-four months thereafter, subject to required payroll deductions and tax withholdings, and 2) the day of the Release Effective Date (as defined in Section 2 below). Further, for purposes of calculating the Severance Payment, your final base salary will be calculated prior to giving effect to any reduction in base salary that would give rise to your right to resign for Good Reason. You will be eligible for the company bonus as set forth below.

1.2. Bonus Payment. An amount equal to your target bonus amount for the full year of the Termination Year (the "**Target Bonus Amount**") will be paid to you, in the form of 12 monthly payments, subject to required payroll deductions and tax withholdings. For purposes of calculating the Target Bonus Amount for the Termination Year, the same final base salary used in 1.1 above will be used.

1.3. Prior Year Bonus Payment. If the Qualifying Termination occurs prior to the date on which bonuses are paid for the year immediately preceding the Termination Year (the "**Prior Year**"), an amount equal to your full target bonus amount for the Prior Year (the "**Prior Year Bonus Payment**") will be paid to you (if applicable), in the form of 12 monthly payments, subject to required payroll deductions and tax withholdings, within twenty (20) business days following the Release Effective Date. For purposes of calculating the Prior Year Bonus Payment, the same final base salary used in 1.1 above will be used.

1.4. Double Trigger Accelerated Vesting. The vesting and exercisability of all unvested time-based vesting equity awards then held by you shall accelerate such that all shares become immediately vested and exercisable, if applicable, by you upon such termination and shall remain exercisable, if applicable, following your termination as set forth in the applicable equity award documents. With respect to any performance-based vesting equity award, such award shall continue to be governed in all respects by the terms of the applicable equity award documents.

2. Conditions to Receipt of Severance Benefits. To be eligible for any of the Severance Benefits pursuant to Section 1 of this Agreement, you must satisfy the following release requirement (the "**Release Requirement**"): return to the Company a signed and dated general release of all known and unknown claims in a termination agreement acceptable to the Company (the "**Release**") within the applicable deadline set forth therein, but in no event later than forty-five (45) calendar days following your termination date, and permit the Release to become effective and irrevocable in accordance with its terms (such effective date of the Release, the "**Release Effective Date**"). No Severance Benefits will be paid hereunder prior to the Release Effective Date. Accordingly, if you refuse to sign and deliver to the Company an executed Release or you sign and deliver to the Company the Release but exercise your right, if any, under applicable law to revoke the Release (or any portion thereof), then you will not be entitled to any severance, payment or benefit under this Agreement.

3. IRS Code Section 409A. All payments provided hereunder are intended to constitute separate payments for purposes of Treasury Regulation Section 1.409A-2(b) (2). If the Company determines that any benefits provided under this Agreement constitute "deferred compensation" under Section 409A of the Internal Revenue Code of 1986 as amended ("**Section 409A**"), such benefits will not commence in connection with your termination of employment unless such termination also qualifies as a "separation from service" with the Company within the meaning of Treasury Regulation Section 1.409A-1(h) (without regard to any permissible alternative definition thereunder) ("**Separation from Service**"). If the Company determines that any benefits provided under this Agreement constitute "deferred compensation" under Section 409A and you are a "specified employee" of the Company or any affiliate thereof (or any successor entity thereto) within the meaning of Section 409A(aX2XB)(i) of the Code on the date of your Separation from Service, then the payment of any such benefits shall be delayed until the earlier of: (i) the date that is six (6) months and one (1) day after the date of your Separation from Service, or (ii) the date of your death (such date, the "**Delayed Payment Date**"), and the Company (or the successor entity thereto, as applicable) shall (A) pay to you a lump sum amount equal to the sum of the benefit payments that otherwise would have been paid to you on or before the Delayed Payment Date, without any adjustment on account of such delay, and (B) continue the benefit payments in accordance with any applicable payment schedules set forth for the balance of the period specified herein. In addition to the above, to the extent required to comply with Section 409A and the applicable regulations and guidance issued thereunder, if the applicable deadline for you to execute (and not revoke) the applicable Release spans two calendar years, the Release Effective Date shall not be deemed to occur until the second calendar year.

4. Section 280G; Limitations on Payment.

4.1. If any payment or benefit you will or may receive from the Company or otherwise (a "**280G Payment**") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then any such 280G Payment provided pursuant to this Agreement (a "**Payment**") shall be equal to the Reduced Amount. The "Reduced Amount" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Executive's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction shall occur in the manner (the "**Reduction Method**") that results in the greatest economic benefit for you. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "**Pro Rata Reduction Method**").

4.2. Notwithstanding any provision of Section 4.1 to the contrary, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A that would not otherwise be subject to taxes pursuant to Section 409A, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, shall be modified so as to avoid the imposition of taxes pursuant to Section 409A as follows: (A) as a first priority, the modification shall preserve to the greatest extent possible, the greatest economic benefit for Executive as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events *(e.g.,* being terminated without Cause), shall be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A shall be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A.

4.3. Unless you and the Company agree on an alternative accounting firm or, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the Change in Control transaction shall perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the Change in Control transaction, the Company shall appoint a nationally recognized accounting or law firm to make the determinations required by this Section 4. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The Company shall use commercially reasonable efforts to cause the accounting or law firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to you and the Company within fifteen (15) calendar days after the date on which your right to a 280G Payment becomes reasonably likely to occur (if requested at that time by you or the Company) or such other time as requested by you or the Company.

4.4. If you receive a Payment for which the Reduced Amount was determined pursuant to clause (x) of Section 4.1 and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, you agree to promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of Section 4.1) so that no portion of the remaining Payment is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) of Section 4.1, you shall have no obligation to return any portion of the Payment pursuant to the preceding sentence.

5. Definitions.

5.1. Change in Control. For purposes of this Agreement, the term "**Change in Control**" means a transaction or series of transactions (including by way of merger, consolidation, recapitalization, reorganization or sale of stock or units), the result of which is that Jay Short and Carolyn Short are, after giving effect to such transaction, no longer, in the aggregate, in control, directly or indirectly (including through one or more intermediaries and/or voting rights agreements), of more than 50% of the voting power of the outstanding voting securities of the surviving entity of such transaction, and including a capital raising transaction in which the Company is the surviving entity.

5.2. Termination Year. For purposes of this Agreement, "**Termination Year**" means the fiscal year in which your Company employment is terminated for any reason.

5.3. Good Reason. For purposes of this Agreement, "**Good Reason**" is a Qualifying Termination, and Good Reason includes Company requiring Executive to work full time for Himalaya Therapeutics ("**Himalaya**"), to advance Himalaya's development and commercialization of Company's products under the rights agreement with Himalaya in the Himalaya territory.

6. Miscellaneous. Nothing in this Agreement is intended to alter the at-will nature of your employment with the Company or the terms of any offer letter and/or employment-related agreement with the Company. This Agreement constitutes the complete, final and exclusive embodiment of the entire agreement between the Company and you with regard to Severance Benefits, and it supersedes and replaces any other agreements (whether written or unwritten) you may have with the Company concerning any severance benefits. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. This Agreement may not be modified or amended except in a written agreement approved by the Board and signed by you and a duly authorized and independent member of the Board. This Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, their heirs, successors and assigns. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this Agreement and the provision in question shall be modified so as to be rendered enforceable in a

manner consistent with the intent of the parties insofar as possible under applicable law. This Agreement shall be construed and enforced in accordance with the laws of the State of California without regard to conflicts of law principles. Any ambiguity in this Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Agreement, or rights hereunder, shall be in writing and shall not be deemed to be a waiver of any successive breach or rights hereunder. This Agreement may be executed in counterparts which shall be deemed to be part of one original, and facsimile signatures, and signatures sent via PDF, shall be equivalent to original signatures.

To indicate your understanding and acceptance of this Agreement, please sign and date below, and return this Agreement to the Company.

Sincerely,

BioAtla, LLC

/s/ Richard Waldron Richard Waldron
Chief Financial Officer

Understood and Accepted:

/s/ Carolyn Short
Carolyn Short

BioAtla, LLC

Effective July 1st, 2018

Carolyn Short
C/o BioAtla, LLC

Re: Severance Agreement

Dear Carolyn Short,

BioAtla, LLC (the "**Company**"), is pleased to provide the following Severance Agreement (the "**Agreement**") to you. This Agreement will be effective only if you sign and return this Agreement within ten (10) business days.

1. Eligibility / Severance Benefits. If (i) your employment ceases at any time following a Change in Control (either, a "**Qualifying Termination**"), and (ii) you satisfy the Release Requirement (as defined in Section 2 below), then you will receive the following "Severance Benefits":

1.1. Severance Payment. A severance payment equal to eighteen (18) months of your final monthly base salary (the "**Severance Payment**"). The Severance Payment will be paid to you, in the form of a lump sum payment, subject to required payroll deductions and tax withholdings, within twenty (20) business days following the Release Effective Date (as defined in Section 2 below). For purposes of calculating the Severance Payment, your final base salary will be calculated prior to giving effect to any reduction in base salary that would give rise to your right to resign for Good Reason.

1.2. Prorata Bonus Payment. An amount equal to a prorated portion of your target bonus amount for the Termination Year (the "**Target Bonus Amount**") that corresponds to your service during the Termination Year (the "**Prorata Bonus Payment**"), which shall be calculated by multiplying (i) the Target Bonus Amount, by (ii) a fraction, the numerator of which is the number of days during the Termination Year that you were employed by the Company and the denominator of which is three hundred and sixty-five (365). The Prorata Bonus Payment will be paid to you, in the form of a lump sum payment, subject to required payroll deductions and tax withholdings, within twenty (20) business days following the Release Effective Date. For purposes of calculating the Target Bonus Amount for any Termination Year, your final base salary will be calculated prior to giving effect to any reduction in base salary that would give rise to your right to resign for Good Reason.

1.3. Prior Year Bonus Payment. If the Qualifying Termination occurs prior to the date on which bonuses are paid for the year immediately preceding the Termination Year (the "**Prior Year**"), an amount equal to your full target bonus amount for the Prior Year (the "**Prior Year Bonus Payment**"). The Prior Year Bonus Payment will be paid to you (if applicable), in the form of a lump sum payment, subject to required payroll deductions and tax withholdings, within twenty (20) business days following the Release Effective Date. For purposes of calculating the Prior Year Bonus Payment, your final base salary will be calculated prior to giving effect to any reduction in base salary that would give rise to your right to resign for Good Reason.

1.4. Double Trigger Accelerated Vesting. The vesting and exercisability of all unvested time-based vesting equity awards then held by you shall accelerate such that all shares become immediately vested and exercisable, if applicable, by you upon such termination and shall remain exercisable, if applicable, following your termination as set forth in the applicable equity award documents. With respect to any performance-based vesting equity award, such award shall continue to be governed in all respects by the terms of the applicable equity award documents.

2. Conditions to Receipt of Severance Benefits. To be eligible for any of the Severance Benefits pursuant to Section 1 of this Agreement, you must satisfy the following release requirement (the "**Release Requirement**"): return to the Company a signed and dated general release of all known and unknown claims in a termination agreement acceptable to the Company (the "**Release**") within the applicable deadline set forth therein, but in no event later than forty-five (45) calendar days following your termination date, and permit the Release to become effective and irrevocable in accordance with its terms (such effective date of the Release, the "**Release Effective Date**"). No Severance Benefits will be paid hereunder prior to the Release Effective Date. Accordingly, if you refuse to sign and deliver to the Company an executed Release or you sign and deliver to the Company the Release but exercise your right, if any, under applicable law to revoke the Release (or any portion thereof), then you will not be entitled to any severance, payment or benefit under this Agreement.

3. IRS Code Section 409A. All payments provided hereunder are intended to constitute separate payments for purposes of Treasury Regulation Section 1.409A-2(b) (2). If the Company determines that any benefits provided under this Agreement constitute "deferred compensation" under Section 409A of the Internal Revenue Code of 1986 as amended ("**Section 409A**"), such benefits will not commence in connection with your termination of employment unless such termination also qualifies as a "separation from service" with the Company within the meaning of Treasury Regulation Section 1.409A-1(h) (without regard to any permissible alternative definition thereunder) ("**Separation from Service**"). If the Company determines that any benefits provided under this Agreement constitute "deferred compensation" under Section 409A and you are a "specified employee" of the Company or any affiliate thereof (or any successor entity thereto) within the meaning of Section 409A(a)(2)(B)(i) of the Code on the date of your Separation from Service, then the payment of any such benefits shall be delayed until the earlier of: (i) the date that is six (6) months and one (1) day after the date of your Separation from Service, or (ii) the date of your death (such date, the "**Delayed Payment Date**"), and the Company (or the successor entity thereto, as applicable) shall (A) pay to you a lump sum amount equal to the sum of the benefit payments that otherwise would have been paid to you on or before the Delayed Payment Date, without any adjustment on account of such delay, and (B) continue the benefit payments in accordance with any applicable payment schedules set forth for the balance of the period specified herein. In addition to the above, to the extent required to comply with Section 409A and the applicable regulations and guidance issued thereunder, if the applicable deadline for you to execute (and not revoke) the applicable Release spans two calendar years, the Release Effective Date shall not be deemed to occur until the second calendar year.

4. Section 280G; Limitations on Payment.

4.1. If any payment or benefit you will or may receive from the Company or otherwise (a "**280G Payment**") would (i) constitute a "parachute payment" within the meaning of

Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "**Excise Tax**"), then any such 280G Payment provided pursuant to this Agreement (a "**Payment**") shall be equal to the Reduced Amount. The "**Reduced Amount**" shall be either (x) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (y) the largest portion, up to and including the total, of the Payment, whichever amount (i.e., the amount determined by clause (x) or by clause (y)), after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in Executive's receipt, on an after-tax basis, of the greater economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in a Payment is required pursuant to the preceding sentence and the Reduced Amount is determined pursuant to clause (x) of the preceding sentence, the reduction shall occur in the manner (the "**Reduction Method**") that results in the greatest economic benefit for you. If more than one method of reduction will result in the same economic benefit, the items so reduced will be reduced pro rata (the "**Pro Rata Reduction Method**").

4.2. Notwithstanding any provision of Section 4.1 to the contrary, if the Reduction Method or the Pro Rata Reduction Method would result in any portion of the Payment being subject to taxes pursuant to Section 409A that would not otherwise be subject to taxes pursuant to Section 409A, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, shall be modified so as to avoid the imposition of taxes pursuant to Section 409A as follows: (A) as a first priority, the modification shall preserve to the greatest extent possible, the greatest economic benefit for Executive as determined on an after-tax basis; (B) as a second priority, Payments that are contingent on future events (e.g., being terminated without Cause), shall be reduced (or eliminated) before Payments that are not contingent on future events; and (C) as a third priority, Payments that are "deferred compensation" within the meaning of Section 409A shall be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A.

4.3. Unless you and the Company agree on an alternative accounting firm or, the accounting firm engaged by the Company for general tax compliance purposes as of the day prior to the effective date of the Change in Control transaction shall perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the Change in Control transaction, the Company shall appoint a nationally recognized accounting or law firm to make the determinations required by this Section 4. The Company shall bear all expenses with respect to the determinations by such accounting firm required to be made hereunder. The Company shall use commercially reasonable efforts to cause the accounting or law firm engaged to make the determinations hereunder to provide its calculations, together with detailed supporting documentation, to you and the Company within fifteen (15) calendar days after the date on which your right to a 280G Payment becomes reasonably likely to occur (if requested at that time by you or the Company) or such other time as requested by you or the Company.

4.4. If you receive a Payment for which the Reduced Amount was determined pursuant to clause (x) of Section 4.1 and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, you agree to promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) of Section 4.1) so that no portion of the remaining Payment is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount was determined pursuant to clause (y) of Section 4.1, you shall have no obligation to return any portion of the Payment pursuant to the preceding sentence.

5. Definitions.

5.1. Change in Control. For purposes of this Agreement, the term "**Change in Control**" means a transaction or series of transactions (including by way of merger, consolidation, recapitalization, reorganization or sale of stock or units), the result of which is that Jay Short and Carolyn Short are, after giving effect to such transaction, no longer, in the aggregate, in control, directly or indirectly (including through one or more intermediaries and/or voting rights agreements), of more than 50% of the voting power of the outstanding voting securities of the surviving entity of such transaction, and including a capital raising transaction in which the Company is the surviving entity.

5.2. Termination Year. For purposes of this Agreement, "**Termination Year**" means the fiscal year in which your Company employment is terminated for any reason.

6. Miscellaneous. Nothing in this Agreement is intended to alter the at-will nature of your employment with the Company or the terms of any offer letter and/or employment-related agreement with the Company. This Agreement constitutes the complete, final and exclusive embodiment of the entire agreement between the Company and you with regard to Severance Benefits, and it supersedes and replaces any other agreements (whether written or unwritten) you may have with the Company concerning any severance benefits. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. This Agreement may not be modified or amended except in a written agreement approved by the Board and signed by you and a duly authorized and independent member of the Board. This Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, their heirs, successors and assigns. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this Agreement and the provision in question shall be modified so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This Agreement shall be construed and enforced in accordance with the laws of the State of California without regard to conflicts of law principles. Any ambiguity in this Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Agreement, or rights hereunder, shall be in writing and shall not be deemed to be a waiver of any successive breach or rights hereunder. This Agreement may be executed in counterparts which shall be deemed to be part of one original, and facsimile signatures, and signatures sent via PDF, shall be equivalent to original signatures.

To indicate your understanding and acceptance of this Agreement, please sign and date below, and return this Agreement to the Company.

We look forward to a continued productive employment relationship.

Sincerely,

BioAtla, LLC

/s/ Richard Waldron
Richard Waldron
Chief Financial Officer

Understood and Accepted:

/s/ Carolyn Short
Carolyn Short

Exhibit 10.18

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (the "**Agreement**") is made and entered into as of [•], 2020, between BioAtla, Inc., a Delaware corporation (the "**Company**"), and [*name*] ("**Indemnitee**").

WITNESSETH THAT:

WHEREAS, highly competent persons have become more reluctant to serve corporations as directors, officers or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, the Board of Directors of the Company (the "**Board**") has determined that, in order to attract and retain qualified individuals, the Company will attempt to maintain on an ongoing basis, at its sole expense, liability insurance to protect persons serving the Company and its subsidiaries from certain liabilities. Although the furnishing of such insurance has been a customary and widespread practice among United States-based corporations and other business enterprises, the Company believes that, given current market conditions and trends, such insurance may be available to it in the future only at higher premiums and with more exclusions. At the same time, directors, officers, and other persons in service to corporations or business enterprises are being increasingly subjected to expensive and time-consuming litigation relating to, among other things, matters that traditionally would have been brought only against the Company or business enterprise itself. The Bylaws and Certificate of Incorporation of the Company require indemnification of the officers and directors of the Company. Indemnitee may also be entitled to indemnification pursuant to the General Corporation Law of the State of Delaware ("**DGCL**"). The Bylaws, Certificate of Incorporation and the DGCL expressly provide that the indemnification provisions set forth therein are not exclusive, and thereby contemplate that contracts may be entered into between the Company and members of the Board, officers and other persons with respect to indemnification;

WHEREAS, the uncertainties relating to such insurance and to indemnification have increased the difficulty of attracting and retaining such persons;

WHEREAS, the Board has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the Company's stockholders and that the Company should act to assure such persons that there will be increased certainty of such protection in the future;

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, this Agreement is a supplement to and in furtherance of the Bylaws and Certificate of Incorporation of the Company and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder;

WHEREAS, Indemnitee does not regard the protection available under the Company's Bylaws, Certificate of Incorporation and insurance as adequate in the present circumstances, and may not be willing to serve as an officer or director without adequate protection, and the Company desires Indemnitee to serve in such capacity. Indemnitee is willing to serve, continue to serve and to take on additional service for or on behalf of the Company on the condition that he be so indemnified; and

WHEREAS, Indemnitee has certain rights to indemnification and/or insurance provided by [*name of fund/sponsor*] which Indemnitee and [*name of fund/sponsor*] intend to be secondary to the primary obligation of the Company to indemnify Indemnitee as provided herein, with the Company's acknowledgement and agreement to the foregoing being a material condition to Indemnitee's willingness to serve on the Board.

NOW, THEREFORE, in consideration of Indemnitee's agreement to serve as [a director][an officer] from and after the date hereof, the parties hereto agree as follows:

1. Indemnity of Indemnitee. The Company hereby agrees to hold harmless and indemnify Indemnitee to the fullest extent permitted by law, as such may be amended from time to time. In furtherance of the foregoing indemnification, and without limiting the generality thereof.

(a) Proceedings Other Than Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(a) if, by reason of his Corporate Status (as hereinafter defined), the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding (as hereinafter defined) other than a Proceeding by or in the right of the Company. Pursuant to this Section 1(a), Indemnitee shall be indemnified against all Expenses (as hereinafter defined), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him, or on his behalf, in connection with such Proceeding or any claim, issue or matter therein, if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe the Indemnitee's conduct was unlawful.

(b) Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 1(b) if, by reason of his Corporate Status, the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 1(b), Indemnitee shall be indemnified against all Expenses actually and reasonably incurred by the Indemnitee, or on the Indemnitee's behalf, in connection with such Proceeding if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; provided, however, if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been adjudged to be liable to the Company unless and to the extent that the Court of Chancery of the State of Delaware shall determine that such indemnification may be made.

(c) Indemnification for Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Corporate Status, a party to and is successful, on the merits or otherwise, in any Proceeding, he shall be indemnified to the maximum extent permitted by law, as such may be amended from time to time, against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or on his behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

(d) Indemnification of Appointing Stockholder. If (i) Indemnitee is or was affiliated with one or more venture capital or private equity funds that has invested in the Company (an "**Appointing Stockholder**"), (ii) the Appointing Stockholder is, or is threatened to be made, a party to or a participant in any Proceeding, and (iii) the Appointing Stockholder's involvement in the Proceeding results from any claim based on the Indemnitee's service to the Company as a director or other fiduciary of the Company, the Appointing Stockholder will be entitled to indemnification hereunder for Expenses to the same extent as Indemnitee, and the terms of this Agreement as they relate to procedures for indemnification of Indemnitee and advancement of Expenses shall apply to any such indemnification of Appointing Stockholder.

2. Additional Indemnity. In addition to, and without regard to any limitations on, the indemnification provided for in Section 1 of this Agreement, the Company shall and hereby does indemnify and hold harmless Indemnitee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or on his behalf if, by reason of his Corporate Status, he is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company), including, without limitation, all liability arising out of the negligence or active or passive wrongdoing of Indemnitee. The only limitation that shall exist upon the Company's obligations pursuant to this Agreement shall be that the Company shall not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 6 and 7 hereof) to be unlawful.

3. Contribution.

(a) Whether or not the indemnification provided in Sections 1 and 2 hereof is available, in respect of any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such action, suit or proceeding without requiring Indemnitee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company shall not enter into any settlement of any action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnitee.

(b) Without diminishing or impairing the obligations of the Company set forth in the preceding subparagraph, if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any threatened, pending or completed action, suit or proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), the Company shall contribute to the amount of Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction or events from which such action, suit or proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all officers, directors or employees of the Company other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the transaction or events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which applicable law may require to be considered. The relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such action, suit or proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

(c) The Company hereby agrees to fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by officers, directors, or employees of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

(d) To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such Proceeding and/or (ii) the relative fault of the Company (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

4. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Corporate Status, a witness, or is made (or asked) to respond to discovery requests, in any Proceeding to which Indemnitee is not a party, he shall be indemnified against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith.

5. Advancement of Expenses. Notwithstanding any other provision of this Agreement, the Company shall advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding by reason of Indemnitee's Corporate Status within thirty (30) days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by

Indemnitee and shall include or be preceded or accompanied by a written undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it shall ultimately be determined that Indemnitee is not entitled to be indemnified against such Expenses. Any advances and undertakings to repay pursuant to this Section 5 shall be unsecured and interest free.

6. Procedures and Presumptions for Determination of Entitlement to Indemnification. It is the intent of this Agreement to secure for Indemnitee rights of indemnity that are as favorable as may be permitted under the DGCL and public policy of the State of Delaware. Accordingly, the parties agree that the following procedures and presumptions shall apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure of Indemnitee to provide such a request to the Company, or to provide such a request in a timely fashion, shall not relieve the Company of any liability that it may have to Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Company.

(b) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 6(a) hereof, a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following four methods, which shall be at the election of the Board, unless a Change in Control has occurred: (1) by a majority vote of the disinterested directors, even though less than a quorum, (2) by a committee of disinterested directors designated by a majority vote of the disinterested directors, even though less than a quorum, (3) if there are no disinterested directors or if the disinterested directors so direct, by Independent Counsel in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee, or (4) if so directed by the Board, by the stockholders of the Company. If a Change in Control has occurred, by Independent legal Counsel in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee. For purposes hereof, disinterested directors are those members of the Board who are not parties to the action, suit or proceeding in respect of which indemnification is sought by Indemnitee.

(c) If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 6(b) hereof, the Independent Counsel shall be selected as provided in this Section 6(c). The Independent Counsel shall be selected by the Board. Indemnitee may, within ten (10) days after such written notice of selection shall have been given, deliver to the Company a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "**Independent Counsel**" as defined in Section 13 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within twenty (20) days after submission by Indemnitee of a written request for indemnification pursuant to Section 6(a) hereof, no Independent Counsel shall have been

selected and not objected to, either the Company or Indemnitee may petition the Court of Chancery of the State of Delaware or other court of competent jurisdiction for resolution of any objection which shall have been made by the Indemnitee to the Company's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 6(b) hereof. The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with acting pursuant to Section 6(b) hereof, and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section 6(c), regardless of the manner in which such Independent Counsel was selected or appointed.

(d) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence. Neither the failure of the Company (including by its directors or independent legal counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or independent legal counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(e) Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the Enterprise (as hereinafter defined), including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 6(e) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(f) If the person, persons or entity empowered or selected under Section 6 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within sixty (60) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that such sixty (60) day period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making such determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation and/or information relating

thereto; and provided further, that the foregoing provisions of this Section 6(f) shall not apply if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 6(b) of this Agreement and if (A) within fifteen (15) days after receipt by the Company of the request for such determination, the Board or the Disinterested Directors, if appropriate, resolve to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within seventy five (75) days after such receipt and such determination is made thereat, or (B) a special meeting of stockholders is called within fifteen (15) days after such receipt for the purpose of making such determination, such meeting is held for such purpose within sixty (60) days after having been so called and such determination is made thereat.

(g) Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any Independent Counsel, member of the Board or stockholder of the Company shall act reasonably and in good faith in making a determination regarding the Indemnitee's entitlement to indemnification under this Agreement. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(h) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any action, claim or proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such action, claim or proceeding with or without payment of money or other consideration) it shall be presumed that Indemnitee has been successful on the merits or otherwise in such action, suit or proceeding. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence.

(i) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his conduct was unlawful.

7. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 6 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 5 of this Agreement, (iii) no determination of entitlement to indemnification is made pursuant to Section 6(b) of this Agreement within ninety (90) days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to this Agreement within ten (10) days after

receipt by the Company of a written request therefor, or (v) payment of indemnification is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 6 of this Agreement, Indemnitee shall be entitled to an adjudication in an appropriate court of the State of Delaware, or in any other court of competent jurisdiction, of Indemnitee's entitlement to such indemnification. Indemnitee shall commence such proceeding seeking an adjudication within one hundred eighty (180) days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 7(a). The Company shall not oppose Indemnitee's right to seek any such adjudication.

(b) In the event that a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 7 shall be conducted in all respects as a de novo trial on the merits, and Indemnitee shall not be prejudiced by reason of the adverse determination under Section 6(b).

(c) If a determination shall have been made pursuant to Section 6(b) of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 7, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's misstatement not materially misleading in connection with the application for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) In the event that Indemnitee, pursuant to this Section 7, seeks a judicial adjudication of his rights under, or to recover damages for breach of, this Agreement, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company shall pay on his behalf, in advance, any and all expenses (of the types described in the definition of Expenses in Section 13 of this Agreement) actually and reasonably incurred by him in such judicial adjudication, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of expenses or insurance recovery.

(e) The Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 7 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement. The Company shall indemnify Indemnitee against any and all Expenses and, if requested by Indemnitee, shall (within ten (10) days after receipt by the Company of a written request therefore) advance, to the extent not prohibited by law, such expenses to Indemnitee, which are incurred by Indemnitee in connection with any action brought by Indemnitee for indemnification or advance of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether Indemnitee ultimately is determined to be entitled to such indemnification, advancement of Expenses or insurance recovery, as the case may be.

(f) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification under this Agreement shall be required to be made prior to the final disposition of the Proceeding.

8. Non-Exclusivity; Survival of Rights; Insurance; Primacy of Indemnification; Subrogation.

(a) The rights of indemnification as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Certificate of Incorporation, the By-laws, any agreement, a vote of stockholders, a resolution of directors of the Company, or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his Corporate Status prior to such amendment, alteration or repeal. To the extent that a change in the DGCL, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under the Certificate of Incorporation, By-laws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents or fiduciaries of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person serves at the request of the Company, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any director, officer, employee, agent or fiduciary under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has directors' and officers' liability insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

(c) The Company hereby acknowledges that Indemnitee has certain rights to indemnification, advancement of expenses and/or insurance provided by [*Name of Fund/Sponsor*] and certain of its affiliates (collectively, the "**Fund Indemnitors**"). The Company hereby agrees (i) that it is the indemnitor of first resort (i.e., its obligations to Indemnitee are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary), (ii) that it shall be required to advance the full amount of expenses incurred by Indemnitee and shall be liable for the full amount of all Expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement and the Certificate of Incorporation or Bylaws of the Company (or any other agreement between the Company and Indemnitee), without regard to any rights Indemnitee may have against the Fund Indemnitors, and (iii) that it irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Fund Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Company and Indemnitee agree that the Fund Indemnitors are express third party beneficiaries of the terms of this Section 8(c).

(d) Except as provided in paragraph (c) above, in the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee (other than against the Fund Indemnitors), who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

(e) Except as provided in paragraph (c) above, the Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

(f) Except as provided in paragraph (c) above, the Company's obligation to indemnify or advance Expenses hereunder to Indemnitee who is or was serving at the request of the Company as a director, officer, employee or agent of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise shall be reduced by any amount Indemnitee has actually received as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.

9. Exception to Right of Indemnification. Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity in connection with any claim made against Indemnitee:

(a) for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision, provided that the foregoing shall not affect the rights or limitations of Indemnitee or the Fund Indemnitors set forth in Section 8(c) above; or

(b) for an accounting of profits made from the purchase and sale (or sale and purchase) by Indemnitee of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934, as amended, (the "**Exchange Act**") or similar provisions of state statutory law or common law; or

(c) in connection with any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the Company or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, or (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law; or

(d) with respect to remuneration paid to Indemnitee if it is determined by final judgment or other final adjudication that such remuneration was in violation of law (and, in this respect, both the Company and Indemnitee have been advised that the SEC believes that indemnification for liabilities arising under the federal securities laws is against public policy and is, therefore, unenforceable and that claims for indemnification should be submitted to appropriate courts for adjudication, as indicated in the last paragraph of this Section 9); or

(e) a final judgment or other final adjudication is made that Indemnitee's conduct was in bad faith, knowingly fraudulent or deliberately dishonest or constituted willful misconduct (but only to the extent of such specific determination); or

(f) in connection with any claim for reimbursement or any recovery policy of the Company by Indemnitee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnitee from the sale of securities of the Company, as required in each case under the Exchange Act (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act or Section 954 of the Dodd-Frank Act, or the payment to the Company of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 306 of the Sarbanes-Oxley Act)), if Indemnitee is held liable therefor (including pursuant to any settlement); or

(g) on account of conduct that is established by a final judgment as constituting a breach of Indemnitee's duty of loyalty to the Company or resulting in any personal profit or advantage to which Indemnitee is not legally entitled.

For purposes of this Section 9, a final judgment or other adjudication may be reached in either the underlying proceeding or action in connection with which indemnification is sought or a separate proceeding or action to establish rights and liabilities under this Agreement.

Any provision herein to the contrary notwithstanding, the Company will not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee or otherwise act in violation of any undertaking appearing in and required by the rules and regulations promulgated under the Securities Act, or in any registration statement filed with the SEC under the Securities Act. Indemnitee acknowledges that paragraph (h) of Item 512 of Regulation S-K promulgated under the Securities Act currently generally requires the Company to undertake, in connection with any registration statement filed under the Securities Act, to submit the issue of the enforceability of Indemnitee's rights under this Agreement in connection with any liability under the Securities Act on public policy grounds to a court of appropriate jurisdiction and to be governed by any final adjudication of such issue. Indemnitee specifically agrees that any such undertaking will supersede the provisions of this Agreement and to be bound by any such undertaking.

10. Duration of Agreement. All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is an officer or director of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise) and shall continue thereafter so long as Indemnitee shall be subject to any Proceeding (or any proceeding commenced under Section 7 hereof) by reason of his Corporate Status, whether or not he is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives.

11. Security. To the extent requested by Indemnitee and approved by the Board, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of the Indemnitee.

12. Enforcement.

(a) The Company expressly confirms and agrees that it has entered into this Agreement and assumes the obligations imposed on it hereby in order to induce Indemnitee to serve as an officer or director of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as an officer or director of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof.

(c) The Company shall not seek from a court, or agree to, a "bar order" which would have the effect of prohibiting or limiting the Indemnitee's rights to receive advancement of expenses under this Agreement.

13. Definitions. For purposes of this Agreement:

(a) "**Beneficial Owner**" has the meaning given to such term in Rule 13d-3 under the Exchange Act; provided, however, that Beneficial Owner will exclude any Person otherwise becoming a Beneficial Owner by reason of the Company's stockholders approving a merger of the Company with another entity.

(b) "**Change in Control**" means the earliest to occur after the date of this Agreement of any of the following events:

(i) Acquisition of Stock by Third Party. Any Person is or becomes the Beneficial Owner (as defined above), directly or indirectly, of securities of the Company representing 25% or more of the combined voting power of the Company's then outstanding securities;

(ii) Change in Board. During any period of two consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Board, and any new director (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in clause (i), (iii) or (iv) of this definition of Change in Control) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Board;

(iii) Corporate Transactions. The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 51% of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the Board or other governing body of such surviving entity;

(iv) Liquidation. The approval by the Company's stockholders of a complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; and

(v) Other Events. There occurs any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or a response to any similar item on any similar schedule or form) promulgated under the Exchange Act, whether or not the Company is then subject to such reporting requirement.

(c) "**Corporate Status**" describes the status of a person who is or was a director, officer, employee, agent or fiduciary of the Company or of any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving at the express written request of the Company.

(d) "**Disinterested Director**" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(e) "**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010.

(f) "**Enterprise**" shall mean the Company and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the express written request of the Company as a director, officer, employee, agent or fiduciary.

(g) "**Expenses**" shall include all reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding and any federal, state, local or foreign taxes imposed on the Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement. Expenses also shall include Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersede as bond, or other appeal bond or its equivalent. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(h) "**Independent Counsel**" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent (i) the Company or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company agrees to pay the reasonable fees of the Independent Counsel referred to above and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(i) "**Person**" for purposes of the definition of Beneficial Owner and Change in Control set forth above, will have the meaning as set forth in Sections 13(d) and 14(d) of the Exchange Act; provided, however, that Person will exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company and (iii) any corporation owned, directly or indirectly, by the Company's stockholders in substantially the same proportions as their ownership of stock of the Company.

(j) "**Proceeding**" includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought by or in the right of the Company or otherwise and whether civil, criminal, administrative or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, by reason of his or her Corporate Status, by reason of any action taken by him or of any inaction on his part while acting in his or her Corporate Status; in each case whether or not he is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement; including one pending on or before the date of this Agreement, but excluding one initiated by an Indemnitee pursuant to Section 7 of this Agreement to enforce his rights under this Agreement.

(k) "**Sarbanes-Oxley Act**" will mean the Sarbanes-Oxley Act of 2002, as amended.

(l) "**SEC**" will mean the Securities and Exchange Commission.

(m) "**Securities Act**" will mean the Securities Act of 1933, as amended.

14. Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision. Further, the invalidity or unenforceability of any provision hereof as to either Indemnitee or Appointing Stockholder shall in no way affect the validity of any provision hereof as to the other. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee and Approving Stockholder indemnification rights to the fullest extent permitted by applicable law. In the event any provision hereof conflicts with any applicable law, such provision shall be deemed modified, consistent with the aforementioned intent, to the extent necessary to resolve such conflict.

15. Modification and Waiver. No supplement, modification, termination or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

16. Notice By Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification covered hereunder. The failure to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

17. Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given (a) upon personal delivery to the party to be notified, (b) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient, and if not so confirmed, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent:

(a) To Indemnitee at the address set forth below Indemnitee signature hereto.

(b) To the Company at:

BioAtla, Inc.
11085 Torreyana Road
San Diego, CA 92121
Attention: CEO

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

18. Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

19. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

20. Governing Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chancery Court of the State of Delaware (the "**Delaware Court**"), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction

of the Delaware Court for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (iv) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, the parties hereto have executed this Indemnification Agreement on and as of the day and year first above written.

BIOATLA, INC.

By: _____
Name: Jay Short
Title: Chief Executive Officer

Indemnitee

_____
Name: [ ]
Address: _____
_____
_____
_____

11085 TORREYANA ROAD
LEASE

This Lease (this "**Lease**"), dated as of the date set forth in Section 1 of the Summary of Basic Lease Information (the "**Summary**"), below, is made by and between HCP TORREYANA, LLC, a Delaware limited liability company ("**Landlord**"), and BIOATLA, LLC, a Delaware limited liability company ("**Tenant**").

SUMMARY OF BASIC LEASE INFORMATION

TERMS OF LEASE		DESCRIPTION
1. Date:		June 2, 2017
2. Premises (Article 1).		
2.1	Building:	That certain three (3)-story building containing approximately 43,375 rentable square feet of space and located at 11085 Torreyana Road, San Diego, California.
2.2	Premises:	Approximately 20,825 rentable square feet of space consisting of the entire first (1st) floor of the Building, as further set forth in **Exhibit A** to the Office Lease.
3. Lease Term (Article 2).		
3.1	Length of Term:	Approximately seven (7) years and two (2) months.
3.2	Lease Commencement Date:	The earlier to occur of (i) the date upon which Tenant first commences to conduct business in the Premises, and (ii) the later to occur of (A) December 1, 2017 and (B) the date upon which the Premises are Ready for Occupancy (as that term is defined in Section 4.1 of the Tenant Work Letter attached hereto as **Exhibit B** (the "**Tenant Work Letter**")), which Lease Commencement Date is anticipated to be December 1, 2017.
3.3	Lease Expiration Date:	If the Lease Commencement Date shall be the first day of a calendar month, then the day immediately preceding the eighty-sixth (86th) month anniversary of the Lease Commencement Date; or if the Lease Commencement Date shall be other than the first day of a calendar month, then the last day of the month in which the eighty-sixth (86th) month anniversary of the Lease Commencement Date occurs.
4. Base Rent (Article 3):		

Lease Year	Annual Base Rent	Monthly Installment of Base Rent*
1**	$ 799,680.00	$ 66,640.00
2	$ 823,670.40	$ 68,639.20
3	$ 848,380.56	$ 70,698.38
4	$ 873,831.96	$ 72,819.33
5	$ 900,046.92	$ 75,003.91
6	$ 927,048.36	$ 77,254.03
7	$ 954,859.80	$ 79,571.65
8	N/A	$ 81,958.80

* The Monthly Installment of Base Rent for Lease Year 1 was calculated by multiplying $3.20 by the number of rentable square feet of space in the Premises, and the initial Annual Base Rent amount was calculated by multiplying the initial Monthly Installment of Base Rent amount by twelve (12). In all subsequent periods, the calculation of Monthly Installment of Base Rent reflects an annual increase of 3.0%, rounded to the nearest cent, and each Annual Base Rent amount was calculated by multiplying the corresponding Monthly Installment of Base Rent amount by twelve (12).

** Subject to the terms set forth in Section 3.2 below, the Base Rent attributable to the three (3) month period commencing on the first (1st) day of the second (2nd) full calendar month of the Lease Term and ending on the last day of the fourth (4th) full calendar month of the Lease Term shall be abated.

5.	Operating Expenses and Tax Expenses (Article 4):	This is a "**TRIPLE NET**" lease and as such, certain applicable provisions contained in this Lease are intended to pass on to Tenant and reimburse Landlord for certain costs and expenses (including, without limitation, Operating Expenses and Tax Expenses) incurred by Landlord and reasonably associated with this Lease, the Building, and Tenant's operation therefrom, all as more fully set forth below. To the extent such costs and expenses payable by Tenant cannot be charged directly to, and paid by, Tenant, such costs and expenses shall be paid by Landlord but reimbursed by Tenant as Additional Rent, all as more fully set forth below.

6.	Tenant's Share (Article 4):	Forty eight and 1/100 percent (48.01%).
7.	Permitted Use (Article 5):	The Premises shall be used only for (a) general office uses, (b) research and development and laboratory uses, and (c) all other lawful uses reasonably related to or incidental to such uses specified in items (a) and (b) above, all (i) consistent with first-class life sciences projects in San Diego, California ("**First-Class Life Sciences Projects**"), and (ii) in compliance with, and subject to, applicable laws and the terms of this Lease.
8.	Security Deposit (Article 21):	$96,813.84.
9.	Parking (Article 28):	An amount equal to three (3) unreserved parking spaces for each 1,000 rentable square feet of space in the Premises (i.e., an amount equal to 62 parking spaces based on the Premises containing 20,825 rentable square feet of space) at the Project parking facilities. Tenant's rights to use such parking space shall be subject to the terms of Article 28 of this Lease.
10.	Address of Tenant (Section 29.18):	BioAtla, LLC 11011 Torreyana Road San Diego, California 92121 Attention: Monica Sullivan (Prior to Lease Commencement Date) And BioAtla, LLC 11085 Torreyana Road San Diego, California 92121 Attention: Monica Sullivan (After Lease Commencement Date) In either case, with a copy to: Cooley LLP 4401 Eastgate Mall San Diego, CA 92121 Attention: Sean Clayton, Esq.

11.	Address of Landlord (Section 29.18):	See Section 29.18 of this Lease.
12.	Broker(s) (Section 29.24):	**Tenant:** Cresa San Diego **Landlord:** CBRE, Inc.
13.	Tenant Improvement Allowance (**Exhibit B**):	An amount equal to $101.00 per rentable square foot of the Premises (*i.e.,* $2,103,325.00 based upon 20,825 rentable square feet in the Premises).

1. **PREMISES, BUILDING, PROJECT, AND COMMON AREAS.**

1.1. Premises, Building, Project and Common Areas.

1.1.1. **The Premises**. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the premises set forth in Section 2.2 of the Summary (the "**Premises**"). The outline of the Premises is set forth in **Exhibit A** attached hereto. The outline of the "Building" and the "Project," as those terms are defined in Section 1.1.2 below, are further depicted on the Site Plan attached hereto as **Exhibit A-1**, and the Premises has the number of rentable square feet as set forth in Section 2.2 of the Summary. The parties hereto agree that the lease of the Premises is upon and subject to the terms, covenants and conditions herein set forth, and Tenant covenants as a material part of the consideration for this Lease to keep and perform each and all of such terms, covenants and conditions by it to be kept and performed and that this Lease is made upon the condition of such performance. The parties hereto hereby acknowledge that the purpose of **Exhibit A** is to show the approximate location of the Premises only, and such Exhibit is not meant to constitute an agreement, representation or warranty as to the construction of the Premises, the precise area thereof or the specific location of the "Common Areas," as that term is defined in Section 1.1.3, below, or the elements thereof or of the accessways to the Premises or the "Project," as that term is defined in Section 1.1.2, below. Except as specifically set forth in this Lease and in the Tenant Work Letter attached hereto as **Exhibit B** (the "**Tenant Work Letter**"), Landlord shall not be obligated to provide or pay for any improvement work or services related to the improvement of the Premises. Tenant also acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the condition of the Premises, the Building or the Project or with respect to the suitability of any of the foregoing for the conduct of Tenant's business, except as specifically set forth in this Lease and the Tenant Work Letter. Subject to Landlord's ongoing maintenance and repair obligations specifically set forth in this Lease and the terms and conditions of Section 1.2 of the Tenant Work Letter, and except for matters that could not reasonably be discovered by Tenant prior to taking possession of the Premises, the taking of possession of the Premises by Tenant shall conclusively establish that the Premises and the Building were at such time in good and sanitary order, condition and repair. Subject to applicable laws and the other provisions of this Lease, and except in the event of an emergency, Tenant shall have access to the Building, the Premises and the common areas of the Building, other than common areas requiring access with a Building engineer, twenty-four (24) hours per day, seven (7) days per week, every day of the year, including, without limitation, with respect to any loading area; provided, however, that Tenant shall only be permitted to have access to and use of the mailroom and other limited-access areas of the Building during the normal operating hours of such portions of the Building.

1.1.2. **The Building and The Project**. The Premises are a part of the building set forth in Section 2.1 of the Summary (the "**Building**"). The Building is part of an office/laboratory project described below. The term "**Project**," as used in this Lease, shall mean (i) the Building and the Common Areas, (ii) the land (which is improved with landscaping, parking facilities and other improvements) upon which the Building and the Common Areas are located, and (iii) the office building located at 11095 Torreyana Road, and the land upon which such adjacent office/laboratory buildings are located, and (iv) at Landlord's reasonable discretion, any additional real property, areas, land, buildings or other improvements added thereto which is owned by Landlord (or an affiliate of Landlord) and located adjacent to the Project.

1.1.3. **Common Areas**. Tenant shall have the non-exclusive right to use in common with other tenants in the Project, and subject to the rules and regulations referred to in Article 5 of this Lease, those portions of the Project which are provided, from time to time, for use in common by Landlord, Tenant and any other tenants of the Project (such areas, together with such other portions of the Project reasonably designated by Landlord, are collectively referred to herein as the "**Common Areas**"). The Common Areas shall consist of the "**Project Common Areas**" and the "**Building Common Areas**." The term "**Project Common Areas**," as used in this Lease, shall mean the portion of the Project designated as such by Landlord. The term "**Building Common Areas**," as used in this Lease, shall mean the portions of the Common Areas located within the Building reasonably designated as such by Landlord. The manner in which the Common Areas are maintained and operated shall be at the sole discretion of Landlord (but shall at least be consistent with the manner in which the common areas of Comparable Buildings are maintained (provided that, except as otherwise expressly set forth in this Lease, in no event shall Landlord be required to improve or enhance the Common Areas in existence as of the date of this Lease)) and the use thereof shall be subject to such reasonable non-discriminatory rules, regulations and restrictions as Landlord may make from time to time; provided that Landlord shall not enforce such rules, regulations and restrictions in a discriminatory manner against Tenant as opposed to other tenants of the Project. Landlord reserves the right to close temporarily, make alterations or additions to, or change the location of elements of the Project and the Common Areas, provided that, in connection therewith, (i) Landlord shall perform such closures, alterations, additions or changes in a commercially reasonable manner and, in connection therewith, shall use commercially reasonable efforts to minimize any unreasonable interference with Tenant's use of and/or access to the Premises for the Permitted Use and/or Tenant's parking rights under this Lease (provided that to the extent Landlord provides Tenant with "Reasonable Alternate Parking," as that term is defined in Section 19.5.2 below, then no unreasonable interference with Tenant's parking rights shall be deemed to have occurred), and (ii) Landlord shall give Tenant at least five (5) business days prior notice if such closures, alterations, additions or changes will interfere with, or limit, on other than a non-material basis (except in the event of an emergency, where no prior notice shall be required, except that Landlord shall nonetheless use commercially reasonable efforts to notify Tenant): (a) Tenant's access to or from the Premises, (b) Tenant's use of the Premises for the Permitted Use, or (c) Tenant's parking passes, Tenant's signage rights specifically set forth in Article 23 below or Tenant's rooftop rights specifically set forth in Section 29.32 below.

1.1.3.1. **Fitness Facility**. Landlord shall construct a fitness facility the "**Fitness Facility**") as part of the Building Common Areas; provided that the location, specifications and all other aspects of the Fitness Facility (including, without limitation, the construction thereof) shall be determined by Landlord in its sole discretion; provided further that the use of the Fitness Facility by the tenants of the Project, when constructed, shall be subject to reasonable and non-discriminatory rules and regulations promulgated from time to time by Landlord in connection with such fitness facility. Subject to Force Majeure (as that term is defined in Section 29.16 below), Landlord's temporary closure of the Fitness Facility to repair, improve or maintain the same, and/or any closure of the Fitness Facility caused by an act or omission of Tenant, the hours of operation of the Fitness Facility shall be at least 8:00 a.m. to 6:00 p.m. Monday through Friday, excluding Holidays (as that term is defined in Section 6.1.1 below). Notwithstanding anything to the contrary in this Lease, if, following the date (the "**Fitness Facility Outside Date**") which occurs four (4) months following the date upon which the Premises is Ready for Occupancy (provided that the Fitness Facility Outside Date shall be delayed on a day-

for-day basis for each day that the substantial completion of the Fitness Facility (subject to punch list items) is delayed by an act or omission of Tenant or Force Majeure), either (i) Landlord has failed to substantially complete the Fitness Facility (subject to punch list items) or (ii) Tenant is prevented from accessing the Fitness Facility between 4:00 a.m. to 10:00 p.m. Monday through Friday, excluding Holidays (provided that such prevention of access is not the result of (A) Force Majeure, (B) Landlord's temporary closure (which temporary closure shall not exceed an aggregate of fifteen (15) consecutive business days) of the Fitness Facility to repair, improve or maintain the same, and/or (C) any closure of the Fitness Facility caused by an act or omission of Tenant) (any such set of circumstances as set forth in items (i) or (ii), above, to be known as a "**Fitness Facility Abatement Event**"), then Tenant shall give Landlord notice of such Fitness Abatement Event (provided that in no event shall Tenant delivery such notice prior to the Fitness Facility Outside Date, as the same may be delayed pursuant to this Section 1.1.3.1 above), and if such Fitness Abatement Event continues for five (5) consecutive business days after Landlord's receipt of any such notice (the "**Fitness Facility Eligibility Period**"), then the Base Rent payable by Tenant under this Lease shall be reduced by an amount equal to Two Hundred and 00/100 Dollars ($200.00) per day during each day that such Fitness Facility Abatement Event continues to occur following the expiration of the Fitness Facility Eligibility Period. Such right to reduce Base Rent shall be Tenant's sole and exclusive remedy for rent abatement or rent reduction at law or in equity for a Fitness Facility Abatement Event. At any time during the Lease Term, Landlord may deliver to Tenant a notice that sets forth the date upon which the Fitness Facility is substantially complete (subject to punch list items), which Tenant shall execute and return to Landlord within ten (10) days of receipt thereof, provided that if such notice is not factually correct, then Tenant shall make such changes as are necessary to make such notice factually correct and shall thereafter return such notice to Landlord within said ten (10) day period.

1.1.4. **Torrey Pines Amenities**. Landlord and Ten ant hereby acknowledge that an affiliate of Landlord constructed a fitness center, a café, and a shared executive conference/training facility (collectively, the "**Torrey Pines Amenities**") in that certain building located at 11085 North Torrey Pines Road, San Diego, California (the "**Torrey Pines Building**"), and, provided that Landlord or an affiliate of Landlord continues to own the Torrey Pines Building, Tenant and Tenant's employees shall have access to any such Torrey Pines Amenities to the same extent as the similarly situated tenants of the Building and/or the Torrey Pines Building.

1.2. **Rentable Square Feet of Premises**. The rentable square footage of the Premises is hereby deemed to be as set forth in Section 2.2 of the Summary, and shall not be subject to measurement or adjustment during the Lease Term.

1.3. **Right of First Refusal**. Commencing on the date (the "**ROFR Effective Date**") which occurs six (6) months following the Lease Commencement Date, Landlord hereby grants to the Tenant originally named herein (the "**Original Tenant**") and any Permitted Transferee Assignee (as that term is defined in Section 14.8 below) a one-time right of first refusal with respect to any space in the Building not included in the initial Premises ("**First Refusal Space**"). Notwithstanding the foregoing, such right of first refusal shall commence with respect to any particular applicable First Refusal Space only following the expiration or earlier termination of any leases which are existing as of the ROFR Effective Date of such First Refusal Space (or portion thereof) (including renewals of any such lease, irrespective of whether any such renewal is currently set forth in such lease or is subsequently granted or agreed upon, and regardless of

whether such renewal is consummated pursuant to a lease amendment or a new lease). Such right of first refusal shall be subordinate to all rights of other tenants of the Project, which rights relate to the First Refusal Space and are set forth in leases of space in the Project existing as of the date hereof, including, without limitation, any expansion, first offer, first refusal, first negotiation and other rights, regardless of whether such rights are executed strictly in accordance with their respective terms or pursuant to a lease amendment or a new lease (the "**First Refusal Superior Rights**"). Notwithstanding any contrary provision in the lease of any First Refusal Superior Right Holder, such rights of any First Refusal Superior Right Holder shall continue to be First Refusal Superior Rights in the event that such First Refusal Superior Right Holder's lease is renewed or otherwise modified (and irrespective of whether any such renewal is currently set forth in such lease or is subsequently granted or agreed upon, and regardless of whether such renewal is consummated pursuant to a lease amendment or a new lease). All such tenants of the First Refusal Space as of the ROFR Effective Date and all such third party tenants in the Project holding First Refusal Superior Rights, are collectively referred to as the "**First Refusal Superior Right Holders**".

1.3.1. **Procedure for Offer**. Subject to the terms hereof, commencing on the ROFR Effective Date, Landlord shall notify Tenant (the "**First Refusal Notice**") when and if Landlord receives a "bona-fide third-party offer" for the First Refusal Space (or any portion thereof). Pursuant to such First Refusal Notice, Landlord shall offer to lease to Tenant such Refusal Space. The First Refusal Notice shall describe the space so offered to Tenant and shall set forth all the "Economic Terms," as that term is defined in Section 1.3.2, below, applicable to the First Refusal Space. For the avoidance of doubt, Landlord shall have no obligation to deliver a First Refusal Notice to Tenant with respect to any bona-fide third party offer first received by Landlord prior to the ROFR Effective Date. For purposes of this Section 1.4, a "**bona-fide third-party offer**" shall mean a counter-offer received by Landlord to lease the Refusal Space from a qualified and unaffiliated third party which Landlord would otherwise be willing to accept (but for Tenant's or any other First Refusal Superior Right Holder's rights) or an offer made by Landlord to a qualified and unaffiliated third party (subject to Tenant's and any other First Refusal Superior Right Holder's rights) which the third party is willing to accept. For purposes of example only, but not by way of limitation, the following would each constitute a bone-fide third-party offer:

1.3.1.1. Landlord receives a request for proposal from a qualified third party. Landlord responds to the request for proposal with a lease proposal and subsequently receives a written bona-fide counter proposal from the qualified third party.

1.3.1.2. Landlord receives a written offer to lease from a qualified third party. Landlord responds to the offer with a written counter-offer and subsequently receives a bona-fide counter to Landlord's counteroffer from the qualified third party.

1.3.2. **Procedure for Acceptance**. If Tenant wishes to exercise Tenant's right of first refusal with respect to the First Refusal Space described in the First Refusal Notice, then within five (5) business days after delivery of the First Refusal Notice to Tenant, Tenant shall deliver notice (an "**Election Notice**") to Landlord of Tenant's irrevocable exercise of its right of first refusal with respect to all of the First Refusal Space described in the First Refusal Notice on the Economic Terms provided for therein. If Tenant does not so notify Landlord within such five (5) business day period of Tenant's exercise of its first refusal right, then Landlord shall be free to

negotiate and enter into a lease for the First Refusal Space to anyone whom Landlord desires on any terms Landlord desires; provided, however, prior to leasing such First Refusal Space to any third party at a rental (taking into consideration the Economic Terms, calculated on a "Net Equivalent Lease Rate" basis pursuant to the process set forth below), which is less than ninety percent (90%) of the Net Equivalent Lease Rate of the Economic Term set forth in Landlord's most recent First Refusal Notice for such First Refusal Space, Landlord shall first again offer such First Refusal Space to Tenant on the Economic Terms offered to such third-party tenant by delivering another First Refusal Notice to Tenant, which shall be subject to all of the terms and conditions of this Section 1.3.2, except Tenant shall have three (3) business days (instead of five (5) business days) after delivery of a second First Refusal Notice to exercise Tenant's right to lease such First Offer Space. For purposes hereof, the "**Economic Terms**" shall mean the following items: (i) base rent and free rent, including escalations thereto, expressed as a dollar amount per rentable square foot, (ii) operating expense and tax protection such as a base year or expense stop (if any), and (iii) all other monetary concessions (e.g., free rent, improvement allowances). Notwithstanding anything to the contrary contained herein, Tenant must elect to exercise its right of first Refusal, if at all, with respect to all of the space offered by Landlord to Tenant at any particular time, and Tenant may not elect to lease only a portion thereof. The "**Net Equivalent Lease Rate**" for the Economic Terms shall be determined using the following steps.

1.3.2.1. The contractual rent payments for set forth in the Economic Terms should be arrayed monthly over the term of the First Refusal Space.

1.3.2.2. Any free rent or similar inducements received over time should be deducted in the time period in which they occur, resulting in the net cash flow arrayed over the term of the First Refusal Space.

1.3.2.3. The resultant net cash flow from the First Refusal Space should be then discounted (using an 8% annual discount rate) to the First Refusal Commencement Date (as that term is defined in Section 1.3.4 below), resulting in a net present value estimate.

1.3.2.4. From the net present value, up front inducements (improvements allowances and other concessions) should be deducted. These items should be deducted directly, on a "dollar for dollar" basis, without discounting since they are typically incurred at lease commencement, while rent (which is discounted) is a future receipt.

1.3.2.5. The net present value should then amortized back over the term of the First Refusal Space as a level monthly net rent payment using the same annual discount rate of 8.0% used in the present value analysis. This calculation will result in a hypothetical level or even payment over the term of the First Refusal Space.

1.3.3. **Construction of First Refusal Space**. Subject to the Economic Terms provided to Tenant for the First Refusal Space, Tenant shall take the First Refusal Space in its "as is" condition, and Landlord shall not be obligated to provide or pay for any improvement of the First Refusal Space. For the avoidance of doubt, if the Economic Terms include a tenant improvement allowance, Tenant shall receive the same allowance.

1.3.4. **Lease of First Refusal Space**. If Tenant timely exercises Tenant's right of first refusal to lease First Refusal Space as set forth herein, Landlord and Tenant shall within thirty (30) days thereafter enter an amendment to this Lease (the "**First Refusal Space Amendment**") for such First Refusal Space pursuant to this Section 1.3. Tenant's lease of such First Refusal Space shall be upon the express terms set forth in the First Refusal Notice, but otherwise upon the same general terms and conditions set forth in this Lease and this Section 1.3. The First Refusal Space Amendment shall not contain the rights set forth in Section 2.2, below, unless such rights were set forth in the First Refusal Notice. The term of Tenant's lease of the First Refusal Space shall commence on the date set forth in the First Refusal Notice (the "**First Refusal Commencement Date**"), and terminate on the date set forth in the First Refusal Notice.

1.3.5. **Termination of Right of First Refusal**. The rights contained in this Section 1.3 shall be personal to the Original Tenant and any Permitted Transferee Assignee, and may only be exercised by the Original Tenant and such Permitted Transferee Assignee (and not any other assignee, sublessee or other transferee of the Original Tenant's interest in this Lease) if the Original Tenant or such Permitted Transferee Assignee occupies the entire Premises as of the date of the attempted exercise of the right of first refusal by Tenant. The right of first refusal granted herein shall terminate (i) with respect to any particular First Refusal Space upon the failure by Tenant to exercise its right of first refusal with respect to the First Refusal Space so offered by Landlord pursuant to the terms of this Section 1.3. Tenant shall not have the right to lease any First Refusal Space pursuant to the terms of this Section 1.3 in the event that less than two (2) years remains prior to the Lease Expiration Date; provided, however, to the extent Tenant then has an unexpired Lease Term renewal option pursuant to Section 2.2 of this Lease, Tenant shall have the right to irrevocably exercise such renewal option simultaneously with Tenant's exercise of its first refusal right hereunder in order to cause the Lease Expiration Date to occur more than two (2) years following the First Refusal Commencement Date. Tenant shall not have the right to lease First Refusal Space, as provided in this Section 1.3, if, as of the date of the attempted exercise of any right of first refusal by Tenant, or, as of the scheduled date of delivery of such First Refusal Space to Tenant, Tenant is in default under this Lease beyond the applicable notice and cure period provided in this Lease or Tenant has previously been in default under this Lease (beyond any applicable notice and cure periods) more than once during the prior twelve (12) month period.

2. **LEASE TERM; OPTION TERM.**

2.1. **Lease Term**. The terms and provisions of this Lease shall be effective as of the date of this Lease. The term of this Lease (the "**Lease Term**") shall be as set forth in Section 3.1 of the Summary, shall commence on the date set forth in Section 3.2 of the Summary (the "**Lease Commencement Date**"), and shall terminate on the date set forth in Section 3.3 of the Summary (the "**Lease Expiration Date**") unless this Lease is sooner terminated as hereinafter provided. For purposes of this Lease, the term "**Lease Year**" shall mean each consecutive twelve (12) month period during the Lease Term; provided, however, that the first (1st) Lease Year shall commence on the Lease Commencement Date and end on the last day of the month in which the first anniversary of the Lease Commencement Date occurs (or if the Lease Commencement Date is the first (1st) day of a calendar month, then the first (1st) Lease Year shall commence on the Lease Commencement Date and end on the day immediately preceding the first (1st) anniversary of the Lease Commencement Date), and further provided that the last Lease Year shall end on the Lease Expiration Date. At any time during the Lease Term, Landlord may deliver to Tenant a notice in

the form as set forth in **Exhibit C**, attached hereto, as a confirmation only of the information set forth therein, which Tenant shall execute and return to Landlord within ten (10) days of receipt thereof, provided that if such notice is not factually correct, then Tenant shall make such changes as are necessary to make such notice factually correct and shall thereafter return such notice to Landlord within said ten (10) day period.

2.2. **Option Term.**

2.2.1. **Option Right**. Subject to the remaining terms of this Section 2.2, Landlord hereby grants to the Original Tenant and any Permitted Transferee Assignee one (1) option to extend the Lease Term for a period of five (5) years (the "**Option Term**"), which option shall be irrevocably exercised only by written notice delivered by Tenant to Landlord not earlier than twelve (12) months before the commencement of the Option Term and not later than nine (9) months before the commencement of the Option Term, provided that the following conditions **(**the "**Option Conditions**") are satisfied: (i) as of the date of delivery of such notice, Tenant is not in monetary or other material default under this Lease beyond any applicable notice and cure period expressly set forth in this Lease; and (ii) as of the end of the Lease Term, Tenant is not in monetary or other material default under this Lease; (iii) Tenant has not previously been in monetary or other material default under this Lease (beyond any applicable notice and cure period expressly set forth in this Lease) more than twice; and (iv) the Lease then remains in full force and effect and the Original Tenant or any Permitted Transferee Assignee occupies at least fifty percent (50%) of the entire Premises at the time the option to extend is exercised and as of the commencement of the Option Term. beyond any applicable notice and cure period expressly set forth in this Lease. Landlord may, at Landlord's option, exercised in Landlord's sole and absolute discretion, waive any of the Option Conditions in which case the option, if otherwise properly exercised by Tenant, shall remain in full force and effect. Upon the proper exercise of such option to extend, and provided that Tenant satisfies all of the Option Conditions (except those, if any, which are waived by Landlord), the Lease Term, as it applies to the Premises, shall be extended for a period of five (5) years. The rights contained in this Section 2.2 shall be personal to Original Tenant or its Permitted Transferee Assignee and may be exercised by Original Tenant or its Permitted Transferee Assignee only (and not by any other assignee, sublessee or other "Transferee," as that term is defined in Section 14.1 of this Lease, of Tenant's interest in this Lease).

2.2.2. **Option Base Rent**. The annual Base Rent (as that term is defined in Section 3.1 below) payable by Tenant during the Option Term (the "**Option Rent**") shall be equal to the "Fair Rental Value," as that term is defined below, for the Premises as of the commencement date of the Option Term; provided, however, the Option Rent, on an average annual, effective (including free rent, if applicable, on a straight line basis) basis, for each Lease Year during the Option Term shall not be lower than the one hundred three percent (103%) of the annual Base Rent in effect immediately prior to the commencement of the Option Term. The "**Fair Rental Value**," as used in this Lease, shall be equal to the annual base rent per rentable square foot (considering additional rent and any "base year" or "expense stop" applicable thereto), including all escalations, at which tenants (pursuant to leases consummated within the twelve (12) month period preceding the first day of the Option Term), are leasing non-sublease, non-encumbered, non-equity space which is not significantly greater or smaller in size than the subject space, for a comparable lease term, in an arm's length transaction, which comparable space is located in the "Comparable Buildings," as that term is defined in this Section 2.2.2, below (transactions satisfying the

foregoing criteria shall be known as the "**Comparable Transactions**"), taking into consideration the following concessions (the "**Concessions**"): (a) rental abatement concessions, if any, being granted such tenants in connection with such comparable space; (b) tenant improvements or allowances provided or to be provided for such comparable space, and taking into account the value, if any, of the existing improvements in the subject space, such value to be based upon the age, condition, design, quality of finishes and layout of the improvements and the extent to which the same can be utilized by a general office user other than Tenant; and (c) other reasonable monetary concessions being granted such tenants in connection with such comparable space; provided, however, that in calculating the Fair Rental Value, no consideration shall be given to any period of rental abatement, if any, granted to tenants in comparable transactions in connection with the design, permitting and construction of tenant improvements in such comparable spaces. The Fair Rental Value shall additionally include a determination as to whether, and if so to what extent, Tenant must provide Landlord with financial security, such as a letter of credit or guaranty, for Tenant's Rent obligations in connection with Tenant's lease of the Premises during the Option Term. Such determination shall be made by reviewing the extent of financial security then generally being imposed in Comparable Transactions from tenants of comparable financial condition and credit history to the then existing financial condition and credit history of Tenant (with appropriate adjustments to account for differences in the then-existing financial condition of Tenant and such other tenants). In addition, in connection with the determination of the Fair Rental Value, the age (based on the date of original construction or the latest major renovation) and location of any Comparable Building used in connection therewith shall be a factor in determining the Fair Rental Value. The Concessions (A) shall be reflected in the effective rental rate (which effective rental rate shall take into consideration the total dollar value of such Concessions as amortized on a straight-line basis over the applicable term of the Comparable Transaction (in which case such Concessions evidenced in the effective rental rate shall not be granted to Tenant)) payable by Tenant, or (B) at Landlord's election, all such Concessions shall be granted to Tenant in kind. If there are not a sufficient number of Comparable Transactions to reasonably determine the Fair Rental Value, then the definition of Comparable Transactions shall be expanded to include smaller or larger transactions, provided that appropriate adjustments shall be made to such additional Comparable Transactions, as is necessary, given the size of such transactions. The term "**Comparable Buildings**" shall mean the Building and those other first-class life science buildings located in the Torrey Pines area of San Diego, California. Notwithstanding the foregoing, during the Option Term, the Option Rent shall increase by three percent (3%) per annum on each anniversary of the first (1st) day of the Option Term; provided that such annual increases shall be taken into consideration in connection with the determination of Fair Rental Value.

2.2.3. **Determination of Option Rent**. Notwithstanding any provision to the contrary contained herein, within fifteen (15) business days following Landlord's receipt of written request from Tenant (which request shall not be delivered earlier than fifteen (15) months prior to the commencement of the Option Term nor later than ten (10) months prior to the commencement of the Option Term), Landlord shall provide Tenant with Landlord's nonbinding good faith estimate of the Fair Rental Value for the Premises during the Option Term. In the event Tenant timely and appropriately exercises an option to extend the Lease Term, Landlord shall notify Tenant of Landlord's determination of the Option Rent on or before the date which occurs six (6) months prior to the Lease Expiration Date. If Tenant, on or before the date which is thirty (30) days following the date upon which Tenant receives Landlord's determination of the Option Rent, in good faith objects to Landlord's determination of the Option Rent, then Landlord and Tenant

shall attempt to agree upon the Option Rent using their best good-faith efforts. If Landlord and Tenant fail to reach agreement within thirty (30) days following Tenant's objection to the Option Rent (the "**Outside Agreement Date**"), then each party shall make a separate determination of the Option Rent, as the case maybe, within five (5) days, and such determinations shall be submitted to arbitration in accordance with Sections 2.2.3.1 through 2.2.3.7, below. If Tenant fails to object to Landlord's determination of the Option Rent within the time period set forth herein, then Tenant shall be deemed to have accepted Landlord's determination of Option Rent.

2.2.3.1. Landlord and Tenant shall each appoint one arbitrator who shall be, at the option of the appointing party, a real estate broker, appraiser or attorney who shall have been active over the five (5) year period ending on the date of such appointment in the leasing or appraisal, as the case may be, of commercial office properties in North San Diego, California. The determination of the arbitrators shall be limited solely to the issue of whether Landlord's or Tenant's submitted Option Rent is the closest to the actual Option Rent, taking into account the requirements of Section 2.2.2 of this Lease, as determined by the arbitrators. Each such arbitrator shall be appointed within fifteen (15) days after the Outside Agreement Date. Landlord and Tenant may consult with their selected arbitrators prior to appointment and may select an arbitrator who is favorable to their respective positions. The arbitrators so selected by Landlord and Tenant shall be deemed "**Advocate Arbitrators**."

2.2.3.2. The two (2) Advocate Arbitrators so appointed shall be specifically required pursuant to an engagement letter within ten (10) days of the date of the appointment of the last appointed Advocate Arbitrator to agree upon and appoint a third arbitrator ("**Neutral Arbitrator**") who shall be qualified under the same criteria set forth hereinabove for qualification of the two Advocate Arbitrators, except that neither the Landlord or Tenant or either parties' Advocate Arbitrator may, directly or indirectly, consult with the Neutral Arbitrator prior or subsequent to his or her appearance. The Neutral Arbitrator shall be retained via an engagement letter jointly prepared by Landlord's counsel and Tenant's counsel.

2.2.3.3. The three arbitrators shall, within thirty (30) days of the appointment of the Neutral Arbitrator, reach a decision as to whether the parties shall use Landlord's or Tenant's submitted Option Rent, and shall notify Landlord and Tenant thereof.

2.2.3.4. The decision of the majority of the three arbitrators shall be binding upon Landlord and Tenant.

2.2.3.5. If either Landlord or Tenant fails to appoint an Advocate Arbitrator within fifteen (15) days after the Outside Agreement Date, then the single Advocate Arbitrator appointed shall be deemed the Neutral Arbitrator.

2.2.3.6. If the two (2) Advocate Arbitrators fail to agree upon and appoint the Neutral Arbitrator, then either party may petition the presiding judge of the Superior Court of San Diego County to appoint the Neutral Arbitrator, subject to criteria in Section 2.2.3.2 of this Lease, or if he or she refuses to act, either party may petition any judge having jurisdiction over the parties to appoint such arbitrator.

2.2.3.7. The cost of the arbitration shall be paid by Landlord and Tenant equally.

2.2.3.8. In the event that the Option Rent shall not have been determined pursuant to the terms hereof prior to the commencement of the Option Term, Tenant shall be required to pay the Option Rent initially provided by Landlord to Tenant, and upon the final determination of the Option Rent, the payments made by Tenant shall be reconciled with the actual amounts of Option Rent due, and the appropriate party shall make any corresponding payment to the other party.

3. **BASE RENT.**

3.1. **In General**. Tenant shall pay, without prior notice or demand, at Tenant's election either (a) by ACH Transfer (pursuant to transfer instructions provided by Landlord upon request from Tenant), or (b) to Landlord or Landlord's agent (i) at the management office of the Project, or, (ii) at Landlord's option, at such other place as Landlord may from time to time designate in writing, by a check for currency which, at the time of payment, is legal tender for private or public debts in the United States of America, base rent ("**Base Rent**") as set forth in Section 4 of the Summary, payable in equal monthly installments as set forth in Section 4 of the Summary in advance on or before the first day of each and every calendar month during the Lease Term, without any setoff or deduction whatsoever. The Base Rent and Tenant's Share of the Estimate Direct Expenses (as that term is defined in Section 4.4.2 below) for the first full month of the Lease Term, in an aggregate amount equal to $78,718.50, shall be paid at the time of Tenant's execution of this Lease. If any Rent payment date (including the Lease Commencement Date) falls on a day of the month other than the first day of such month or if any payment of Rent is for a period which is shorter than one month, the Rent for any fractional month shall accrue on a daily basis for the period from the date such payment is due to the end of such calendar month or to the end of the Lease Term at a rate per day which is equal to 1/365 of the applicable annual Rent. All other payments or adjustments required to be made under the terms of this Lease that require proration on a time basis shall be prorated on the same basis.

3.2. **Abated Base Rent**. Provided that Tenant is not then in default of this Lease (beyond all applicable notice and cure periods), then during the three (3) month period commencing on the first day of the second (2nd) full calendar month of the Lease Term and continuing through and including the last day of the fourth (4th) full calendar month of the Lease Term (the "**Base Rent Abatement Period**"), Tenant shall not be obligated to pay any Base Rent otherwise attributable to the Premises during such Base Rent Abatement Period (the "**Base Rent Abatement**"), subject to Section 2.2 of the Tenant Work Letter. Landlord and Tenant acknowledge that the aggregate amount of the Base Rent Abatement equals One Hundred Ninety-Nine Thousand Nine Hundred Twenty and 00/100 Dollars ($199,920.00). Tenant acknowledges and agrees that the foregoing Base Rent Abatement has been granted to Tenant as additional consideration for entering into this Lease, and for agreeing to pay the rental and performing the terms and conditions otherwise required under this Lease. If Tenant shall be in default under this Lease during the Base Rent Abatement Period, and shall fail to cure such default within the notice and cure period, if any, permitted for cure pursuant to terms and conditions of this Lease, or if this Lease is terminated for any reason other than Landlord's breach of this Lease, then the dollar amount of the unapplied portion of the Base Rent Abatement as of the date of such default or termination, as the case may be, shall be converted to a credit to be applied to the Base Rent applicable at the end of the Lease Term and Tenant shall immediately be obligated to begin paying Base Rent for the Premises in full.

4. **ADDITIONAL RENT.**

4.1. **General Terms**. In addition to paying the Base Rent specified in Article 3 of this Lease, Tenant shall pay "Tenant's Share" of the annual "Direct Expenses," as those terms are defined in Sections 4.2.6 and 4.2.2 of this Lease, respectively. Such payments by Tenant, together with any and all other amounts payable by Tenant to Landlord pursuant to the terms of this Lease, are hereinafter collectively referred to as the "**Additional Rent**", and the Base Rent and the Additional Rent are herein collectively referred to as "**Rent**." All amounts due under this Article 4 as Additional Rent shall be payable for the same periods and in the same manner as the Base Rent. Without limitation on other obligations of Tenant which survive the expiration of the Lease Term, the obligations of Tenant to pay the Additional Rent provided for in this Article 4 shall survive the expiration of the Lease Term.

4.2. **Definitions of Key Terms Relating to Additional Rent**. As used in this Article 4, the following terms shall have the meanings hereinafter set forth:

4.2.1. Intentionally Omitted.

4.2.2. "**Direct Expenses**" shall mean "Operating Expenses" and "Tax Expenses."

4.2.3. "**Expense Year**" shall mean each calendar year in which any portion of the Lease Term falls, through and including the calendar year in which the Lease Term expires, provided that Landlord, upon notice to Tenant, may change the Expense Year from time to time to any other twelve (12) consecutive month period, and, in the event of any such change, Tenant's Share of Direct Expenses shall be equitably adjusted for any Expense Year involved in any such change.

4.2.4. "**Operating Expenses**" shall mean all expenses, costs and amounts of every kind and nature which Landlord pays or accrues during any Expense Year because of or in connection with the ownership, management, maintenance, security, repair, replacement, restoration or operation of the Project, or any portion thereof. Without limiting the generality of the foregoing, Operating Expenses shall specifically include any and all of the following: (i) the cost of supplying all utilities, the cost of operating, repairing, maintaining, and renovating the utility, telephone, mechanical, sanitary, storm drainage, and elevator systems, and the cost of maintenance and service contracts in connection therewith; (ii) the cost of licenses, certificates, permits and inspections and the cost of contesting any governmental enactments which may affect Operating Expenses, and the costs incurred in connection with a governmentally mandated transportation system management program or similar program; (iii) the cost of all insurance carried by Landlord in connection with the Project and Premises as reasonably determined by Landlord; (iv) the cost of landscaping, relamping, and all supplies, tools, equipment and materials used in the operation, repair and maintenance of the Project, or any portion thereof; (v) the cost of parking area operation, repair, restoration, and maintenance; (vi) fees and other costs, including management and/or incentive fees, consulting fees, legal fees and accounting fees, of all

contractors and consultants in connection with the management, operation, maintenance and repair of the Project; (vii) payments under any equipment rental agreements and the fair rental value of any management office space; (viii) subject to item (f), below, wages, salaries and other compensation and benefits, including taxes levied thereon, of all persons engaged in the operation, maintenance and security of the Project; (ix) costs under any instrument pertaining to the sharing of costs by the Project; (x) operation, repair, maintenance and replacement of all systems and equipment and components thereof of the Project; (xi) the cost of janitorial, alarm, security and other services, replacement of wall and floor coverings, ceiling tiles and fixtures in common areas, maintenance and replacement of curbs and walkways, repair to roofs and re-roofing; (xii) amortization (including interest on the unamortized cost) over such period of time as Landlord shall reasonably determine, of the cost of acquiring or the rental expense of personal property used in the maintenance, operation and repair of the Project, or any portion thereof; (xiii) the cost of capital improvements or other costs incurred in connection with the Project (A) which are intended to effect economies in the operation or maintenance of the Project, or any portion thereof, or to reduce current or future Operating Expenses (provided that the amount included in Operating Expenses for any Expense Year shall not exceed the amount of the reasonably anticipated reduction on Operating Expenses during such Lease Year), (B) that are required to comply with mandatory conservation programs, (C) which are replacements or modifications of nonstructural items located in the Common Areas required to keep the Common Areas in good order or condition, (D) that are required under any governmental law or regulation, except for capital expenditures to remedy a condition existing prior to the Lease Commencement Date which an applicable governmental authority, if it had knowledge of such condition prior to the Lease Commencement Date, would have then required to be remedied pursuant to then-current governmental laws or regulations in their form existing as of the Lease Commencement Date and pursuant to the then current interpretation of such governmental laws or regulations by the applicable governmental authority as of the Lease Commencement Date, or (E) which are repairs or replacements to the Building Systems (as defined in Section 7.1, below); provided, however, that any capital expenditure shall be amortized (including interest on the amortized cost) over its reasonable useful life as Landlord shall reasonably determine in accordance with sound real estate management and accounting principles; and (xiv) costs, fees, charges or assessments imposed by, or resulting from any mandate imposed on Landlord by, any federal, state or local government for fire and police protection, trash removal, community services, or other services which do not constitute "Tax Expenses" as that term is defined in Section 4.2.5, below, (xv) cost of tenant relation programs reasonably established by Landlord, and (xvi) payments under any easement, license, operating agreement, declaration, restrictive covenant, or instrument pertaining to the sharing of costs by the Building, including, without limitation, any covenants, conditions and restrictions affecting the property, and reciprocal easement agreements affecting the property, any parking licenses, and any agreements with transit agencies affecting the Property (collectively, "**Underlying Documents**"). Notwithstanding the foregoing, for purposes of this Lease, Operating Expenses shall not, however, include:

(a) costs, including legal fees, space planners' fees, advertising and promotional expenses, and brokerage fees incurred in connection with the original construction or development, or original or future leasing of the Project, and costs, including permit, license and inspection costs, incurred with respect to the installation of tenant improvements (including, without limitation, the Tenant Improvements) made for tenants of the Project (including Tenant) or incurred in renovating or otherwise improving, decorating, painting or redecorating vacant space for tenants or other occupants of the Project (excluding, however, such costs relating to any common areas of the Project or parking facilities);

(b) except as set forth in items (xii) and (xiii), above, depreciation, interest and principal payments on mortgages and other debt costs, if any, penalties and interest, costs of capital repairs and alterations, and costs of capital improvements and equipment;

(c) costs for which the Landlord is reimbursed by any tenant or occupant of the Project or by insurance by its carrier or any tenant's carrier or by anyone else, and electric power costs for which any tenant directly contracts with the local public service company;

(d) any bad debt loss, rent loss, or reserves of any kind;

(e) costs associated with the operation of the business of the partnership or entity which constitutes the Landlord, as the same are distinguished from the costs of operation of the Project (which shall specifically include, but not be limited to, accounting costs associated with the operation of the Project). Costs associated with the operation of the business of the partnership or entity which constitutes the Landlord include costs of partnership accounting and legal matters, costs of defending any lawsuits with any mortgagee (except as the actions of the Tenant may be in issue), costs of selling, syndicating, financing, mortgaging or hypothecating any of the Landlord's interest in the Project, and costs incurred in connection with any disputes between Landlord and its employees, between Landlord and Project management, or between Landlord and other tenants or occupants;

(f) the wages and benefits of any employee who does not devote substantially all of his or her employed time to the Project unless such wages and benefits are prorated to reflect time spent on operating and managing the Project vis-a-vis time spent on matters unrelated to operating and managing the Project; provided, that in no event shall Operating Expenses for purposes of this Lease include wages and/or benefits attributable to personnel above the level of Project manager;

(g) amount paid as ground rental for the Project by the Landlord;

(h) except for a Project management fee to the extent allowed pursuant to item 4.2.4(q) below, overhead and profit increment paid to the Landlord or to subsidiaries or affiliates of the Landlord for services in the Project to the extent the same exceeds the costs of such services rendered by qualified, first-class unaffiliated third parties on a competitive basis;

(i) any compensation paid to clerks, attendants or other persons in commercial concessions operated by the Landlord, provided that any compensation paid to any concierge at the Project shall be includable as an Operating Expense;

(j) rentals and other related expenses incurred in leasing air conditioning systems, elevators or other equipment which if purchased the cost of which would be excluded from Operating Expenses as a capital cost, except equipment not affixed to the Project which is used in providing janitorial or similar services and, further excepting from this exclusion such equipment rented or leased to remedy or ameliorate an emergency condition in the Project;

(k) all items and services for which Tenant or any other tenant in the Project reimburses Landlord or which Landlord provides selectively to one or more tenants (other than Tenant) without reimbursement;

(l) any costs expressly excluded from Operating Expenses elsewhere in this Lease;

(m) rent for any office space occupied by Project management personnel to the extent the size or rental rate of such office space exceeds the size or fair market rental value of office space occupied by management personnel of the comparable buildings in the vicinity of the Building, with adjustment where appropriate for the size of the applicable project;

(n) penalties, fines, interest or other costs due to (1) the violation by Landlord, its employees, agents or contractors or any tenant of the terms and conditions of any lease of space in the Building or the Project or any Applicable Laws (as defined below), (2) incurred as a result of Landlord's inability or failure to make payment of taxes and/or to file any tax or informational returns when due or (3) the gross negligence or willful misconduct of Landlord or its employees, officers, directors, contractors or agents;

(o) costs incurred to comply with Applicable Laws relating to the removal of hazardous materials (as defined under Applicable Law) which (1) were in existence in the Building or on the Project prior to the Lease Commencement Date or (2) is brought into the Building or onto the Project after the date hereof by Landlord or any other tenant of the Project, or any employees, invitees, agents or contractors of Landlord or any such other tenant;

(p) if Tenant is paying directly for the electrical service and janitorial service provided to the Premises, the cost of electrical service and janitorial service provided to other tenant spaces in the Project;

(q) fees payable by Landlord for management of the Project in excess of percent (3%) (the "**Management Fee Cap**") of Landlord's gross rental revenues, adjusted and grossed up to reflect a one hundred percent (100%) occupancy of the Project with all tenants paying full rent, as contrasted with free rent, half-rent and the like, including base rent, pass-throughs, and parking fees from the Project for any calendar year or portion thereof;

(r) costs of Landlord's charitable or political contributions, or for the acquisition of fine art maintained at the Building or the Project;

(s) the cost of installing or upgrading any utility metering for any part of the Building or the Project;

(t) costs of replacements, alterations or improvements necessary to make the Building or the Project comply with Applicable Laws (as that term is defined in Article 24 below) in effect and applicable to the Building and/or the Project prior to the date of this Lease, provided, however, that the provisions of this sub-item (t) shall not preclude the inclusion of costs of compliance with Applicable Laws enacted prior to the date of this Lease if such compliance is required for the first time by reason of any amendment, modification or reinterpretation of an Applicable Law which is imposed after the date of this Lease;

(u) costs (including attorneys' fees and costs of settlement, judgments and payments in lieu thereof) incurred in connection with disputes with tenants or other occupants, or prospective tenants, and costs and expenses, including legal fees, incurred in connection with negotiations or disputes with employees, consultants, management agents, leasing agents, purchasers or mortgagees of the Project; and

(v) costs incurred by Landlord due to the violation by Landlord, its employees, agents or contractors or any tenant of the terms and conditions of any lease of space in the Project (but only to the extent Landlord would not have incurred such costs absent the violation).

(w) Landlord shall not (1) make a profit by charging items to Operating Expenses that are otherwise also charged separately to tenants (including Tenant) of the Project, and (2) collect Operating Expenses from Tenant and all other tenants in the Project in an amount in excess of what Landlord incurs for the items included in Operating Expenses.

4.2.5. **Taxes**.

4.2.5.1. "**Tax Expenses**" shall mean all federal, state, county, or local governmental or municipal taxes, fees, charges or other impositions of every kind and nature, whether general, special, ordinary or extraordinary (including, without limitation, real estate taxes, general and special assessments, transit taxes, leasehold taxes or taxes based upon the receipt of rent, including gross receipts or sales taxes applicable to the receipt of rent, unless required to be paid by Tenant, personal property taxes imposed upon the fixtures, machinery, equipment, apparatus, systems and equipment, appurtenances, furniture and other personal property used in connection with the Project, or any portion thereof), which shall be paid or accrued during any Expense Year (without regard to any different fiscal year used by such governmental or municipal authority) because of or in connection with the ownership, leasing and operation of the Project, or any portion thereof.

4.2.5.2. Tax Expenses shall include, without limitation: (i) Any tax on the rent, right to rent or other income from the Project, or any portion thereof, or as against the business of leasing the Project, or any portion thereof; (ii) Any assessment, tax, fee, levy or charge in addition to, or in substitution, partially or totally, of any assessment, tax, fee, levy or charge previously included within the definition of real property tax; (iii) Any assessment, tax, fee, levy, or charge allocable to or measured by the area of the Premises or the Rent payable hereunder, including, without limitation, any business or gross income tax or excise tax with respect to the receipt of such rent, or upon or with respect to the possession, leasing, operating, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises, or any portion thereof; and (iv) Any assessment, tax, fee, levy or charge, upon this transaction or any document to which Tenant is a party, creating or transferring an interest or an estate in the Premises or the improvements thereon.

4.2.5.3. Any costs and expenses (including, without limitation, reasonable attorneys' and consultants' fees) incurred in attempting to protest, reduce or minimize Tax Expenses shall be included in Tax Expenses in the Expense Year such expenses are incurred. Tax refunds shall be credited against Tax Expenses and refunded to Tenant regardless of when received, based on the Expense Year to which the refund is applicable, provided that in no event shall the amount to be refunded to Tenant for any such Expense Year exceed the total amount paid by Tenant as Additional Rent under this Article 4 for such Expense Year. If Tax Expenses for any period during the Lease Term or any extension thereof are increased after payment thereof for any reason, including, without limitation, error or reassessment by applicable governmental or municipal authorities, Tenant shall pay Landlord upon demand Tenant's Share of any such increased Tax Expenses. Notwithstanding anything to the contrary contained in this Section 4.2.5, there shall be excluded from Tax Expenses (i) all excess profits taxes, franchise taxes, documentary transfer taxes, gift taxes, capital stock taxes, inheritance and succession taxes, estate taxes, federal and state income taxes, and other taxes to the extent applicable to Landlord's general or net income (as opposed to rents, receipts or income attributable to operations at the Project), (ii) any items included as Operating Expenses, and (iii) any items paid by Tenant under Section 4.5 of this Lease.

4.2.6. "**Tenant's Share**" shall mean the percentage set forth in Section 6 of the Summary.

4.3. **Allocation of Direct Expenses**.

4.3.1. **Method of Allocation**. The parties acknowledge that the Building is a part of a multi-building project and that the costs and expenses incurred in connection with the Project (i.e., the Direct Expenses) should be shared between the Building and the other buildings in the Project. Accordingly, as set forth in Section 4.2 above, Direct Expenses (which consist of Operating Expenses and tax Expenses) are determined annually for the Project as a whole, and a portion of the Direct Expenses, which portion shall be determined by Landlord on an equitable basis, shall be allocated to the Building (as opposed to other buildings in the Project). Such portion of Direct Expenses allocated to the Building shall include all Direct Expenses attributable solely to the Building and an equitable portion of the Direct Expenses attributable to the Project as a whole, and shall not include Direct Expenses attributable solely to other buildings in the Project.

4.3.2. **Cost Pools**. Landlord shall have the right, from time to time, to equitably allocate some or all of the Direct Expenses for the Project among different portions or occupants of the Project (the "**Cost Pools**"), in Landlord's commercially reasonable discretion. Such Cost Pools may include, but shall not be limited to, the office space tenants of the Building or another building of the Project or of the Project, and the retail space tenants of the Building or another building of the Project or of the Project. The Direct Expenses within each such Cost Pool shall be allocated and charged to the tenants within such Cost Pool in a reasonable and equitable manner.

4.4. **Calculation and Payment of Additional Rent**. Tenant shall pay to Landlord, in the manner set forth in Section 4.4.1, below, and as Additional Rent, Tenant's Share of Direct Expenses for each Expense Year.

4.4.1. **Statement of Actual Direct Expenses and Payment by Tenant**. Landlord shall endeavor to give to Tenant within 150 days following the end of each Expense Year, a

statement (the "**Statement**") which shall state the Direct Expenses incurred or accrued for such preceding Expense Year, and which shall indicate the amount of Tenant's Share of Direct Expenses. Upon receipt of the Statement for each Expense Year commencing or ending during the Lease Term, Tenant shall pay, with its next installment of Base Rent due, the full amount of Tenant's Share of Direct Expenses for such Expense Year, less the amounts, if any, paid during such Expense Year as "**Estimated Direct Expenses**," as that term is defined in Section 4.4.2, below, and if Tenant paid more as Estimated Direct Expenses than the actual Tenant's Share of Direct Expenses, Tenant shall receive a credit in the amount of Tenant's overpayment against Rent next due under this Lease. The failure of Landlord to timely furnish the Statement for any Expense Year shall not prejudice Landlord or Tenant from enforcing its rights under this Article 4. Even though the Lease Term has expired and Tenant has vacated the Premises, when the final determination is made of Tenant's Share of Direct Expenses for the Expense Year in which this Lease terminates, Tenant shall immediately pay to Landlord such amount, and if Tenant paid more as Estimated Direct Expenses than the actual Tenant's Share of Direct Expenses, Landlord shall, within thirty (30) days, deliver a check payable to Tenant in the amount of the overpayment. The provisions of this Section 4.4.1 shall survive the expiration or earlier termination of the Lease Term. Notwithstanding the immediately preceding sentence, Tenant shall not be responsible for Tenant's Share of any Direct Expenses attributable to any Expense Year which are first billed to Tenant more than two (2) calendar years after the Lease Expiration Date.

4.4.2. **Statement of Estimated Direct Expenses**. In addition, Landlord shall endeavor to give Tenant a yearly expense estimate statement (the "**Estimate Statement**") which shall set forth Landlord's reasonable estimate (the "**Estimate**") of what the total amount of Direct Expenses for the then-current Expense Year shall be and the estimated Tenant's Share of Direct Expenses (the "**Estimated Direct Expenses**"). The failure of Landlord to timely furnish the Estimate Statement for any Expense Year shall not preclude Landlord from enforcing its rights to collect any Estimated Direct Expenses under this Article 4, nor shall Landlord be prohibited from revising any Estimate Statement or Estimated Direct Expenses theretofore delivered to the extent necessary. Thereafter, Tenant shall pay, with its next installment of Base Rent due (provided Tenant has received at least thirty (30) days' notice of the Estimated Direct Expenses), a fraction of the Estimated Direct Expenses for the then-current Expense Year (reduced by any amounts paid pursuant to the last sentence of this Section 4.4.2). Such fraction shall have as its numerator the number of months which have elapsed in such current Expense Year, including the month of such payment, and twelve (12) as its denominator. Until a new Estimate Statement is furnished (which Landlord shall have the right to deliver to Tenant at any time, provided no more than twice in any Lease Year), Tenant shall pay monthly, with the monthly Base Rent installments, an amount equal to one-twelfth (1/12) of the total Estimated Direct Expenses set forth in the previous Estimate Statement delivered by Landlord to Tenant.

4.5. **Taxes and Other Charges for Which Tenant Is Directly Responsible**. Tenant shall be liable for and shall pay ten (10) days before delinquency, taxes levied against Tenant's equipment, furniture, fixtures and any other personal property located in or about the Premises. If any such taxes on Tenant's equipment, furniture, fixtures and any other personal property are levied against Landlord or Landlord's property or if the assessed value of Landlord's property is increased by the inclusion therein of a value placed upon such equipment, furniture, fixtures or any other personal property and if Landlord pays the taxes based upon such increased assessment, which Landlord shall have the right to do regardless of the validity thereof but only under proper protest if requested by Tenant, Tenant shall upon demand repay to Landlord the taxes so levied against Landlord or the proportion of such taxes resulting from such increase in the assessment, as the case may be.

4.6. **Landlord's Books and Records**. Upon Tenant's written request given not more than six (6) months after Tenant's receipt of a Statement for a particular Expense Year, and provided that Tenant is not then in default under this Lease beyond the applicable notice and cure period provided in this Lease, specifically including, but not limited to, a default beyond the applicable notice and cure period provided in this Lease with respect to the timely payment of Additional Rent (whether or not the same is the subject of the audit contemplated herein), Landlord shall furnish Tenant with such reasonable supporting documentation in connection with said Direct Expenses as Tenant may reasonably request. Landlord shall provide said documentation to Tenant within sixty (60) days after Tenant's written request therefor. Within sixty (60) days after receipt of said documentation from Landlord (the "**Audit Period**"), if Tenant disputes the amount of Direct Expenses set forth in the Statement, an independent certified public accountant (which accountant (A) is a member of a nationally or regionally recognized certified public accounting firm which has previous experience in auditing financial operating records of landlords of office buildings, (B) is not working on a contingency fee basis [i.e., Tenant must be billed based on the actual time and materials that are incurred by the certified public accounting firm in the performance of the audit], and (C) shall not currently be providing or provide in the future accounting and/or lease administration services to another tenant in the Building and/or the Project in connection with a review or audit by such other tenant of the expense records being audited by Tenant), designated and paid for by Tenant, may, after reasonable notice to Landlord and at reasonable times, audit Landlord's records with respect to the Statement at Landlord's corporate offices, provided that (*i*) Tenant is not then in default under this Lease (beyond the applicable notice and cure periods provided under this Lease), (*ii*) Tenant has paid all amounts required to be paid under the applicable Estimate Statement and Statement, and (*iii*) a copy of the audit agreement between Tenant and its particular certified public accounting firm has been delivered to Landlord prior to the commencement of the audit. In connection with such audit, Tenant and Tenant's certified public accounting firm must agree in advance to follow Landlord's reasonable rules and procedures regarding an audit of the aforementioned Landlord records, and shall execute a commercially reasonable confidentiality agreement regarding such audit. Any audit report prepared by Tenant's certified public accounting firm shall be delivered concurrently to Landlord and Tenant within the Audit Period. Tenant's failure to audit the amount of Direct Expenses set forth in any Statement within the Audit Period shall be deemed to be Tenant's approval of such Statement and Tenant, thereafter, waives the right or ability to audit the amounts set forth in such Statement. If after such audit, Tenant still disputes such Direct Expenses, an audit to determine the proper amount shall be made, at Tenant's expense, by an independent certified public accountant (the "**Accountant**") selected by Landlord and subject to Tenant's reasonable approval; provided that if such audit by the Accountant proves that Direct Expenses set forth in the particular Statement were overstated by more than five percent (5%), then the cost of the Accountant, the cost of Tenant's accounting, and the cost of such audit (and the actual and reasonable out-of-pocket cost of Tenant's audit and auditor, not to exceed $10,000.00) shall be paid for by Landlord. Tenant hereby acknowledges that Tenant's sole right to audit Landlord's records and to contest the amount of Direct Expenses payable by Tenant shall be as set forth in this Section 4.6, and Tenant hereby waives any and all other rights pursuant to applicable law to audit such records and/or to contest the amount of Direct Expenses payable by Tenant.

5. **USE OF PREMISES.**

5.1. **Permitted Use**. Tenant shall use the Premises solely for the Permitted Use set forth in Section 7 of the Summary and Tenant shall not use or permit the Premises or the Project to be used for any other purpose or purposes whatsoever without the prior written consent of Landlord, which may be withheld in Landlord's sole discretion.

5.2. **Prohibited Uses**. Tenant further covenants and agrees that Tenant shall not use, or suffer or permit any person or persons to use, the Premises or any part thereof for any use or purpose contrary to the provisions of the Rules and Regulations set forth in **Exhibit D**, attached hereto, or any Underlying Documents, and Tenant shall comply with, and Tenant's rights and obligations under this Lease and Tenant's use of the Premises shall be subject and subordinate to, all recorded easements, covenants, conditions, and restrictions now or hereafter affecting the Project; provided, however, that in no event shall any Underlying Documents interfere with or adversely affect, other than in a non-material manner, Tenant's use of the Premises for the Permitted Use (or, subject to the terms of Section 1.1.3, above, access to or from the Premises or parking for the Premises or any of Tenant's rights under this Lease). In addition, Tenant further covenants and agrees that Tenant shall not use, or suffer or permit any person or persons to use, the Premises or any part thereof for any use or purpose in violation of the laws of the United States of America, the State of California, the ordinances, regulations or requirements of the local municipal or county governing body or other lawful authorities having jurisdiction over the Project, including, without limitation, any such laws, ordinances, regulations or requirements relating to hazardous materials or substances, as those terms are defined by Applicable Laws now or hereafter in effect. Tenant shall not do or permit anything to be done in or about the Premises which will in any way materially obstruct or interfere with the rights of other tenants or occupants of the Project, or injure or annoy them or use or allow the Premises to be used for any unlawful purpose, nor shall Tenant cause, maintain or permit any nuisance in, on or about the Premises. .

5.3. **Hazardous Materials**.

5.3.1. **Tenant's Obligations**.

5.3.1.1. Prohibitions. As a material inducement to Landlord to enter into this Lease with Tenant, Tenant has fully and accurately completed Landlord's Pre-Leasing Environmental Exposure Questionnaire (the "Environmental Questionnaire"), which is attached as Exhibit F. Tenant agrees that except for those chemicals or materials, and their respective quantities, specifically listed on the Environmental Questionnaire, neither Tenant nor Tenant's employees, contractors and subcontractors of any tier, entities with a contractual relationship with Tenant (other than Landlord), or any entity acting as an agent or sub-agent of Tenant (collectively, "Tenant's Agents") will produce, use, store or generate any "Hazardous Materials," as that term is defined below, on, under or about the Premises, nor cause or permit any Hazardous Material to be brought upon, placed, stored, manufactured, generated, blended, handled, recycled, used or "Released," as that term is defined below, on, in, under or about the Premises. If any information provided to Landlord by Tenant on the Environmental Questionnaire, or otherwise relating to information concerning Hazardous Materials is false, incomplete, or misleading in any material respect, the same shall be deemed a default by Tenant under this Lease. Tenant shall deliver to Landlord an updated Environmental Questionnaire at least once a year. Landlord's prior written

consent shall be required to any Hazardous Materials use for the Premises not described on the initial Environmental Questionnaire, such consent to be withheld in Landlord's sole discretion. Tenant shall not install or permit any underground storage tank on the Premises. For purposes of this Lease, "**Hazardous Materials**" means all flammable explosives, petroleum and petroleum products, waste oil, radon, radioactive materials, toxic pollutants, asbestos, polychlorinated biphenyls ("**PCBs**"), medical waste, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, including without limitation any chemical, element, compound, mixture, solution, substance, object, waste or any combination thereof, which is or may be hazardous to human health, safety or to the environment due to its radioactivity, ignitability, corrosiveness, reactivity, explosiveness, toxicity, carcinogenicity, infectiousness or other harmful or potentially harmful properties or effects, or defined as, regulated as or included in, the definition of "hazardous substances," "hazardous wastes," "hazardous materials," or "toxic substances" under any Environmental Laws. The term "Hazardous Materials" for purposes of this Lease shall also include any mold, fungus or spores, whether or not the same is defined, listed, or otherwise classified as a "hazardous material" under any Environmental Laws, if such mold, fungus or spores may pose a risk to human health or the environment or negatively impact the value of the Premises. For purposes of this Lease, "**Release**" or "**Released**" or "**Releases**" shall mean any release, deposit, discharge, emission, leaking, spilling, seeping, migrating, injecting, pumping, pouring, emptying, escaping, dumping, disposing, or other movement of Hazardous Materials into the environment.

5.3.1.2. **Notices to Landlord**. Tenant shall notify Landlord in writing as soon as possible but in no event later than five (5) days after (i) Tenant becomes aware of the occurrence of any actual, alleged or threatened Release of any Hazardous Material in, on, under, from, about or in the vicinity of the Premises (whether past or present), regardless of the source or quantity of any such Release, or (ii) Tenant becomes aware of any regulatory actions, inquiries, inspections, investigations, directives, or any cleanup, compliance, enforcement or abatement proceedings (including any threatened or contemplated investigations or proceedings) relating to or potentially affecting the Premises, or (iii) Tenant becomes aware of any claims by any person or entity relating to any Hazardous Materials in, on, under, from, about or in the vicinity of the Premises, whether relating to damage, contribution, cost recovery, compensation, loss or injury. Collectively, the matters set forth in clauses (i), (ii) and (iii) above are hereinafter referred to as "**Hazardous Materials Claims**". Tenant shall promptly forward to Landlord copies of all orders, notices, permits, applications and other communications and reports in connection with any Hazardous Materials Claims. Additionally, Tenant shall promptly advise Landlord in writing of Tenant's discovery of any occurrence or condition on, in, under or about the Premises that could subject Tenant or Landlord to any liability, or restrictions on ownership, occupancy, transferability or use of the Premises under any "Environmental Laws," as that term is defined below. Tenant shall not enter into any legal proceeding or other action, settlement, consent decree or other compromise with respect to any Hazardous Materials Claims without first notifying Landlord of Tenant's intention to do so and affording Landlord the opportunity to join and participate, as a party if Landlord so elects, in such proceedings and in no event shall Tenant enter into any agreements which are binding on Landlord or the Premises without Landlord's prior written consent. Landlord shall have the right to appear at and participate in, any and all legal or other administrative proceedings concerning any Hazardous Materials Claim. For purposes of this Lease, "**Environmental Laws**" means all applicable present and future laws relating to the protection of human health, safety, wildlife or the environment, including, without limitation, (i)

all requirements pertaining to reporting, licensing, permitting, investigation and/or remediation of emissions, discharges, Releases, or threatened Releases of Hazardous Materials, whether solid, liquid, or gaseous in nature, into the air, surface water, groundwater, or land, or relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials; and (ii) all requirements pertaining to the health and safety of employees or the public. Environmental Laws include, but are not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 USC § 9601, et seq., the Hazardous Materials Transportation Authorization Act of 1994, 49 USC § 5101, et seq., the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, and Hazardous and Solid Waste Amendments of 1984, 42 USC § 6901, et seq., the Federal Water Pollution Control Act, as amended by the Clean Water Act of 1977, 33 USC § 1251, et seq., the Clean Air Act of 1966, 42 USC § 7401, et seq., the Toxic Substances Control Act of 1976, 15 USC § 2601, et seq., the Safe Drinking Water Act of 1974, 42 USC §§ 300f through 300j, the Occupational Safety and Health Act of 1970, as amended, 29 USC § 651 et seq., the Oil Pollution Act of 1990, 33 USC § 2701 et seq., the Emergency Planning and Community Right-To-Know Act of 1986, 42 USC § 11001 et seq., the National Environmental Policy Act of 1969, 42 USC § 4321 et seq., the Federal Insecticide, Fungicide and Rodenticide Act of 1947, 7 USC § 136 et seq., California Carpenter-Presley-Tanner Hazardous Substance Account Act, California Health & Safety Code §§ 25300 et seq., Hazardous Materials Release Response Plans and Inventory Act, California Health & Safety Code, §§ 25500 et seq., Underground Storage of Hazardous Substances provisions, California Health & Safety Code, §§ 25280 et seq., California Hazardous Waste Control Law, California Health & Safety Code, §§ 25100 et seq., and any other state or local law counterparts, as amended, as such applicable laws, are in effect as of the Lease Commencement Date, or thereafter adopted, published, or promulgated.

5.3.1.3. **Releases of Hazardous Materials**. Except to the extent caused by other tenants of the Project, Landlord or any Landlord Parties (as defined below), if any Release of any Hazardous Material in, on, under, from or about the Premises shall occur at any time during the Lease Term and/or if any other Hazardous Material condition exists at the Premises that first arises after the Lease Commencement Date that requires response actions of any kind, then in addition to notifying Landlord as specified above, Tenant, at its own sole cost and expense, shall (i) immediately comply with any and all reporting requirements imposed pursuant to any and all Environmental Laws, (ii) provide a written certification to Landlord indicating that Tenant has complied with all applicable reporting requirements, (iii) take any and all necessary investigation, corrective and remedial action in accordance with any and all applicable Environmental Laws, utilizing an environmental consultant approved by Landlord, all in accordance with the provisions and requirements of this Section 5.3, including, without limitation, Section 5.3.4, and (iv) take any such additional investigative, remedial and corrective actions as Landlord shall in its reasonable discretion deem necessary such that the Premises are remediated to the condition existing prior to such Release.

5.3.1.4. **Indemnification**.

5.3.1.4.1 **In General**. Without limiting in any way Tenant's obligations under any other provision of this Lease, Tenant shall be solely responsible for and shall protect, defend, indemnify and hold the Landlord Parties harmless from and against any and all claims, judgments, losses, damages, costs, expenses, penalties, enforcement actions, taxes, fines,

remedial actions, liabilities (including, without limitation, actual attorneys' fees, litigation, arbitration and administrative proceeding costs, expert and consultant fees and laboratory costs) including, without limitation, consequential damages and sums paid in settlement of claims, which arise during or after the Lease Term, whether foreseeable or unforeseeable, that arise during or after the Lease Term in whole or in part, foreseeable or unforeseeable, directly or indirectly arising out of or attributable to the presence, use, generation, manufacture, treatment, handling, refining, production, processing, storage, Release or presence of Hazardous Materials in, on, under or about the Premises by Tenant or Tenant's Agents.

5.3.1.4.2 **Limitations**. Notwithstanding anything in Section 5.3.1.4, above, to the contrary, Tenant's indemnity of Landlord as set forth in Section 5.3.1.4, above, shall not be applicable to claims based upon Hazardous Materials which are brought onto the Project, permitted to be brought onto the Project, or Released on the Project, by other tenants of the Project, Landlord or any Landlord Parties (as defined below), or based upon Hazardous Materials which may exist in, on or about the Premises as of the date of this Lease ("**Existing Hazardous Materials**"), except to the extent that Tenant's construction activities and/or Tenant's other acts or omissions (including Tenant's failure to remove, remediate or otherwise treat or "Clean-up," as that term is defined in Section 5.3.4, below, the subject Existing Hazardous Materials during the tenancy of the Premises) caused or exacerbated the subject claim.

5.3.1.5. **Compliance with Environmental Laws**. Without limiting the generality of Tenant's obligation to comply with applicable laws as otherwise provided in this Lease, Tenant shall, at its sole cost and expense, comply with all Environmental Laws. Tenant shall obtain and maintain any and all necessary permits, licenses, certifications and approvals appropriate or required for the use, handling, storage, and disposal of any Hazardous Materials used, stored, generated, transported, handled, blended, or recycled by Tenant on the Premises. Landlord shall have a continuing right, without obligation, to require Tenant to obtain, and to review and inspect any and all such permits, licenses, certifications and approvals, together with copies of any and all Hazardous Materials management plans and programs, any and all Hazardous Materials risk management and pollution prevention programs, and any and all Hazardous Materials emergency response and employee training programs respecting Tenant's use of Hazardous Materials. Upon request of Landlord, Tenant shall deliver to Landlord a narrative description explaining the nature and scope of Tenant's activities involving Hazardous Materials and showing to Landlord's satisfaction compliance with all Environmental Laws and the terms of this Lease.

5.3.2. **Assurance of Performance**.

5.3.2.1. **Environmental Assessments In General**. Landlord may, but shall not be required to, engage from time to time such contractors as Landlord determines to be appropriate to perform environmental assessments of a scope reasonably determined by Landlord (an "**Environmental Assessment**") to ensure Tenant's compliance with the requirements of this Lease with respect to Hazardous Materials. .

5.3.2.2. Costs of Environmental Assessments. All costs and expenses incurred by Landlord in connection with any such Environmental Assessment initially shall be paid by Landlord; provided that if any such Environmental Assessment shows that Tenant has failed to comply with the provisions of this Section 5.3, then all of the costs and expenses of such Environmental Assessment shall be reimbursed by Tenant as Additional Rent within ten (10) days after receipt of written demand therefor.

5.3.3. **Tenant's Obligations upon Surrender**. At the expiration or earlier termination of the Lease Term, Tenant, at Tenant's sole cost and expense, shall: (i) cause an Environmental Assessment of the Premises to be conducted in accordance with Section 15.3; (ii) cause all Hazardous Materials to be removed from the Premises and disposed of in accordance with all Environmental Laws and as necessary to allow the Premises to be used for any purpose; and (iii) cause to be removed all containers installed or used by Tenant or Tenant's Agents to store any Hazardous Materials on the Premises, and cause to be repaired any damage to the Premises caused by such removal.

5.3.4. **Clean-up**.

5.3.4.1. **Environmental Reports; Clean-Up**. If any written report, including any report containing results of any Environmental Assessment (an "**Environmental Report**") shall indicate (i) the presence of any Hazardous Materials as to which Tenant has a removal or remediation obligation under this Section 5.3, and (ii) that as a result of same, the investigation, characterization, monitoring, assessment, repair, closure, remediation, removal, or other clean-up (the "**Clean-up**") of any Hazardous Materials is required, Tenant shall immediately prepare and submit to Landlord within thirty (30) days after receipt of the Environmental Report a comprehensive plan, subject to Landlord's written approval, specifying the actions to be taken by Tenant to perform the Clean-up so that the Premises are restored to the conditions required by this Lease. Upon Landlord's approval of the Clean-up plan, Tenant shall, at Tenant's sole cost and expense, without limitation on any rights and remedies of Landlord under this Lease, immediately implement such plan with a consultant reasonably acceptable to Landlord and proceed to Clean-Up Hazardous Materials in accordance with all applicable laws and as required by such plan and this Lease. If, within thirty (30) days after receiving a copy of such Environmental Report, Tenant fails either (a) to complete such Cleanup, or (b) with respect to any Clean-up that cannot be completed within such thirty-day period, fails to proceed with diligence to prepare the Clean-up plan and complete the Clean-up as promptly as practicable, then Landlord shall have the right, but not the obligation, and without waiving any other rights under this Lease, to carry out any Clean-up recommended by the Environmental Report or required by any governmental authority having jurisdiction over the Premises, and recover all of the costs and expenses thereof from Tenant as Additional Rent, payable within ten (10) days after receipt of written demand therefor.

5.3.4.2. **No Rent Abatement**. Tenant shall continue to pay all Rent due or accruing under this Lease during any Clean-up, and shall not be entitled to any reduction, offset or deferral of any Base Rent or Additional Rent due or accruing under this Lease during any such Clean-up.

5.3.4.3. Surrender of Premises. Tenant shall complete any Clean-up prior to surrender of the Premises upon the expiration or earlier termination of this Lease. Tenant shall obtain and deliver to Landlord a letter or other written determination from the overseeing governmental authority confirming that the Clean-up has been completed in accordance with all requirements of such governmental authority and that no further response action of any kind is required for the unrestricted use of the Premises ("**Closure Letter**"). Upon the expiration or earlier termination of this Lease, Tenant shall also be obligated to close all permits obtained in connection with Hazardous Materials in accordance with applicable laws.

5.3.4.4. **Failure to Timely Clean-Up**. Should any Clean-up for which Tenant is responsible not be completed, or should Tenant not receive the Closure Letter and any governmental approvals required under Environmental Laws in conjunction with such Clean-up prior to the expiration or earlier termination of this Lease, then Tenant shall be liable to Landlord as a holdover tenant (as more particularly provided in Article 16) until Tenant has fully complied with its obligations under this Section 5.3.

5.3.5. **Confidentiality**. Unless compelled to do so by applicable law, Tenant agrees that Tenant shall not disclose, discuss, disseminate or copy any information, data, findings, communications, conclusions and reports regarding the environmental condition of the Premises to any Person (other than Tenant's consultants, attorneys, property managers and employees that have a need to know such information), including any governmental authority, without the prior written consent of Landlord. In the event Tenant reasonably believes that disclosure is compelled by applicable law, it shall provide Landlord ten (10) days' advance notice of disclosure of confidential information so that Landlord may attempt to obtain a protective order. Tenant may additionally release such information to attorneys, accountants and other advisors, and to bona fide prospective purchasers or lenders, subject to any such parties' written agreement to be bound by the terms of this Section 5.3.

5.3.6. **Copies of Environmental Reports**. Within thirty (30) days of receipt thereof, Tenant shall provide Landlord with a copy of any and all environmental assessments, audits, studies and reports regarding Tenant's activities with respect to the Premises, or ground water beneath the Land, or the environmental condition or Clean-up thereof. Tenant shall be obligated to provide Landlord with a copy of such materials without regard to whether such materials are generated by Tenant or prepared for Tenant, or how Tenant comes into possession of such materials.

5.3.7. **Intentionally Omitted**.

5.3.8. **Signs, Response Plans, Etc**. Tenant shall be responsible for posting on the Premises any signs required under applicable Environmental Laws. Tenant shall also complete and file any business response plans or inventories required by any applicable laws. Tenant shall concurrently file a copy of any such business response plan or inventory with Landlord.

5.3.9. **Survival**. Each covenant, agreement, representation, warranty and indemnification made by Tenant set forth in this Section 5.3 shall survive the expiration or earlier termination of this Lease and shall remain

effective until all of Tenant's obligations under this Section 5.3 have been completely performed and satisfied.

6. **SERVICES AND UTILITIES.**

6.1. **In General**. Landlord shall provide the following services on all days (unless otherwise stated below) during the Lease Term.

6.1.1. Subject to limitations imposed by all governmental rules, regulations and guidelines applicable thereto, Landlord shall provide heating and air conditioning ("**HVAC**") from 8:00 A.M. to 6:00 P.M. Monday through Friday, and on Saturdays from 9:00 A.M. to 1:00 P.M, when necessary for normal comfort for normal office use in the Premises from (collectively, the "**Building Hours**"), except for the date of observation of New Year's Day, Independence Day, Labor Day, Memorial Day, Thanksgiving Day, Christmas Day and, at Landlord's discretion, other locally or nationally recognized holidays which are observed by other buildings comparable to and in the vicinity of the Building (collectively, the "**Holidays**").

6.1.2. Landlord shall provide city water from the regular Building outlets for drinking, kitchen, lavatory and toilet purposes in the Building Common Areas and the Premises.

6.1.3. Electricity is separately metered (or sub-metered) at the Premises and shall be paid directly by Tenant to the applicable utility provider. If electricity is separately sub-metered (as opposed to separately metered), then Tenant shall pay to Landlord the cost of such utilities based on such sub-meter, including an administrative charge for Landlord's supervision and reimbursement for any penalties for usage or other surcharges imposed by any utility company. Within twenty (20) days after receipt of Landlord's statement of apportionment or statement setting forth the charges payable by Tenant, Tenant shall pay to Landlord, as Additional Rent, the cost of such electrical services so apportioned or so provided by Landlord. Notwithstanding anything to the contrary set forth herein, to the extent the Premises generates electricity demand on a shared resource (e.g. electricity for the central plant), the cost of such electricity shall be allocated to Tenant on a pro rata basis or other reasonable basis consistent with commercial reasonable property management practices.

6.1.4. Landlord shall not provide janitorial services for the Premises. Tenant shall be solely responsible for performing all janitorial services and other cleaning of the Premises, all in compliance with applicable laws. The janitorial and cleaning of the Premises shall be adequate to maintain the Premises in a manner consistent with First-Class Life Sciences Projects.

6.1.5. Landlord shall provide reasonable access control services for the Building; provided that Landlord shall in no event be liable for personal injury or property damage for any error with regard to the admission to, or exclusion from, the Building or Project of any person.

6.1.6. Landlord shall cause gas (as provided by the applicable gas utility) to be provided to the Premises.

Tenant shall cooperate fully with Landlord at all times and abide by all regulations and requirements that Landlord may reasonably prescribe for the proper functioning and protection of the HVAC, electrical, mechanical and plumbing systems.

6.2. **Overstandard Tenant Use**. Tenant shall not, without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed, use heat-generating machines, machines other than normal fractional horsepower office machines, or equipment or lighting other than Building standard lights in the Premises, which may affect the

temperature otherwise maintained by the air conditioning system or increase the water normally furnished for the Premises by Landlord pursuant to the terms of Section 6.1 of this Lease. If Tenant uses water, heat or air conditioning in excess of that supplied by Landlord pursuant to Section 6.1 of this Lease, Tenant shall pay to Landlord, upon billing, Landlord's actual cost of providing such excess consumption, without profit or overhead, but including the cost of the installation, operation, and maintenance of equipment which is installed in order to supply such excess consumption, and the cost of the increased wear and tear on existing equipment caused by such excess consumption; and Landlord may install devices to separately meter (or sub-meter) any increased use and in such event Tenant shall pay the increased cost directly to Landlord, on demand, at the rates charged by the public utility company furnishing the same, including the cost of such additional metering (or sub-metering) devices. Tenant's use of electricity shall never exceed the capacity of the feeders to the Project or the risers or wiring installation If Tenant desires to use heat, ventilation or air conditioning during hours other than those for which Landlord is obligated to supply such utilities pursuant to the terms of Section 6.1 of this Lease, Tenant shall give Landlord such prior notice, if any, as Landlord shall from time to time establish as appropriate (provided that in no event shall Tenant be required to give more than two (2) hours' prior written notice in connection therewith), of Tenant's desired use in order to supply such utilities, and Landlord shall supply such utilities to Tenant at such hourly cost to Tenant (which shall be treated as Additional Rent) as Landlord shall from time to time calculate to reimburse Landlord for its actual cost of supplying such utilities, as set forth in this Section 6.2 above.

6.3. **Interruption of Use**. Tenant agrees that Landlord shall not be liable for damages, by abatement of Rent or otherwise, for failure to furnish or delay in furnishing any service (including telephone and telecommunication services), or for any diminution in the quality or quantity thereof, when such failure or delay or diminution is occasioned, in whole or in part, by breakage, repairs, replacements, or improvements, by any strike, lockout or other labor trouble, by inability to secure electricity, gas, water, or other fuel at the Building or Project after reasonable effort to do so, by any riot or other dangerous condition, emergency, accident or casualty whatsoever, by act or default of Tenant or other parties, or by any other cause; and such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Lease. Furthermore, Landlord shall not be liable under any circumstances for a loss of, or injury to, property or for injury to, or interference with, Tenant's business, including, without limitation, loss of profits, however occurring, through or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Article 6.

7. **REPAIRS.** Subject to the provisions of Article 11 and to Landlord's repair obligations set forth below in this Article 7, Tenant shall, at Tenant's own expense, keep the Premises, including all improvements, fixtures, furnishings, and systems and equipment therein (including, without limitation, plumbing fixtures and equipment such as dishwashers, garbage disposals, and insta-hot dispensers), in good order, repair and condition at all times during the Lease Term. In addition, Tenant shall, at Tenant's own expense, but subject to the terms and conditions of Article 8 below, and within any reasonable period of time specified by Landlord, promptly and adequately repair all damage to the Premises and replace or repair all damaged, broken, or worn fixtures and appurtenances, except for damage caused by ordinary wear and tear or beyond the reasonable control of Tenant; provided however, that, at Landlord's option, or if Tenant fails to make such repairs, Landlord may, but need not, upon at least five (5) business days prior written notice to

Tenant, (except in the event of an emergency), make such repairs and replacements, and Tenant shall pay Landlord the cost thereof, including a percentage of the cost thereof (to be uniformly established for the Building and/or the Project) sufficient to reimburse Landlord for all overhead, general conditions, fees and other costs or expenses arising from Landlord's involvement with such repairs and replacements forthwith upon being billed for same; provided further that, that if such repairs are due to the negligence or willful misconduct of Landlord, then Tenant shall nevertheless make such repairs at Landlord's expense, or, if covered by Tenant's insurance, then Landlord shall only be obligated to pay any deductible in connection therewith. Landlord agrees that at all times it will maintain the structural portions of the Building, including the foundation, floor/ceiling slabs, roof, curtain walls, exterior walls, exterior glass and mullions, columns, beams, shafts (including elevator shafts), stairs, stairwells, elevator cabs, mechanical, electrical and telephone closets and the Common Areas (collectively, the "**Building Structure**") and the base Building mechanical, electrical, life safety, plumbing, sprinkler and HVAC systems installed or furnished by Landlord which serve the Premises (collectively, the "**Building Systems**") in good order, condition and repair. The term "**Base Building**" shall mean the Building Structure and the Building Systems. Notwithstanding the foregoing, Landlord shall, at Landlord's sole cost and expense, repair the Base Building, except to the extent that such repairs are required due to the negligence or willful misconduct of Tenant; provided, however, that if such repairs are due to the negligence or willful misconduct of Tenant, Landlord shall nevertheless make such repairs at Tenant's expense, or, if covered by Landlord's insurance, Tenant shall only be obligated to pay any deductible in connection therewith. Subject to the terms of Section 19.5.2 and Article 27, below, Landlord may, but shall not be required to, enter the Premises at all reasonable times to make such repairs, alterations, improvements or additions to the Premises or to the Project or to any equipment located in the Project as Landlord shall desire or deem necessary or as Landlord may be required to do by governmental or quasi-governmental authority or court order or decree. Tenant hereby waives any and all rights under and benefits of subsection 1 of Section 1932 and Sections 1941 and 1942 of the California Civil Code or under any similar law, statute, or ordinance now or hereafter in effect.

8. **ADDITIONS AND ALTERATIONS.**

8.1. **Landlord's Consent to Alterations**. Tenant may not make any improvements, alterations, additions or changes to the Premises or any mechanical, plumbing or HVAC facilities or systems pertaining to the Premises (collectively, the "**Alterations**") without first procuring the prior written consent of Landlord to such Alterations, which consent shall be requested by Tenant not less than twenty-five (25) days prior to the commencement thereof, and which consent shall not be unreasonably withheld by Landlord, provided it shall be deemed reasonable for Landlord to withhold its consent to any Alteration which adversely affects the structural portions or the systems or equipment of the Building or is visible from the exterior of the Building. If Landlord fails to provide approve or disapprove of an Alteration within said twenty-five (25) day period, then Tenant may deliver a second request for approval at the expiration of said twenty-five (25) day period setting forth such failure containing the following sentence at the top of such notice in bold, capitalized font at least twelve (12) points in size: "**LANDLORD'S FAILURE TO RESPOND TO THIS NOTICE WITHIN FIVE (5) BUSINESS DAYS SHALL RESULT IN LANDLORD'S DEEMED APPROVAL OF TENANT'S ALTERATION**" (the "**Reminder Notice**"). Any such Reminder Notice shall include a complete copy of Tenant's plans and specification for such Alteration. Landlord's failure to provide approval or disapproval within five

(5) business days following Landlord's receipt of a Reminder Notice shall conclusively be deemed approval of Tenant's Alteration as presented. Notwithstanding the foregoing, Tenant shall be permitted to make Alterations following ten (10) business days' notice to Landlord, but without Landlord's prior consent, to the extent that such Alterations (i) do not adversely affect the building systems or equipment, (ii) are not visible from the exterior of the Building, and (iii) (A) are decorative only (*i.e.*, installation of carpeting or painting of the Premises) or (B) cost less than $50,000.00 for a particular job of work. The construction of the initial improvements to the Premises shall be governed by the terms of the Tenant Work Letter and not the terms of this Article 8.

8.2. **Manner of Construction**. Landlord may impose, as a condition of its consent to any and all Alterations or repairs of the Premises or about the Premises, such requirements as Landlord in its reasonable discretion may deem desirable, including, but not limited to, the requirement that upon Landlord's request, Tenant shall, at Tenant's expense, remove such Alterations upon the expiration or any early termination of the Lease Term if such Alterations are Specialty Alterations (as that term is defined in Section 8.5 below). Tenant shall construct such Alterations and perform such repairs in a good and workmanlike manner, in conformance with any and all applicable federal, state, county or municipal laws, rules and regulations and pursuant to a valid building permit, issued by the city in which the Building is located (or other applicable governmental authority). Tenant shall not use (and upon notice from Landlord shall cease using) contractors, services, workmen, labor, materials or equipment that, in Landlord's reasonable judgment, would disturb labor harmony with the workforce or trades engaged in performing other work, labor or services in or about the Building or the Common Areas. Upon completion of any Alterations (or repairs), Tenant shall deliver to Landlord final lien waivers from all contractors, subcontractors and materialmen who performed such work. In addition to Tenant's obligations under Article 9 of this Lease, upon completion of any Alterations, Tenant agrees to cause a Notice of Completion to be recorded in the office of the Recorder of the County of San Diego in accordance with Section 8182 of the Civil Code of the State of California or any successor statute, and Tenant shall deliver to the Project construction manager a reproducible copy of the "**as built**" drawings of the Alterations as well as all permits, approvals and other documents issued by any governmental agency in connection with the Alterations.

8.3. **Payment for Improvements**. If Tenant orders any work directly from Landlord, Tenant shall pay to Landlord an amount equal to five percent (5%) of the cost of such work to compensate Landlord for all overhead, general conditions, fees and other costs and expenses arising from Landlord's involvement with such work. If Tenant does not order any work directly from Landlord, Tenant shall reimburse Landlord for Landlord's reasonable, actual, out-of-pocket costs and expenses actually incurred in connection with Landlord's review of such work.

8.4. **Construction Insurance**. In addition to the requirements of Article 10 of this Lease, in the event that Tenant makes any Alterations, prior to the commencement of such Alterations, Tenant shall provide Landlord with evidence that Tenant carries "**Builder's All Risk**" insurance in an amount reasonably approved by Landlord covering the construction of such Alterations, and such other insurance as Landlord may reasonably require, it being understood and agreed that all of such Alterations shall be insured by Tenant pursuant to Article 10 of this Lease immediately upon completion thereof. In addition, Tenant's contractors and subcontractors shall be required to carry (i) Commercial General Liability Insurance in an amount reasonably approved

by Landlord, with Landlord, and, at Landlord's option, Landlord's property manager and project manager, as additional insureds in an amount reasonably approved by Landlord, and otherwise in accordance with the requirements of Article 10 of this Lease, and (ii) workers compensation insurance with a waiver of subrogation in favor of Landlord . Landlord may, if commercially reasonable under the circumstances, require Tenant to obtain a lien and completion bond or some alternate form of security satisfactory to Landlord in an amount sufficient to ensure the lien-free completion of such Alterations and naming Landlord as a co-obligee.

8.5. **Landlord's Property**. All Alterations, improvements, fixtures, equipment and/or appurtenances which may be installed or placed in or about the Premises, from time to time, shall be at the sole cost of Tenant and shall be and become the property of Landlord and remain in place at the Premises following the expiration or earlier termination of this Lease, except that Tenant may remove any Alterations, improvements, fixtures and/or equipment which have not been paid for with any Tenant improvement allowance funds provided to Tenant by Landlord (including, without limitation, the Tenant Improvement Allowance (as that term is defined in Section 1.2 of the Work Letter), provided Tenant repairs any damage to the Premises and Building caused by such removal and returns the affected portion of the Premises to a building standard tenant improved condition. Notwithstanding the foregoing, Landlord may, by written notice to Tenant prior to the end of the Lease Term, or given following any earlier termination of this Lease, require Tenant, at Tenant's expense, to remove any Alterations and/or improvements and/or systems and equipment within the Premises that are Specialty Alterations and to repair any damage to the Premises and Building caused by such removal and return the affected portion of the Premises to a building standard tenant improved condition as determined by Landlord; provided, however, that notwithstanding the foregoing, upon request by Tenant at the time of Tenant's request for Landlord's consent to any Alteration or improvement, Landlord shall notify Tenant whether any applicable Alteration or improvement that constitutes a Specialty Alteration will be required to be removed pursuant to the terms of this Section 8.5 (and, if following Tenant's request Landlord fails to specify that any such Specialty Alteration will be subject to the removal requirement described herein, Landlord shall not have a subsequent right to designate such Specialty Alteration as subject to removal). If Tenant fails to complete such removal and/or to repair any damage caused by such removal and return the affected portion of the Premises to a building standard tenant improved condition as reasonably determined by Landlord, then Landlord may do so and may charge the cost thereof to Tenant. Tenant hereby protects, defends, indemnifies and holds Landlord harmless from any liability, cost, obligation, expense or claim of lien in any manner relating to the installation, placement, removal or financing of any such Alterations, improvements, fixtures and/or equipment in, on or about the Premises, which obligations of Tenant shall survive the expiration or earlier termination of this Lease. As used herein, "**Specialty Alterations**" shall mean any improvement that is not a normal and customary general office improvement, including, but not limited to, improvements which: (i) perforate, penetrate or require reinforcement of a floor slab (including, without limitation, interior stairwells or high-density filing or racking systems), (ii) consist of the installation of a raised flooring system, (iii) consist of the installation of a vault or other similar device or system intended to secure the Premises or a portion thereof in a manner that exceeds the level of security necessary for ordinary office space, (iv) involve material plumbing connections (such as, for example but not by way of limitation, kitchens (other than customary break-rooms with a refrigerator, sink and dishwasher), cafeteria, saunas, showers, and executive bathrooms outside of the Building core and/or special fire safety systems), (v) consist of the dedication of any material portion of the Premises to non-office usage (such as classrooms or

kitchens), or (vi) can be seen from outside the Premises. Landlord hereby acknowledges and agrees that the Tenant Improvements which (i) are a natural and logical extension of the improvement shown on the Space Plan (as that term is defined in of the Tenant Work Letter) and (ii) contain Building standard materials and finishes, shall not be deemed to be Specialty Alterations.

9. **COVENANT AGAINST LIENS.** Tenant shall keep the Project and Premises free from any liens or encumbrances arising out of the work performed, materials furnished or obligations incurred by or on behalf of Tenant (which shall not include any work performed by Landlord whether on behalf of Landlord or otherwise), and shall protect, defend, indemnify and hold Landlord harmless from and against any claims, liabilities, judgments or costs (including, without limitation, reasonable attorneys' fees and costs) arising out of same or in connection therewith. Tenant shall give Landlord notice at least twenty (20) days prior to the commencement of any such work on the Premises that is reasonably anticipated to costs in excess of $20,000.00 (or such additional time as may be necessary under applicable laws) to afford Landlord the opportunity of posting and recording appropriate notices of non-responsibility (to the extent applicable pursuant to then applicable laws). Tenant shall not cause or permit any lien of mechanics or materialmen or others to be placed against the Project, the Building or the Premises with respect to work or services claimed to have been performed for or materials claimed to have been furnished to Tenant, and, in case of any such lien attaching or notice of any lien, reserves the right to contest such lien, provided that Tenant shall, at its sole cost and expense, provide a bond in accordance with the California Civil Code Section 8424. If Tenant does not timely exercise its right to contest such lien, Tenant shall cause it to be immediately released and removed of record (by payment, statutory bond or other lawful means). If any such lien is not so released and removed (by payment, statutory bond or other lawful means) within ten (10) business days after notice of such lien is delivered by Landlord to Tenant, then Landlord may, at its option, take all action necessary to release and remove such lien, and all sums, costs and expenses, including reasonable attorneys' fees and costs, incurred by Landlord in connection with such lien shall be deemed Additional Rent under this Lease and shall immediately be due and payable by Tenant. Nothing contained in this Lease shall authorize Tenant to do any act which shall subject Landlord's title to the Building or Premises to any liens or encumbrances whether claimed by operation of law or express or implied contract. Any claim to a lien or encumbrance upon the Building or Premises arising in connection with any such work or respecting the Premises not performed by or at the request of Landlord shall be null and void, or at Landlord's option shall attach only against Tenant's interest in the Premises and shall in all respects be subordinate to Landlord's title to the Project, Building and Premises

10. **INSURANCE**

10.1. **Indemnification and Waiver**. Except to the extent arising from the negligence or willful misconduct of Landlord or the Landlord Parties, Tenant hereby assumes all risk of damage to property or injury to persons in, upon or about the Premises from any cause whatsoever and agrees that Landlord, its partners, subpartners and their respective officers, agents, servants, employees, lenders, any property manager and independent contractors (collectively, "**Landlord Parties**") shall not be liable for, and are hereby released from any responsibility for, any damage either to person or property or resulting from the loss of use thereof, which damage is sustained by Tenant or by other persons claiming through Tenant. Tenant shall indemnify, defend, protect, and hold harmless the Landlord Parties from any and all claims, loss, cost, damage, injury, expense and liability (including without limitation court costs and reasonable attorneys' fees) incurred in

connection with or arising from any cause in, on or about the Premises, any acts, omissions or negligence of Tenant or of any person claiming by, through or under Tenant, or of the contractors, agents, servants, employees, invitees, guests or licensees of Tenant or any such person, in, on or about the Project or any breach of the terms of this Lease, either prior to, during, or after the expiration of the Lease Term, provided that the terms of the foregoing indemnity shall not apply to the gross negligence or willful misconduct of Landlord or any Landlord Parties. Should Landlord be named as a defendant in any suit brought against Tenant in connection with or arising out of Tenant's occupancy of the Premises, Tenant shall pay to Landlord its costs and expenses incurred in such suit, including without limitation, its actual professional fees such as reasonable appraisers', accountants' and attorneys' fees. Landlord shall indemnify, defend, protect, and hold harmless Tenant, its partners, and their respective officers, agents, servants, employees, and independent contractors (collectively, "**Tenant Parties**") from any and all loss, cost, damage, expense and liability (including without limitation reasonable attorneys' fees) arising from the gross negligence or willful misconduct of Landlord in, on or about the Project, except to the extent caused by the negligence or willful misconduct of the Tenant Parties. Notwithstanding anything to the contrary set forth in this Lease, either party's agreement to indemnify the other party as set forth in this Section 10.1 shall be ineffective to the extent the matters for which such party agreed to indemnify the other party are covered by insurance required to be carried by the non-indemnifying party pursuant to this Lease. Further, Tenant's agreement to indemnify Landlord and Landlord's agreement to indemnify Tenant pursuant to this Section 10.1 are not intended to and shall not relieve any insurance carrier of its obligations under policies required to be carried pursuant to the provisions of this Lease, to the extent such policies cover, or if carried, would have covered the matters, subject to the parties' respective indemnification obligations; nor shall they supersede any inconsistent agreement of the parties set forth in any other provision of this Lease. The provisions of this Section 10.1 shall survive the expiration or sooner termination of this Lease with respect to any claims or liability arising in connection with any event occurring prior to such expiration or termination.

10.2. **Tenant's Compliance With Landlord's Property Insurance**. Landlord shall insure the Building during the Lease Term against loss or damage under an "all risk" property insurance policy. Such coverage shall be in such amounts, from such companies, and on such other terms and conditions, as Landlord may from time to time reasonably determine. Additionally, at the option of Landlord, such insurance coverage may include the risks of earthquakes and/or flood damage and additional hazards, a rental loss endorsement and one or more loss payee endorsements in favor of the holders of any mortgages or deeds of trust encumbering the interest of Landlord in the Building or the ground or underlying lessors of the Building, or any portion thereof. Tenant shall, at Tenant's expense, comply with all insurance company requirements pertaining to the use of the Premises. If Tenant's conduct or use of the Premises causes any increase in the premium for such insurance policies then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply with all rules, orders, regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and with any similar body. Tenant shall also provide Landlord and Landlord's insurer(s) with such information regarding the use of the Premises and any damage to the Premises as they may require in connection with the placement of insurance for the Premises or the adjusting of any losses to the Premises.

10.3. **Tenant's Insurance**. Tenant shall maintain the following coverages in the following amounts.

10.3.1. Commercial General Liability Insurance on an occurrence form (provided that product liability insurance may be on a claims-made form) covering the insured against claims of bodily injury, personal injury and property damage (including loss of use thereof) arising out of Tenant's operations, and contractual liabilities including a contractual coverage, and including products and completed operations coverage, for limits of liability of not less than:

Bodily Injury and Property Damage Liability	$5,000,000 each occurrence $5,000,000 annual aggregate
Personal Injury Liability	$3,000,000 each occurrence $3,000,000 annual aggregate

10.3.2. Property Insurance covering (i) all office furniture, business and trade fixtures, office equipment, free-standing cabinet work, movable partitions, merchandise and all other items of Tenant's property on the Premises installed by, for, or at the expense of Tenant, (ii) the "**Tenant Improvements**," as that term is defined in the Tenant Work Letter, and any other improvements which exist in the Premises as of the Lease Commencement Date (excluding the Base Building) (the "**Original Improvements**"), and (iii) all other improvements, alterations and additions to the Premises. Such insurance shall be written on an "**all risks**" of physical loss or damage basis, for the full replacement cost value (subject to reasonable deductible amounts) new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance and shall include coverage for damage or other loss caused by fire or other peril including, but not limited to, vandalism and malicious mischief, theft, water damage of any type, including sprinkler leakage, bursting or stoppage of pipes, and explosion; provided that in no event shall such insurance be required to include coverage for damage or other loss caused by flood.

10.3.3. Business Income Interruption for one (1) year plus Extra Expense insurance in such amounts as will reimburse Tenant for actual direct or indirect loss of earnings attributable to the risks outlined in Section 10.3.2 above.

10.3.4. Worker's Compensation and Employer's Liability or other similar insurance pursuant to all applicable state and local statutes and regulations. The policy shall include a waiver of subrogation in favor of Landlord, its employees, Lenders and any property manager or partners.

10.4. **Form of Policies**. The minimum limits of policies of insurance required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance shall (i) name Landlord, its subsidiaries and affiliates, its property manager (if any) and any other party the Landlord so specifies, as an additional insured or loss payee, as applicable, including Landlord's managing agent, if any; (ii) be issued by an insurance company having a rating of not less than A:IX in Best's Insurance Guide or which is otherwise acceptable to Landlord and licensed to do business in the State of California; (iv) be primary insurance as to all claims thereunder and provide that any insurance carried by Landlord is excess and is non-contributing with any insurance required of Tenant; (v) be in form and content reasonably acceptable to Landlord; and

(vi) provide that said insurance shall not be canceled or coverage changed unless thirty (30) days' prior written notice shall have been given to Landlord and any mortgagee of Landlord (unless such cancellation is the result of non-payment of premiums). Tenant shall deliver said policy or policies or certificates thereof to Landlord on or before the Lease Commencement Date and at least ten (10) days before the expiration dates thereof. In the event Tenant shall fail to procure such insurance, or to deliver such policies or certificate, Landlord may, at its option, procure such policies for the account of Tenant, and the cost thereof shall be paid to Landlord within five (5) days after delivery to Tenant of bills therefor.

10.5. **Subrogation**. Landlord and Tenant hereby agree to look solely to, and seek recovery only from, their respective insurance carriers in the event of a property or business interruption loss to the extent that such coverage is agreed to be provided hereunder. The parties each hereby waive all rights and claims against each other for such losses, and waive all rights of subrogation of their respective insurers, provided such waiver of subrogation shall not affect the right to the insured to recover thereunder. The parties agree that their respective insurance policies do now, or shall, contain the waiver of subrogation.

10.6. **Additional Insurance Obligations**. Tenant shall carry and maintain during the entire Lease Term, at Tenant's sole cost and expense, increased amounts of the insurance required to be carried by Tenant pursuant to this Article 10 and such other reasonable types of insurance coverage and in such reasonable amounts covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord or Landlord's lender, but in no event in excess of the amounts and types of insurance then being required by landlords of buildings comparable to and in the vicinity of the Building.

11. **DAMAGE AND DESTRUCTION.**

11.1. **Repair of Damage to Premises by Landlord**. Tenant shall promptly notify Landlord of any damage to the Premises resulting from fire or any other casualty. If the Premises or any Common Areas serving or providing access to the Premises shall be damaged by fire or other casualty, Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, and subject to all other terms of this Article 11, restore the Base Building and such Common Areas, and the Tenant Improvements, Original Improvements and Alterations made to the Premises by Tenant. Such restoration shall be to substantially the same condition of the Base Building and the Common Areas, the Tenant Improvements, Original Improvements and Alterations made to the Premises by Tenant prior to the casualty, except for modifications required by zoning and building codes and other laws or any other commercially reasonable modifications to the Common Areas deemed desirable by Landlord, which are consistent with the character of the Project, provided that access to the Premises shall not be unreasonably impaired and provided that the number of and general location of parking for Tenant's benefit is not altered. Upon the occurrence of any damage to the Premises, upon notice (the "**Landlord Repair Notice**") to Tenant from Landlord, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Section 10.3 of this Lease, and Landlord shall repair any injury or damage to the Tenant Improvements and the Original Improvements installed in the Premises and shall return such Tenant Improvements and Original Improvements to their original condition; provided that if the cost of such repair by Landlord exceeds the amount of

insurance proceeds received by Landlord from Tenant's insurance carrier (including by taking into account any deductible or self-insured retention), as assigned by Tenant, the cost of such repairs shall be paid by Tenant to Landlord prior to Landlord's commencement of repair of the damage. Tenant shall in addition cooperate with requests for information regarding any repairs from Landlord's insurer(s) by providing the requested information within ten (10) days after Tenant receives the request. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such damage or the repair thereof; provided however, that if such fire or other casualty shall have damaged the Premises or Common Areas necessary to Tenant's occupancy, and any portion of the Premises are not occupied by Tenant as a result thereof, then during the time and to the extent the Premises are unfit for occupancy and not occupied by Tenant, the Rent shall be abated in proportion to the ratio that the amount of rentable square feet of the Premises which is unfit for occupancy for the purposes permitted under this Lease bears to the total rentable square feet of the Premises.

11.2. **Landlord's Option to Repair**. Notwithstanding the terms of Section 11.1 of this Lease, Landlord may elect not to rebuild and/or restore the Premises, Building and/or Project, and instead terminate this Lease, by notifying Tenant in writing of such termination within sixty (60) days after the date of discovery of the damage, such notice to include a termination date giving Tenant sixty (60) days to vacate the Premises, but Landlord may so elect only if the Building or Project shall be damaged by fire or other casualty or cause, whether or not the Premises are affected, and one or more of the following conditions is present: (i) in Landlord's reasonable judgment, repairs cannot reasonably be completed within one hundred eighty (180) days after the date of discovery of the damage (when such repairs are made without the payment of overtime or other premiums); (ii) the holder of any mortgage on the Building or Project or ground lessor with respect to the Building or Project shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground lease, as the case may be; (iii) at least $500,000.00 of the cost to repair the damage is not covered by Landlord's insurance policies (provided that any amounts payable as part of a deductible with respect to Landlord's insurance policies shall be deemed to be not covered by Landlord's insurance policies) (and would not have been covered had Landlord carried the policies that Landlord is required to carry pursuant to the terms of this Lease); or (iv) the damage occurs during the last twelve (12) months of the Lease Term; provided, however, that if Landlord does not elect to terminate this Lease pursuant to Landlord's termination right as provided above, and the repairs cannot, in the reasonable opinion of Landlord, be completed within one hundred eighty (180) days after the date of discovery of the damage, then Tenant may elect, no earlier than sixty (60) days after the date of the damage and not later than ninety (90) days after the date of such damage, to terminate this Lease by written notice to Landlord effective as of the date specified in the notice, which date shall not be less than thirty (30) days nor more than sixty (60) days after the date such notice is given by Tenant. Furthermore, if neither Landlord nor Tenant has terminated this Lease, and the repairs are not actually completed within two hundred seventy (270) days after being commenced, Tenant shall have the right to terminate this Lease during the first five (5) business days of each calendar month following the end of such period until such time as the repairs are complete, by notice to Landlord (the "**Damage Termination Notice**"), effective as of a date set forth in the Damage Termination Notice (the "**Damage Termination Date**"), which Damage Termination Date shall not be less than five (5) business days following the end of each such month. Notwithstanding the foregoing, if Tenant delivers a Damage Termination Notice to Landlord, then Landlord shall have the right to suspend the occurrence of the Damage Termination Date for a period ending thirty (30) days after the Damage Termination Date set forth in the Damage Termination Notice by delivering to Tenant, within five (5) business days of Landlord's receipt of the Damage Termination Notice, a certificate of Landlord's contractor responsible for the repair of the damage certifying that it is such contractor's good faith judgment that the repairs shall be substantially completed within thirty (30) days

after the Damage Termination Date. If repairs shall be substantially completed prior to the expiration of such thirty-day period, then the Damage Termination Notice shall be of no force or effect, but if the repairs shall not be substantially completed within such thirty-day period, then this Lease shall terminate upon the expiration of such thirty-day period. Notwithstanding the provisions of this Section 11.2, Tenant shall have the right to terminate this Lease under this Section 11.2 only if each of the following conditions is satisfied: (a) the damage to the Project by fire or other casualty was not caused by the gross negligence or intentional act of Tenant or its partners or subpartners and their respective officers, agents, servants, employees, and independent contractors; (b) Tenant is not then in default under this Lease beyond the applicable notice and cure period provided in this Lease; (c) as a result of the damage, Tenant cannot reasonably conduct business from the Premises; and, (d) as a result of the damage to the Project, Tenant does not occupy or use the Premises at all.

11.3. **Waiver of Statutory Provisions**. The provisions of this Lease, including this Article 11, constitute an express agreement between Landlord and Tenant with respect to any and all damage to, or destruction of, all or any part of the Premises, the Building or the Project, and any statute or regulation of the State of California, including, without limitation, Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties, and any other statute or regulation, now or hereafter in effect, shall have no application to this Lease or any damage or destruction to all or any part of the Premises, the Building or the Project.

12. **NONWAIVER.** No provision of this Lease shall be deemed waived by either party hereto unless expressly waived in a writing signed thereby. The waiver by either party hereto of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of any subsequent breach of same or any other term, covenant or condition herein contained. The subsequent acceptance of Rent hereunder by Landlord shall not be deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, other than the failure of Tenant to pay the particular Rent so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No acceptance of a lesser amount than the Rent herein stipulated shall be deemed a waiver of Landlord's right to receive the full amount due, nor shall any endorsement or statement on any check or payment or any letter accompanying such check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the full amount due. No receipt of monies by Landlord from Tenant after the termination of this Lease shall in any way alter the length of the Lease Term or of Tenant's right of possession hereunder, or after the giving of any notice shall reinstate, continue or extend the Lease Term or affect any notice given Tenant prior to the receipt of such monies, it being agreed that after the service of notice or the commencement of a suit, or after final judgment for possession of the Premises, Landlord may receive and collect any Rent due, and the payment of said Rent shall not waive or affect said notice, suit or judgment.

13. **CONDEMNATION.** If the whole or any part of the Premises, Building or Project shall be taken by power of eminent domain or condemned by any competent authority for any public or

quasi-public use or purpose, or if any adjacent property or street shall be so taken or condemned, or reconfigured or vacated by such authority in such manner as to require the use, reconstruction or remodeling of any part of the Premises, Building or Project, or if Landlord shall grant a deed or other instrument in lieu of such taking by eminent domain or condemnation, Landlord shall have the option to terminate this Lease effective as of the date possession is required to be surrendered to the authority. Tenant shall not because of such taking assert any claim against Landlord or the authority for any compensation because of such taking and Landlord shall be entitled to the entire award or payment in connection therewith, except that Tenant shall have the right to file any separate claim available to Tenant for any taking of Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Lease Term pursuant to the terms of this Lease, and for moving expenses, so long as such claims do not diminish the award available to Landlord, its ground lessor with respect to the Building or Project or its mortgagee, and such claim is payable separately to Tenant. All Rent shall be apportioned as of the date of such termination. If any part of the Premises shall be taken, and this Lease shall not be so terminated, the Rent shall be proportionately abated. Tenant hereby waives any and all rights it might otherwise have pursuant to Section 1265.130 of The California Code of Civil Procedure. Notwithstanding anything to the contrary contained in this Article 13, in the event of a temporary taking of all or any portion of the Premises for a period of one hundred and eighty (180) days or less, then this Lease shall not terminate but the Base Rent and the Additional Rent shall be abated for the period of such taking in proportion to the ratio that the amount of rentable square feet of the Premises taken bears to the total rentable square feet of the Premises. Landlord shall be entitled to receive the entire award made in connection with any such temporary taking.

14. **ASSIGNMENT AND SUBLETTING.**

14.1. **Transfers**. Tenant shall not, without the prior written consent of Landlord, assign, mortgage, pledge, hypothecate, encumber, or permit any lien to attach to, or otherwise transfer, this Lease or any interest hereunder, permit any assignment, or other transfer of this Lease or any interest hereunder by operation of law, sublet the Premises or any part thereof, or enter into any license or concession agreements or otherwise permit the occupancy or use of the Premises or any part thereof by any persons other than Tenant and its employees and contractors (all of the foregoing are hereinafter sometimes referred to collectively as "**Transfers**" and any person to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "**Transferee**"). If Tenant desires Landlord's consent to any Transfer, Tenant shall notify Landlord in writing, which notice (the "**Transfer Notice**") shall include (i) the proposed effective date of the Transfer, which shall not be less than thirty (30) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice, (ii) a description of the portion of the Premises to be transferred (the "**Subject Space**"), (iii) all of the terms of the proposed Transfer and the consideration therefor, including calculation of the "**Transfer Premium**", as that term is defined in Section 14.3 below, in connection with such Transfer, the name and address of the proposed Transferee, and a copy of all existing executed and/or proposed documentation pertaining to the proposed Transfer, and (iv) current financial statements of the proposed Transferee certified by an officer, partner or owner thereof, business credit and personal references and history of the proposed Transferee and any other information reasonably required by Landlord which will enable Landlord to determine the financial responsibility, character, and reputation of the proposed Transferee, nature of such Transferee's business and proposed use of the Subject Space (provided that Landlord agrees to execute a commercially reasonable confidentiality

agreement cover the disclosure of such financial statements). Any Transfer made without Landlord's prior written consent shall, at Landlord's option, be null, void and of no effect, and shall, at Landlord's option, constitute a default by Tenant under this Lease. Whether or not Landlord consents to any proposed Transfer, Tenant shall pay Landlord's reasonable review and processing fees, as well as any reasonable professional fees (including, without limitation, attorneys', accountants', architects', engineers' and consultants' fees) incurred by Landlord, within thirty (30) days after written request by Landlord, not to exceed Two Thousand Five Hundred and No/100 Dollars ($2,500.00) for a Transfer in the ordinary course of business.

14.2. **Landlord's Consent**. Landlord shall not unreasonably withhold, condition or delay its consent to any proposed Transfer of the Subject Space to the Transferee on the terms specified in the Transfer Notice, and shall grant or withhold its consent within ten (10) business days following Landlord's receipt of a complete Transfer Notice. If Landlord fails to respond within such ten (10) business day period, then Tenant may send Landlord a reminder notice setting forth such failure containing the following sentence at the top of such notice in bold, capitalized font at least twelve (12) points in size: "**LANDLORD'S FAILURE TO RESPOND TO THIS NOTICE WITHIN FIVE (5) BUSINESS DAYS SHALL RESULT IN LANDLORD'S DEEMED APPROVAL OF TENANT'S REQUEST FOR TRANSFER**" (the "**Transfer Reminder Notice**"). Any such Transfer Reminder Notice shall include a complete copy of Tenant's Transfer Notice. If Landlord fails to respond within five (5) business days after receipt of a Transfer Reminder Notice, then Tenant's Transfer for which Tenant requested Landlord's approval shall be deemed approved by Landlord. Without limitation as to other reasonable grounds for withholding consent, the parties hereby agree that it shall be reasonable under this Lease and under any applicable law for Landlord to withhold consent to any proposed Transfer where one or more of the following apply:

14.2.1. The Transferee is of a character or reputation or engaged in a business which is not consistent with the quality of the Building or the Project;

14.2.2. The Transferee is either a governmental agency or instrumentality thereof;

14.2.3. The Transferee is not a party of reasonable financial worth and/or financial stability in light of the responsibilities to be undertaken in connection with the Transfer on the date consent is requested, taking into account that Tenant shall remain fully liable under this Lease following such Transfer; or

14.2.4. The proposed Transfer would cause a violation of another lease for space in the Project, or would give an occupant of the Project a right to cancel its lease (provided that Landlord shall inform Tenant if a proposed Transfer would cause a violation of another lease for space in the Project, or would give an occupant of the Project a right to cancel its lease, within five (5) business days of Landlord's receipt of both (i) a written request therefor from Tenant and (ii) information regarding such proposed Transfer which is adequate for Landlord to make such a determination).

If Landlord consents to any Transfer pursuant to the terms of this Section 14.2 (and does not exercise any recapture rights Landlord may have under Section 14.4 of this Lease), Tenant may within six (6) months after Landlord's consent, but not later than the expiration of said six-month

period, enter into such Transfer of the Premises or portion thereof, upon substantially the same terms and conditions as are set forth in the Transfer Notice furnished by Tenant to Landlord pursuant to Section 14.1 of this Lease, provided that if there are any changes in the terms and conditions from those specified in the Transfer Notice such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Section 14.2, Tenant shall again submit the Transfer to Landlord for its approval and other action under this Article 14 (including Landlord's right of recapture, if any, under Section 14.4 of this Lease). Notwithstanding anything to the contrary in this Lease, if Tenant or any proposed Transferee claims that Landlord has unreasonably withheld, conditioned or delayed its consent under Section 14.2 or otherwise has breached or acted unreasonably under this Article 14, their sole remedies shall be a suit for contract damages (other than damages for injury to, or interference with, Tenant's business including, without limitation, loss of profits, however occurring) or declaratory judgment and an injunction for the relief sought, and Tenant hereby waives all other remedies, including, without limitation, any right at law or equity to terminate this Lease, on its own behalf and, to the extent permitted under all applicable laws, on behalf of the proposed Transferee.

14.3. **Transfer Premium**. If Landlord consents to a Transfer, as a condition thereto which the parties hereby agree is reasonable, Tenant shall pay to Landlord fifty percent (50%) of any "**Transfer Premium**," as that term is defined in this Section 14.3, received by Tenant from such Transferee. "**Transfer Premium**" shall mean all rent, additional rent or other consideration payable by such Transferee in connection with the Transfer in excess of the Rent and Additional Rent payable by Tenant under this Lease during the term of the Transfer on a per rentable square foot basis if less than all of the Premises is transferred, and after deduction of (i) any costs of improvements made to the Subject Space in connection with such Transfer, (ii) brokerage commissions paid in connection with such Transfer, and (iii) reasonable legal and marketing fees or costs incurred in connection with such Transfer. "**Transfer Premium**" shall also include, but not be limited to, key money, bonus money or other cash consideration paid by Transferee to Tenant in connection with such Transfer, and any payment in excess of fair market value for services rendered by Tenant to Transferee or for assets, fixtures, inventory, equipment, or furniture transferred by Tenant to Transferee in connection with such Transfer. The determination of the amount of Landlord's applicable share of the Transfer Premium shall be made on a monthly basis as rent or other consideration is received by Tenant under the Transfer.

14.4. **Landlord's Option as to Subject Space**. Notwithstanding anything to the contrary contained in this Article 14, in the event Tenant contemplates a Transfer which, together with all prior Transfers then remaining in effect, would cause fifty percent (50%) or more of the Premises to be Transferred for more than fifty percent (50%) of the then remaining Lease Term (taking into account any extension of the Lease Term which has irrevocably exercised by Tenant), Tenant shall give Landlord notice (the "**Intention to Transfer Notice**") of such contemplated Transfer (whether or not the contemplated Transferee or the terms of such contemplated Transfer have been determined). The Intention to Transfer Notice shall specify the portion of and amount of rentable square feet of the Premises which Tenant intends to Transfer (the "**Contemplated Transfer Space**"), the contemplated date of commencement of the Contemplated Transfer (the "**Contemplated Effective Date**"), and the contemplated length of the term of such contemplated Transfer, and shall specify that such Intention to Transfer Notice is delivered to Landlord pursuant to this Section 14.4 in order to allow Landlord to elect to recapture the Contemplated Transfer Space. Thereafter, Landlord shall have the option, by giving written notice to Tenant within ten

(10) Business Days after receipt of any Intention to Transfer Notice, to recapture the Contemplated Transfer Space. Such recapture shall cancel and terminate this Lease with respect to such Contemplated Transfer Space as of the Contemplated Effective Date. In the event of a recapture by Landlord, if this Lease shall be canceled with respect to less than the entire Premises, the Rent reserved herein shall be prorated on the basis of the number of rentable square feet retained by Tenant in proportion to the number of rentable square feet contained in the Premises, and this Lease as so amended shall continue thereafter in full force and effect, and upon request of either party, the parties shall execute written confirmation of the same. If Landlord declines, or fails to elect in a timely manner, to recapture such Contemplated Transfer Space under this Section 14.4, then, subject to the other terms of this Article 14, for a period of nine (9) months (the "**Nine Month Period**") commencing on the last day of such ten (10) Business Day period, Landlord shall not have any right to recapture the Contemplated Transfer Space with respect to any Transfer made during the Nine Month Period, provided that any such Transfer is substantially on the terms set forth in the Intention to Transfer Notice, and provided further that any such Transfer shall be subject to the remaining terms of this Article 14. If such a Transfer is not so consummated within the Nine Month Period (or if a Transfer is so consummated, then upon the expiration of the term of any Transfer of such Contemplated Transfer Space consummated within such Nine Month Period), Tenant shall again be required to submit a new Intention to Transfer Notice to Landlord with respect any contemplated Transfer, as provided above in this Section 14.4.

14.5. **Effect of Transfer**. If Landlord consents to a Transfer, (i) the terms and conditions of this Lease shall in no way be deemed to have been waived or modified, (ii) such consent shall not be deemed consent to any further Transfer by either Tenant or a Transferee, (iii) Tenant shall deliver to Landlord, promptly after execution, an original executed copy of all documentation pertaining to the Transfer in form reasonably acceptable to Landlord, (iv) Tenant shall furnish upon Landlord's request a complete statement, certified by an independent certified public accountant, or Tenant's chief financial officer, setting forth in detail the computation of any Transfer Premium Tenant has derived and shall derive from such Transfer, and (v) no Transfer relating to this Lease or agreement entered into with respect thereto, whether with or without Landlord's consent, shall relieve Tenant or any guarantor of this Lease from any liability under this Lease, including, without limitation, in connection with the Subject Space. Landlord or its authorized representatives shall have the right at all reasonable times to audit the books, records and papers of Tenant relating to any Transfer, and shall have the right to make copies thereof. If the Transfer Premium respecting any Transfer shall be found understated, Tenant shall, within thirty (30) days after demand, pay the deficiency, and if understated by more than three percent (3%), Tenant shall pay Landlord's costs of such audit.

14.6. **Additional Transfers**. Except in connection with a transfer to a Permitted Transferee under Section 14.8, below, for purposes of this Lease, the term "**Transfer**" shall also include (i) if Tenant is a partnership, the withdrawal or change, voluntary, involuntary or by operation of law, of fifty percent (50%) or more of the partners, or transfer of fifty percent (50%) or more of partnership interests, within a twelve (12)-month period, or the dissolution of the partnership without immediate reconstitution thereof, and (ii) if Tenant is a closely held corporation (*i.e.*, whose stock is not publicly held and not traded through an exchange or over the counter), (A) the dissolution, merger, consolidation or other reorganization of Tenant or (B) the sale or other transfer of an aggregate of fifty percent (50%) or more of the voting shares of Tenant (other than to immediate family members by reason of gift or death), within a twelve (12)-month period, or (C) the sale, mortgage, hypothecation or pledge of an aggregate of fifty percent (50%) or more of the value of the unencumbered assets of Tenant within a twelve (12)-month period.

14.7. **Occurrence of Default**. Any Transfer hereunder shall be subordinate and subject to the provisions of this Lease, and if this Lease shall be terminated during the term of any Transfer, Landlord shall have the right to: (i) treat such Transfer as cancelled and repossess the Subject Space by any lawful means, or (ii) require that such Transferee attorn to and recognize Landlord as its landlord under any such Transfer. If Tenant shall be in default under this Lease (beyond any applicable notice and cure periods set forth in this Lease), Landlord is hereby irrevocably authorized, as Tenant's agent and attorney-in-fact, to direct any Transferee to make all payments under or in connection with the Transfer directly to Landlord (which Landlord shall apply towards Tenant's obligations under this Lease) until such default is cured. Such Transferee shall rely on any representation by Landlord that Tenant is in default hereunder, without any need for confirmation thereof by Tenant. Upon any assignment, the assignee shall assume in writing all obligations and covenants of Tenant thereafter to be performed or observed under this Lease. No collection or acceptance of rent by Landlord from any Transferee shall be deemed a waiver of any provision of this Article 14 or the approval of any Transferee or a release of Tenant from any obligation under this Lease, whether theretofore or thereafter accruing. In no event shall Landlord's enforcement of any provision of this Lease against any Transferee be deemed a waiver of Landlord's right to enforce any term of this Lease against Tenant or any other person. If Tenant's obligations hereunder have been guaranteed, Landlord's consent to any Transfer shall not be effective unless the guarantor also consents to such Transfer.

14.8. **Deemed Consent Transfers**. Notwithstanding anything to the contrary contained in this Lease, (A) an assignment or subletting of all or a portion of the Premises to an affiliate of Tenant (an entity which is controlled by, controls, or is under common control with, Tenant as of the date of this Lease), (B) a sale of corporate shares of capital stock in Tenant in connection with an initial public offering of Tenant's stock on a nationally-recognized stock exchange, (C) a transfer of member interests or stock in Tenant in connection with any financing or any other member interest or stock transfer, (D) an assignment of this Lease to an entity which acquires all or substantially all of the stock or assets of Tenant, or (E) an assignment of this Lease to an entity which is the resulting entity of a merger or consolidation of Tenant during the Lease Term, shall not be deemed a Transfer requiring Landlord's consent under this Article 14 and shall not be subject to the provisions of Sections 14.3 and 14.5 above (any such assignee or sublessee described in items (A) through (E) of this Section 14.8 hereinafter referred to as a "**Permitted Transferee**"), provided that (i) Tenant notifies Landlord promptly upon the effective date of any such assignment or sublease and promptly supplies Landlord with any documents or information reasonably requested by Landlord regarding such transfer or transferee as set forth above, (ii) Tenant is not in default, beyond any applicable notice and cure period, and such assignment or sublease is not a subterfuge by Tenant to avoid its obligations under this Lease, (iii) such Permitted Transferee (or the Tenant entity immediately preceding the Permitted Transfer (the "**Prior Tenant**"), if such Prior Tenant remains the Tenant under this Lease) shall have a tangible net worth (not including goodwill as an asset) computed in accordance with generally accepted accounting principles ("**Net Worth**") at least equal to the Net Worth of Tenant on the day immediately preceding the effective date of such assignment or sublease; provided that if the Prior Tenant is a surviving entity of such Permitted Transfer but is no longer the Tenant under this Lease, and such Prior Tenant remains liable under this Lease, then Tenant may combine the Net Worth of the Prior Tenant and the

Permitted Transferee to satisfy the foregoing Net Worth requirement; provided further that, in the event of a subletting of all or a portion of the Premises to an affiliate of Tenant pursuant to item (A) above, Tenant may combine the Net Worth of Tenant and such affiliate of Tenant to satisfy the foregoing Net Worth requirement, and (iv) no assignment relating to this Lease, whether with or without Landlord's consent, shall relieve Tenant from any liability under this Lease, and, in the event of an assignment of Tenant's entire interest in this Lease, the liability of Tenant and such transferee (other than a transferee pursuant to a stock or member interest transfer whereby this Lease is not actually assigned to a new entity) shall be joint and several. An assignee of Tenant's entire interest in this Lease who qualifies as a Permitted Transferee may also be referred to herein as a "**Permitted Transferee Assignee**." "Control," as used in this Section 14.8, shall mean the ownership, directly or indirectly, of at least fifty-one percent (51%) of the voting securities of, or possession of the right to vote, in the ordinary direction of its affairs, of at least fifty-one percent (51%) of the voting interest in, any person or entity.

15. **SURRENDER OF PREMISES; OWNERSHIP AND REMOVAL OF TRADE FIXTURES.**

15.1. **Surrender of Premises**. No act or thing done by Landlord or any agent or employee of Landlord during the Lease Term shall be deemed to constitute an acceptance by Landlord of a surrender of the Premises unless such intent is specifically acknowledged in writing by Landlord. The delivery of keys to the Premises to Landlord or any agent or employee of Landlord shall not constitute a surrender of the Premises or effect a termination of this Lease, whether or not the keys are thereafter retained by Landlord, and notwithstanding such delivery Tenant shall be entitled to the return of such keys at any reasonable time upon request until this Lease shall have been properly terminated. The voluntary or other surrender of this Lease by Tenant, whether accepted by Landlord or not, or a mutual termination hereof, shall not work a merger, and at the option of Landlord shall operate as an assignment to Landlord of all subleases or subtenancies affecting the Premises or terminate any or all such sublessees or subtenancies.

15.2. **Removal of Tenant Property by Tenant**. Upon the expiration of the Lease Term, or upon any earlier termination of this Lease, Tenant shall, subject to the provisions of this Article 15, quit and surrender possession of the Premises to Landlord in as good order and condition as when Tenant took possession and as thereafter improved by Landlord and/or Tenant, reasonable wear and tear, repairs which are specifically made the responsibility of Landlord hereunder, and/or damage due to casualty, excepted. Upon such expiration or termination, Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all debris and rubbish, and such items of furniture, equipment, free-standing cabinet work, movable partitions and other articles of personal property owned by Tenant or installed or placed by Tenant at its expense in the Premises, and such similar articles of any other persons claiming under Tenant, as Landlord may, in its sole discretion, require to be removed, and Tenant shall repair at its own expense all damage to the Premises and Building resulting from such removal; provided, however, in no event shall Tenant be obligated to (i) repair or replace any floor coverings or wall coverings, (ii) to repaint, or (iii) patch small holes in the walls and floors, provided in each case there has not been unreasonable wear and tear.

15.3. **Environmental Assessment**. In connection with its surrender of the Premises, Tenant shall submit to Landlord, at least one hundred twenty (120) days prior to the expiration

date of this Lease (or in the event of an earlier termination of this Lease, as soon as reasonably possible following such termination), an environmental Assessment of the Premises by a competent and experienced environmental engineer or engineering firm reasonably satisfactory to Landlord (pursuant to a contract approved by Landlord and providing that Landlord can rely on the Environmental Assessment), which (i) evidences that the Premises are in a clean and safe condition and free and clear of any Hazardous Materials; and (ii) includes a review of the Premises by an environmental consultant for asbestos, mold, fungus, spores, and other moisture conditions, on-site chemical use, and lead-based paint. If such Environmental Assessment reveals that remediation or Clean-up is required under any Environmental Laws, Tenant shall submit a remediation plan prepared by a recognized environmental consultant and shall be responsible for all costs of remediation and Clean-up, as more particularly provided in Section 5.3, above.

16. **HOLDING OVER.** If Tenant holds over after the expiration of the Lease Term or earlier termination thereof, with the express or implied consent of Landlord, such tenancy shall be from month-to-month only, and shall not constitute a renewal hereof or an extension for any further term. If Tenant holds over after the expiration of the Lease Term of earlier termination thereof, without the express or implied consent of Landlord, such tenancy shall be deemed to be a tenancy by sufferance only, and shall not constitute a renewal hereof or an extension for any further term. In either case, Base Rent shall be payable at a monthly rate equal to the product of (i) the Base Rent applicable during the last rental period of the Lease Term under this Lease or for the first month immediately following the earlier termination of the Lease Term, as applicable, and (ii) a percentage equal to 125% during the first (1st) month immediately following the expiration or earlier termination of the Lease Term, 150% during the second (2nd) and third (3rd) months immediately following the expiration or earlier termination of the Lease Term, and 200% thereafter. Such month-to-month tenancy or tenancy by sufferance, as the case may be, shall be subject to every other applicable term, covenant and agreement contained herein. Nothing contained in this Article 16 shall be construed as consent by Landlord to any holding over by Tenant, and Landlord expressly reserves the right to require Tenant to surrender possession of the Premises to Landlord as provided in this Lease upon the expiration or other termination of this Lease. The provisions of this Article 16 shall not be deemed to limit or constitute a waiver of any other rights or remedies of Landlord provided herein or at law. If Tenant fails to surrender the Premises on or before the date that occurs thirty (30) days following the termination or expiration of this Lease, then, in addition to any other liabilities to Landlord accruing therefrom, Tenant shall protect, defend, indemnify and hold Landlord harmless from all loss, costs (including reasonable attorneys' fees) and liability resulting from such failure, including, without limiting the generality of the foregoing, any claims made by any succeeding tenant founded upon such failure to surrender and any lost profits to Landlord resulting therefrom.

17. **ESTOPPEL CERTIFICATES.** Within ten (10) business days following a request in writing by Landlord, Tenant shall execute, acknowledge and deliver to Landlord an estoppel certificate, which, as submitted by Landlord, shall be substantially in the form of Exhibit E, attached hereto (or such other form as may be reasonably required by any prospective mortgagee or purchaser of the Project, or any portion thereof), indicating therein any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by Landlord or Landlord's mortgagee or prospective mortgagee. Any such certificate may be relied upon by any prospective mortgagee or purchaser of all or any portion of the Project. At any time during the Lease Term, Landlord may require Tenant to provide Landlord with a current financial

statement and financial statements of the two (2) years prior to the current financial statement year (provided that Landlord and any other recipient thereof shall execute a commercially reasonable non-disclosure agreement to protect the confidentiality of such statements). Such statements shall be prepared in accordance with generally accepted accounting principles and, if such is the normal practice of Tenant, shall be audited by an independent certified public accountant. Failure of Tenant to timely execute, acknowledge and deliver such estoppel certificate, if not cured within an additional three (3) business days after notice from Landlord pursuant to Section 19.1.4, below, shall constitute an acceptance of the Premises and an acknowledgment by Tenant that statements included in the estoppel certificate are true and correct, without exception.

18. **SUBORDINATION.** This Lease shall be subject and subordinate to all present and future ground or underlying leases of the Building or Project and to the lien of any mortgage, trust deed or other encumbrances now or hereafter in force against the Building or Project or any part thereof, if any, and to all renewals, extensions, modifications, consolidations and replacements thereof, and to all advances made or hereafter to be made upon the security of such mortgages or trust deeds, unless the holders of such mortgages, trust deeds or other encumbrances, or the lessors under such ground lease or underlying leases, require in writing that this Lease be superior thereto (collectively, the "**Superior Holders**"); provided, however, (a) Landlord represents that there are no Superior Holders as of the date of this Lease and (b) in connection with any future Superior Holders, Landlord shall deliver to Tenant a commercially reasonable subordination non-disturbance and attornment agreement executed by such Superior Holder (an "**SNDA**") (which requires such Superior Holder to, among other things, accept this Lease, and not to disturb Tenant's possession, so long as no default, beyond any applicable notice and cure period, is then in existence). Tenant covenants and agrees in the event any proceedings are brought for the foreclosure of any such mortgage or deed in lieu thereof (or if any ground lease is terminated), to attorn, without any deductions or set-offs whatsoever, to the lienholder or purchaser or any successors thereto upon any such foreclosure sale or deed in lieu thereof (or to the ground lessor), if so requested to do so by such purchaser or lienholder or ground lessor, and to recognize such purchaser or lienholder or ground lessor as the lessor under this Lease, provided such lienholder or purchaser or ground lessor shall agree to accept this Lease and not disturb Tenant's occupancy, so long as Tenant timely pays the rent and observes and performs the terms, covenants and conditions of this Lease to be observed and performed by Tenant (beyond any applicable notice and cure periods). Landlord's interest herein may be assigned as security at any time to any lienholder. Tenant shall, within ten (10) days of request by Landlord, execute such further commercially reasonable instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm the subordination or superiority of this Lease to any such mortgages, trust deeds, ground leases or underlying leases. Tenant waives the provisions of any current or future statute, rule or law which may give or purport to give Tenant any right or election to terminate or otherwise adversely affect this Lease and the obligations of the Tenant hereunder in the event of any foreclosure proceeding or sale.

19. **DEFAULTS; REMEDIES.**

19.1. **Events of Default**. The occurrence of any of the following shall constitute a default of this Lease by Tenant and Landlord shall not exercise any of the Landlord remedies set forth in Section 19.2, below (or any other remedy at law or equity except to the extent expressly set forth in this Lease), until one or more of the following has occurred:

19.1.1. Any failure by Tenant to pay any Rent or any other charge required to be paid under this Lease, or any part thereof, when due, which failure is not cured within five (5) business days after written notice from Landlord that said amount was not paid when due; or

19.1.2. Any failure by Tenant to observe or perform any other provision, covenant or condition of this Lease to be observed or performed by Tenant where such failure continues for thirty (30) days after written notice thereof from Landlord to Tenant; provided that if the nature of such default is such that the same cannot reasonably be cured within a thirty (30) day period, Tenant shall not be deemed to be in default if it diligently commences such cure within such period and thereafter diligently proceeds to rectify and cure such default; or

19.1.3. Abandonment of the Premises by Tenant pursuant to Section 1915.3 of the California Civil Code; or

19.1.4. The failure by Tenant to observe or perform according to the provisions of Articles 17 or 18 of this Lease, or Tenant's use of the Premises in violation of Section 5.1 and/or Section 5.2 (specifically excluding the first (1st) sentence of Section 5.2 of this Lease, as Section 19.1.2 above shall apply with respect to the failure by Tenant to observe or perform according to the provisions of the first (1st) sentence of Section 5.2 of this Lease) of this Lease, or if Tenant completes a Transfer in violation of Article 14 of this Lease, in any of such cases where such failure continues for more than five (5) business days after notice from Landlord; or

The notice periods provided herein are in lieu of, and not in addition to, any notice periods provided by law.

19.2. **Remedies Upon Default**. Upon the occurrence of any event of default by Tenant, beyond any applicable notice and cure period expressly set forth in this Lease, Landlord shall have, in addition to any other remedies available to Landlord at law or in equity (all of which remedies shall be distinct, separate and cumulative), the option to pursue any one or more of the following remedies, each and all of which shall be cumulative and nonexclusive, without any notice or demand whatsoever.

19.2.1. Terminate this Lease, in which event Tenant shall immediately surrender the Premises to Landlord, and if Tenant fails to do so, Landlord may, without prejudice to any other remedy which it may have for possession or arrearages in rent, enter upon and take possession of the Premises and expel or remove Tenant and any other person who may be occupying the Premises or any part thereof, without being liable for prosecution or any claim or damages therefor; and Landlord may recover from Tenant the following:

(i) The worth at the time of award of the unpaid rent which has been earned at the time of such termination; plus

(ii) The worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iii) The worth at the time of award of the amount by which the unpaid rent for the balance of the Lease Term after the time of award exceeds the amount of such rental loss that Tenant proves could have been reasonably avoided; plus

(iv) Any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, specifically including but not limited to, brokerage commissions and advertising expenses incurred, expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use, and any special concessions made to obtain a new tenant; and

(v) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

The term "**rent**" as used in this Section 19.2 shall be deemed to be and to mean all sums of every nature required to be paid by Tenant pursuant to the terms of this Lease, whether to Landlord or to others. As used in Sections 19.2.1(i) and (ii), above, the "worth at the time of award" shall be computed by allowing interest at the rate set forth in Article 25 of this Lease, but in no case greater than the maximum amount of such interest permitted by law. As used in Section 19.2.1(iii) above, the "**worth at the time of award**" shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

19.2.2. Landlord shall have the remedy described in California Civil Code Section 1951.4 (lessor may continue lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has the right to sublet or assign, subject only to reasonable limitations). Accordingly, if Landlord does not elect to terminate this Lease on account of any default by Tenant, Landlord may, from time to time, without terminating this Lease, enforce all of its rights and remedies under this Lease, including the right to recover all rent as it becomes due.

19.2.3. Landlord shall at all times have the rights and remedies (which shall be cumulative with each other and cumulative and in addition to those rights and remedies available under Sections 19.2.1 and 19.2.2, above, or any law or other provision of this Lease), without prior demand or notice except as required by applicable law, to seek any declaratory, injunctive or other equitable relief, and specifically enforce this Lease, or restrain or enjoin a violation or breach of any provision hereof.

19.3. **Subleases of Tenant**. Whether or not Landlord elects to terminate this Lease on account of any default by Tenant, as set forth in this Article 19, Landlord shall have the right to terminate any and all subleases, licenses, concessions or other consensual arrangements for possession entered into by Tenant and affecting the Premises or may, in Landlord's sole discretion, succeed to Tenant's interest in such subleases, licenses, concessions or arrangements. In the event of Landlord's election to succeed to Tenant's interest in any such subleases, licenses, concessions or arrangements, Tenant shall, as of the date of notice by Landlord of such election, have no further right to or interest in the rent or other consideration receivable thereunder.

19.4. **Efforts to Relet**. No re-entry or repossession, repairs, maintenance, changes, alterations and additions, reletting, appointment of a receiver to protect Landlord's interests hereunder, or any other action or omission by Landlord shall be construed as an election by Landlord to terminate this Lease or Tenant's right to possession, or to accept a surrender of the Premises, nor shall same operate to release Tenant in whole or in part from any of Tenant's obligations hereunder, unless express written notice of such intention is sent by Landlord to Tenant. Tenant hereby irrevocably waives any right otherwise available under any law to redeem or reinstate this Lease.

19.5. **Landlord Default**.

19.5.1. **General**. Notwithstanding anything to the contrary set forth in this Lease, Landlord shall not be in default in the performance of any obligation required to be performed by Landlord pursuant to this Lease unless Landlord fails to perform such obligation within thirty (30) days after the receipt of notice from Tenant specifying in detail Landlord's failure to perform; provided, however, if the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, then Landlord shall not be in default under this Lease if it shall commence such performance within such thirty (30) day period and thereafter diligently pursue the same to completion. Upon any such default by Landlord under this Lease, Tenant may, except as otherwise specifically provided in this Lease to the contrary, exercise any of its rights provided at law or in equity.

19.5.2. **Abatement of Rent**. Notwithstanding anything to the contrary in this Lease, in the event that Tenant is prevented from using, and does not use, the Premises or any portion thereof, as a result of (i) any repair, maintenance or alteration performed by Landlord, or which Landlord failed to perform, after the Lease Commencement Date and required by this Lease, which substantially interferes with Tenant's use of the Premises, or (ii) any failure to provide services, utilities or access to the Premises as required to be provided by Landlord under this Lease, but excluding any utility or service that Tenant contracts directly with such utility or service provider, or, (iii) the negligence or intentional acts of Landlord or any Landlord Party (including without limitation any breach of this Lease by Landlord), or (iv) material interference with Tenant's parking rights hereunder caused by any negligent or intentional acts of Landlord or any Landlord Party (provided that the terms of this item (iv) shall not be applicable to the extent Landlord provides Tenant with Reasonable Alternate Parking) (any such set of circumstances as set forth in items (i), (ii), (iii) or (iv), above, to be known as an "**Abatement Event**"), then Tenant shall give Landlord notice of such Abatement Event, and if such Abatement Event continues for five (5) consecutive business days after Landlord's receipt of any such notice (the "**Eligibility Period**"), then the Base Rent, Tenant's Share of Direct Expenses, and Tenant's obligation to pay for parking (to the extent not utilized by Tenant) shall be abated or reduced, as the case may be, after expiration of the Eligibility Period for such time that Tenant continues to be so prevented from using, and does not use for the normal conduct of Tenant's business, the Premises or a portion thereof, in the proportion that the rentable area of the portion of the Premises that Tenant is prevented from using, and does not use, bears to the total rentable area of the Premises; provided, however, in the event that Tenant is prevented from using, and does not use, a portion of the Premises for a period of time in excess of the Eligibility Period and the remaining portion of the Premises is not sufficient to allow Tenant to effectively conduct its business therein, and if Tenant does not conduct its business from such remaining portion, then for such time after expiration of

the Eligibility Period during which Tenant is so prevented from effectively conducting its business therein, the Base Rent and Tenant's Share of Direct Expenses for the entire Premises and Tenant's obligation to pay for parking shall be abated for such time as Tenant continues to be so prevented from using, and does not use, the Premises. If, however, Tenant reoccupies any portion of the Premises during such period, the Rent allocable to such reoccupied portion, based on the proportion that the rentable area of such reoccupied portion of the Premises bears to the total rentable area of the Premises, shall be payable by Tenant from the date Tenant reoccupies such portion of the Premises. To the extent an Abatement Event is caused by an event covered by Articles 11 or 13 of this Lease, then Tenant's right to abate rent shall be governed by the terms of such Article 11 or 13, as applicable, and the Eligibility Period shall not be applicable thereto. Such right to abate Base Rent and Tenant's Share of Direct Expenses and parking charges (to the extent not utilized by Tenant) shall be Tenant's sole and exclusive remedy for rent abatement at law or in equity for an Abatement Event. Except as provided in this Section 19.5.2, nothing contained herein shall be interpreted to mean that Tenant is excused from paying Rent due hereunder. As used herein, "**Reasonable Alternate Parking**" shall mean reasonable alternative parking that is either (a) within a reasonable walking distance to the Premises, or (b) if Landlord provides a reasonable shuttle service, at Landlord's sole cost and expense and not as an Operating Expense, between the alternate parking location and the Building, a shuttle service that does not require more than a ten (10) minute ride from the alternate parking location to the Building (or vice versa) (the "**Shuttle Service**") and the Shuttle Service lasts no more than 30 days.

20. **COVENANT OF QUIET ENJOYMENT.** Landlord covenants that Tenant, on paying the Rent, charges for services and other payments herein reserved and on keeping, observing and performing all the other terms, covenants, conditions, provisions and agreements herein contained on the part of Tenant to be kept, observed and performed, shall, during the Lease Term, peaceably and quietly have, hold and enjoy the Premises subject to the terms, covenants, conditions, provisions and agreements hereof without interference by any persons lawfully claiming by or through Landlord. The foregoing covenant is in lieu of any other covenant express or implied.

21. **SECURITY DEPOSIT.** Concurrently with Tenant's execution of this Lease, Tenant shall deposit with Landlord a security deposit (the "**Security Deposit**") in the amount set forth in Section 8 of the Summary, as security for the faithful performance by Tenant of all of its obligations under this Lease. If Tenant defaults (beyond any applicable notice and cure period expressly set forth in this Lease) with respect to any provisions of this Lease, including, but not limited to, the provisions relating to the payment of Rent, the removal of property and the repair of resultant damage, Landlord may, without notice to Tenant, but shall not be required to apply all or any part of the Security Deposit for the payment of any Rent or any other sum in default and Tenant shall, upon demand therefor, restore the Security Deposit to its original amount. Any unapplied portion of the Security Deposit shall be returned to Tenant, or, at Landlord's option, to the last assignee of Tenant's interest hereunder, within thirty (30) days following the expiration of the Lease Term. Tenant shall not be entitled to any interest on the Security Deposit. Tenant hereby irrevocably waives and relinquishes any and all rights, benefits, or protections, if any, Tenant now has, or in the future may have, under Section 1950.7 of the California Civil Code, any successor statute, and all other provisions of law, now or hereafter in effect, including, but not limited to, any provision of law which (i) establishes the time frame by which a landlord must refund a security deposit under a lease, and/or (ii) provides that a landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of rent, to repair damage

caused by a tenant or to clean the subject premises. Tenant acknowledges and agrees that (a) any statutory time frames for the return of a security deposit are superseded by the express period identified in this Article 21, above, and (b) rather than be so limited, Landlord may claim from the Security Deposit (1) any and all sums expressly identified in this Article 21, above, and (2) any additional sums reasonably necessary to compensate Landlord for any and all losses or damages caused by Tenant's default of this Lease, including, but not limited to, all damages or rent due upon termination of Lease pursuant to Section 1951.2 of the California Civil Code.

22. **COMMUNICATIONS AND COMPUTER LINE.** Tenant may install, maintain, replace, remove or use any communications or computer wires and cables serving the Premises (collectively, the "**Lines**"), provided that Tenant shall obtain Landlord's prior written consent (which shall not be unreasonably withheld, conditioned or delayed), use an experienced and qualified contractor reasonably approved in writing by Landlord, and comply with all of the other provisions of Articles 7 and 8 of this Lease. Tenant shall pay all costs in connection therewith. Landlord reserves the right, upon notice to Tenant prior to the expiration or earlier termination of this Lease, to require that Tenant, at Tenant's sole cost and expense, remove any Lines located in or serving the Premises prior to the expiration or earlier termination of this Lease.

23. **SIGNS**.

23.1. **Exterior Signage**. Subject to Applicable Laws, the terms and conditions of this Article 23 below and Landlord's prior written approval, which shall not be unreasonably withheld, conditioned or delayed, and provided all signs are compatible with the Project's sign criteria and are in keeping with the quality, design and style of the Building and Project, Tenant, at its sole cost and expense, may install (i) identification signage on one (1) slot on each of those certain two (2) existing monument signs (the "**Monuments**") located adjacent to the Building, as set forth on **Exhibit G** attached hereto, (ii) one (1) identification sign located on the exterior of the Building in one (1) location to be mutually and reasonably determined by Landlord and Tenant (the "**Building Exterior Signage**") and (iii) Building standard tenant directory signage at the entrance to the Building (collectively, "**Tenant's Signage**"); provided, however, in no event shall Tenant's Signage include an "Objectionable Name," as that term is defined in Section 23.2, of this Lease. Notwithstanding the foregoing, in no event shall the Building Exterior Signage, at any time, prevent the other then tenant(s) of the Building (specifically excluding Tenant) from maintaining (i) at least one (1) identification sign, in the aggregate, located on the exterior of the Building, or (ii) exterior signage on at least fifty percent (50%) of the Permitted Signage Area (as that term is defined below) of the Building, in the aggregate. All such signage shall be subject to Tenant's obtaining all required governmental approvals and shall conform to all Applicable Laws, including, without limitation, zoning laws) and then-existing Underlying Documents. The location of Tenant's identification signage slot on each of the two (2) Monuments is set forth on **Exhibit G** attached hereto. All permitted signs shall be maintained by Tenant at its expense in a first-class and safe condition and appearance. All costs associated with Tenant's Signage, including, without limitation, the costs to purchase, install and maintain Tenant's Signage, shall be borne exclusively by Tenant. Upon the expiration or earlier termination of this Lease, Tenant shall remove all of its signs at Tenant's sole cost and expense. The graphics, materials, color, design, lettering, lighting, size, illumination, specifications and exact location of Tenant's Signage (collectively, the "**Sign Specifications**") shall be subject to the prior written approval of Landlord, which approval shall not be unreasonably withheld, conditioned or delayed, and shall be consistent and compatible with

the quality and nature of the Project. Tenant hereby acknowledges that, notwithstanding Landlord's approval of Tenant's Signage, Landlord has made no representation or warranty to Tenant with respect to the probability of obtaining all necessary governmental approvals and permits for Tenant's Signage. In the event Tenant does not receive the necessary governmental approvals and permits for Tenant's Signage, Tenant's and Landlord's rights and obligations under the remaining terms, covenants and conditions of this Lease shall be unaffected. For purposes hereof, "**Permitted Signage Area**" shall mean the square footage of the surface area of the exterior of the Building that would be available and permitted for exterior tenant signage in accordance with Applicable Laws (including, without limitation, zoning laws) based on the assumption that the Building Exterior Signage is not installed on the Building.

23.2. **Objectionable Name**. Tenant's Signage shall not include a name or logo which relates to an entity which is of a character or reputation, or is associated with a political faction or orientation, which is inconsistent with the quality of the Project, or which would otherwise reasonably offend a landlord of the Comparable Buildings (an "**Objectionable Name**"). The parties hereby agree that the following name, or any reasonable derivation thereof, shall be deemed not to constitute an Objectionable Name: "BioAtla, LLC"

23.3. **Prohibited Signage and Other Items**. Any signs, notices, logos, pictures, names or advertisements which are installed and that have not been separately approved by Landlord may be removed without notice by Landlord at the sole expense of Tenant. Any window coverings, or blinds shall be subject to the prior approval of Landlord, which shall not be unreasonably withheld, conditioned or delayed. Any signs or other items visible from the exterior of the Premises or Building (other than Tenant's Signage or window coverings or blinds), shall be subject to the prior approval of Landlord, in its sole discretion.

23.4. **Termination of Right to Tenant's Signage**. The rights contained in this Article 23 shall be personal to Original Tenant and its Permitted Transferee Assignee, and may only be exercised and maintained by such parties (and not any other assignee, sublessee or other transferee of the Original Tenant's interest in this Lease) to the extent (*:*) they are not in default under this Lease (beyond any applicable notice and cure period) *and* (y) with respect to the monument signage and the Building Exterior Signage, if they occupy the entire Premises.

24. **COMPLIANCE WITH LAW**. Tenant shall not do anything or suffer anything to be done in or about the Premises or the Project which will in any way conflict with any law, statute, ordinance or other governmental rule, regulation or requirement now in force or which may hereafter be enacted or promulgated (collectively, "**Applicable Laws**"). Except as otherwise specifically set forth in Section 1.2 of the Tenant Work Letter, at its sole cost and expense, Tenant shall promptly comply with any Applicable Laws which relate to the Building (including, without limitation, the Base Building), but not with respect to any Common Areas located outside the Building unless and to the extent such obligations are triggered by Alterations made by Tenant to the Premises to the extent such Alterations are not normal and customary business office improvements, or triggered by the Tenant Improvements to the extent such Tenant Improvements are not expressly depicted on the Space Plan or are not normal and customary business office improvements, or triggered by Tenant's use of the Premises for non-general office use ("**Tenant's Compliance With Law Obligations**"). Except as otherwise specifically set forth in Section 1.2 of the Tenant Work Letter, Should any standard or regulation now or hereafter be imposed on

Landlord or Tenant by a state, federal or local governmental body charged with the establishment, regulation and enforcement of occupational, health or safety standards for employers, employees, landlords or tenants, then Tenant agrees, at its sole cost and expense, to comply promptly with such standards or regulations. Tenant shall be responsible, at its sole cost and expense, to make all alterations to the Premises as are required to comply with Tenant's Compliance With Law Obligations. Landlord shall comply with all Applicable Laws relating to the Base Building, provided that compliance with such Applicable Laws is not the responsibility of Tenant under this Lease, and provided further that Landlord's failure to comply therewith would prohibit Tenant from obtaining or maintaining a certificate of occupancy for the Premises, or would unreasonably affect the safety of Tenant's employees. The judgment of any court of competent jurisdiction or the admission of Tenant in any judicial action, regardless of whether Landlord is a party thereto, that Tenant has violated any of said governmental measures, shall be conclusive of that fact as between Landlord and Tenant. For purposes of Section 1938 of the California Civil Code, Landlord hereby discloses to Tenant, and Tenant hereby acknowledges, that the Project, Building and Premises have not undergone inspection by a Certified Access Specialist (CASp). As required by Section 1938(e) of the California Civil Code, Landlord hereby states as follows: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." In furtherance of the foregoing, Landlord and Tenant hereby agree as follows: (a) any CASp inspection requested by Tenant shall be conducted, at Tenant's sole cost and expense, by a CASp approved in advance by Landlord, while any CASp inspection initiated by Landlord shall be conducted, at Landlord's sole cost and expense, by a CASp designated by Landlord; and (b) with respect to improvements or repairs required to correct violations discovered during a CASp inspection initiated by Tenant, pursuant to this Article 24 above, Tenant, at its cost, is responsible for making any repairs within the Premises to correct violations of construction-related accessibility standards (except as expressly set forth in the Tenant Work Letter); and, if anything done by or for Tenant in its use or occupancy of the Premises shall require repairs to the Building (outside the Premises) to correct violations of construction-related accessibility standards, then Tenant shall, at Landlord's option, either perform such repairs at Tenant's sole cost and expense or reimburse Landlord upon demand, as Additional Rent, for the cost to Landlord of performing such repairs, provided that Landlord shall be solely responsible for the costs of performing such improvements or repairs to correct such violations of construction-related accessibility standards if such violations were discovered during a CASp inspection initiated by Landlord.

25. **LATE CHARGES.** If any installment of Rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee within five (5) business days after Tenant's receipt of written notice from Landlord that said amount is due, then Tenant shall pay to Landlord a late charge equal to five percent (5%) of the overdue amount plus any reasonable attorneys' fees incurred by Landlord by reason of Tenant's failure to pay Rent and/or other charges when due hereunder. The late charge shall be deemed Additional Rent and the right to require it shall be in

addition to all of Landlord's other rights and remedies hereunder or at law and shall not be construed as liquidated damages or as limiting Landlord's remedies in any manner. In addition to the late charge described above, any Rent or other amounts owing hereunder which are not paid within ten (10) days after the date they are due shall bear interest from the date when due until paid at a rate per annum equal to the lesser of (i) the annual "Bank Prime Loan" rate cited in the Federal Reserve Statistical Release Publication G.13(415), published on the first Tuesday of each calendar month (or such other comparable index as Landlord and Tenant shall reasonably agree upon if such rate ceases to be published) plus four (4) percentage points, and (ii) the highest rate permitted by applicable law.

26. **LANDLORD'S RIGHT TO CURE DEFAULT; PAYMENTS BY TENANT.**

26.1. **Landlord's Cure**. All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction of Rent, except to the extent, if any, otherwise expressly provided herein. If Tenant shall fail to perform any obligation under this Lease, and such failure shall continue in excess of the time allowed under Section 19.1.2, above, Landlord may, but shall not be obligated to, after providing Tenant with at least five (5) business days' notice that Landlord intends to so cure (except in the event of an emergency, where no prior notice shall be required, except that Landlord shall nonetheless use commercially reasonable efforts to notify Tenant), make any such payment or perform any such act on Tenant's part without waiving its rights based upon any default of Tenant and without releasing Tenant from any obligations hereunder.

26.2. **Tenant's Reimbursement**. Except as may be specifically provided to the contrary in this Lease, Tenant shall pay to Landlord, upon delivery by Landlord to Tenant of statements therefor, sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with the remedying by Landlord of Tenant's defaults pursuant to the provisions of Section 26.1. Tenant's obligations under this Section 26.2 shall survive the expiration or sooner termination of the Lease Term.

27. **ENTRY BY LANDLORD**. Landlord reserves the right at all reasonable times and upon not less than one (1) business days' notice to Tenant (except in the case of an emergency) to enter the Premises to (i) inspect them; (ii) show the Premises to prospective purchasers, or to current or prospective mortgagees, ground or underlying lessors or insurers or, during the last twelve (12) months of the Lease Term, to prospective tenants; (iii) post notices of nonresponsibility (to the extent applicable pursuant to then applicable law); (iv) to the extent permitted or required by express provisions of this Lease, to alter, improve or repair the Premises or the Building, or for structural alterations, repairs or improvements to the Building or the Building's systems and equipment, or (v) exercise its rights under Article 26 of this Lease, above. Landlord may make any such entries without the abatement of Rent, except as otherwise provided in this Lease, and may take such reasonable steps as required to accomplish the stated purposes. Except in the event of an emergency, Landlord shall employ commercially reasonable efforts to minimize interference with the conduct of Tenant's business in connection with entries into the Premises. In an emergency, Landlord shall have the right to use any means that Landlord may deem proper to open the doors in and to the Premises. Provided that Landlord employs commercially reasonable efforts to minimize interference with the conduct of Tenant's business in connection with entries into the

Premises, Tenant hereby waives any claims for any loss of occupancy or quiet enjoyment of the Premises, and any other loss occasioned thereby. Any entry into the Premises by Landlord in the manner hereinbefore described shall not be deemed to be a forcible or unlawful entry into, or a detainer of, the Premises, or an actual or constructive eviction of Tenant from any portion of the Premises. No provision of this Lease shall be construed as obligating Landlord to perform any repairs, alterations or decorations except as otherwise expressly agreed to be performed by Landlord herein.

28. **TENANT PARKING**. Tenant shall have the right, but not the obligation, to use, the amount of unreserved parking spaces set forth in Section 9 of the Summary, in the on-site parking facility (or facilities) which serve the Project. Tenant shall abide by all reasonable non-discriminatory rules and regulations which are prescribed from time to time for the orderly operation and use of the Project parking facility where the parking spaces are located (including any sticker or other identification system established by Landlord and the prohibition of vehicle repair and maintenance activities in the Project parking facilities), and shall cooperate in seeing that Tenant's employees and visitors also comply with such rules and regulations. Tenant's use of the Project parking facility shall be at Tenant's sole risk and Tenant acknowledges and agrees that Landlord shall have no liability whatsoever for damage to the vehicles of Tenant, its employees and/or visitors, or for other personal injury or property damage or theft relating to or connected with the parking rights granted herein or any of Tenant's, its employees' and/or visitors' use of the parking facilities, provided that the foregoing shall not limit Landlord's liability, if any, pursuant to applicable law for personal injury and property damage to the extent caused by the gross negligence or willful misconduct of Landlord, its agents, employees or contractors. Tenant shall pay to Landlord for its use of the unreserved parking spaces on a monthly basis at the prevailing rate charged from time to time for parking within the Project parking facility; provided that during the initial Lease Term, such unreserved parking spaces shall be provided at no additional charge to Tenant (other than Operating Expenses to the extent allowed by the terms of Section 4.2.4 of this Lease); provided further that Tenant shall also be responsible for the full amount of any taxes imposed by any governmental authority in connection with the renting of such unreserved parking spaces by Tenant or the use of the Project parking facility by Tenant.

29. **MISCELLANEOUS PROVISIONS.**

29.1. **Terms; Captions**. The words "**Landlord**" and "**Tenant**" as used herein shall include the plural as well as the singular. The necessary grammatical changes required to make the provisions hereof apply either to corporations or partnerships or individuals, men or women, as the case may require, shall in all cases be assumed as though in each case fully expressed. The captions of Articles and Sections are for convenience only and shall not be deemed to limit, construe, affect or alter the meaning of such Articles and Sections.

29.2. **Binding Effect**. Subject to all other provisions of this Lease, each of the covenants, conditions and provisions of this Lease shall extend to and shall, as the case may require, bind or inure to the benefit not only of Landlord and of Tenant, but also of their respective heirs, personal representatives, successors or assigns, provided this clause shall not permit any assignment by Tenant contrary to the provisions of Article 14 of this Lease.

29.3. **No Air Rights**. No rights to any view or to light or air over any property, whether belonging to Landlord or any other person, are granted to Tenant by this Lease. If at any time any

windows of the Premises are temporarily (for no more than thirty (30) days) darkened or the light or view therefrom is obstructed by reason of any repairs, improvements, maintenance or cleaning in or about the Project, the same shall be without liability to Landlord and without any reduction or diminution of Tenant's obligations under this Lease, provided that Landlord shall use its reasonable efforts to minimize any such obstructions.

29.4. **Modification of Lease**. Should any current or prospective mortgagee or ground lessor for the Building or Project require a modification of this Lease, which modification will not cause an increased cost or expense to Tenant or in any other way adversely change the rights and obligations of Tenant hereunder, then and in such event, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are reasonably required therefor and to deliver the same to Landlord within ten (10) business days following a request therefor. At the request of Landlord or any mortgagee or ground lessor, Tenant agrees to execute a short form of Lease and deliver the same to Landlord within ten (10) business days following the request therefor.

29.5. **Transfer of Landlord's Interest**. Tenant acknowledges that Landlord has the right to transfer all or any portion of its interest in the Project or Building and in this Lease, and Tenant agrees that in the event of any such transfer, Landlord shall automatically be released from all liability under this Lease arising after the date of transfer and Tenant agrees to look solely to such transferee for the performance of Landlord's obligations hereunder after the date of transfer and such transferee shall be deemed to have fully assumed and be liable for all obligations of this Lease to be performed by Landlord, including the return of any Security Deposit, and Tenant shall attorn to such transferee.

29.6. **Prohibition Against Recording**. Except as provided in Section 29.4 of this Lease, neither this Lease, nor any memorandum, affidavit or other writing with respect thereto, shall be recorded by Tenant or by anyone acting through, under or on behalf of Tenant.

29.7. **Landlord's Title**. Landlord's title is and always shall be paramount to the title of Tenant. Nothing herein contained shall empower Tenant to do any act which can, shall or may encumber the title of Landlord.

29.8. **Relationship of Parties**. Nothing contained in this Lease shall be deemed or construed by the parties hereto or by any third party to create the relationship of principal and agent, partnership, joint venturer or any association between Landlord and Tenant.

29.9. **Application of Payments**. Landlord shall have the right to apply payments received from Tenant pursuant to this Lease, regardless of Tenant's designation of such payments, to satisfy any obligations of Tenant hereunder, in such order and amounts as Landlord, in its sole discretion, may elect.

29.10. **Time of Essence**. Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

29.11. **Partial Invalidity**. If any term, provision or condition contained in this Lease shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such term, provision or condition to persons or circumstances other than those with respect to which it is invalid or unenforceable, shall not be affected thereby, and each and every other term, provision and condition of this Lease shall be valid and enforceable to the fullest extent possible permitted by law.

29.12. **No Warranty**. In executing and delivering this Lease, Tenant has not relied on any representations, including, but not limited to, any representation as to the amount of any item comprising Additional Rent or the amount of the Additional Rent in the aggregate or that Landlord is furnishing the same services to other tenants, at all, on the same level or on the same basis, or any warranty or any statement of Landlord which is not set forth herein or in one or more of the exhibits attached hereto.

29.13. **Landlord Exculpation**. The liability of Landlord or the Landlord Parties to Tenant for any default by Landlord under this Lease or arising in connection herewith or with Landlord's operation, management, leasing, repair, renovation, alteration or any other matter relating to the Project or the Premises shall be limited solely and exclusively to an amount which is equal to the lesser of (a) the interest of Landlord in the Building or (b) the equity interest Landlord would have in the Building if the Building were encumbered by third-party debt in an amount equal to sixty percent (60%) of the value of the Building (as such value is reasonably determined by Landlord), in either case including any sales or insurance proceeds received by Landlord or the Landlord Parties in connection with the Project, Building or Premises. Neither Landlord, nor any of the Landlord Parties shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. The limitations of liability contained in this Section 29.13 shall inure to the benefit of Landlord's and the Landlord Parties' present and future partners, beneficiaries, officers, directors, trustees, shareholders, agents and employees, and their respective partners, heirs, successors and assigns. Under no circumstances shall any present or future partner of Landlord (if Landlord is a partnership), or trustee or beneficiary (if Landlord or any partner of Landlord is a trust), have any liability for the performance of Landlord's obligations under this Lease. Notwithstanding any contrary provision herein, nothing in this Lease shall impose any obligations on Tenant or Landlord to be responsible or liable for, and each hereby releases the other from all liability for, consequential, indirect, special or punitive damages (including but not limited to, damages with respect to loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring, or loss to inventory, scientific research, scientific experiments, laboratory animals, products, specimens, samples, and/or scientific, business, accounting and other records of every kind and description kept at the premises and any and all income derived or derivable therefrom, other than those consequential damages incurred by Landlord in connection with a holdover of the Premises by Tenant after the expiration or earlier termination of this Lease as set forth in Article 16, above.

29.14. **Entire Agreement**. It is understood and acknowledged that there are no oral agreements between the parties hereto affecting this Lease and this Lease constitutes the parties' entire agreement with respect to the leasing of the Premises and supersedes and cancels any and all previous negotiations, arrangements, brochures, agreements and understandings, if any, between the parties hereto or displayed by Landlord to Tenant with respect to the subject matter thereof, and none thereof shall be used to interpret or construe this Lease. None of the terms, covenants, conditions or provisions of this Lease can be modified, deleted or added to except in writing signed by the parties hereto.

29.15. **Right to Lease**. Landlord reserves the absolute right to effect such other tenancies in the Project as Landlord in the exercise of its sole business judgment shall determine to best promote the interests of the Building or Project. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Lease Term, occupy any space in the Building or Project.

29.16. **Force Majeure**. Any prevention, delay or stoppage due to strikes, lockouts, labor disputes, acts of God, acts of war, terrorist acts, inability to obtain services, labor, or materials or reasonable substitutes therefor, governmental actions, civil commotions, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform, except with respect to the obligations imposed with regard to Rent and other monetary amounts to be paid by either party to the other pursuant to this Lease (collectively, a "**Force Majeure**"), notwithstanding anything to the contrary contained in this Lease, shall excuse the performance of such party for a period equal to any such prevention, delay or stoppage and, therefore, if this Lease specifies a time period for performance of an obligation of either party, that time period shall be extended by the period of any delay in such party's performance caused by a Force Majeure.

29.17. **Waiver of Redemption by Tenant**. Tenant hereby waives, for Tenant and for all those claiming under Tenant, any and all rights now or hereafter existing to redeem by order or judgment of any court or by any legal process or writ, Tenant's right of occupancy of the Premises after any termination of this Lease.

29.18. **Notices**. All notices, demands, statements, designations, approvals or other communications (collectively, "**Notices**") given or required to be given by either party to the other hereunder or by law shall be in writing, shall be (A) sent by United States certified or registered mail, postage prepaid, return receipt requested ("**Mail**"), (B) delivered by a nationally recognized overnight courier that provides proof of delivery, or (C) delivered personally. Any Notice shall be sent, transmitted, or delivered, as the case may be, to Tenant at the appropriate address set forth in Section 10 of the Summary, or to such other place as Tenant may from time to time designate in a Notice to Landlord, or to Landlord at the addresses set forth below, or to such other places as Landlord may from time to time designate in a Notice to Tenant. Any Notice will be deemed given upon actual (or attempted but refused) delivery. As of the date of this Lease, any Notices to Landlord must be sent, transmitted, or delivered, as the case may be, to the following addresses:

HCP Torreyana, LLC
c/o HCP, Inc.
420 Stevens Avenue, Suite 170
Solana Beach, California 92075
Attention: Mike Dorris

with a copy to:

HCP Torreyana, LLC
c/o HCP, Inc.
1920 Main Street, Suite 1200
Irvine, CA 92614
Attn: Legal Department

and

Allen Matkins Leck Gamble Mallory & Natsis LLP
1901 Avenue of the Stars, Suite 1800
Los Angeles, California 90067
Attention: Anton N. Natsis, Esq.

29.19. **Joint and Several**. If there is more than one tenant, the obligations imposed upon Tenant under this Lease shall be joint and several.

29.20. **Authority**. If Tenant is a corporation, trust or partnership, each individual executing this Lease on behalf of Tenant hereby represents and warrants that Tenant is a duly formed and existing entity qualified to do business in the State of California and that Tenant has full right and authority to execute and deliver this Lease and that each person signing on behalf of Tenant is authorized to do so. In such event, Tenant shall, within ten (10) days after execution of this Lease, deliver to Landlord satisfactory evidence of such authority and, if a corporation, upon demand by Landlord, also deliver to Landlord satisfactory evidence of (i) good standing in Tenant's state of incorporation and (ii) qualification to do business in the State of California.

29.21. **Attorneys' Fees**. In the event that either Landlord or Tenant should bring suit for the possession of the Premises, for the recovery of any sum due under this Lease, or because of the breach of any provision of this Lease or for any other relief against the other, then all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party therein shall be paid by the other party, which obligation on the part of the other party shall be deemed to have accrued on the date of the commencement of such action and shall be enforceable whether or not the action is prosecuted to judgment.

29.22. **Governing Law; WAIVER OF TRIAL BY JURY**. This Lease shall be construed and enforced in accordance with the laws of the State of California. IN ANY ACTION OR PROCEEDING ARISING HEREFROM, LANDLORD AND TENANT HEREBY CONSENT TO (I) THE JURISDICTION OF ANY COMPETENT COURT WITHIN THE STATE OF CALIFORNIA, (II) SERVICE OF PROCESS BY ANY MEANS AUTHORIZED BY CALIFORNIA LAW, AND (III) IN THE INTEREST OF SAVING TIME AND EXPENSE, TRIAL WITHOUT A JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER OR THEIR SUCCESSORS IN RESPECT OF ANY MATTER ARISING OUT OF OR IN CONNECTION WITH THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND/OR ANY CLAIM FOR INJURY OR DAMAGE, OR ANY EMERGENCY OR STATUTORY REMEDY. IN THE EVENT LANDLORD COMMENCES ANY SUMMARY PROCEEDINGS OR ACTION FOR NONPAYMENT OF BASE RENT OR ADDITIONAL RENT, TENANT SHALL NOT INTERPOSE ANY COUNTERCLAIM OF ANY NATURE OR DESCRIPTION (UNLESS SUCH COUNTERCLAIM SHALL BE MANDATORY) IN ANY SUCH PROCEEDING OR ACTION, BUT SHALL BE RELEGATED TO AN INDEPENDENT ACTION AT LAW.

29.23. **Submission of Lease**. Submission of this instrument for examination or signature by Tenant does not constitute a reservation of, option for or option to lease, and it is not effective as a lease or otherwise until execution and delivery by both Landlord and Tenant.

29.24. **Brokers**. Landlord and Tenant hereby warrant to each other that they have had no dealings with any real estate broker or agent in connection with the negotiation of this Lease, excepting only the real estate brokers or agents specified in Section 12 of the Summary (the "**Brokers**"), and that they know of no other real estate broker or agent who is entitled to a commission in connection with this Lease. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, costs and expenses (including without limitation reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of any dealings with any real estate broker or agent, other than the Brokers, occurring by, through, or under the indemnifying party. The terms of this Section 29.24 shall survive the expiration or earlier termination of the Lease Term. Landlord shall pay the Brokers pursuant to the terms of separate commission agreements.

29.25. **Independent Covenants**. This Lease shall be construed as though the covenants herein between Landlord and Tenant are independent and not dependent and Tenant hereby expressly waives the benefit of any statute to the contrary and agrees that if Landlord fails to perform its obligations set forth herein, Tenant shall not be entitled to make any repairs or perform any acts hereunder at Landlord's expense or to any setoff of the Rent or other amounts owing hereunder against Landlord.

29.26. **Project or Building Name, Address and Signage**. Landlord shall have the right, subject to the remaining terms of this Lease (including, without limitation, Article 23 above), at any time to change the name and/or address of the Project or Building and to install, affix and maintain any and all signs on the exterior and on the interior of the Project (other than the interior of the Premises) as Landlord may, in Landlord's sole discretion, desire. Tenant shall not use the name of the Project or Building or use pictures or illustrations of the Project or Building in advertising or other publicity or for any purpose other than as the address of the business to be conducted by Tenant in the Premises, without the prior written consent of Landlord, which shall not be unreasonably withheld, conditioned or delayed; provided, however, if Landlord approves of a picture or illustration of the Project or Building (which approval shall not be unreasonably withheld, conditioned or delayed), Tenant may use the same picture or illustration in other advertisements or other publicity provided such advertisements or other publicity does not identify or reference Landlord or any Landlord Party in any manner.

29.27. **Counterparts**. This Lease may be executed in counterparts with the same effect as if both parties hereto had executed the same document. Both counterparts shall be construed together and shall constitute a single lease.

29.28. **Confidentiality**. Landlord and Tenant acknowledge that the content of this Lease and any related documents are confidential information. Landlord and Tenant shall keep such confidential information strictly confidential and shall not disclose such confidential information to any person or entity other than Landlord's and Tenant's respective financial, legal, and space planning consultants. Notwithstanding the foregoing, Landlord or Tenant may disclose the terms

of this Lease and any of the other matters described in this Section as follows without violating the confidentiality provision contained in this Section: (i) such disclosures to existing or prospective lenders, purchasers, title companies, appraisers, and other third persons as may reasonably be necessary in order to conduct its business relating to the Project in a commercially reasonable manner; (ii) privileged communications including communications with counsel, accountants, and advisors; (iii) such disclosures as may be necessary or required by any governmental or regulatory authorities; (iv) such disclosures as may be required by law or by subpoena or any other similar court order or discovery request in any civil or criminal; (v) such disclosures as may be reasonably required to enforce the terms of this Lease or any rights and remedies under this Lease; (vi) such disclosures as are necessary in connection with any Transfers or any Permitted Transfers, and (vii) to the extent that disclosure is mandated by applicable law, the Securities Exchange Commission or the rules of any stock exchange upon which Landlord's or Tenant's (or Landlord or Tenant's parent's) shares are from time to time traded..

29.29. **Development of the Project**.

29.29.1. **Subdivision**. Landlord reserves the right to subdivide all or a portion of the buildings and Common Areas, provided that no such subdivision shall limit or adversely affect in any material or unreasonable manner any rights of Tenant hereunder and all provisions of this Lease with respect to percentages of parking or space shall be calculated as if the Project had not been subdivided. Tenant agrees to execute and deliver, upon demand by Landlord and in the form requested by Landlord, any additional documents needed to conform this Lease to the circumstances resulting from a subdivision and any all maps in connection therewith. Notwithstanding anything to the contrary set forth in this Lease, the separate ownership of any buildings and/or Common Areas by an entity other than Landlord shall not affect the calculation of Direct Expenses or Tenant's payment of Tenant's Share of Direct Expenses.

29.29.2. **Construction of Property and Other Improvements**. Tenant acknowledges that portions of the Project may be under construction following Tenant's occupancy of the Premises, and that such construction may result in levels of noise, dust, obstruction of access, etc. which are in excess of that present in a fully constructed project, provided that any such noise, dust or obstruction shall not unreasonably interfere with Tenant's use of the Premises for the Permitted Use, access to or from the Premises or Tenant's parking rights hereunder (except to the extent that Landlord provides Tenant with Reasonable Alternate Parking) or Tenant's signage rights under Article 23 above. Tenant hereby waives any and all rent offsets or claims of constructive eviction which may arise in connection with such demolition or construction to the extent consistent with the preceding proviso (except as otherwise expressly set forth in Section 19.5.2).

29.30. **No Violation**. Tenant hereby warrants and represents that neither its execution of nor performance under this Lease shall cause Tenant to be in violation of any agreement, instrument, contract, law, rule or regulation by which Tenant is bound, and Tenant shall protect, defend, indemnify and hold Landlord harmless against any claims, demands, losses, damages, liabilities, costs and expenses, including, without limitation, reasonable attorneys' fees and costs, arising from Tenant's breach of this warranty and representation.

29.31. **Transportation Management**. If and to the extent require by Applicable Laws, Tenant shall fully comply with all present or future programs intended to manage parking, transportation or traffic in and around the Project and/or the Building, and in connection therewith, Tenant shall take responsible action for the transportation planning and management of all employees located at the Premises by working directly with Landlord, any governmental transportation management organization or any other transportation-related committees or entities. Such programs may include, without limitation: (i) restrictions on the number of peak-hour vehicle trips generated by Tenant; (ii) increased vehicle occupancy; (iii) implementation of an in-house ridesharing program and an employee transportation coordinator; (iv) working with employees and any Project, Building or area-wide ridesharing program manager; (v) instituting employer-sponsored incentives (financial or in-kind) to encourage employees to rideshare; and (vi) utilizing flexible work shifts for employees.

29.32. **Rooftop Rights**. Subject to, (i) reasonable construction rules and regulations promulgated by Landlord (Landlord shall deliver a written copy of same to Tenant, as well as written notice of any future modifications thereto), (ii) the Building standards therefor, and (iii) the terms and conditions set forth in Article 8 of this Lease and this Section 29.32, Tenant may install, repair, maintain and use, at Tenant's sole cost and expense, but without the payment of any Base Rent, Additional Rent (except for electricity and other utility costs) or similar fee or charge, one (1) satellite dish or antenna, with the antenna not to exceed one (1) meter in diameter, on the roof of the Building for the sending and receiving of signals or broadcasts (provided that there shall be no generation or transmission of commercial signals or broadcasts) servicing the business conducted by Tenant from within the Premises (such satellite dishes are collectively defined as the "**Rooftop Equipment**"). Tenant shall be solely responsible for any and all costs incurred or arising in connection with the Rooftop Equipment, including, but not limited to, costs of electricity and insurance related to the Rooftop Equipment. Landlord makes no representations or warranties whatsoever with respect to the condition of the roof of the Building, or the fitness or suitability of the roof of the Building for the installation, maintenance and operation of the Rooftop Equipment, including, without limitation, with respect to the quality and clarity of any receptions and transmissions to or from the Rooftop Equipment and the presence of any interference with such signals whether emanating from the Building or otherwise. The physical appearance and the size of the Rooftop Equipment shall be subject to Landlord's reasonable approval, the location of any such Rooftop Equipment shall be mutually agreed upon by Landlord and Tenant, and Landlord may require Tenant to install screening around such Rooftop Equipment, at Tenant's sole cost and expense, as reasonably designated by Landlord. Tenant shall service, maintain and repair such Rooftop Equipment, at Tenant's sole cost and expense. In the event Tenant elects to exercise its right to install the Rooftop Equipment, then Tenant shall give Landlord prior notice thereof. Tenant shall reimburse to Landlord the actual and documented out-of-pocket costs reasonably incurred by Landlord in approving such Rooftop Equipment. Tenant's rights under this Section 29.32 shall terminate and shall be of no further force or effect upon the expiration or earlier termination of this Lease, or, in the event Tenant (or a Permitted Transferee) no longer occupies the Premises. Prior to the expiration or earlier termination of this Lease, Tenant shall, as promptly as possible but in no event more than thirty (30) days thereafter, remove and restore the affected portion of the rooftop and the Building to the condition the rooftop and the Building would have been in had no such Rooftop Equipment been installed (reasonable wear and tear and damage from casualty excepted). Such Rooftop Equipment shall be installed pursuant to plans and specifications approved by Landlord (specifically including, without limitation, all mounting and waterproofing

details), which approval will not be unreasonably withheld, conditioned, or delayed. Notwithstanding any such review or approval by Landlord, Tenant shall remain solely liable for any damage arising in connection with Tenant's installation, use, maintenance and/or repair of such Rooftop Equipment, including, without limitation, any damage to a portion of the roof or roof membrane and any penetrations to the roof. Landlord and Tenant hereby acknowledge and agree that Landlord shall have no liability in connection with Tenant's use, maintenance and/or repair of such Rooftop Equipment. Tenant shall be responsible, at Tenant's sole cost and expense, for (i) obtaining all permits or other governmental approvals required in connection with the Rooftop Equipment, and (ii) installing, repairing and maintaining and causing the Rooftop Equipment to comply with all Applicable Laws. Tenant shall not be entitled to license its Rooftop Equipment to any third party, nor shall Tenant be permitted to receive any revenues, fees or any other consideration for the use of such Rooftop Equipment by a third party. Tenant's right to install such Rooftop Equipment shall be non-exclusive, and Tenant hereby expressly acknowledges Landlord's continued right (A) to itself, or any other tenant of the Building, utilize any portion of the rooftop of the Building, and (B) to re-sell, license or lease any rooftop space to an unaffiliated third party; provided, however, such Landlord (or third-party) use shall not materially interfere with (or preclude the installation of) Tenant's Rooftop Equipment. Notwithstanding any provision to the contrary contained in this Section 29.38, in no event shall Tenant access the roof of the Building without first notifying Landlord of Tenant's intention to do so (except in the case of an emergency). The rights contained in this Section 29.38 shall be personal to the Original Tenant and any Permitted Transferee Assignee, and may only be exercised by the Original Tenant or any Permitted Transferee Assignee (and not by any other assignee, sublessee or other transferee of Tenant's interest in this Lease).

29.33. **Tenant's Dog**.

29.33.1. **In General**. Subject to the provisions of this Section 29.33, Tenant shall be permitted to bring one (1) dog into the Premises, which dog is owned by an officer of Tenant ("**Tenant's Dog**"); provided that in no event shall Tenant's Dog be a Pit Bull Terrier, Rottweiler, Boxer, Chow Chow, Presa Canario, German Shepherd, Alaskan Malamute, Husky and Doberman Pinscher, or a mixture thereof. Tenant's Dog shall be non-aggressive, fully domesticated and fully-vaccinated. Tenant's Dog must be on a leash while in any area of the Project outside of the Premises. Within three (3) business days following Tenant's receipt of Landlord's request, Tenant shall provide Landlord with reasonable satisfactory evidence showing that all current vaccinations have been received by Tenant's Dog Tenant's Dog shall not be brought to the Project if it is ill or contracts a disease that could potentially threaten the health or wellbeing of any tenant or occupant of the Building (which diseases may include, but shall not be limited to, rabies, leptospirosis and Lyme disease). While in the Building, Tenant's Dog must be taken directly to/from the Premises. Tenant shall not permit any objectionable dog related odors to emanate from the Premises, and in no event shall Tenant's Dog be at the Project overnight. All bodily waste generated by Tenant's Dog in or about the Project shall be promptly removed and disposed of in trash receptacles designated by Landlord, and any areas of the Project affected by such waste shall be cleaned and otherwise sanitized. Tenant's Dog shall not be permitted to enter the Project if it has previously exhibited dangerously aggressive behavior.

29.33.2. **Costs and Expenses**. Tenant shall pay to Landlord, within ten (10) business days after demand, all costs incurred by Landlord in connection with Tenant's Dog

presence in the Building, Premises or Project, including, but not limited to, janitorial, waste disposal, landscaping, signage, repair, and legal costs and expenses. In the event Landlord receives any verbal or written complaints from any other tenant or occupant of the Project in connection with health-related issues (e.g., allergies) related to the presence of the Tenant's Dog in the Premises, the Building or the Project, Landlord and Tenant shall promptly meet and mutually confer, in good faith, to determine appropriate mitigation measures to eliminate the causes of such complaints (which mitigation measures may include, without limitation, additional and/or different air filters to be installed in the Premises heating, air conditioning and ventilation system, or elsewhere in the Building), and Tenant shall cause such measures to be taken promptly at its sole cost or expense.

29.33.3. **Indemnity**. Tenant's indemnification obligations under Article 10 of this Lease shall apply to any claims relating to Tenant's Dog (including, without limitation, bodily injury to persons in the Premises or Building or on the Project or property damage to the property of Landlord or any other tenant, subtenant, occupant, licensee or invitee of the Building or Project). Further, Tenant shall provide Landlord with evidence reasonably satisfactory to Landlord that Tenant's insurance provided pursuant to Article 10 of this Lease covers dog-related injuries and damage.

29.33.4. **Rights Personal to Original Tenant**. The right to bring Tenant's Dog into the Premises pursuant to this Section 29.33 is personal to the Original Tenant and its Permitted Transferee Assignee. If Tenant assigns the Lease or sublets all or any portion of the Premises, then, as to the entire Premises, upon such assignment, or, as to the portion of the Premises sublet, upon such subletting and until the expiration of such sublease, the right to bring Tenant's Dog into such portion the Premises shall simultaneously terminate and be of no further force or effect.

[END OF DOCUMENT; SIGNATURES CONTAINED ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed the day and date first above written.

LANDLORD:

HCP TORREY ANA, LLC,
a Delaware limited liability company

By: /s/ Jonathan M. Bergschneider

Jonathan M. Bergschneider
Print Name

Its: Senior Managing Director

TENANT:

BIOATLA, LLC
a Delaware limited liability company

By: /s/ Jay M. Short

Jay M. Short
Print Name

Its: Chairman, CEO and President

By: _____

_____
Print Name

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" and to the use of our report dated October 5, 2020 (except for the last paragraph of Note 12, as to which the date is December 8, 2020) in Amendment No. 1 to the Registration Statement on Form S-1 (No. 333-250093) and the related Prospectus of BioAtla, Inc. for the registration of shares of its common stock.

/s/ Ernst & Young LLP

San Diego, California
December 8, 2020