

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

FORM 10-Q

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

For the quarterly period ended March 31, 2024

OR

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

For the transition period from to

Commission file number 001-39990

**Elicio Therapeutics, Inc.**

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

11-3430072

(I.R.S. Employer Identification No.)

451 D Street, 5th Floor Boston , Massachusetts

(Address of Principal Executive Offices)

02210

(Zip Code)

( 857 ) 209-0050

Registrant's telephone number, including area code

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01	ELTX	The Nasdaq Global Select Market

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the 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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

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

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

The number of shares of the registrant's common stock outstanding as of May 10, 2024 was 10,270,285 .

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## Forward-Looking Statements

This Quarterly Report on Form 10-Q, including the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this Quarterly Report on Form 10-Q other than statements of historical fact, including statements concerning our business strategy and plans, future operating results and financial position, as well as our objectives and expectations for our future operations, are forward-looking statements.

In some cases, you can identify forward-looking statements by terminology such as “aim,” “anticipate,” “assume,” “believe,” “contemplate,” “continue,” “could,” “due,” “estimate,” “expect,” “goal,” “intend,” “may,” “objective,” “plan,” “predict,” “potential,” “positioned,” “seek,” “should,” “target,” “will,” “would,” and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology. These forward-looking statements include, but are not limited to, statements about:

- our financial condition, including our ability to obtain the funding necessary to advance the development of ELI-002 and any other future product candidates, our ability to continue as a going concern and our cash runway;
- the ability of our clinical trials to demonstrate safety and efficacy of our product candidates, and other positive results;
- our ability to utilize our platform to develop a pipeline of product candidates to address unmet needs in cancer and infectious disease;
- the timing, progress and results of clinical trials for ELI-002, and other product candidates we may develop, including statements regarding the timing of initiation and completion of studies or trials and related preparatory work, the period during which the results of the studies or trials will become available, and the timing, progress and results of our research and development programs;
- the timing, scope and likelihood of regulatory filings and approvals, including timing of Investigational New Drug applications and U.S. Food and Drug Administration (“FDA”) approval of ELI-002 and any future product candidates;
- the timing, scope or likelihood of foreign regulatory filings and approvals;
- our ability to develop and advance current product candidates and programs into, and successfully complete, clinical studies;
- our manufacturing, commercialization, and marketing capabilities and strategy;
- the need to hire additional personnel and our ability to attract and retain such personnel;
- the size of the market opportunity for our product candidates, including estimates of the number of patients who suffer from the diseases we are targeting;
- expectations regarding the approval and use of our product candidates in combination with other drugs;
- expectations regarding potential for accelerated approval or other expedited regulatory designation;
- our competitive position and the success of competing therapies that are or may become available;
- our anticipated research and development activities and projected expenditures;
- existing regulations and regulatory developments in the United States, Europe and other jurisdictions;
- the extent to which global economic and political developments, including the ongoing conflict between Ukraine and Russia, the conflicts in the Middle East, geopolitical tensions with China, and other geopolitical events, will affect our business operations, clinical trials, or financial condition;
- our expectations regarding other macroeconomic trends;
- our intellectual property position, including the scope of protection we are able to establish and maintain for intellectual property rights covering ELI-002, other product candidates we may develop, including the extensions of existing patent terms where available, the validity of intellectual property rights held by third parties, and our ability not to infringe, misappropriate or otherwise violate any third-party intellectual property rights;
- our continued reliance on third parties to conduct additional clinical trials of our product candidates, and for the manufacture of our product candidates for clinical trials;

- our ability to have manufactured sufficient supplies of drug product for clinical testing and commercialization;
- our ability to obtain, and negotiate favorable terms of, any collaboration, licensing or other arrangements that may be necessary or desirable to develop, manufacture or commercialize our product candidates;
- our estimates regarding expenses, future revenue, capital requirements and needs for additional financing;
- our projected financial performance;
- the period over which we estimate our existing cash and cash equivalents will be sufficient to fund our planned operating expenses and capital expenditure requirements; and
- the impact of laws and regulations.

We caution you that the foregoing list may not contain all of the forward-looking statements made in this Quarterly Report on Form 10-Q.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. We discuss these risks in greater detail in our Annual Report on Form 10-K filed with the SEC on March 29, 2024 and elsewhere in this Quarterly Report on Form 10-Q. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, forward-looking statements represent our management's beliefs and assumptions only as of the date of this Quarterly Report on Form 10-Q. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future. In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based on information available to us as of the date of this Quarterly Report on Form 10-Q. While we believe that information provides a reasonable basis for these statements, that information may be limited or incomplete. Our statements should not be read to indicate that we have conducted an exhaustive inquiry into or review of all relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely on these statements.

This Quarterly Report on Form 10-Q also contains estimates, projections and other information concerning our industry, our business and the markets for certain drugs, including data regarding the estimated size of those markets, their projected growth rates and the incidence of certain medical conditions. Information that is based on estimates, forecasts, projections or similar methodologies is inherently subject to uncertainties, and actual events or circumstances may differ materially from events and circumstances reflected in this information. Unless otherwise expressly stated, we obtained this industry, business, market and other data from reports, research surveys, studies and similar data prepared by third parties, industry, medical and general publications, government data and similar sources. In some cases, we do not expressly refer to the sources from which this data is derived. In that regard, when we refer to one or more sources of this type of data in any paragraph, you should assume that other data of this type appearing in the same paragraph is derived from the same sources, unless otherwise expressly stated or the context otherwise requires.

In this Quarterly Report on Form 10-Q, unless the context indicates otherwise, the terms "Company," "we," "us," and "our" refer to Elicio Therapeutics, Inc. and our wholly-owned subsidiaries.

#### **Trademarks**

This Quarterly Report on Form 10-Q includes trademarks, service marks and trade names owned by us or other companies. All trademarks, service marks and trade names included in this Quarterly Report on Form 10-Q are the property of their respective owners. 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.



# Part I FINANCIAL INFORMATION

## Item 1. Financial Statements

### ELICIO THERAPEUTICS, INC. Condensed Consolidated Balance Sheets (in thousands, except share and per share amounts) (unaudited)

	March 31, 2024	December 31, 2023
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 11,853	\$ 12,894
Restricted cash, current	665	722
Prepaid expenses and other current assets	1,612	2,732
Total current assets	14,130	16,348
Property and equipment, net	635	717
Operating lease, right-of-use assets	6,354	6,563
Restricted cash, noncurrent	688	685
Other long-term prepaid assets	2,673	2,833
<b>Total assets</b>	<b>\$ 24,480</b>	<b>\$ 27,146</b>
<b>Liabilities and stockholders' equity</b>		
Current liabilities		
Accounts payable	\$ 1,105	\$ 4,369
Accrued expenses	3,324	3,757
Deferred research obligation	627	694
Operating lease liability, current	881	910
Unvested option exercise liability, current	14	25
Total current liabilities	5,951	9,755
Warrant liability	7,868	11
Operating lease liability, noncurrent	5,791	6,007
<b>Total liabilities</b>	<b>19,610</b>	<b>15,773</b>
Commitments and contingencies - Note 10		
Stockholders' equity:		
Preferred stock, \$ 0.01 par value; 10,000,000 shares authorized at March 31, 2024 and December 31, 2023; no shares issued and outstanding at March 31, 2024 and December 31, 2023	—	—
Common stock, \$ 0.01 par value; 300,000,000 shares authorized at March 31, 2024 and December 31, 2023; 10,234,444 shares and 9,618,178 shares issued at March 31, 2024 and December 31, 2023, respectively; 10,219,989 and 9,603,723 outstanding as of March 31, 2024 and December 31, 2023, respectively	102	96
Treasury stock, at cost, 14,455 shares outstanding as of March 31, 2024 and December 31, 2023	( 150 )	( 150 )
Additional paid-in capital	159,218	153,827
Accumulated other comprehensive loss	( 270 )	( 197 )
Accumulated deficit	( 154,030 )	( 142,203 )
<b>Total stockholders' equity</b>	<b>4,870</b>	<b>11,373</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 24,480</b>	<b>\$ 27,146</b>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

**ELICIO THERAPEUTICS, INC.**  
**Condensed Consolidated Statements of Operations and Comprehensive Loss**  
(in thousands, except share and per share amounts)  
(unaudited)

	Three Months Ended March 31,	
	2024	2023
<b>Operating expenses:</b>		
Research and development	\$ 7,559	\$ 5,484
General and administrative	2,682	2,321
Total operating expenses	10,241	7,805
<b>Loss from operations</b>	<b>( 10,241 )</b>	<b>( 7,805 )</b>
Other income (expense)		
Change in fair value of warrant liability	( 1,278 )	—
Loss on issuance of pre-funded warrants	( 578 )	—
Change in fair value of embedded derivatives	—	108
Gain on sale of equipment	3	—
Foreign exchange transaction gain	153	—
Interest income	150	10
Interest expense	( 36 )	( 342 )
Total other expense, net	( 1,586 )	( 224 )
<b>Net loss</b>	<b>( 11,827 )</b>	<b>( 8,029 )</b>
<b>Other comprehensive loss:</b>		
Foreign currency translation adjustment	( 73 )	—
<b>Comprehensive loss</b>	<b>\$ ( 11,900 )</b>	<b>\$ ( 8,029 )</b>
Net loss per common share, basic and diluted	\$ ( 1.15 )	\$ ( 24.77 )
Weighted average common shares and pre-funded warrants outstanding, basic and diluted	10,273,925	324,106

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

**ELICIO THERAPEUTICS, INC.**  
**Condensed Consolidated Statements of Convertible Preferred Stock and Stockholders' Equity (Deficit)**  
(in thousands, except share amounts)  
(unaudited)

	Convertible Preferred Stock		Common Stock		Treasury Stock		Additional	Accumulated Other	Accumulated	Total
	Shares	Amount	Shares	Par Value	Shares	Amount	Paid-in Capital	Comprehensive Loss	Deficit	Stockholders' Equity
<b>Balance as of December 31, 2023</b>	—	\$ —	9,603,723	\$ 96	( 14,455 )	\$ ( 150 )	\$ 153,827	\$ ( 197 )	\$ ( 142,203 )	\$ 11,373
Issuance of common stock from At-the-Market offering, net of issuance costs of \$ 0.1 million	—	—	615,363	6	—	—	5,056	—	—	5,062
Issuance of common stock upon net settlement of restricted stock units	—	—	903	—	—	—	11	—	—	11
Stock-based compensation	—	—	—	—	—	—	324	—	—	324
Foreign currency translation adjustment	—	—	—	—	—	—	—	( 73 )	—	( 73 )
Net loss	—	—	—	—	—	—	—	—	( 11,827 )	( 11,827 )
<b>Balance as of March 31, 2024</b>	—	\$ —	10,219,989	\$ 102	( 14,455 )	\$ ( 150 )	\$ 159,218	\$ ( 270 )	\$ ( 154,030 )	\$ 4,870

	Convertible Preferred Stock		Common Stock		Treasury Stock		Additional	Accumulated Other	Accumulated	Total
	Shares	Amount	Shares	Par Value	Shares	Amount	Paid-in Capital	Comprehensive Loss	Deficit	Stockholders' (Deficit)
<b>Balance as of December 31, 2022<sup>(1)</sup></b>	4,997,920	\$ 111,060	320,281	\$ 3	—	\$ —	\$ 4,860	\$ —	\$ ( 107,008 )	\$ ( 102,145 )
Exercise of stock options	—	—	4,699	—	—	—	40	—	—	40
Issuance of common stock upon net settlement of restricted stock units	—	—	2,601	—	—	—	34	—	—	34
Stock-based compensation	—	—	—	—	—	—	224	—	—	224
Net loss	—	—	—	—	—	—	—	—	( 8,029 )	( 8,029 )
<b>Balance as of March 31, 2023</b>	<u>4,997,920</u>	<u>\$ 111,060</u>	<u>327,581</u>	<u>\$ 3</u>	<u>—</u>	<u>\$ —</u>	<u>\$ 5,158</u>	<u>\$ —</u>	<u>\$ ( 115,037 )</u>	<u>\$ ( 109,876 )</u>

(1) Retroactively restated for the reverse recapitalization as described in Note 3.

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

**ELICIO THERAPEUTICS, INC.**  
**Condensed Consolidated Statements of Cash Flows**  
(in thousands)  
(unaudited)

	Three Months Ended March 31,	
	2024	2023
<b>Cash flows from operating activities</b>		
Net loss	\$ ( 11,827 )	\$ ( 8,029 )
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	82	110
Amortization of right-of-use assets, operating leases	208	—
Non-cash interest expense	—	342
Change in fair value of embedded derivative	—	( 108 )
Change in fair value of warrant liability	1,278	—
Stock-based compensation expense	324	224
Loss on issuance of warrants	578	—
Gain on sale of property and equipment	( 3 )	—
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	1,085	( 1,215 )
Other long-term prepaid assets	160	197
Accounts payable	( 3,264 )	1,385
Accrued expenses and other current liabilities	( 432 )	( 375 )
Deferred research obligation	( 67 )	( 507 )
Operating lease liabilities	( 244 )	( 163 )
Net cash used in operating activities	( 12,122 )	( 8,139 )
<b>Cash flows from investing activities</b>		
Purchases of property and equipment	—	( 17 )
Proceeds from sale of property and equipment	3	—
Net cash provided by (used in) investing activities	3	( 17 )
<b>Cash flows from financing activities</b>		
Proceeds from issuance of promissory notes payable	—	10,000
Proceeds from issuance of common stock warrants	5,962	—
Proceeds from issuance of common stock	5,062	—
Exercise of stock options	—	40
Net cash provided by financing activities	11,024	10,040
Net (decrease) increase in cash and cash equivalents	( 1,095 )	1,884
Cash, cash equivalents and restricted cash at the beginning of the period	14,301	8,414
<b>Cash, cash equivalents and restricted cash at the end of the period</b>	<b>\$ 13,206</b>	<b>\$ 10,298</b>
<b>Components of cash, cash equivalents, and restricted cash</b>		
Cash and cash equivalents	\$ 11,853	\$ 8,572
Restricted cash	1,353	1,726
<b>Total cash, cash equivalents and restricted cash</b>	<b>\$ 13,206</b>	<b>\$ 10,298</b>
<b>Supplemental disclosure of noncash investing and financing activities:</b>		
Fair value at issuance of March Pre-Funded Warrants	\$ 6,579	\$ —
Accretion of promissory note discount from embedded derivative	\$ —	\$ 57
Accretion of promissory note to face value	\$ —	\$ 274
Non-cash vesting of restricted common stock	\$ 11	\$ 34
Interest expense from convertible notes payable	\$ —	\$ 14
Accretion of convertible notes discount from issuance costs	\$ —	\$ 173

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements**

**Note 1— Description of the Business and Financial Condition**

Elicio Therapeutics, Inc. ("Elicio" or the "Company") was incorporated in Delaware as Vedantra Pharmaceuticals Inc., in August 2011. Elicio is a clinical-stage biotechnology company pioneering the development of immunotherapies for patients with limited treatment options and poor outcomes suffering from cancer and infectious disease. In December 2018, Elicio formed a wholly-owned subsidiary, Elicio Securities Corporation ("ESC"), a Massachusetts corporation. ESC is an investment company. Elicio and ESC are collectively referred to as "Elicio" throughout these condensed consolidated financial statements.

**Reverse Merger Transaction**

On January 17, 2023, the Company entered into a definitive merger agreement (the "Merger Agreement") with Angion Biomedica Corp. ("Angion"), a clinical-stage biotechnology company, Arkham Merger Sub, Inc., a wholly owned subsidiary of Angion ("Merger Sub"), and Elicio Operating Company, Inc. ("Former Elicio"), pursuant to which Merger Sub merged with and into Former Elicio, with Former Elicio surviving the merger as a wholly owned subsidiary of Angion (the "Merger").

On June 1, 2023, the Company completed the Merger in accordance with the terms and conditions of the Merger Agreement and Angion changed its name from "Angion Biomedica Corp." to "Elicio Therapeutics, Inc." Immediately following the consummation of the Merger, there were approximately 9.7 million shares of the Company's common stock outstanding on a fully-diluted basis, with Former Elicio equity holders collectively owning approximately 65.2 % of the Company and Angion equity holders collectively owning approximately 34.8 % of the Company, in each case on a fully diluted basis.

The Merger was accounted for as a reverse recapitalization, with Former Elicio being treated as the acquirer for accounting purposes. See discussions of the transactions in connection with the Merger at Note 3 - Merger and Related Transactions.

**Liquidity and Going Concern**

The Company has experienced net losses and negative cash flows from operating activities since inception. As of March 31, 2024, the Company had an accumulated deficit of \$ 154.0 million. The Company expects that its operating losses and negative operating cash flows will continue for the foreseeable future as the Company continues to develop its product candidates.

As of March 31, 2024, the Company had \$ 11.9 million in cash and cash equivalents. The Company's losses from operations, negative operating cash flows and accumulated deficit, as well as the additional capital needed to fund operations for at least twelve months following the issuance of the condensed consolidated financial statements, raise substantial doubt about the Company's ability to continue as a going concern. The Company expects to incur substantial expenditures in the foreseeable future for the development of its product candidates and will require additional financing to continue this development. The Company plans to address this condition through the sale of Company common stock in public offerings and/or private placements, debt financings, or through other capital sources, including licensing arrangements, partnerships and collaborations with other companies or other strategic transactions, but there is no assurance these plans will be completed successfully or at all. If the Company is unable to obtain additional capital when and as needed to continue as a going concern, it might have to further reduce or scale back its operations and/or liquidate its assets, and the values it receives for its assets in liquidation or dissolution could be significantly lower than the values reflected in its financial statements.

The accompanying condensed consolidated financial statements have been prepared on a basis that assumes that the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

**Note 2— Summary of Significant Accounting Policies****Basis of Presentation**

The Company's condensed consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") and applicable rules and regulations of the Securities and Exchange Commission ("SEC") for interim financial reporting, consistent in all

**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

material respects with those applied in the Company's audited financial statements and accompanying notes for the years ended December 31, 2023 and 2022 included in the Company's Annual Report on Form 10-K filed March 29, 2024 (the "Form 10-K"). Any reference in these notes to applicable guidance is meant to refer to the authoritative accounting principles generally accepted in the United States as found in the Accounting Standard Codification ("ASC") and Accounting Standards Updates ("ASU") of the Financial Accounting Standards Board ("FASB"). This report should be read in conjunction with the audited consolidated financial statements in the Form 10-K.

The condensed consolidated financial statements include the accounts of the Company, its wholly owned subsidiary, Elicio Australia Pty Ltd. ("Elicio Pty"), which was established in August 2019, and its wholly owned subsidiary, ESC, which was established in Massachusetts in December 2018. The Company established Elicio Pty, an Australian subsidiary, for the purpose of qualifying for research credits for studies conducted in Australia and ESC is an investment company. All significant intercompany balances and transactions have been eliminated in consolidation.

The Company's significant accounting policies are described in Note 2 to its consolidated financial statements for the year ended December 31, 2023, included in the Form 10-K. There have been no material changes to the Company's significant accounting policies during the three months ended March 31, 2024.

Since Former Elicio was determined to be the accounting acquirer in connection with the Merger, for periods prior to the Merger, the condensed consolidated financial statements were prepared on a stand-alone basis for Former Elicio and did not include the combined entities activity or financial position. Subsequent to the Merger, the condensed consolidated financial statements include the acquired business and assets and liabilities at their acquisition date fair value. Historical share and per share figures of Former Elicio have been retroactively restated to reflect the impact of the reverse stock split of Angion's common stock, par value \$ 0.01 per share ("Angion common stock"), at a ratio of 10:1 (the "Reverse Stock Split") completed in connection with and prior to the closing of the Merger, based on the exchange ratio of 0.0181 (the "Exchange Ratio").

***Financial Statement Reclassification***

Certain account balances from prior periods have been reclassified in these condensed consolidated financial statements to conform to current period classifications. The warrant liability was reclassified from current to noncurrent liabilities. These reclassifications had no effect on the reported results of operations or financial position.

***Segments***

Operating segments are identified as components of an enterprise about which separate discrete financial information is available for evaluation by the chief operating decision-maker ("CODM") in making decisions regarding resource allocation and assessing performance. The Company views its operations and manages its business as one operating segment. The Company has determined that the chief executive officer is the CODM.

***Use of Estimates***

The Company's management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could materially differ from those estimates. Significant estimates reflected in these condensed consolidated financial statements include but are not limited to, the accrual of research and development expenses, the valuation of stock-based awards, the operating right of use assets and operating lease liability, and forecasts utilized in management's going concern assessment.

***Foreign Currency Translation and Transactions***

The Australian Dollar ("AUD") is the functional currency for Elicio Pty. Accordingly, nonmonetary assets and liabilities originally acquired or assumed in other currencies are recorded in AUD at the date they were acquired or assumed. As part of the consolidation process, the Elicio Pty results are translated from AUD into the reporting currency of USD using average rates for profit and loss transactions and applicable spot rates for period-end balances. The effect of translating our functional currency into our reporting currency is reported separately in Accumulated Other Comprehensive Income (Loss).

***Concentrations of Credit Risk and Off-Balance Sheet Risk***

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of cash, cash equivalents, and restricted cash. At times, cash balances deposited at major financial banking institutions exceed the federally insured limit. The Company regularly monitors the financial condition of the institutions in which it has depository accounts and believes the risk of loss is minimal. The Company has not experienced any losses in such accounts.

**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

**Cash and Cash Equivalents**

Cash and cash equivalents are comprised of deposits at major financial banking institutions and highly liquid investments with an original maturity of three months or less at the date of purchase. As of March 31, 2024 and December 31, 2023, the Company's cash equivalents were held in institutions in the United States and include deposits in a money market fund which were unrestricted as to withdrawal or use.

**Restricted Cash**

Restricted cash consists of cash securing a collateral letter of credit issued in connection with the Company's facility operating lease and a research grant. See Notes 6 and 11 for further discussion.

**Fair Value Measurement**

The Company follows the guidance prescribed by ASC Topic 820, *Fair Value Measurements*, which establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The standard provides a consistent definition of fair value that focuses on an exit price which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The standard establishes a three-level hierarchy for fair value measurements based on the nature of inputs used in the valuation of an asset or liability as of the measurement date.

Level 1: Observable inputs such as unadjusted quoted prices in active markets for identical assets or liabilities at measurement.

Level 2: Inputs (other than quoted prices included in Level 1) that are either directly or indirectly observable for the asset or liability. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for instruments categorized in Level 3. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The carrying amounts of financial instruments reflected in the condensed consolidated balance sheets for cash and cash equivalents, current and non-current restricted cash, accounts payable, and accrued expenses approximate their respective fair values because of the short-term maturity of those financial instruments.

**Property and Equipment**

Property and equipment are recorded at cost and depreciated using the straight-line method over the estimated useful life of the asset. Upon sale or retirement, the cost and accumulated depreciation are eliminated from their respective accounts, and the resulting gain or loss is recorded in the consolidated statement of operations and comprehensive loss. Repair and maintenance expenditures are expensed as incurred. Construction in process is not depreciated until the asset is placed into service.

<b>Asset Class</b>	<b>Estimated Useful Lives</b>
Equipment	5 years
Furniture and fixtures	3 years
Leasehold improvements	Shorter of useful life or lease term

**Impairment of Long-Lived Assets**

The Company evaluates its long-lived assets, which consist primarily of property and equipment, and right of use asset, for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the



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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 by the amount by which the carrying amount of the asset exceeds the fair value of the asset. During the three months ended March 31, 2024 and 2023, no impairments have occurred.

**Derivative Financial Instruments**

The promissory notes included embedded derivatives requiring bifurcation in accordance with ASC 815, *Derivatives and Hedging*. The valuation of the instruments was determined using widely accepted valuation techniques including the probability weighted expected return model. The fair value was determined using a model with the assumptions for equity value proceeds, probability of occurrence of various liquidation scenarios, timeline to liquidity and risk-free interest rate. The fair value of the derivative instruments was measured at each reporting period prior to settlement on June 1, 2023, with changes in fair value reported in earnings (loss).

**Income Taxes**

The Company accounts for income taxes in accordance with ASC Topic 740, *Income Taxes*. Deferred tax assets and liabilities are determined based on the difference between the financial reporting and tax bases of assets and liabilities using enacted tax rates and laws in effect in the years in which the differences are expected to reverse. A valuation allowance is provided if, based upon the weighted available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

The Company is required to recognize the financial statement effects of a tax position when it is more likely than not, based on the technical merits, the position will be sustained upon examination. As of March 31, 2024, there were no accruals for interest or penalties related to uncertain tax provisions.

**Research and Development**

Research and development costs are charged to expense as incurred and consist of expenses incurred in performing research and development activities, including salaries and benefits, materials and supplies, preclinical expenses, stock-based compensation expense, depreciation of equipment, contract services, and other outside expenses. The Company accrues for costs incurred by external service providers, based on estimates of services performed and costs. The Company expenses all research and development costs in the periods in which they are incurred. Costs for certain research and development activities are recognized based on an evaluation of the progress to completion of specific tasks using information and data provided to us by our vendors and service providers. Based on the timing of payments to service providers, the Company may also record prepaid expenses for those service providers that will be recognized as expenses in future periods as the related services are rendered. Research and development costs may be offset by research grants and research and development refundable tax rebates received by Elicio Pty.

**Leases**

ASC Topic 842, Leases, ("ASC 842"), requires a lessee to recognize a right-of-use ("ROU") asset and corresponding lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the condensed consolidated statements of operations and comprehensive loss as well as the reduction of the ROU asset.

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease based on specific facts and circumstances, the existence of an identified asset(s), if any, and the Company's control over the use of the identified asset(s), if applicable. Operating lease liabilities and their corresponding ROU assets are recorded based on the present value of future lease payments over the expected lease term. The interest rate implicit in lease contracts is typically not readily determinable. As such, the Company will utilize the incremental borrowing rate, which is the rate incurred to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment.

The Company has elected to combine lease and non-lease components as a single component. Operating leases are recognized on the condensed consolidated balance sheet as ROU lease assets, current lease liabilities and non-current lease liabilities. Fixed rents are included in the calculation of the lease balances, while variable costs paid for certain operating and pass-through costs are excluded. Lease expense is recognized over the expected term on a straight-line basis.

**Research Grant**

The Company analogizes to the guidance provided by International Accounting Standards 20, Accounting for Government Grants and Disclosure of Government Assistance ("IAS 20") for funds received from grants from

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**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

entities that are not customers nor government agencies. The Company recognizes the amount of grant income based on the activity in allowable expenses covered under the grant and has elected to recognize the funds earned as an offset to the related research expenses recorded in operations. Advances from the grant that have yet to be recognized are recorded as restricted cash if the grant requires the funds to be isolated from general cash and cash equivalents. The Company records a liability for any research activity that is required under the grant but has not yet been performed. The liability is recorded as a deferred research obligation on the condensed consolidated balance sheets.

**Stock-Based Compensation**

The Company issues stock-based awards to employees and non-employees, generally in the form of stock options. The Company accounts for stock-based awards in accordance with ASC 718, *Compensation—Stock Compensation*, which requires all stock-based payments to be recognized in the condensed consolidated statements of operations and comprehensive loss based on their fair values. The expense is recognized on a straight-line basis over the requisite service period, which is generally the vesting period. The Company has elected to account for option forfeitures as they occur.

The Company uses the Black-Scholes option-pricing model ("Black-Scholes") to determine the fair value of options granted, which uses as inputs the fair value of the Company common stock, assumptions the Company makes for the volatility of its Company common stock, the expected term of its stock options, the risk-free interest rate for a period that approximates the expected term of its stock options and its expected dividend yield.

Compensation cost of awards that contain a performance condition are recognized when success is considered probable during the performance period.

Prior to the Merger, there was no public market for Former Elicio's common stock. The estimated fair value of the Company's common stock underlying Former Elicio's stock-based awards was determined by Former Elicio's board of directors as of the grant date of each option grant. To determine the fair value of Former Elicio's common stock underlying option grants, Former Elicio's board of directors considered, among other things, input from management and valuations of Former Elicio's common stock prepared by third-party valuation firms performed in accordance with the guidance outlined in the American Institute of Certified Public Accountants' Accounting and Valuation Guide, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation*. Following the Merger, the fair value of the Company's common stock is based on the closing stock price on the date of grant as reported on the Nasdaq Global Select Market.

**Net Loss Per Share**

Basic net loss per share of Company common stock is computed by dividing net loss attributable to Company common stockholders by the weighted average number of shares of Company common stock and pre-funded warrants outstanding for the period. Pre-funded warrants are considered outstanding for the purposes of computing basic and diluted net loss per share because shares may be issued for little or no additional consideration and are fully vested and exercisable after the original issuance date of the pre-funded warrants. Diluted net loss per share excludes the potential impact of Company common stock options, warrants and unvested shares of restricted stock because their effect would be anti-dilutive due to the Company's net loss. Since the Company had net losses for the three months ended March 31, 2024 and 2023, basic and diluted net loss per common share are the same.

**Comprehensive Loss**

Comprehensive loss is defined as a change in equity during a period from foreign exchange transactions and other events and circumstances from non-owner sources.

**Recently Issued Accounting Standards Not Yet Adopted**

From time to time, new accounting pronouncements are issued by the FASB or other standard setting bodies and adopted by the Company as of the specified effective date. Except as noted below, the Company believes that the impact of recently issued standards that are not yet effective will not have a material impact on its consolidated financial statements and disclosures.

In November 2023, the FASB issued ASU No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. This ASU broadens the disclosure requirements by requiring disclosures of significant segment expenses that are regularly provided to the CODM and included within each reported measure of segment profit or loss. The standard also requires entities to disclose, on an interim and annual basis, the amount and description, including the nature and type, of the other segment items. Additionally, entities are required to disclose the title and position of the individual identified as the CODM and an explanation of how the CODM uses the reported measures of a segment's profit or loss in assessing segment performance and deciding how to allocate resources. These enhanced disclosure obligations apply to entities that operate with one reportable segment as

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well. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024 on a retrospective basis. Early adoption is permitted. The Company is currently assessing the impact that this new accounting standard will have on its consolidated financial statements and disclosures.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This ASU requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as additional information on income taxes paid. The standard requires entities to disclose federal, state, and foreign income taxes in their rate reconciliation tables and elaborate on reconciling items that exceed a quantitative threshold. Additionally, it requires an annual disclosure of income taxes paid, net of refunds, categorized by jurisdiction based on a quantitative threshold. The ASU is effective on a prospective basis for annual periods beginning after December 15, 2024. Early adoption is permitted. This ASU will result in the required additional disclosures being included in the Company's consolidated financial statements, once adopted.

**Note 3— Merger and Related Transactions**

As described in Note 1, Former Elicio merged with a wholly owned subsidiary of Angion on June 1, 2023. The Merger was accounted for as a reverse recapitalization under U.S. GAAP. Former Elicio was considered the accounting acquirer for financial reporting purposes. This determination was based on the facts that, immediately following the Merger: (i) Former Elicio stockholders own a substantial majority of the voting rights; (ii) Former Elicio designated a majority ( six of nine ) of the initial members of the board of directors of the combined company; (iii) Former Elicio's executive management team became the management team of the combined company; and (iv) the Company was named Elicio Therapeutics, Inc. and is headquartered in Boston, Massachusetts. Accordingly, for accounting purposes, the Merger was treated as the equivalent of Former Elicio issuing stock to acquire the net assets of Angion. As a result of the Merger, the net assets of Angion were recorded at their acquisition-date fair value, which approximated book value due to the short-term nature of the instruments, in the financial statements of Former Elicio and the reported operating results prior to the Merger were those of Former Elicio. Historical common share amounts of Former Elicio have been retroactively restated based on the Exchange Ratio. It was concluded that any in-process research and development assets that remained as of the Merger would be *de minimis* when compared to the cash and investments obtained through the Merger.

Prior to the effective time of the Merger, on June 1, 2023, in connection with the transactions contemplated by the Merger Agreement, the Company effected the Reverse Stock Split. At the effective time of the Merger, each outstanding share of Former Elicio capital stock (after giving effect to the automatic conversion of all shares of Former Elicio preferred stock into shares of Former Elicio common stock and excluding any shares held as treasury stock by Former Elicio or held or owned by Angion or any subsidiary of Angion or Former Elicio and any dissenting shares) was converted into the right to receive 0.0181 shares of Angion common stock, which resulted in the issuance by Angion of an aggregate of 5,375,751 shares of Angion common stock to the stockholders of Former Elicio (the "Exchange Shares"), and a total of 8,387,025 shares of the Company common stock being issued and outstanding immediately following the effective time of the Merger. In addition, Angion assumed the Former Elicio 2022 Equity Incentive Plan and the Former Elicio 2012 Equity Incentive Plan (the "Former Elicio Plans") and each outstanding and unexercised option to purchase Former Elicio common stock and each outstanding and unexercised warrant to purchase Former Elicio capital stock were adjusted with such stock options and warrants henceforth representing the right to purchase a number of shares of the Company's common stock equal to the Exchange Ratio multiplied by the number of shares of Former Elicio common stock previously represented by such options and warrants, at an exercise price equal to the exercise price of Former Elicio capital stock divided by the Exchange Ratio.

In connection with the execution of the Merger Agreement, Angion made a bridge loan to Former Elicio pursuant to a note purchase agreement and promissory notes up to an aggregate principal amount of \$ 12.5 million, issued with a 20 % original issue discount, with an initial closing held substantially concurrently with the execution of the Merger Agreement for a principal amount of \$ 6.25 million in exchange for cash of \$ 5.0 million and an additional closing for a principal amount of \$ 6.25 million in exchange for cash of \$ 5.0 million upon delivery by Former Elicio to Angion of Former Elicio's audited financial statements for the year ended December 31, 2022.

**Note 4— Fair Value Measurements**

The following tables present the Company's financial assets and liabilities measured at fair value on a recurring basis and their assigned levels within the fair value hierarchy (in thousands):

**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

March 31, 2024				
	Level 1	Level 2	Level 3	Total
Money market funds <sup>(1)</sup>	\$ 6,363	\$ —	\$ —	\$ 6,363
<b>Total assets</b>	<b>\$ 6,363</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 6,363</b>
Warrant liabilities	\$ —	\$ 7,849	\$ 19	\$ 7,868
<b>Total liabilities</b>	<b>\$ —</b>	<b>\$ 7,849</b>	<b>\$ 19</b>	<b>\$ 7,868</b>

  

December 31, 2023				
	Level 1	Level 2	Level 3	Total
Money market funds <sup>(1)</sup>	\$ 5,973	\$ —	\$ —	\$ 5,973
<b>Total assets</b>	<b>\$ 5,973</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 5,973</b>
Warrant liabilities	\$ —	\$ —	\$ 11	\$ 11
<b>Total liabilities</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 11</b>	<b>\$ 11</b>

(1) Included in cash, cash equivalents, and restricted cash on the condensed consolidated balance sheets. This balance includes cash requirements settled on a nightly basis.

Cash equivalents at March 31, 2024 and December 31, 2023 were held in U.S. Treasury securities.

There were no transfers made among the three levels in the fair value hierarchy during periods presented.

As part of the Merger transaction, Former Elicio assumed Angion's warrant liabilities. In March 2024, the Company entered into a subscription agreement (the "March Subscription Agreement") with GKCC, LLC (the "Purchaser"), an entity controlled by a director of the Company, providing for the issuance and sale by the Company to the Purchaser of pre-funded warrants (the "Pre-Funded Warrants") to purchase up to 1,032,702 shares of the Company's common stock, at a purchase price per Pre-Funded Warrant of \$ 5.81 (the "March Offering"). Consequently, the Company initially identified these warrants as liabilities and measured them at fair value on March 18, 2024, and subsequently remeasured the fair value of these warrant liabilities on March 31, 2024. The fair value of the assumed Angion warrants was classified as Level 3 with key Level 3 inputs of exercise price, term, and volatility. The following table presents a summary of changes in Level 3 in the fair value of the Company's common stock warrant liability (in thousands):

	March 31, 2024	March 31, 2023
Balance, beginning of the period	\$ 11	\$ —
Change in fair value	8	—
<b>Balance, end of the period</b>	<b>\$ 19</b>	<b>\$ —</b>

Both observable and unobservable inputs were used to determine the fair value of positions that the Company has classified within the Level 3 category. Unrealized gains and losses associated with assets and liabilities within the Level 3 category include changes in fair value that were attributable to both observable (e.g., changes in market interest rates) and unobservable (e.g., changes in unobservable long-dated volatilities) inputs.

The fair value of the Angion warrants issued by the Company has been estimated using Black-Scholes option pricing model. The underlying equity included in Black-Scholes was valued based on the equity value implied from sales of preferred and common stock at each measurement date, as applicable. The fair value of the warrants was impacted by the model selected as well as assumptions surrounding unobservable inputs including the underlying equity value, expected volatility of the underlying equity, risk free interest rate, and the expected term.

The Company records the change in the fair value of common stock warrants in change in fair value of warrant liability in the condensed consolidated statements of operations and comprehensive loss.

**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

The fair value of the common stock warrant liability, excluding the Pre-Funded Warrants, was estimated using the following assumptions:

	March 31, 2024	December 31, 2023
Weighted average strike price	\$ 76.00	\$ 76.00
Contractual term (years)	4.4	4.7
Volatility (annual)	138.0 %	94.0 %
Risk-free rate	4.2 %	3.9 %
Dividend yield (per share)	0.0 %	0.0 %

**Note 5— Balance Sheet Components**

**Prepaid and Other Current Assets**

Prepaid and other current assets consisted of the following (in thousands):

	March 31, 2024	December 31, 2023
Prepaid research and development contract services	\$ 1,045	\$ 1,883
Advanced professional fees	276	300
Prepaid insurance	178	376
Other prepaid expenses and other current assets	113	173
Total prepaid and other current assets	<u>\$ 1,612</u>	<u>\$ 2,732</u>

**Property and Equipment, Net**

Property and equipment, net was comprised of the following (in thousands):

	March 31, 2024	December 31, 2023
Equipment	\$ 1,574	\$ 1,574
Furniture and fixtures	242	242
Leasehold improvements	132	132
Total property and equipment	1,948	1,948
Less: accumulated depreciation	( 1,313 )	( 1,231 )
Property and equipment, net	<u>\$ 635</u>	<u>\$ 717</u>

Depreciation expense was \$ 0.1 million for each of the three months ended March 31, 2024 and 2023.

**Other long-term prepaid assets**

Other long-term prepaid assets consisted of the advance payments for clinical trial services, totaling \$ 2.7 million and \$ 2.8 million as of March 31, 2024 and December 31, 2023, respectively.

**Accrued Expenses**

Accrued expenses consisted of the following (in thousands):

	March 31, 2024	December 31, 2023
Accrued professional fees	\$ 966	\$ 945
Accrued compensation and benefits	726	1,849
Accrued research and development	1,611	912
Other accrued expenses	21	51
Total accrued expenses	<u>\$ 3,324</u>	<u>\$ 3,757</u>

**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

**Note 6 — Research Grant**

In September 2022, Former Elicio entered into a grant agreement with the Gastro-Intestinal (“GI”) Research Foundation, a not-for-profit organization focused on supporting research to treat, cure, and prevent digestive diseases. Of the \$ 2.8 million award, \$ 2.3 million was received in September 2022 and the remaining \$ 0.5 million was received in June 2023 with the completion of the development efforts as defined in the agreement. The final \$ 0.5 million payment was applied as a credit to the second grant agreement described below. For the three months ended March 31, 2023, the Company incurred \$ 0.5 million in research and development expenses related to this project.

In September 2023, the Company entered into a second grant agreement with the GI Research Foundation for \$ 3.1 million, with such amount received net of the \$ 0.5 million credit. The grant funds available as of March 31, 2024 were \$ 0.7 million, which are reflected in restricted cash in the accompanying consolidated balance sheets. The deferred research obligation as of March 31, 2024 was \$ 0.6 million which was reflected in the deferred research obligation in the accompanying consolidated balance sheets. For the three months ended March 31, 2024, the Company incurred \$ 1.4 million in research and development expenses related to this project, of which \$ 0.1 million was reimbursed from the available grant funds.

The award money for both agreements was earned and recognized as a contra research and development expense as the expenses were incurred.

**Note 7— Convertible Preferred Stock, Common Stock and Stockholders' Equity****Authorized Shares**

The Company's current Amended and Restated Certificate of Incorporation, as amended, authorizes 300,000,000 shares of common stock, par value \$ 0.01 per share, and 10,000,000 shares of preferred stock, par value \$ 0.01 per share.

**Convertible Preferred Stock of Former Elicio**

Former Elicio's convertible preferred stock consisted of Series A preferred stock (“Series A Preferred Shares”), Series B preferred stock (“Series B Preferred Shares”) and Series C preferred stock (“Series C Preferred Shares”).

**Conversion of Convertible Preferred Stock**

On June 1, 2023, Former Elicio completed the Merger with Angion in accordance with the Merger Agreement. Under the terms of the Merger Agreement, immediately prior to the effective time of the Merger, each share of Former Elicio's convertible preferred stock was converted into a share of Former Elicio's common stock. At the closing of the Merger, the Company issued an aggregate of 5,375,751 shares of its common stock to Former Elicio stockholders, based on the Exchange Ratio. No shares of convertible preferred stock were issued during the three months ended March 31, 2024 and 2023.

As a result of the Merger, the aggregate amount of 276,128,177 shares of Former Elicio preferred stock (retroactively restated for the reverse recapitalization as described in Note 3) were converted into 4,997,920 shares of Former Elicio's common stock to be exchanged for the same number of shares of the Company's common stock.

**At-The-Market Equity Program**

In May 2022, the Company filed a registration statement on Form S-3 (the “Registration Statement”) with the SEC that registered the offering, issuance, and sale of an amount of common stock, preferred stock, debt securities, and warrants to purchase common stock, preferred stock and/or debt securities, not to exceed an aggregate initial offering price of \$ 100 million. Simultaneously, the Company entered into an At-the-Market Equity Offering Sales Agreement with Stifel, Nicolaus & Company, Incorporated and Virtu Americas LLC, as sales agents, pursuant to which the Company may offer, issue or sell shares of its common stock having an aggregate offering price of up to \$ 21 million from time to time in “at-the-market” offerings under the Registration Statement and related prospectus filed with the Registration Statement (the “ATM Program”). During the three months ended March 31, 2024, the Company issued and sold a total of 615,363 shares of common stock under the ATM Program for aggregate net sale proceeds of approximately \$ 5.1 million after deducting sales commissions. No sales were made under the ATM Program during the three months ended March 31, 2023.

**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

**Private Placement**

In March 2024, the Company entered into the March Subscription Agreement with the Purchaser for purposes of the March Offering. Each Pre-Funded Warrant issued and sold in the March Offering is exercisable at an exercise price equal to \$ 0.01 per share, subject to certain adjustments and limitations as provided under the terms of the Pre-Funded Warrants. The Pre-Funded Warrants were classified as a liability at issuance due to the need for the Company to obtain stockholder approval to settle the instruments in shares in an amount exceeding the 19.99 % beneficial ownership blocker. See Note 15 - Related Party Transactions for a discussion of the March Offering.

**Note 8— Stock-Based Compensation****2012 Plan and 2022 Plan**

Pursuant to the Merger Agreement, the Company assumed the Former Elicio Plans and all stock options issued and outstanding under the Former Elicio Plans. Each outstanding and unexercised option to purchase Former Elicio common stock was adjusted with such Company stock options henceforth representing the right to purchase a number of shares of the Company's common stock based on the Exchange Ratio. Any restriction on the exercise of any Former Elicio stock options assumed by the Company continued in full force and effect and the term, exercisability, vesting schedule, accelerated vesting provisions, and any other provisions of such Former Elicio stock options otherwise remained unchanged; provided, however, that the Compensation Committee of the Company's board of directors assumed the responsibility and the authority of Former Elicio's board of directors or any committee thereof with respect to each Former Elicio stock option assumed by the Company.

**2015 Plan**

In June 2019, Angion approved an Amended and Restated 2015 Equity Incentive Plan (the "2015 Plan") permitting the granting of incentive stock options, non-statutory stock options, restricted stock and other stock-based awards. Following the effectiveness of the 2021 Incentive Award Plan ("2021 Plan"), Angion ceased making grants under the 2015 Plan. However, the 2015 Plan continues to govern the terms and conditions of the outstanding awards granted under it. Shares of common stock subject to awards granted under the 2015 Plan that cease to be subject to such awards by forfeiture or otherwise after the termination of the 2015 Plan will be available for issuance under the 2021 Plan.

**2021 Plan and Amendment to 2021 Plan**

In January 2021, Angion's board of directors approved the 2021 Plan which permits the granting of incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock, restricted stock units and other stock-based awards to employees, directors, officers and consultants. The 2021 Plan provides that the number of shares reserved and available for issuance will automatically increase each January 1st by the lesser of 5 % of the Company's common stock outstanding on the immediately preceding December 31st, or such lesser number of shares as determined by the Company's board of directors. In March 2023, Angion's board of directors approved an amendment to the 2021 Plan to increase the cumulative number of shares of common stock reserved for issuance thereunder by 30,113 shares.

As of March 31, 2024, 561,501 shares and 170,771 shares remain available for future grants under the 2021 Plan and Former Elicio 2022 Equity Incentive Plan, respectively.

**2024 Inducement Incentive Award Plan**

In February 2024, the Company's board of directors approved the Company's 2024 Inducement Incentive Award Plan (the "2024 Inducement Plan") which permits the granting of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock, restricted stock units, and other stock-based awards to employees as an inducement pursuant to Listing Rule 5635(c)(4) of the corporate governance rules of the Nasdaq Stock Market. The 2024 Inducement Plan provides for an overall share limit of 500,000 shares of the Company's common stock. As of March 31, 2024, 351,536 shares remain available for future grants under the 2024 Inducement Plan.

**Stock Options**

**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

The following table summarizes information and activity related to the Company's stock options:

	Number of Stock Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Total Intrinsic Value (in thousands)
Outstanding as of December 31, 2023	1,305,924	\$ 21.27	7.43	\$ 2,511
Options granted	462,334	4.50		
Options exercised	—	0.00		
Forfeited (unvested)	( 80,836 )	15.43		
Outstanding as of March 31, 2024	1,687,422	\$ 16.96	6.88	\$ 3,473
Options vested and exercisable	687,204	\$ 33.50	5.33	\$ 895

The aggregate intrinsic value in the above table is calculated as the difference between the estimated fair value of the Company's common stock price and the exercise price of the stock options. 462,334 stock options were granted during the three months ended March 31, 2024. The weighted average grant date fair value per share for the stock option grants during the three months ended March 31, 2024 was \$ 4.50 . As of March 31, 2024, the total unrecognized compensation expense related to unvested stock option awards granted was \$ 3.5 million, which the Company expects to recognize over a weighted-average period of approximately 2.94 years.

**Stock-based Compensation Expense**

The following table summarizes total stock-based compensation expense recorded in the condensed consolidated statements of operations (in thousands):

	Three Months Ended March 31,	
	2024	2023
Research and development	\$ 136	\$ 184
General and administrative	188	40
Total	\$ 324	\$ 224

The fair value of each option is estimated on the date of grant using Black-Scholes with the assumptions noted in the table below. The fair value of an award with only a service condition is amortized as compensation expense on a straight-line basis over the requisite service period of the awards, which is generally the vesting period. Compensation cost of awards that contain a performance condition are recognized when success is considered probable during the performance period. The Company has elected to account for forfeitures as they occur, rather than estimating the number of awards that are expected to vest. The risk-free interest rate is estimated using the weighted average rate of return on U.S. Treasury notes with a life that approximates the expected life of the option. The expected term of options granted to employees was calculated using the simplified method, which represents the average of the contractual term of the option and the weighted-average vesting period of the option. The Company uses the simplified method because it does not have sufficient historical option exercise data to provide a reasonable basis upon which to estimate expected term. The contractual life of the option was used for the expected life of options granted to non-employees. Expected volatility is based on the weighted average of the historical volatility of a peer group of publicly traded companies, using the daily closing prices during the equivalent period of the calculated expected term of stock-based awards. The Company will continue to apply this process until a sufficient amount of historical information regarding the volatility of the Company's stock price becomes available, or until circumstances change, such that the identified entities are no longer comparable companies. The assumed dividend yield is based upon the Company's expectation of not paying dividends in the foreseeable future.

The fair value of each employee and non-employee stock option grant was estimated on the date of grant using Black-Scholes based on the following assumptions.



**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

Options	Three months ended March 31, 2024
Risk-free interest rate	3.8 %
Expected dividend yield	0.0 %
Expected term in years (employees)	5.50 - 6.08
Expected volatility	79.5 % - 79.7 %

In March 2021 and June 2022, certain employees of the Company early exercised options to purchase shares of the Company's common stock. The shares had not fully vested at the time of exercise and were recorded as an unvested option exercise liability. As the shares vested, the Company recognized the shares and related expense as issuance of common stock upon settlement of restricted stock in the condensed consolidated financial statements for the periods ended March 31, 2024 and 2023.

**Employee Stock Purchase Plan**

In January 2021, the board of directors of Angion approved the Employee Stock Purchase Plan (the "ESPP"). The ESPP was effective on the date immediately prior to the effectiveness of the Angion's registration statement relating to the initial public offering. The offering period and purchase period was determined by Angion's board of directors. No offering periods or purchasing periods were active as of March 31, 2024. As of March 31, 2024, 68,958 shares under the ESPP remain available for purchases and no offerings have been authorized.

**Note 9— Warrants**

In accordance with ASC 815, the warrants classified as liabilities are recorded at fair value at the issuance date, with changes in the fair value recognized in the condensed consolidated statements of operations and comprehensive loss at the end of each reporting period. Refer to Note 4 for changes in the fair value recognized during the periods reported.

As disclosed in Note 7, in March 2024, the Company entered into the March Subscription Agreement with the Purchaser for purposes of the March Offering. Each Pre-Funded Warrant issued and sold in the March Offering is exercisable at an exercise price equal to \$ 0.01 per share, subject to certain adjustments and limitations as provided under the terms of the Pre-Funded Warrants. For clarity, the Pre-Funded Warrants may not be exercised if, after giving effect or immediately prior to such exercise, the Purchaser, together with its affiliates and any other persons whose beneficial ownership of shares of Company common stock would be aggregated with the Purchaser for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), would beneficially own more than 19.99 % of the total number of issued and outstanding shares of Company common stock or voting power of the Company following such exercise, unless stockholder approval has been obtained pursuant to rules and regulations of the Nasdaq Stock Market LLC. The Pre-Funded Warrants were classified as a liability at issuance due to the need for the Company to obtain stockholder approval to settle the instruments in shares in an amount exceeding the 19.99 % beneficial ownership blocker. Such Pre-Funded Warrants can be exercised at any time and have no expiration date and as such, are not considered in the weighted average life calculation below. See Note 15 - Related Party Transactions for a discussion of the March Offering.

Upon issuance, the fair value of the Pre-Funded Warrants was \$ 6.6 million. The Company recorded the \$ 0.6 million difference between the proceeds and grant date fair value as a loss on issuance of warrants in the statements of operations and comprehensive loss. The fair value of the Pre-Funded Warrants was measured using the Black-Scholes Option Pricing model as of the grant date.

The following table summarizes information regarding common stock warrants outstanding at March 31, 2024:

	Warrants	Weighted Average Exercise Price	Weighted Average Life (years)
Outstanding at December 31, 2023	148,764	\$ 54.19	5.5
Issued	1,032,702	0.01	
Exercised	—	—	
Outstanding at March 31, 2024	<u>1,181,466</u>	\$ 6.83	5.2

**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

**Note 10— Commitments and Contingencies**

**Legal Proceedings**

From time to time, the Company may be involved in legal proceedings, as well as demands, claims and threatened litigation, which arise in the normal course of its business or otherwise.

The outcome of any future litigation is uncertain. Such litigation, if not resolved, could result in substantial costs to the Company, including any costs associated with the indemnification of directors and officers.

The Company may be exposed to litigation in connection with its products under development and operations. The Company's policy is to assess the likelihood of any adverse judgments or outcomes related to legal matters, as well as ranges of probable losses. The Company is not aware of any material legal matters.

**License Agreements**

In January 2016, Former Elicio entered into a license agreement to license certain intellectual property from a university, which agreement has been amended from time to time to license additional intellectual property. The Company is required to pay certain contractual maintenance and milestone payments related to clinical trials and royalties on product sales over the term of the contract, with minimum annual royalty payments commencing in the calendar year after commercialization. The license term for the January 2016 license agreement extends until terminated by either party under certain provisions. No commercialization royalties have been achieved to date.

Future minimum annual maintenance payments are \$ 0.1 million for the year ended December 31, 2024 and for each year thereafter. Future minimum annual payments are due until the termination of the agreement.

**Note 11— Leases**

**Operating Leases**

In July 2021, the Company signed an operating lease for office and laboratory space in Boston, Massachusetts (the "Boston Lease"). The Boston Lease commenced in February 2022 with the term set to expire in February 2030. The Boston Lease has rent payments escalating annually, which total \$ 11.1 million in the aggregate. As a result, at the commencement of the Boston Lease the Company recognized a right-of-use lease asset of \$ 8.0 million with a corresponding lease liability of \$ 8.0 million based on the present value of the minimum rental payments. In addition, the Company will make payments for operating expenses and real estate taxes. In June 2023, the Company secured a letter of credit for the deposit on the Boston Lease and has a deposit in the amount of \$ 0.7 million, which was reported as restricted cash, noncurrent on the condensed consolidated balance sheets as of March 31, 2024 and December 31, 2023.

As part of the Merger Agreement, the Company also assumed a lease for clinical and regulatory space in Newton, Massachusetts, comprising approximately 6,157 square feet for approximately \$ 0.2 million per year, under a non-cancelable operating lease through June 30, 2024.

Lease expense for all leases for the three months ended March 31, 2024 and 2023 was \$ 0.4 million and \$ 0.3 million, respectively.

The following table summarizes quantitative information about the Company's operating leases (dollars in thousands):

	Three Months Ended March 31,	
	2024	2023
Operating cash outflows from operating leases	\$ 379	\$ 312
Weighted-average remaining lease term—operating leases (in years)	5.8	6.2
Weighted-average discount rate—operating leases	7.5 %	8.0 %

As of March 31, 2024, maturities of lease liabilities were as follows (in thousands):

**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

Year Ended December 31,	Amounts
2024 (remaining nine months)	\$ 1,048
2025	1,350
2026	1,383
2027	1,425
2028	1,467
Thereafter	1,765
<b>Total</b>	<b>8,438</b>
Less present value discount	( 1,766 )
<b>Operating lease liabilities</b>	<b>6,672</b>
Less: operating lease liability, current portion	( 881 )
<b>Operating lease liability, noncurrent portion</b>	<b>\$ 5,791</b>

**Note 12 - Notes Payable**

In connection with execution of the Merger Agreement, Angion made a bridge loan to Former Elicio pursuant to a note purchase agreement and promissory notes up to an aggregate principal amount of \$ 12.5 million, issued with a 20 % original issue discount, with an initial closing held substantially concurrently with the execution of the Merger Agreement for a principal amount of \$ 6.25 million in exchange for cash of \$ 5.0 million and an additional closing for a principal amount of \$ 6.25 million in exchange for cash of \$ 5.0 million upon delivery by Former Elicio to Angion of Former Elicio's audited financial statements for the year ended December 31, 2022.

The promissory notes included multiple settlement options depending on the outcome of the Merger. Former Elicio evaluated all the settlement features, included within the promissory note agreement, under FASB ASC Topic 815, *Derivatives and Hedging*, and determined the settlement features met the definition of a derivative and required bifurcation from the promissory notes. The bifurcated embedded derivative of \$ 0.4 million was recorded as a liability at fair value at the date of issuance based on the probability of occurrence of a triggering event taking place during the term of the promissory notes and was recorded as a discount to the carrying value of the promissory note. During the period ended March 31, 2023, Former Elicio recorded other expense of \$ 0.1 million related to the accretion of the discount of the promissory notes derivative.

Per the terms of the Merger Agreement, upon completion of the Merger, all obligations owed by Former Elicio related to the promissory notes were automatically forgiven and the amount advanced by Angion, along with any accrued and unpaid interest, was credited towards the net cash balance used to calculate the assets and liabilities listed above.

**Note 13— Income Taxes**

The Company did not record a provision or benefit for income taxes during the three months ended March 31, 2024 or 2023. As of March 31, 2024 and December 31, 2023, the Company continues to maintain a full valuation allowance against all of its deferred tax assets in light of its history of cumulative net losses.

**Note 14— Net Loss Per Share**

The Company has reported losses since inception and has computed basic net loss per share attributable to common stockholders by dividing net loss attributable to common stockholders by the weighted-average number of shares of common stock and pre-funded warrants outstanding for the period, without consideration for potentially dilutive securities. The Company computes diluted net loss per share of common stock after giving consideration to all potentially dilutive shares of common stock, including options to purchase common stock and preferred stock outstanding during the period determined using the treasury-stock and if-converted methods, except where the effect of including such securities would be antidilutive. Because the Company has reported net losses since inception, these potential shares of common stock and preferred stock have been anti-dilutive and basic and diluted loss per share were the same for all periods presented.

Basic and diluted net loss per share attributable to common stockholders was calculated at March 31, 2024 and 2023 as follows (in thousands, except share and per share data):

**ELICIO THERAPEUTICS, INC.**  
**Notes to Unaudited Interim Condensed Consolidated Financial Statements (Continued)**

	Three Months Ended March 31,	
	2024	2023
<b>Numerator</b>		
Net loss	\$ ( 11,827 )	\$ ( 8,029 )
<b>Denominator:</b>		
Weighted-average shares used in computing net loss per share, basic and diluted	10,273,925	324,106
Net loss per share, basic and diluted	<u>\$ ( 1.15 )</u>	<u>\$ ( 24.77 )</u>

The table below provides potentially dilutive securities not included in the calculation of the diluted net loss per share because to do so would be anti-dilutive:

	Three Months Ended March 31,	
	2024	2023
Convertible preferred stock	—	4,997,920
Shares issuable upon exercise of stock options	687,204	854,076
Shares issuable upon the exercise of warrants	1,181,466	144,914
Unvested common stock	1,030	4,642
Total	<u>1,869,400</u>	<u>6,001,552</u>

**Note 15 — Related Party Transactions**

**Consulting Agreement**

The Company paid \$ 0 and \$ 0.4 million for the three months ended March 31, 2024 and 2023, respectively, for consulting services provided by an entity affiliated with the Company's former interim chief financial officer and former board member.

**Private Placement and Subscription Agreement**

In March 2024, the Company entered into the March Subscription Agreement with the Purchaser for purposes of the March Offering. Each Pre-Funded Warrant issued and sold in the March Offering is exercisable at an exercise price equal to \$ 0.01 per share, subject to certain adjustments and limitations as provided under the terms of the Pre-Funded Warrants.

The March Offering closed on March 19, 2024 (the "March Offering Closing Date"). Each Pre-Funded Warrant is exercisable at any time on or after the March Offering Closing Date at an exercise price equal to \$ 0.01 per share, subject to adjustments as provided under the terms of the Pre-Funded Warrants, and subject to a post-exercise beneficial ownership limitation of 19.99 %, unless stockholder approval is obtained. The gross proceeds to the Company from the March Offering were approximately \$ 6.0 million.

## Item 2. 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 our condensed consolidated financial statements and the related notes appearing elsewhere in this Quarterly Report on Form 10-Q and in our audited financial statements and accompanying notes for the years ended December 31, 2023 and 2022 included in our Annual Report on Form 10-K filed March 29, 2024 (the "Form 10-K"). In addition to the historical financial information, this discussion contains forward-looking statements that involve risks, assumptions and uncertainties, such as statements of our plans, objectives, expectations, intentions, forecasts and projections. Our actual results and the timing of selected events could differ materially from those discussed in these forward-looking statements as a result of several factors, including those set forth under the section of this Quarterly Report on Form 10-Q titled "Risk Factors" and the Form 10-K, which you should read carefully to gain an understanding of the important factors that could cause actual results to differ materially from our forward-looking statements. Please also see the section titled "Forward-Looking Statements" at the beginning of this report.*

### Overview

We are a clinical-stage biotechnology company pioneering the development of immunotherapies for patients with limited treatment options and poor outcomes suffering from cancer and infectious disease. Our proprietary Amphiphile ("AMP") technology is designed to mobilize the body's immune response by preferentially targeting our product candidates to the lymph nodes with the goal of generating a robust T cell response. Recent advances have identified T cell responses as a key component of effective cancer immunotherapy and we believe our AMP technology can generate a robust T cell response that can potentially provide meaningful clinical benefit.

We believe the therapeutic utility of currently approved and development stage immunotherapies are limited in many cases due to their inability to sufficiently localize to lymph nodes and adequately engage with the critical immune cells responsible for stimulating adaptive immunity. Our AMP technology is specifically intended to localize payloads to lymph nodes leading to the generation of a robust T cell response that we believe is critical to generate an anticancer immune response.

We have developed our cancer vaccine product candidates to target biologically validated tumor mutation drivers using known neoantigens. This strategy results in an "off-the-shelf" therapeutic option allowing patients to receive treatment without delay due to manufacturing timelines and costs associated with personalized vaccine approaches.

Our clinical and preclinical pipeline includes the lymph node targeted therapeutic cancer vaccines ELI-002, currently being evaluated in a Phase 2 clinical program, designed to stimulate an immune response against mutant KRAS cancers, ELI-007, currently being evaluated in a preclinical study for the treatment of mutant v-raf murine sarcoma viral oncogene homolog B1 ("BRAF")-driven cancers, and ELI-008, currently being evaluated in a preclinical study for use in the treatment of mutated tumor protein p53 ("TP53") expressing cancers. We believe that each of our cancer vaccine product candidates, if approved, have the potential to improve the lives of patients suffering from solid tumors arising due to specific oncogenic driver mutations.

Our operations to date have been financed primarily by aggregate net proceeds of \$151.7 million from the issuance of convertible preferred stock, convertible notes, and the exercise of stock options and common stock warrants, the private placement of our securities, an at-the-market offering, and proceeds from the Merger. Since inception, we have had significant annual operating losses. Our net loss was \$11.8 million and \$8.0 million for the three months ended March 31, 2024 and 2023, respectively. As of March 31, 2024, we had an accumulated deficit of \$154.0 million and \$11.9 million in cash and cash equivalents.

Elicio Operating Company, Inc. ("Former Elicio") was incorporated in Delaware as Vedantra Pharmaceuticals Inc. in August 2011. In December 2018, Former Elicio formed a wholly owned subsidiary, Elicio Securities Corporation, a Massachusetts corporation.

On January 17, 2023, Former Elicio entered into a definitive merger agreement (the "Merger Agreement") with Angion Biomedica Corp ("Angion"), a clinical-stage biotechnology company, and Arkham Merger Sub, Inc., a wholly owned subsidiary of Angion ("Merger Sub"), pursuant to which Merger Sub merged with and into Former Elicio, with Former Elicio surviving the merger as a wholly owned subsidiary of Angion (the "Merger").

On June 1, 2023, the Merger was completed in accordance with the terms and conditions of the Merger Agreement and Angion changed its name from "Angion Biomedica Corp." to "Elicio Therapeutics, Inc." Immediately following the consummation of the Merger, there were approximately 9.7 million shares of our common stock outstanding on a fully-diluted basis, with Former Elicio equity holders collectively owning approximately 65.2% of

the Company and Angion equity holders collectively owning approximately 34.8% of the Company, in each case on a fully diluted basis. The Merger was accounted for as a reverse recapitalization, with Former Elicio being treated as the acquirer for accounting purposes. As a result of the Merger, the net assets of Angion were recorded at their acquisition-date fair value, which approximated book value due to the short-term nature of the instruments, in the financial statements of Former Elicio and the reported operating results prior to the Merger were those of Former Elicio.

We are currently facing substantial doubt about our ability to continue as a going concern, given our cash position and cash runway. We believe that our cash on hand will enable us to fund our operations into the third quarter of calendar year 2024 based on our current plan. This period could be shortened if there are any significant increases in planned or actual spending on development programs or more rapid progress of development programs than anticipated. There is no assurance that financing will be available when needed to allow us to continue as a going concern. Our losses from operations, negative operating cash flows and accumulated deficit, as well as the additional capital needed to fund operations for at least twelve months following the issuance of the condensed consolidated financial statements, raise substantial doubt about our ability to continue as a going concern. We expect to incur substantial expenditures in the foreseeable future for the development of our product candidates and will require additional financing to continue this development. We plan to address this condition through the sale of common stock in public offerings and/or private placements, debt financings, or through other capital sources, including licensing arrangements, partnerships and collaborations with other companies or other strategic transactions, but there is no assurance these plans will be completed successfully or at all. If we are unable to obtain additional capital when and as needed to continue as a going concern, we might have to further reduce or scale back our operations and/or liquidate our assets, and the values we receive for our assets in liquidation or dissolution could be significantly lower than the values reflected in our financial statements.

Our condensed consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q have been prepared on a basis that assumes that we will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. Our condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should we be unable to continue as a going concern.

Cash used to fund operating expenses is impacted by the timing of when we pay these expenses, as reflected in the change in our accounts payable and accrued expenses. We expect to continue to incur net losses for the foreseeable future, and we expect our research and development expenses, general and administrative expenses, and capital expenditures will continue to increase. In particular, we expect our expenses to increase as we continue our development of, and seek regulatory approvals for, our product candidates, as well as hire additional personnel, pay fees to outside consultants, attorneys and accountants, and incur other increased costs associated with being a public company. In addition, if and when we seek and obtain regulatory approval to commercialize any product candidate, we will also incur increased expenses in connection with commercialization and marketing of any such product. Our net losses may fluctuate significantly from quarter-to-quarter and year-to-year, depending on the timing of our clinical trials and our expenditures on other research and development activities. We anticipate that our expenses will increase significantly in connection with our ongoing activities, as we:

- advance our lead product candidate, ELI-002, to late stage clinical trials;
- advance our preclinical programs to clinical trials;
- expand our pipeline of product candidates;
- seek regulatory approval for our investigational medicines;
- maintain, expand, protect and defend our intellectual property portfolio;
- acquire or in-license technology;
- expand our clinical, scientific, management and administrative teams; and
- operate as a public company.

We believe that our cash on hand will enable us to fund our operations into the third quarter of calendar year 2024 based on our current plan. We have based this estimate on assumptions that may prove to be wrong, and we could exhaust our available capital resources sooner than we expect. To finance our operations beyond that point we will need to raise additional capital, which cannot be assured. Our losses from operations, negative operating cash flows and accumulated deficit, as well as the additional capital needed to fund operations for at least twelve

months following the issuance of the condensed consolidated financial statements, raise substantial doubt about our ability to continue as a going concern.

We have not had any products approved for sale. We do not expect to generate any product sales unless and until we successfully complete development and obtain regulatory approval for one or more of our product candidates. If we obtain regulatory approval for any of our product candidates, we expect to incur significant commercialization expenses related to product sales, marketing, manufacturing and distribution. As a result, until such time, if ever, that we can generate substantial product revenue, we expect to finance our cash needs through equity offerings, debt financings or other capital sources, including collaborations, licenses or similar arrangements. However, we may be unable to raise additional funds or enter into such other arrangements when needed or on favorable terms, if at all. Any failure to raise capital as and when needed could have a negative impact on our financial condition and on our ability to pursue our business plans and strategies, including our research and development activities. If we are unable to raise capital, we will need to delay, reduce or terminate planned activities to reduce costs.

#### **Components of Results of Operations**

The following discussion summarizes the key factors our management believes are necessary for an understanding of our financial statements.

#### **Operating Expenses**

Our operating expenses since inception have consisted primarily of research and development expenses and general and administrative costs.

##### *Research and Development Expenses*

Our research and development expenses consist primarily of costs incurred for the development of our product candidates and our drug discovery efforts, which include:

- personnel costs, which include salaries, benefits and equity-based compensation expense;
- expenses incurred under agreements with consultants and contract organizations that conduct research and development activities on our behalf;
- costs related to sponsored research service agreements;
- costs related to production of preclinical and clinical materials, including fees paid to contract manufacturers;
- laboratory and vendor expenses related to the execution of preclinical studies and planned clinical trials; and
- laboratory supplies and equipment used for internal research and development activities.

We expense all research and development costs in the periods in which they are incurred. Costs for certain research and development activities are recognized based on an evaluation of the progress to completion of specific tasks using information and data provided to us by our vendors and service providers.

Our research and development expenses are not currently tracked on a program-by-program basis. We use our personnel and infrastructure resources across multiple research and development programs directed toward identifying and developing product candidates. Substantially all our research and development costs are incurred on the development of ELI-002 and our preclinical candidates.

We expect our research and development expenses to increase substantially for the foreseeable future as we continue to invest in research and development activities related to developing our product candidates, including investments in conducting clinical trials, manufacturing and otherwise advancing our programs. The process of conducting the clinical research necessary to obtain regulatory approval is costly and time-consuming, and the successful development of our product candidates is highly uncertain. At this time, we cannot reasonably estimate the nature, timing and costs of the efforts that will be needed to complete the development of, or the period, if any, in which material net cash inflows may commence from ELI-002 or any of our preclinical candidates. This is due to the numerous risks and uncertainties associated with developing drugs, including the uncertainty of:

- the scope, rate of progress and expense of our research and development activities;
- clinical trials and early-stage results;
- the terms and timing of regulatory approvals; and

- the ability to market, commercialize and achieve market acceptance for ELI-002, or any of our preclinical candidates that we or our future collaboration partners may develop in the future.

Any of these variables with respect to the development of ELI-002, or any other of our preclinical candidates that we may develop could result in a significant change in the costs and timing associated with the development of such candidates. For example, if the FDA or other regulatory authority were to require us to conduct preclinical and clinical studies beyond those which we currently anticipate will be required for the completion of clinical development or if we experience significant delays in enrollment in any clinical trials, we could be required to expend significant additional financial resources and time on the completion of our clinical development programs.

#### General and Administrative Expenses

Our general and administrative expenses consist primarily of personnel costs, including equity-based compensation, and other expenses for outside professional services, including marketing, legal, audit and accounting, and facility-related costs not otherwise included in research and development expenses, and recruiting. We expect our general and administrative expenses to increase over the next several years to support our continued research and development activities, manufacturing activities, increased costs of expanding our operations and operating as a public company. These increases will likely include increases related to the hiring of additional personnel and legal, regulatory and other fees and services associated with maintaining compliance with Nasdaq Stock Market LLC ("Nasdaq") Marketplace Rules, or the Nasdaq Listing Rules, and Securities and Exchange Commission ("SEC") requirements, accounting and audit fees, director and officer insurance costs and investor relations costs associated with being a public company.

#### Other Income (Expense)

For the three months ended March 31, 2024 and 2023, other income and expense consisted primarily of interest income, foreign exchange transaction losses, gain on sale of equipment, interest expense, changes in fair value of the embedded derivative, and gains and losses related to the re-measurement of our warrant liabilities.

### Results of Operations

#### Comparison of the Three Months Ended March 31, 2024 and 2023

The following table summarizes our results of operations for the periods indicated (in thousands, except percentages):

	Three Months Ended March 31,		\$ Change	% Change
	2024	2023		
<b>Operating expenses:</b>				
Research and development	\$ 7,559	\$ 5,484	\$ 2,075	38 %
General and administrative	2,682	2,321	361	16 %
Total operating expenses	10,241	7,805	2,436	31 %
<b>Loss from operations</b>	(10,241)	(7,805)	(2,436)	31 %
Total other income (expense), net	(1,586)	(224)	(1,362)	608 %
<b>Net loss</b>	<b>\$ (11,827)</b>	<b>\$ (8,029)</b>	<b>\$ (3,798)</b>	

#### Research and Development Expenses

Research and development expenses were \$7.6 million for the three months ended March 31, 2024, compared to \$5.5 million for the three months ended March 31, 2023. The increase of \$2.1 million was primarily due to clinical trial expenses as the Company advanced ELI-002 clinical development.

#### General and Administrative Expenses

General and administrative expenses were \$2.7 million for the three months ended March 31, 2024, compared to \$2.3 million for the three months ended March 31, 2023. The increase of \$0.4 million was primarily due to higher personnel-related costs in support of organizational growth and higher professional fees incurred in connection with operating as a public company.

#### Other Income (Expense), net



Other income (expense), net for the three months ended March 31, 2024 was expense of \$1.6 million compared to expense of \$0.2 million for the three months ended March 31, 2023. The increase of \$1.4 million was primarily due to the change in fair value associated with the Pre-Funded Warrants, as defined in our condensed consolidated financial statements for the three months ended March 31, 2024.

## Liquidity and Capital Resources

### Sources and Uses of Liquidity

Our operations through March 31, 2024 have been financed primarily by aggregate net proceeds of \$151.7 million from the issuance of common stock, convertible preferred stock, convertible notes, the exercise of stock options and common stock warrants, the private placement of our securities, an at-the-market offering, and proceeds from the Merger. Since inception, we have had significant operating losses. Our net loss was \$11.8 million and \$8.0 million for the three months ended March 31, 2024 and three months ended March 31, 2023, respectively. As of March 31, 2024, we had an accumulated deficit of \$154.0 million and \$11.9 million in cash and cash equivalents. Our primary use of cash is to fund operating expenses, which consist primarily of research and development expenditures, and to a lesser extent, general and administrative expenditures. Cash used to fund operating expenses is impacted by the timing of when we pay these expenses, as reflected in the change in our outstanding accounts payable and accrued expenses.

Our losses from operations, negative operating cash flows and accumulated deficit, as well as the additional capital needed to fund operations for at least twelve months following the issuance of the condensed consolidated financial statements, raise substantial doubt about our ability to continue as a going concern. We expect to incur substantial expenditures in the foreseeable future for the development of our product candidates and will require additional financing to continue this development. The condensed consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q have been prepared on a basis that assumes that we will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. The condensed consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should we be unable to continue as a going concern. We plan to address this condition through the sale of common stock in public offerings and/or private placements, debt financings, or through other capital sources, including licensing arrangements, partnerships and collaborations with other companies or other strategic transactions. However, there is no assurance that we will be successful in raising additional capital or that such additional funds will be available on acceptable terms, if at all. Should we be unable to raise this amount of capital our operating plans will be limited to the amount of capital that we can access. We may also consider steps to reduce our operating expenses. There can be no assurances that we will be successful in any of the foregoing.

### Summary Statement of Cash Flows

The following table sets forth a summary of our net cash flow activity for the three months ended March 31, 2024 and 2023 (in thousands):

	Three Months Ended March 31,	
	2024	2023
Net cash provided by (used in)		
Operating activities	\$ (12,122)	\$ (8,139)
Investing activities	3	(17)
Financing activities	11,024	10,040
Net increase (decrease) in cash	\$ (1,095)	\$ 1,884

#### Operating Activities

For the three months ended March 31, 2024, net cash used in operating activities was \$12.1 million, which consisted of a net loss of \$11.8 million and changes in our assets and liabilities of \$2.8 million, partially offset by non-cash charges of \$2.5 million. The non-cash charges were related to \$1.3 million of change in the fair value of warrant liability, \$0.6 million loss on the issuance of the Pre-Funded Warrants, \$0.3 million of stock-based compensation, \$0.2 million amortization of the right of use asset, and \$0.1 million of depreciation.

For the three months ended March 31, 2023, net cash used in operating activities was \$8.1 million, which consisted of a net loss of \$8.0 million and changes in our assets and liabilities of \$0.7 million, partially offset by non-cash charges of \$0.6 million. The non-cash charges were related to \$0.3 million of interest expense related to promissory notes, \$0.2 million of stock-based compensation, \$0.1 million of depreciation, partially offset by a \$0.1 million decrease in the fair value of the embedded derivative associated with the convertible notes.

*Investing Activities*

For the three months ended March 31, 2024 and 2023, net cash provided by or used in investing activities was immaterial.

*Financing Activities*

For the three months ended March 31, 2024, net cash provided by financing activities was \$11.0 million as a result of the issuance of \$5.1 million of our common stock under our at-the-market offering program with Stifel, Nicolaus & Company, Incorporated and Virtu Americas LLC, as sales agents, and \$6.0 million of our pre-funded warrants in a private placement.

For the three months ended March 31, 2023, net cash provided by financing activities was \$10.0 million, consisting primarily of proceeds from the promissory note as a result of the Merger Agreement.

**Future Cash Needs and Funding Requirements**

Based on our current operating plan, we believe our cash and cash equivalents will be sufficient to fund our planned operations into the third quarter of calendar year 2024. However, we have based our projections of operating capital requirements on assumptions that may prove to be incorrect and we may use all our available capital resources sooner than we expect. We are unable to estimate the exact amount of our operating capital requirements. The amount and timing of our future funding requirements will depend on many factors, including, but not limited to:

- the scope, progress, results and costs of researching and developing product candidates, and conducting preclinical studies and clinical trials;
- the outcome of any future clinical trials, for any existing or future product candidates;
- whether we are able to take advantage of any FDA expedited development and approval programs for any of our product candidates;
- the outcome, costs and timing of seeking and obtaining and maintaining FDA and any foreign regulatory approvals;
- the costs associated with any delays we may encounter as a result of evolving regulatory requirements or adverse results with respect to any of our product candidates;
- the number and characteristics of product candidates we pursue, including product candidates in preclinical development;
- the ability of our product candidates to progress through clinical development successfully;
- our need to expand our research and development activities, including to conduct additional clinical trials;
- market acceptance of our product candidates, including physician adoption, market access, pricing and reimbursement;
- the costs of acquiring, licensing or investing in businesses, products, product candidates and technologies;
- our ability to maintain, expand and defend the scope of our intellectual property portfolio, including the amount and timing of any payments potentially required to make, or that we may receive, in connection with the licensing, filing, prosecution, defense and enforcement of any patents or other intellectual property rights;
- our need and ability to hire additional personnel, including management, clinical development, medical and commercial personnel;
- the effect of competing technological, market developments and government policy;
- the costs associated with being a public company, including our need to implement additional internal systems and infrastructure, including financial and reporting systems;
- the costs associated with securing and establishing commercialization and manufacturing capabilities, as well as those associated with packaging, warehousing and distribution;

- the economic and other terms, timing of and success of our existing licensing arrangements and any collaboration, licensing or other arrangements into which we may enter in the future and timing and amount of payments thereunder; and
- the timing, receipt and amount of sales and general commercial success of any future approved products, if any.

Until such time as we can generate significant revenue from sales of product candidates, if ever, we expect to finance our operations through the sale of common stock in public offerings and/or private placements, debt financings, or through other capital sources, including licensing arrangements, partnerships and collaborations with other companies or other strategic transactions. Adequate funding may not be available to us on acceptable terms, or at all. To the extent we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders will be or could be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. Debt financing and equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise funds through additional collaborations, or other similar arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to and/or may reduce the value of our common stock. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or commercialization efforts or grant rights to develop and market our product candidates even if we would otherwise prefer to develop and market such product candidates ourselves.

#### **Critical Accounting Policies and Significant Judgements and Estimates**

Our management's discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). The preparation of these condensed consolidated 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 condensed consolidated financial statements, as well as the 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 or conditions.

Our critical accounting policies are described under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Significant Judgments and Estimates" in the Form 10-K. There have been no material changes in our critical accounting policies and estimates in the preparation of our condensed consolidated financial statements during the three months ended March 31, 2024 compared to those disclosed in the Form 10-K, other than as set forth below with respect to our accounting policy related to pre-funded warrants.

#### ***Pre-Funded Warrants***

The Pre-Funded Warrants, as defined in our condensed consolidated financial statements for the three months ended March 31, 2024, did not meet the equity classification requirements under ASC 815 - Derivative and Hedging; specifically, the Pre-Funded Warrants do not meet the condition of index to its own stock and because the Pre-Funded Warrants were pre-funded and proceeds were received before exercise, these Pre-Funded Warrants do not meet the definition of a derivative. The Pre-Funded Warrants could not be exercised in an amount that would cause the holder to exceed 19.99% beneficial ownership of our shares unless we obtained stockholder approval pursuant to the rules and regulations of the Nasdaq Stock Market LLC, which limited our ability to issue Company common stock to settle the Pre-Funded Warrants beyond such 19.99% ownership blocker. Consequently, the Pre-Funded Warrants were classified as liabilities and measured at fair value as of the grant date. Subsequent to the grant date, we remeasured the Pre-Funded Warrants at fair value and recognized a loss from change in fair value of Pre-Funded Warrants on the condensed consolidated financial statements during the three months ended March 31, 2024.

#### ***Emerging Growth Company and Smaller Reporting Company Status***

We are a smaller reporting company and an emerging growth company, as defined under the Jumpstart Our Business Startup ("JOBS") Act. Under the JOBS Act, emerging growth companies can delay the adoption of new or revised accounting standards issued subsequent to the enactment of the JOBS Act until such time as those standards apply to private companies. Other exemptions and reduced reporting requirements under the JOBS Act

for emerging growth companies include presentation of only two years of audited financial statements in a registration statement for an initial public offering, an exemption from the requirement to provide an auditor's report on internal controls over financial reporting pursuant to Sarbanes-Oxley Act of 2002, as amended ("Sarbanes-Oxley"), an exemption from any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation, and less extensive disclosure about our executive compensation arrangements.

We have elected to use the extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that (i) we are no longer an emerging growth company or (ii) we affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our condensed consolidated financial statements may not be comparable to companies that comply with new or revised accounting standards as of public company effective dates.

We will remain an emerging growth company until the earliest of (i) December 31, 2026, (ii) the last day of our first fiscal year in which we have total annual gross revenue of \$1.235 billion or more, (iii) the date on which we are deemed to be a "large accelerated filer," as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which means the market value of equity securities that is held by non-affiliates exceeds \$700 million as of the last business day of our most recently completed second fiscal quarter and (iv) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the prior three-year period.

Even after we no longer qualify as an emerging growth company, we may still qualify as a "smaller reporting company" and/or "non-accelerated filer" which may allow us to take advantage of many of the same exemptions from disclosure requirements including not being required to comply for a period of time with the auditor attestation requirements of Section 404 of Sarbanes-Oxley, and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item.

### **Item 4. Controls and Procedures**

#### **Definition and Limitations of Disclosure Controls**

Our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed under the Exchange Act, such as this Quarterly Report on Form 10-Q, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures are also designed to ensure that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Our management evaluates these controls and procedures on an ongoing basis.

There are inherent limitations to the effectiveness of any system of disclosure controls and procedures. These limitations include the possibility of human error, the circumvention or overriding of the controls and procedures and reasonable resource constraints. In addition, because we have designed our system of controls based on certain assumptions, which we believe are reasonable, about the likelihood of future events, our system of controls may not achieve its desired purpose under all possible future conditions. Accordingly, our disclosure controls and procedures provide reasonable assurance, but not absolute assurance, of achieving their objectives.

#### **Evaluation of Disclosure Controls and Procedures**

Our management, with the participation of our President and Chief Executive Officer and our Chief Financial Officer, our principal executive officer and principal accounting and financial officer, respectively, have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of March 31, 2024.

Based on the evaluation of our disclosure controls and procedures, our President and Chief Executive Officer and our Chief Financial Officer concluded that our disclosure controls and procedures were not effective as of the end of the period covered by this Quarterly Report on Form 10-Q as a result of our material weaknesses in our internal control over financial reporting.

However, our management, including our Chief Executive Officer and our Chief Financial Officer, has concluded that, notwithstanding the identified material weaknesses in our internal control over financial reporting, the financial statements in this Quarterly Report on Form 10-Q fairly present, in all material respects, our financial position, results of operations and cash flows for the periods presented in conformity with U.S. GAAP.

#### **Changes in Internal Control Over Financial Reporting**

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f)) under the Exchange Act) that occurred during the quarter ended March 31, 2024, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting, except as follows:

##### Material Weakness Remediation Plan

As previously reported, in connection with the preparation of our consolidated financial statements, we identified control deficiencies in the design and operation of our internal control over financial reporting that constituted material weaknesses. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis.

The material weaknesses identified in our internal control over financial reporting related to (i) insufficient resources with knowledge and expertise in U.S. GAAP to properly evaluate certain complex transactions, including debt instruments and equity instruments; (ii) insufficient financial reporting and close controls to ensure that incurred expenses are accrued at period end and deliverables from third party contractors are reviewed for accuracy; and (iii) insufficient resources to ensure that calculations used in financial reporting are properly reviewed, including earnings per share and weighted average shares outstanding calculations.

We initiated several steps to remediate these material weaknesses, including:

- engaging SEC compliance and technical accounting consultants to assist in evaluating transactions for conformity with U.S. GAAP;
- hiring additional finance and accounting personnel to augment accounting staff and to provide more resources for complex accounting matters and financial reporting; and
- strengthening our financial reporting and close relating to incurred expenses by ensuring our data capture procedures are clearly defined and that responsible personnel, including supervisory personnel, have adequate training regarding the process and expectation.

Although we have initiated efforts to remediate these material weaknesses, the material weaknesses have not been fully remediated as of March 31, 2024 and continue to be disclosed as material weaknesses in this Quarterly Report on Form 10-Q for the three month period ended March 31, 2024. Our remediation efforts are intended to address the identified material weaknesses. Management is committed to continuous improvement of our internal control over financial reporting and will continue to diligently review our internal control over financial reporting. However, we cannot assure you that we will be successful in remediating the material weaknesses we identified or that our internal control over financial reporting, as modified, will enable us to identify or avoid material weaknesses in the future.

#### **Inherent Limitation on the Effectiveness Over Financial Reporting**

The effectiveness of any system of internal control over financial reporting, including ours, is subject to inherent limitations, including the exercise of judgment in designing, implementing, operating, and evaluating the controls and procedures, and the inability to eliminate misconduct completely. Accordingly, any system of internal control over financial reporting, including ours, no matter how well designed and operated, can only provide reasonable and not absolute assurances. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. We intend to continue to monitor and upgrade our internal controls as necessary or appropriate for our business, but there can be no assurance such improvements will be sufficient to provide us with effective internal control over financial reporting.

**Part II OTHER INFORMATION**

**Item 1. Legal Proceedings**

From time to time, we may be involved in legal proceedings, as well as demands, claims and threatened litigation, which arise in the normal course of business or otherwise.

The outcome of any future litigation is uncertain. Such litigation, if not resolved, could result in substantial costs to us, including any costs associated with the indemnification of directors and officers.

**Item 1A. Risk Factors**

Investing in our common stock involves a high degree of risk. You should carefully consider the risk factors, described in the Form 10-K as well as the other information in this Quarterly Report on Form 10-Q, before deciding whether to invest in shares of our common stock. There have been no material changes in our risk factors from those described in the Form 10-K.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

None.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

None.

**Item 5. Other Information**

During the fiscal quarter ended March 31, 2024, none of our directors or executive officers adopted , modified or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."



**Item 6. Exhibits**

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Date	Number	
10.1	<a href="#">Subscription Agreement, dated as of March 18, 2024, by and between Elicio Therapeutics, Inc. and GKCC, LLC.</a>	8-K	3/18/2024	10.1	
10.2	<a href="#">Form of Pre-Funded Warrant</a>	8-K	3/18/2024	10.2	
31.1	<a href="#">Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>				X
31.2	<a href="#">Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>				X
32.1^	<a href="#">Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>				X
32.2^	<a href="#">Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>				X
101.INS	XBRL Instance Document.				X
101.SCH	XBRL Taxonomy Extension Schema Document.				X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.				X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.				X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.				X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.				X
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).				X

^ The certification that accompanies this Quarterly Report on Form 10-Q pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, is not deemed "filed" by the Registrant for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

SIGNATURES

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

ELICIO THERAPEUTICS, INC.

Date: May 15, 2024

By: 

/s/ ROBERT CONNELLY

Robert Connelly

President and Chief Executive Officer

(Principal Executive Officer)

ELICIO THERAPEUTICS, INC.

Date: May 15, 2024

By: 

/s/ BRIAN PIEKOS

Brian Piekos

Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)

## SUBSCRIPTION AGREEMENT

This Subscription Agreement (this “**Agreement**”) is dated as of March 18, 2024 (the “**Effective Date**”), among Elicio Therapeutics, Inc., a Delaware corporation (the “**Company**”), and each purchaser identified on the signature pages hereto (each a “**Purchaser**” and collectively the “**Purchasers**”).

WHEREAS, the Company and the Purchasers are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by **Section 4(a)(2)** of the Securities Act of 1933, as amended (the “**Securities Act**”), and Rule 506 of Regulation D as promulgated by the United States Securities and Exchange Commission (the “**Commission**”) under the Securities Act.

WHEREAS, each Purchaser wishes to purchase, and the Company wishes to sell, upon the terms and conditions stated in this Agreement, at the Closing (as defined below) that aggregate number of pre-funded warrants to purchase common stock, in substantially the form attached hereto as **Exhibit A** (the “**Pre-Funded Warrants**”), to acquire up to that number of shares of Common Stock (as defined below) of the Company set forth opposite such Purchaser’s name on **Exhibit B** (which aggregate number of shares of Common Stock issuable upon exercise of all Pre-Funded Warrants shall be 1,032,702 shares of Common Stock). The shares of Common Stock issuable upon exercise of or otherwise pursuant to the Pre-Funded Warrants collectively are referred to herein as the “**Pre-Funded Warrant Shares**”.

WHEREAS, the Pre-Funded Warrants and the Pre-Funded Warrant Shares collectively are referred to herein as the “**Securities**”.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Company and each Purchaser agree as follows:

### 1. DEFINITIONS

**1.1 Definitions.** In addition to the terms defined elsewhere in this Agreement, the following terms have the meanings set forth in this **Section 1.1**:

“**Closing**” means the closing of the purchase and sale of the Pre-Funded Warrants on the Closing Date pursuant to **Section 2.1** of this Agreement.

“**Closing Date**” means March 19, 2024.

“**Common Stock**” means the common stock of the Company, \$0.01 par value per share, and any other class of securities into which such securities may hereafter be reclassified or changed into.

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

“**GAAP**” means U.S. generally accepted accounting principles consistently applied.

**“Governmental Entity”** shall mean any national, federal, state, county, municipal, local or foreign government, or any political subdivision, court, body, agency or regulatory authority thereof, and any person exercising executive, legislative, judicial, regulatory, taxing or administrative functions of or pertaining to any of the foregoing.

**“Material Adverse Effect”** means a circumstance that (i) could reasonably be expected to have a material adverse effect on the performance of this Agreement or the consummation of any of the transactions contemplated hereby or (ii) could reasonably be expected to have a material adverse effect on the condition (financial or otherwise), prospects, earnings, business or properties of the Company.

**“Pre-Funded Warrant Purchase Price”** means \$5.81 per Pre-Funded Warrant.

**“Registration Statement”** means a registration statement or registration statements of the Company filed under the Securities Act pursuant to **Section 4** hereof.

**“Rule 144”** means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

**“Short Sales”** means all “short sales” as defined in Rule 200 of Regulation SHO of the Exchange Act, but shall be deemed to not include the location and/or reservation of borrowable shares of Common Stock.

**“Trading Day”** means a day on which the Common Stock is traded on a Trading Market.

**“Trading Market”** means the following markets or exchanges on which (and if) the Common Stock is listed or quoted for trading on the date in question: the NYSE American; The Nasdaq Capital Market; The Nasdaq Global Market; The Nasdaq Global Select Market; or the New York Stock Exchange.

**“Transaction Documents”** means this Agreement, the Pre-Funded Warrants and any other documents or agreements executed and delivered to the Purchasers in connection with the transactions contemplated hereunder.

## **2. PURCHASE AND SALE**

### **2.1 Closing.**

(a) At the Closing, upon the terms set forth herein, the Company hereby agrees to issue and sell to each Purchaser, and each Purchaser agrees to purchase from the Company, severally and not jointly, the Pre-Funded Warrants set forth opposite such Purchaser’s name on **Exhibit A** hereto, at a purchase price equal to the Pre-Funded Warrant Purchase Price per Pre-Funded Warrant. The Pre-Funded Warrants shall have an exercise price equal to \$0.01 per Pre-Funded Warrant Share.

(b) At the Closing, each Purchaser shall deliver to the Company via wire transfer immediately available funds equal to its aggregate purchase price set forth opposite such

Purchaser's name on **Exhibit A** hereto and the Company shall deliver to each Purchaser its respective Pre-Funded Warrants and the other items set forth in **Section 2.2** of this Agreement deliverable at the Closing on the Closing Date. The Closing shall occur at 10:00 a.m. (New York City Time) on the Closing Date or such other time and location as the parties shall mutually agree.

## **2.2 Deliveries; Closing Conditions.**

(a) At the Closing, the Company will deliver or cause to be delivered to each Purchaser the Pre-Funded Warrants evidencing the number of Pre-Funded Warrant Shares underlying the Pre-Funded Warrants, purchased by such Purchaser, registered in the Purchaser's name. Such delivery shall be against payment of the purchase price therefor by the Purchaser by wire transfer of immediately available funds to the Company in accordance with the Company's written wiring instructions.

(b) The respective obligations of the Company, on the one hand, and the Purchasers, on the other hand, hereunder in connection with the Closing are subject to the following conditions being met:

(i) the accuracy in all material respects on the Closing Date of the representations and warranties contained herein (unless made as of a specified date therein) of the Company (with respect to the obligations of the Purchasers) and the Purchasers (with respect to the obligations of the Company);

(ii) all obligations, covenants and agreements of the Company (with respect to the obligations of the Purchasers) and the Purchasers (with respect to the obligations of the Company) required to be performed at or prior to the Closing Date shall have been performed in all material respects;

(iii) evidence of the issuance of the Pre-Funded Warrants to be purchased by such Purchaser pursuant to this Agreement from the Company;

(iv) Purchasers shall have received a certificate of the Secretary of the Company, dated as of the Closing Date and certifying (i) the Company's Amended and Restated Certificate of Incorporation, as amended; (ii) the Company's Amended and Restated Bylaws; (iii) resolutions of the Board of Directors (and/or an authorized committee thereof) approving the Transaction Documents and the transactions contemplated thereby, in form and substance reasonably satisfactory to the Purchasers;

(v) Purchasers shall have received a certificate signed by the Chief Executive Officer of the Company, dated as of the Closing Date in form and substance reasonably satisfactory to the Purchasers;

(vi) a certificate evidencing the good standing of the Company in Delaware issued by the Secretary of State of Delaware, as of a date within five business days of the Closing Date; and

(vii) Purchasers shall have received an opinion of Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C., counsel for the Company, dated as of the Closing Date, in a form reasonably satisfactory to the Purchasers.

### 3. REPRESENTATIONS AND WARRANTIES

**3.1 Representations and Warranties of the Company.** Assuming the accuracy of the representations and warranties of the Purchasers set forth in **Section 3.2** of this Agreement and except as set forth in the SEC Reports (defined below), which disclosures serve to qualify these representations and warranties in their entirety, the Company represents and warrants to the Purchasers that the statements contained in this **Section 3.1** are true and correct as of the date of the Closing Date:

(a) The Company was not and is not an Ineligible Issuer (as defined in Rule 405), without taking account of any determination by the Commission pursuant to Rule 405 that it is not necessary that the Company be considered an Ineligible Issuer.

(b) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the jurisdiction in which it is chartered or organized with full corporate power and authority to own or lease, as the case may be, and to operate its properties and conduct its business, and to execute and deliver the Transaction Documents, to be dated as of the Closing Date. The Company is duly qualified to do business as a foreign corporation and is in good standing under the laws of each jurisdiction which requires such qualification except where the failure to be so qualified or to be in good standing would not result in a Material Adverse Effect. The Company has no subsidiaries other than Elicio Operating Company, Inc., Elicio Securities Corporation, and Elicio Australia Pty Ltd.

(c) As of the date hereof, the authorized capital stock of the Company consists of 310,000,000 shares of capital stock, of which 300,000,000 are designated as Common Stock and 10,000,000 are designated as preferred stock, \$0.01 par value per share. As of September 30, 2023: (i) 8,384,723 shares of Common Stock were issued and outstanding; (ii) no shares of preferred stock were issued and outstanding; (iii) 1,310,934 shares of Common Stock were issuable (and such number was reserved for issuance) upon exercise of options to purchase Common Stock outstanding as of such date; and (iv) 148,764 shares of Common Stock were issuable (and such number was reserved for issuance) upon exercise of warrants to purchase Common Stock outstanding as of such date.

(d) The outstanding shares of Common Stock have been duly and validly authorized and issued and are fully paid and nonassessable; the Pre-Funded Warrants have been duly and validly authorized; the Pre-Funded Warrant Shares issuable upon exercise of the Pre-Funded Warrants have been duly and validly authorized and, when issued and delivered to and paid for by the Purchasers pursuant to the terms of the Pre-Funded Warrants, will be fully paid and nonassessable; the certificates for the Securities are in valid form; the holders of outstanding shares of capital stock of the Company are not entitled to preemptive or other rights to subscribe for the Pre-Funded Warrants, except for any such rights as have been effectively waived or complied with; and, except as set forth in the SEC Reports or except as set forth in **Section 3.1(c)** above, no options, warrants or other rights to purchase, agreements or other obligations to issue, or rights to

convert any obligations into or exchange any securities for, shares of capital stock of or ownership interests in the Company are outstanding.

(e) This Agreement has been duly authorized, executed and delivered by the Company.

(f) The Company is not and, after giving effect to the offering and sale of the Securities, will not be an “investment company” as defined in the Investment Company Act of 1940, as amended.

(g) No consent, approval, authorization, filing with or order of any court or governmental agency or body is required in connection with the transactions contemplated herein, except as may be required under the Securities Act, blue sky laws of any jurisdiction in connection with the purchase of the Securities by the Purchasers.

(h) Neither the issue and sale of the Securities, nor the consummation of any other of the transactions contemplated by any Transaction Document nor the fulfillment of the terms thereof, will conflict with, result in a breach or violation of, or imposition of any lien, charge or encumbrance upon any property or assets of the Company or its subsidiaries pursuant to, (i) the charter or by-laws of the Company, (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company is a party or bound or to which its property is subject, or (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Company of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company or any of its properties (the items listed in subclause (iii), collectively, “*Applicable Laws*”).

(i) The Company’s Common Stock is registered under Section 12 of the Exchange Act. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by the Company under the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, since January 1, 2023 (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the “*SEC Reports*”) on a timely basis or has received a valid waiver or extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Exchange Act and, in each case, to the rules promulgated thereunder, as applicable, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(j) The financial statements and the related notes of the Company included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing. Such financial statements have been prepared in accordance with GAAP, except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the consolidated financial position of the Company as of and for the dates thereof and the consolidated results of operations and cash flows for the periods then ended, subject, in the case of unaudited



statements, to normal, immaterial, year-end audit adjustments. Except as set forth in the financial statements of the Company included in the SEC Reports filed prior to the date hereof, the Company has not incurred any liabilities, contingent or otherwise, except those incurred in the ordinary course of business, consistent (as to amount and nature) with past practices since the date of such financial statements, none of which, individually or in the aggregate, have had or would reasonably be expected to have a Material Adverse Effect.

**(k)** No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or its property is pending or, to the knowledge of the Company, threatened that is likely to have a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business.

**(l)** The Company and its subsidiaries have good and marketable title to all real properties and all personal properties other tangible properties and assets owned by them, in each case free from Liens and defects, except such as would not have or would not reasonably be expected to have a Material Adverse Effect. The Company and its subsidiaries hold any leased real or personal property under valid, subsisting and enforceable leases with which the Company and its subsidiaries are in compliance and with no exceptions, except such as would not have or would not reasonably be expected to have a Material Adverse Effect.

**(m)** The Company is not in violation or default of (i) any provision of its charter or bylaws, (ii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which it is a party or bound or to which its property is subject, or (iii) any Applicable Laws, except in the case of clauses (ii) and (iii), as would not reasonably be expected to have a Material Adverse Effect.

**(n)** Baker Tilly US, LLP, who have certified certain financial statements of the Company and delivered their report with respect to the audited financial statements included in the SEC Reports, are independent public accountants with respect to the Company within the meaning of the Securities Act and the applicable published rules and regulations thereunder.

**(o)** There are no transfer taxes or other similar fees or charges under Federal law or the laws of any state, or any political subdivision thereof, required to be paid in connection with the execution and delivery of this Agreement, the Pre-Funded Warrants or the issuance by the Company or sale by the Company of the Securities.

**(p)** The Company has timely filed all tax returns that are required to be filed or has requested extensions thereof (except in any case in which the failure so to file would not have a Material Adverse Effect, whether or not arising from transactions in the ordinary course of business) and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, to the extent that any of the foregoing is due and payable, except for any such assessment, fine or penalty that is currently being contested in good faith or as would not have a Material Adverse Effect.

**(q)** No labor dispute with the employees of the Company or its subsidiaries exists or, to the knowledge of the Company, is imminent, and the Company is not aware of any existing or imminent labor disturbance by the employees of any of its or its subsidiaries' principal suppliers,



manufacturers, customers or contractors, which, in either case, would result in a Material Adverse Effect.

(r) The Company is insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as the Company reasonably believes are prudent and customary in the businesses in which it is engaged; all policies of insurance and fidelity or surety bonds insuring the Company or its business, assets, employees, officers and directors are in full force and effect; the Company is in compliance with the terms of such policies and instruments in all material respects; and there are no claims by the Company under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; the Company has not been refused any insurance coverage sought or applied for; and the Company has no 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 from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, whether or not arising in the ordinary course of business.

(s) The Company possesses all licenses, certificates, permits and other authorizations issued by all applicable authorities necessary to conduct its business, and the Company has not received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect.

(t) Except as described in the SEC Reports, the Company: (A) is and at all times has been in material compliance with all statutes, rules or regulations of the U.S. Food and Drug Administration (the “**FDA**”) and other comparable Governmental Entities applicable 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 (“**Product Laws**”); (B) has not received any FDA Form 483, notice of adverse finding, warning letter, untitled letter or other correspondence or written notice from the FDA or any other Governmental Entity alleging or asserting material noncompliance with any Product Laws or any licenses, certificates, approvals, clearances, exemptions, authorizations, permits and supplements or amendments thereto required by any such Product Laws (“**Authorizations**”); (C) possesses all material Authorizations and such Authorizations are valid and in full force and effect and the Company is not in material 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 other Governmental Entity or third party alleging that any product operation or activity is in material violation of any Product Laws or Authorizations and has no knowledge that the FDA or any other Governmental Entity or third party is considering any such claim, litigation, arbitration, action, suit, investigation or proceeding; (E) has not received notice that the FDA or any other 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 other 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 Product 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).

(u) The Company has operated and currently is in compliance with all applicable health care laws, rules and regulations to the extent they apply to the Company and its current activities (except where such failure to operate or non-compliance would not, singly or in the aggregate, result in a Material Adverse Effect), including, without limitation, (i) the Federal Food, Drug and Cosmetic Act (21 U.S.C. §§ 301 et seq.); (ii) all applicable federal, state, local and all applicable foreign healthcare related fraud and abuse laws, including, without limitation, the federal Anti-kickback Statute (42 U.S.C. § 1320a-7b(b)), the U.S. Physician Payments Sunshine Act (42 U.S.C. § 1320a-7h), the civil False Claims Act (31 U.S.C. §§ 3729 et seq.), the criminal False Claims Law (42 U.S.C. § 1320a-7b(a)), all criminal laws relating to healthcare fraud and abuse, including but not limited to 18 U.S.C. Sections 286 and 287, the healthcare fraud criminal provisions under the U.S. Health Insurance Portability and Accountability Act of 1996 (“**HIPAA**”) (42 U.S.C. Section 1320d et seq.), the exclusion laws (42 U.S.C. § 1320a-7), and the civil monetary penalties law (42 U.S.C. § 1320a-7a); (iii) HIPAA, as amended by the Health Information Technology for Economic Clinical Health Act (42 U.S.C. Section 17921 et seq.); (iv) the regulations promulgated pursuant to such laws; and (v) any other similar local, state, federal, or foreign laws (collectively, the “**Health Care Laws**”). Neither the Company, nor to the Company’s knowledge, any of its officers, directors, employees or agents have engaged in activities which are, as applicable, cause for false claims liability, civil penalties, or mandatory or permissive exclusion from Medicare, Medicaid, or any other state or federal healthcare program. The Company has not received written notice or other correspondence of any claim, action, suit, audit, survey, proceeding, hearing, enforcement, investigation, arbitration or other action (“**Action**”) from any court or arbitrator or Governmental Entity or third party alleging that any product operation or activity is in violation of any Health Care Laws, and, to the Company’s knowledge, no such claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action is threatened. The Company is not a party to and does not have any ongoing reporting obligations pursuant to any corporate integrity agreement, deferred prosecution agreement, monitoring agreement, consent decree, settlement order, plan of correction or similar agreement imposed by any Governmental Entity. Additionally, neither the Company, nor to the Company’s knowledge, any of its employees, officers or directors, has been excluded, suspended, disqualified, or debarred from participation in any U.S. state or 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 could reasonably be expected to result in debarment, suspension, disqualification, or exclusion.

(v) The nonclinical studies and clinical trials conducted by or, to the Company’s knowledge, 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 accepted professional scientific standards and all Authorizations and Product Laws, including, without limitation, the Federal Food, Drug and Cosmetic Act and the rules and regulations promulgated thereunder (collectively, “**FFDCA**”); the descriptions of the results of such nonclinical studies and clinical trials contained in the SEC Reports are, to the Company’s knowledge, accurate and complete in all material respects and fairly present the data derived from such nonclinical studies and clinical trials; except to the extent disclosed in the SEC Reports, the Company is not aware of any nonclinical studies or clinical trials, the results of which the Company believes reasonably call into question any study or trial results described or referred to in the SEC Reports when viewed in

the context in which such results are described; and, except to the extent disclosed in the SEC Reports, the Company has not received any written notices or other correspondence from the FDA or any other Governmental Entity requiring the termination or suspension of any studies or clinical trials conducted by or on behalf of the Company.

(w) The Company owns or has valid, binding and enforceable licenses or other rights under the patents, patent applications, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other intellectual property necessary for, or used in the conduct, or the proposed conduct, of the business of the Company (collectively, the “**Intellectual Property**”) to the knowledge of the Company; the patents, trademarks, and copyrights, if any, included within the Intellectual Property are valid, enforceable, and subsisting; other than as disclosed in the SEC Reports, to the knowledge of the Company (A) the Company is not obligated to pay a material royalty, grant a license to, or provide other material consideration to any third party in connection with the Intellectual Property, (B) the Company has not received any notice of any claim of infringement, misappropriation or conflict with any asserted rights of others with respect to any of the Company’s drug candidates, services, processes or Intellectual Property, (C) neither the sale nor use of any of the discoveries, inventions, drug candidates, services or processes of the Company referred to in the SEC Reports do or will, to the knowledge of the Company, infringe, misappropriate or violate any right or valid patent claim of any third party, (D) none of the technology employed by the Company has been obtained or is being used by the Company in material violation of any contractual obligation binding on the Company or, to the Company’s knowledge, upon any of its officers, directors or employees or otherwise in violation of the rights of any persons, (E) no third party has any ownership right in or to any Intellectual Property that is owned by the Company, other than any co-owner of any patent constituting Intellectual Property who is listed on the records of the U.S. Patent and Trademark Office (the “**USPTO**”) and any co-owner of any patent application constituting Intellectual Property who is named in such patent application, and, to the knowledge of the Company, no third party has any ownership right in or to any Intellectual Property in any field of use that is exclusively licensed to the Company, other than any licensor to the Company of such Intellectual Property, (F) there is no material infringement by third parties of any Intellectual Property, (G) there is no pending or, to the Company’s knowledge, threatened action, suit, proceeding or claim by others challenging the Company’s rights in or to any Intellectual Property, and (H) there is no pending or, to the Company’s knowledge, threatened action, suit, proceeding or claim by others challenging the validity or scope of any Intellectual Property. The Company is in compliance in all material respects with the terms of each agreement pursuant to which Intellectual Property has been licensed to the Company, and all such agreements are in full force and effect.

(x) All patents and patent applications necessary for, or used in the conduct, or the proposed conduct, of the business of the Company and owned by or licensed to the Company or under which the Company has rights have, to the knowledge of the Company, been duly and properly filed and maintained; to the knowledge of the Company, the parties prosecuting such patent applications have complied with their duty of candor and disclosure to the USPTO in connection with such applications; and the Company is not aware of any facts required to be disclosed to the USPTO that were not disclosed to the USPTO and which would preclude the grant of a patent in connection with any such application or would reasonably be expected to form the basis of a finding of invalidity with respect to any patents that have issued with respect to such

applications. To the Company's knowledge, all patents and patent applications owned by the Company and filed with the USPTO or any foreign or international patent authority (the "**Company Patent Rights**") and all patents and patent applications in-licensed by the Company and filed with the USPTO or any foreign or international patent authority (the "**In-licensed Patent Rights**") have been duly and properly filed; the Company believes it has complied with its duty of candor and disclosure to the USPTO for the Company Patent Rights and, to the Company's knowledge, the licensors of the In-licensed Patent Rights have complied with their duty of candor and disclosure to the USPTO for the In-licensed Patent Rights.

(y) [Reserved]

(z) Except as disclosed in the SEC Reports or as disclosed to the Purchasers prior to the entry into this Agreement, the Company maintains a system of 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 generally accepted accounting principles and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management's general or specific authorization; 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 SEC Reports or as disclosed to the Purchasers prior to the entry into this Agreement, (i) the Company's internal controls over financial reporting are effective and (ii) the Company is not aware of any material weakness in its internal controls over financial reporting.

(aa) The Company maintains "disclosure controls and procedures" (as such term is defined in Rule 13a-15(e) under the Exchange Act); such disclosure controls and procedures are effective.

(bb) The Company has not taken, directly or indirectly, any action designed to or that would constitute or that might reasonably be expected to cause or result in, under the Exchange Act or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Pre-Funded Warrant Shares.

(cc) Except as described in the SEC Reports or would not, singly or in the aggregate, result in a Material Adverse Effect, (A) neither the Company nor any subsidiary has violated or is in violation of any Applicable Laws relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products, asbestos-containing materials or mold (collectively, "**Hazardous Materials**") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "**Environmental Laws**"), (B) the Company and its subsidiaries have all permits, authorizations and approvals required for their operations under any applicable Environmental Laws and are each in compliance with their requirements, (C) there are no pending or, to the knowledge of the Company threatened, administrative, regulatory or judicial Actions relating to any Environmental Law against the Company or any subsidiary and (D) to the Company's knowledge, there are no



events or circumstances that would reasonably be expected to form the basis of an order for clean-up or remediation, or an Action by any private party or Governmental Entity, against or affecting the Company or any subsidiary relating to Hazardous Materials or any Environmental Laws.

(dd) None of the following events has occurred or exists: (i) a failure to fulfill the obligations, if any, under the minimum funding standards of Section 302 of the United States Employee Retirement Income Security Act of 1974, as amended (“*ERISA*”), and the regulations and published interpretations thereunder with respect to a Plan that is required to be funded, determined without regard to any waiver of such obligations or extension of any amortization period; (ii) an audit or investigation by the Internal Revenue Service, the U.S. Department of Labor, the Pension Benefit Guaranty Corporation or any other federal or state governmental agency or any foreign regulatory agency with respect to the employment or compensation of employees by any of the Company that would reasonably be expected to have a Material Adverse Effect; (iii) any breach of any contractual obligation, or any violation of law or applicable qualification standards, with respect to the employment or compensation of employees by the Company that would reasonably be expected to have a Material Adverse Effect; or (iv) a non-exempt prohibited transaction, within the meaning of Section 406 of ERISA or Section 4975 of the Code with respect to any Plan that would reasonably be expected to have a Material Adverse Effect. None of the following events has occurred or is reasonably likely to occur: (i) a material increase in the aggregate amount of contributions required to be made to all Plans in the current fiscal year of the Company compared to the amount of such contributions made in the most recently completed fiscal year of the Company; (ii) a material increase in the “accumulated post-retirement benefit obligations” (within the meaning of Statement of Financial Accounting Standards 106) of the Company as compared to the amount of such obligations in the most recently completed fiscal year of the Company; (iii) any event or condition giving rise to a liability under Title IV of ERISA that would reasonably be expected to have a Material Adverse Effect; or (iv) the filing of a claim by one or more employees or former employees of the Company related to their employment that would reasonably be expected to have a Material Adverse Effect. For purposes of this paragraph, the term “*Plan*” means a plan (within the meaning of Section 3(3) of ERISA) subject to Title IV of ERISA with respect to which the Company may have any liability.

(ee) There is and has been no failure on the part of the Company and any of the Company’s directors or officers, in their capacities as such, to comply in all material respects with any provision of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith (the “*Sarbanes-Oxley Act*”), including Section 402 relating to loans.

(ff) None of the Company, its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee, affiliate or other person acting on behalf of the Company or its subsidiaries is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the “*FCPA*”), including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any “foreign official” (as such term is defined in the FCPA) or any foreign political party or official thereof or any candidate for foreign political office, in contravention of the FCPA and the Company has and, to the knowledge of the Company, its affiliates have conducted their businesses in compliance with the

FCPA and have instituted and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance therewith.

(gg) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Entity (collectively, the “**Money Laundering Laws**”); and no Action by or before any Governmental Entity involving the Company or its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(hh) None of the Company, its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee, affiliate or representative of the Company or its subsidiaries is an individual or entity (“**Person**”) currently the subject or target of any sanctions administered or enforced by the United States Government (including, without limitation, the U.S. Department of the Treasury’s Office of Foreign Assets Control), the United Nations Security Council, the European Union, His Majesty’s Treasury, or other relevant sanctions authority (collectively, “**Sanctions**”); and the Company will not directly or indirectly use the proceeds of the sale of the Pre-Funded Warrants, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partners or other Person, to fund any activities of or business with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions or in any other manner that will result in a violation by any Person (including any Person participating in the transaction, whether as an agent, advisor, investor or otherwise) of Sanctions.

(ii) None of the Company, its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee, affiliate or representative of the Company, is a Person that is, or is 50% or more owned or otherwise controlled by a Person that is: (i) the subject of any Sanctions; or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of Sanctions that broadly prohibit dealings with that country or territory (collectively, “**Sanctioned Jurisdictions**” and each, a “**Sanctioned Jurisdiction**”).

(jj) Neither the Company nor any of its subsidiaries has engaged in any dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Jurisdiction, in the preceding 3 years, nor does the Company have any plans to increase its dealings or transactions with Sanctioned Persons, or with or in Sanctioned Jurisdictions.

(kk) The Common Stock is listed on The Nasdaq Global Select Market. The Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act or delisting the Common Stock from The Nasdaq Global Select Market, nor has the Company received any notification that the Commission or The Nasdaq Global Select Market is contemplating terminating such registration or listing. To the Company’s knowledge, it is in compliance with all applicable listing requirements of The Nasdaq Global Select Market. The Company is not aware of any circumstance that would cause the Pre-Funded Warrant Shares to not be approved for listing by The Nasdaq Global Select Market.

(ll) Neither the Company, nor any of the Company's affiliates or any other person acting on the Company's behalf, has directly or indirectly engaged in any form of general solicitation or general advertising with respect to the Securities, nor have any of such persons made any offers or sales of any security of the Company, or any of the Company's affiliates or solicited any offers to buy any security of the Company, or any of the Company's or any affiliates under circumstances that would require registration of the Securities under the Securities Act or any other securities laws or cause this offering of Securities to be integrated with any prior offering of securities of the Company for purposes of the Securities Act in any manner that would affect the validity of the private placement exemption under the Securities Act for the offer and sale of the Securities hereunder.

(mm) No "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the 1933 Act (a "**Disqualification Event**") is applicable to the Company or, to the Company's knowledge, any Company Covered Person (as defined below), except for a Disqualification Event as to which Rule 506(d)(2)(ii-iv) or (d)(3), is applicable. "**Company Covered Person**" means, with respect to the Company as an "issuer" for purposes of Rule 506 promulgated under the 1933 Act, any person listed in the first paragraph of Rule 506(d)(1).

(nn) The Company shall file a Form D with respect to the Securities as required under Regulation D and, to the extent the Form D is not publicly available on the Commission's EDGAR reporting system, to provide a copy thereof to each Purchaser promptly after such filing. The Company, on or before the Closing Date, shall take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for or to qualify the Securities for sale and issuance to the Purchasers at the Closing pursuant to this Agreement under applicable securities or blue sky laws of the states of the United States (or to obtain an exemption from such qualification), and, if requested by a Purchaser, shall provide evidence of any material action so taken to such Purchaser on or prior to the Closing Date. The Company shall make all filings and reports relating to the offer and sale of the Securities required under applicable securities or blue sky laws of the states of the United States following the Closing Date.

(oo) Assuming the accuracy of the Purchasers' representations and warranties set forth in **Section 3.2**, no registration under the Securities Act is required for the offer and sale of the Securities by the Company to the Purchasers as contemplated hereby.

**3.2 Representations, Warranties and Covenants of the Purchasers.** Each Purchaser, for itself and for no other Purchaser, hereby represents, warrants and covenants to the Company as of the Closing:

(a) Purchaser represents and warrants that: (i) Purchaser has all requisite legal and corporate or other power and capacity and has taken all requisite corporate or other action to execute and deliver this Agreement, to purchase the Pre-Funded Warrants and to carry out and perform all of its obligations under this Agreement; and (ii) this Agreement constitutes the legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or other similar laws relating to or affecting the enforcement of creditors' rights generally.

**(b)** At the time such Purchaser was offered the Pre-Funded Warrants, it was, and as of the date hereof it is: (i) an “accredited investor” as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act or (ii) a “qualified institutional buyer” as defined in Rule 144A(a) under the Securities Act. Such Purchaser is not required to be registered as a broker-dealer under Section 15 of the Exchange Act. Such Purchaser has the authority and is duly and legally qualified to purchase and own the Pre-Funded Warrants. Such Purchaser is aware of the Company’s business affairs and financial condition and has had access to and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Pre-Funded Warrants. Purchaser has such business and financial experience as is required to give it the capacity to protect its own interests in connection with the purchase of the Pre-Funded Warrants and such Purchaser is able to bear the economic risk of an investment in the Pre-Funded Warrants and, at the present time, is able to afford a complete loss of such investment. Such Purchaser acknowledges that it has had the opportunity to review the Company’s filings with the Commission and has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of the offering of the Pre-Funded Warrants and the merits and risks of investing in the Pre-Funded Warrants and (ii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. Such Purchaser is not a member of the Financial Industry Regulatory Authority or an “associated person” (as such term is defined under the FINRA rules and regulations).

**(c)** Each Purchaser is purchasing the Pre-Funded Warrants for its own account, for investment purposes only, and not with a present view to, or for, resale, distribution or fractionalization thereof, in whole or in part, within the meaning of the Securities Act. Each Purchaser understands and acknowledges that the Securities are “restricted securities” and understands that its acquisition of the Securities has not been registered under the Securities Act or registered or qualified under any state securities law in reliance on specific exemptions therefrom, which exemptions may depend upon, among other things, the bona fide nature of each Purchaser’s investment intent as expressed herein. Each Purchaser will not, directly or indirectly, offer, sell, transfer or otherwise dispose of (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of) the Securities except in compliance with the Securities Act and the rules and regulations promulgated thereunder.

**(d)** Each Purchaser represents and acknowledges that it has not been solicited to offer to purchase or to purchase any Pre-Funded Warrants by means of any general solicitation or advertising within the meaning of Regulation D under the Securities Act.

**(e)** Each Purchaser represents that it is not a person of the type described in Section 506(d) of Regulation D under the Securities Act that would disqualify the Company from engaging in a transaction pursuant to Section 506 of Regulation D under the Securities Act.

**(f)** Each Purchaser understands that the Securities being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and each Purchaser’s compliance with, the representations, warranties, agreements, acknowledgements and understandings of each Purchaser set forth herein in order to determine the



availability of such exemptions and the eligibility of each Purchaser to acquire the Securities. Each Purchaser further acknowledges and understands that the Securities may not be resold or otherwise transferred except in a transaction registered under the Securities Act or unless an exemption from such registration is available.

**(g) Dispositions.**

(i) Each Purchaser will not, prior to the effectiveness of a Resale Registration Statement (as defined below), if then prohibited by law or regulation: (i) sell, offer to sell, solicit offers to buy, dispose of, loan or grant any right with respect to (collectively, a “**Disposition**”) the Securities; or (ii) engage in any hedging or other transaction which is designed or could reasonably be expected to lead to or result in a Disposition of the Securities by the Purchaser or an affiliate.

(ii) As of the Closing Date, each Purchaser has not directly or indirectly, nor has any person acting on behalf of or pursuant to any understanding with the Purchaser, engaged in any purchases or sales of the Company’s securities (including, without limitation, any Short Sales involving the Company’s securities) since the time that the Purchaser was first contacted by the Company or any other person regarding the transactions contemplated hereby. Each Purchaser covenants that neither it nor any person acting on its behalf or pursuant to any understanding with it will engage in any purchases or sales of the Company’s securities (including, without limitation, any Short Sales involving the Company’s securities) prior to the time that the transactions contemplated by this Agreement are publicly disclosed.

(h) Each Purchaser has independently evaluated the merits of its decision to purchase the Securities pursuant to this Agreement. Each Purchaser understands that nothing in this Agreement or any other materials presented to such Purchaser in connection with the purchase and sale of the Securities constitutes legal, tax or investment advice.

(i) Each Purchaser will hold in confidence all information concerning this Agreement and the sale and issuance of the Securities until the Company has made a public announcement concerning this Agreement and the sale and issuance of the Securities, which shall be made not later than 5:30 pm New York time on the fourth Trading Day immediately after the signing of this Agreement.

(j) Each Purchaser understands that no United States federal or state agency or any other government or governmental agency has passed upon or made any recommendation or endorsement of the Securities.

**(k) Legend.**

(i) Each Purchaser understands that the Securities shall bear a restrictive legend in substantially the following form (and a stop transfer order may be placed against transfer of the certificates for the Securities):

“THE OFFER AND SALE OF THESE SECURITIES AND THE SECURITIES  
ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE NOT BEEN  
REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE

“SECURITIES ACT”), OR ANY APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN EACH CASE IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER THE SECURITIES ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES; PROVIDED THAT IN CONNECTION WITH ANY FORECLOSURE OR TRANSFER OF THE SECURITIES, THE TRANSFEROR SHALL COMPLY WITH THE PROVISIONS HEREIN AND IN THE SUBSCRIPTION AGREEMENT, AND UPON FORECLOSURE OR TRANSFER OF THE SECURITIES, SUCH FORECLOSING PERSON OR TRANSFEREE SHALL COMPLY WITH ALL PROVISIONS CONTAINED HEREIN AND IN THE SUBSCRIPTION AGREEMENT.”

(ii) The Company shall, at its sole expense, upon appropriate notice from any Purchaser stating that the Pre-Funded Warrant Shares have been sold pursuant to an effective Registration Statement, timely prepare and deliver certificates or book-entry shares representing the Pre-Funded Warrant Shares to be delivered to a transferee pursuant to the Registration Statement, which certificates or book-entry shares shall be free of any restrictive legends and in such denominations and registered in such names as such Purchaser may request. Further, the Company shall, at its sole expense, cause its legal counsel or other counsel satisfactory to the transfer agent: (i) while the Registration Statement is effective, to issue to the transfer agent a “blanket” legal opinion to allow sales without restriction pursuant to the effective Registration Statement, and (ii) provide all other opinions as may reasonably be required by the transfer agent in connection with the removal of legends. A Purchaser may request that the Company remove, and the Company agrees to authorize the removal of, any legend from such Pre-Funded Warrant Shares, following the delivery by a Purchaser to the Company or the Company’s transfer agent of a legended certificate representing such Pre-Funded Warrant Shares: (i) following any sale of such Pre-Funded Warrant Shares pursuant to Rule 144, (ii) if such Pre-Funded Warrant Shares are eligible for sale under Rule 144(b)(1), or (iii) following the time that the Registration Statement is declared effective. If a legend removal request is made pursuant to the foregoing, the Company will, no later than three business days following the delivery by a Purchaser to the Company or the Company’s transfer agent of a legended certificate representing such Pre-Funded Warrant Shares (or a request for legend removal, in the case of Pre-Funded Warrant Shares issued in book-entry form), deliver or cause to be delivered to such Purchaser a certificate representing such Pre-Funded Warrant Shares that is free from all restrictive legends or an equivalent book-entry position, as requested by the Purchaser. Certificates for Pre-Funded Warrant Shares free from all restrictive legends may be transmitted by the Company’s transfer agent to the Purchasers by crediting the account of the Purchaser’s prime broker with the Depository Trust Company (“DTC”) as directed

by such Purchaser. The Company warrants that the Pre-Funded Warrant Shares shall otherwise be freely transferable on the books and records of the Company as and to the extent provided in this Agreement. If a Purchaser effects a transfer of the Pre-Funded Warrant Shares in accordance with **Section 3.2(k)(ii)**, the Company shall permit the transfer and shall promptly instruct its transfer agent to issue one or more certificates or credit Pre-Funded Warrant Shares to the applicable balance accounts at DTC in such name and in such denominations as specified by such Purchaser to effect such transfer. Each Purchaser hereby agrees that the removal of the restrictive legend pursuant to this **Section 3.2(k)(ii)** is predicated upon the Company's reliance that such Purchaser will sell any such Pre-Funded Warrant Shares pursuant to either the registration requirements of the Securities Act, including any applicable prospectus delivery requirements, or an exemption therefrom.

**(l)** If Purchaser is not a United States person (as defined by Section 7701(a)(30) of the Code), Purchaser hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Agreement, including (a) the legal requirements within its jurisdiction for the purchase of the Securities, (b) any foreign exchange restrictions applicable to such purchase or acquisition, (c) any government or other consents that may need to be obtained, and (d) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale or transfer of the Securities. The Purchaser's subscription and payment for and continued beneficial ownership of the Securities will not violate any applicable securities or other laws of the Purchaser's jurisdiction.

**(m)** Such Purchaser understands that no United States federal or state agency or any other governmental or state agency has passed on or made recommendations or endorsement of the Securities or the suitability of the investment in the Securities nor have such authorities passed upon or endorsed the merits of the offering of the Securities pursuant to this Agreement.

**(n)** The execution, delivery and performance of this Agreement and the consummation by such Purchaser of the transactions contemplated hereby and thereby or relating hereto or thereto do not and will not (i) result in a violation of such Purchaser's charter documents, bylaws or other organizational documents, if applicable, (ii) conflict with nor constitute a default (or an event which with notice or lapse of time or both would become a default) under any agreement to which such Purchaser is a party, nor (iii) result in a violation of any law, rule, or regulation, or any order, judgment or decree of any court or governmental agency applicable to such Purchaser or its properties (except for such conflicts, defaults and violations as would not, individually or in the aggregate, have a material adverse effect on such Purchaser). Such Purchaser is not required to obtain any consent, authorization or order of, or make any filing or registration with, any court or governmental agency in order for it to execute, deliver or perform any of its obligations under this Agreement nor to purchase the Securities in accordance with the terms hereof, provided that for purposes of the representation made in this sentence, such Purchaser is assuming and relying upon the accuracy of the relevant representations and agreements of the Company herein.

#### **4. REGISTRATION RIGHTS**

##### **4.1 Definitions.** For the purpose of this **Section 4:**

(a) the term “**Resale Registration Statement**” shall mean any registration statement required to be filed by **Section 4.2** below, and shall include any preliminary prospectus, final prospectus, exhibit or amendment included in or relating to such registration statements; and

(b) the term “**Registrable Shares**” means the Pre-Funded Warrant Shares; *provided, however*, that a security shall cease to be a Registrable Share upon the earliest to occur of the following: (i) a Resale Registration Statement registering such security under the Securities Act has been declared or becomes effective and such security has been sold or otherwise transferred by the holder thereof pursuant to and in a manner contemplated by such effective Resale Registration Statement, (ii) such security is sold pursuant to Rule 144 under circumstances in which any legend borne by such security relating to restrictions on transferability thereof, under the Securities Act or otherwise, is removed by the Company, (iii) such security is eligible to be sold pursuant to Rule 144 without condition or restriction, including without any limitation as to volume of sales, and without the Holder complying with any method of sale requirements or notice requirements under Rule 144, or (iv) such security shall cease to be outstanding following its issuance.

#### **4.2 Registration Procedures and Expenses.** The Company shall:

(a) use best efforts to file a Resale Registration Statement (the “**Mandatory Registration Statement**”) with the Commission on or before June 30, 2024 (the “**Filing Date**”) to register the applicable Registrable Shares on Form S-3 under the Securities Act (providing for shelf registration of such Registrable Shares under Commission Rule 415);

(b) use its commercially reasonable efforts to cause each Mandatory Registration Statement to be declared effective within 30 days following each Filing Date (or, in the event the staff of the Commission (the “**Staff**”) reviews and has written comments to any Mandatory Registration Statement, within 90 days following the receipt of such written comments) (the earlier of the foregoing or the applicable date set forth in **Section 4.2(h)**, the “**Effectiveness Date**”), such efforts to include, without limiting the generality of the foregoing, preparing and filing with the Commission any financial statements or other information that is required to be filed prior to the effectiveness of such Mandatory Registration Statement;

(c) notwithstanding anything contained in this Agreement to the contrary, in the event that the Commission limits the amount of Registrable Shares or otherwise requires a reduction in the number of Registrable Shares that may be included and sold by the Purchasers in a Mandatory Registration Statement (in each case, subject to **Section 4.3**), then the Company shall prepare and file (i) within 20 business days of the first date or time that such excluded Registrable Shares may then be included in a Resale Registration Statement if the Commission shall have notified the Company that certain Registrable Shares were not eligible for inclusion in such Resale Registration Statement or (ii) in all other cases, within 30 days following the date that the Company becomes aware that such additional Resale Registration Statement is required (the “**Additional Filing Date**”), a Resale Registration Statement (any such Resale Registration Statement registering such excluded Registrable Shares, an “**Additional Registration Statement**” and, together with the Mandatory Registration Statement, a “**Resale Registration Statement**”) to register any Registrable Shares that have been excluded (or, if applicable, the maximum number of such excluded Registrable Shares that the Company is permitted to register for resale on such

Additional Registration Statement consistent with Commission guidance), if any, from being registered on the Mandatory Registration Statement;

(d) use its commercially reasonable efforts to cause any such Additional Registration Statement to be declared effective as promptly as practicable following the Additional Filing Date, such efforts to include, without limiting the generality of the foregoing, preparing and filing with the Commission any financial statements or other information that is required to be filed prior to the effectiveness of any such Additional Registration Statement;

(e) prepare and file with the Commission such amendments and supplements to such Resale Registration Statements and the prospectus used in connection therewith as may be necessary to keep such Resale Registration Statements continuously effective and free from any material misstatement or omission to state a material fact therein until termination of such obligation as provided in **Section 4.6** below, subject to the Company's right to suspend pursuant to **Section 4.5**;

(f) furnish to the Purchasers such number of copies of prospectuses in conformity with the requirements of the Securities Act and such other documents as the Purchasers may reasonably request, in order to facilitate the public sale or other disposition of all or any of the Registrable Shares by the Purchasers;

(g) file such documents as may be required of the Company for normal securities law clearance for the resale of the Registrable Shares in such states of the United States as may be reasonably requested by the Purchasers and use its commercially reasonable efforts to maintain such blue sky qualifications during the period the Company is required to maintain effectiveness of the Resale Registration Statements; *provided, however*, that the Company shall not be required in connection with this **Section 4.2(g)** to qualify as a foreign corporation or execute a general consent to service of process in any jurisdiction in which it is not now so qualified or has not so consented;

(h) upon notification by the Commission that a Resale Registration Statement will not be reviewed or is not subject to further review by the Commission, the Company shall within five business days following the date of such notification request acceleration of such Resale Registration Statement (with the requested effectiveness date to be not more than two business days later);

(i) upon notification by the Commission that that a Resale Registration Statement has been declared effective by the Commission, the Company shall file the final prospectus under Rule 424 of the Securities Act ("**Rule 424**") within the applicable time period prescribed by Rule 424;

(j) advise the Purchasers promptly:

(i) of the effectiveness of a Resale Registration Statement or any post-effective amendments thereto;



(ii) of any request by the Commission for amendments to a Resale Registration Statement or amendments to the prospectus or for additional information relating thereto;

(iii) of the issuance by the Commission of any stop order suspending the effectiveness of a Resale Registration Statement under the Securities Act or of the suspension by any state securities commission of the qualification of the Registrable Shares for offering or sale in any jurisdiction, or the initiation of any proceeding for any of the preceding purposes; and

(iv) of the existence of any fact and the happening of any event that makes any statement of a material fact made in a Resale Registration Statement, the prospectus and amendment or supplement thereto, or any document incorporated by reference therein, untrue, or that requires the making of any additions to or changes in a Resale Registration Statement or the prospectus in order to make the statements therein not misleading;

(k) cause all Registrable Shares to be listed on each securities exchange, if any, on which equity securities by the Company are then listed;

(l) bear all expenses in connection with the procedures in paragraphs (a) through (l) of this **Section 4.2** and the registration of the Registrable Shares on such Resale Registration Statement and the satisfaction of the blue sky laws of such states; and

(m) if (i) the initial Resale Registration Statement covering the Registrable Shares is not filed with the Commission on or prior to the Filing Date, (ii) the initial Resale Registration Statement or any other Resale Registration Statement, as applicable, is not declared effective by the Commission (or otherwise does not become effective) for any reason on or prior to the applicable Effectiveness Date, (iii) after its Effectiveness Date, (A) such Registration Statement ceases for any reason (including without limitation by reason of a stop order, or the Company's failure to update the Resale Registration Statement), to remain continuously effective as to all Registrable Shares for which it is required to be effective, or (B) the Purchasers are not permitted to utilize the prospectus therein to resell such Registrable Shares or (iv) after the Filing Date, and only in the event a Resale Registration Statement is not effective or available to sell all Registrable Shares, the Company fails to file with the Commission any required reports under Section 13 or 15(d) of the Exchange Act such that it is not in compliance with Rule 144(c)(1), as a result of which the Purchasers who are not affiliates are unable to sell Registrable Shares without restriction under Rule 144 (any such failure or breach in clauses (i) through (iv) above being referred to as an "**Event**," and, for purposes of clauses (i), (ii), (iii) or (iv), the date on which such Event occurs, being referred to as an "**Event Date**"), then, in addition to any other rights the Purchasers may have hereunder or under applicable law on each such Event Date and on each monthly anniversary of each such Event Date (if the applicable Event shall not have been cured by such date) until the applicable Event is cured, the Company will pay to each Purchaser an amount in cash, as liquidated damages and not as a penalty ("**Liquidated Damages**"), equal to 1% of the aggregate purchase price paid by such Purchaser pursuant to this Agreement for any Registrable Shares held by such Purchaser on the Event Date. The Liquidated Damages pursuant to the terms hereof shall apply on a daily pro rata basis for any portion of a month prior to the cure of an Event, except in the case of the first Event Date. Such payments shall constitute the Purchasers' exclusive monetary remedy for such events, but shall not affect the right of the

Purchasers to seek injunctive relief. Such payments shall be made to each Purchaser in cash no later than five (5) Business Days after the date payable (such applicable date, the “**Payment Date**”). Interest shall accrue on the amount of Liquidated Damages that are not be paid by the Payment Date at the rate of 1% per month, accruing daily from the date such Liquidated Damages are due until such amount, plus interest thereon, is paid in full. Notwithstanding any other provision herein, with respect to a Purchaser (i) the Filing Date and each Effectiveness Date for a Resale Registration Statement shall be extended, without default by or Liquidated Damages payable by the Company to such Holder hereunder if the Company’s failure to make such filing or obtain such effectiveness results from the failure of such Purchaser to timely provide the Company with information requested by the Company and necessary to complete a Resale Registration Statement in accordance with the requirements of the Securities Act (in which case any such deadline would be extended with respect to all Registrable Shares held by such Purchaser until such time as the Purchaser provides such requested information), it being understood that the failure of such Purchaser to timely provide such information to the Company shall not affect the rights of other Purchasers herein, and (ii) in no event shall the aggregate amount of Liquidated Damages (or interest thereon) paid under this Agreement to any Purchaser exceed, in the aggregate, 5% of the aggregate purchase price of the Pre-Funded Warrants purchased by such Purchaser under this Agreement.

#### **4.3 Rule 415; Cutback.**

If at any time the Staff takes the position that the offering of some or all of the Registrable Shares in a Registration Statement is not eligible to be made on a delayed or continuous basis under the provisions of Rule 415 under the Securities Act or requires any Purchaser to be named as an “underwriter,” the Company shall (in consultation with legal counsel to Purchaser) use its commercially reasonable efforts to persuade the Commission that the offering contemplated by the Registration Statement is a valid secondary offering and not an offering “by or on behalf of the issuer” as defined in Rule 415 and that none of the Purchasers is an “underwriter.” In the event that, despite the Company’s commercially reasonable efforts and compliance with the terms of this **Section 4.3**, the Staff refuses to alter its position, the Company shall (i) remove from the Registration Statement such portion of the Registrable Shares (the “**Cut Back Shares**”) and/or (ii) agree to such restrictions and limitations on the registration and resale of the Registrable Shares as the Staff may require to assure the Company’s compliance with the requirements of Rule 415 (collectively, the “**SEC Restrictions**”); provided, however, that the Company shall not agree to name any Purchaser as an “underwriter” in such Registration Statement without the prior written consent of such Purchaser. Any cutback imposed on the Purchasers pursuant to this **Section 4.3** shall be allocated among the Purchasers on a pro rata basis, unless the SEC Restrictions otherwise require or provide or the Purchasers holding a majority of the Registrable Shares otherwise agree. No liquidated damages shall accrue as to any Cut Back Shares until such date as the Company is able to effect the registration of such Cut Back Shares in accordance with any SEC Restrictions (such date, the “**Restriction Termination Date**” of such Cut Back Shares). From and after the Restriction Termination Date applicable to any Cut Back Shares, all of the provisions of this **Section 4** shall again be applicable to such Cut Back Shares; provided, however, that (x) the Filing Deadline for the Registration Statement including such Cut Back Shares shall be 10 business days after such Restriction Termination Date, and (y) the Effectiveness Deadline with respect to such Cut Back Shares shall be the earlier of (A) the fifth (5<sup>th</sup>) Business Day after the Commission informs the Company (orally or in writing, whichever is earlier) that no review of such Resale

Registration Statement will be made or that the Commission has no further comments on such Resale Registration Statement and (B) 30<sup>th</sup> day immediately after the Restriction Termination Date (or the 90<sup>th</sup> day immediately after the Restriction Termination Date if the Commission reviews such Resale Registration Statement).

#### **4.4 Indemnification.**

(a) The Company agrees to indemnify and hold harmless the Purchasers, and the partners, members, managers, officers, directors, trustees, advisors, employees and agents of the Purchasers and each person, if any, who controls the Purchasers within the meaning of the Securities Act or the Exchange Act, from and against any losses, claims, damages or liabilities to which they may become subject (under the Securities Act or otherwise) insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) arise out of, or are based upon, any material breach of this Agreement by the Company or any untrue statement or alleged untrue statement of a material fact contained in a Resale Registration Statement or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or arise out of any failure by the Company to fulfill any undertaking included in a Resale Registration Statement and the Company will, as incurred, reimburse the Purchasers, and their partners, members, officers, directors or controlling Persons for any legal or other expenses reasonably incurred in investigating, defending or preparing to defend any such action, proceeding or claim; *provided, however*, that the Company shall not be liable in any such case to the extent that such loss, claim, damage or liability (collectively, “**Loss**”) arises out of, or is based upon: (i) an untrue statement or omission or alleged untrue statement or omission made in such Resale Registration Statement in reliance upon and in conformity with written information furnished to the Company by or on behalf of the Purchasers, or their partners, members, officers, directors or controlling persons specifically for use in preparation of a Resale Registration Statement; or (ii) any breach of this Agreement by the Purchasers; *provided further, however*, that the Company shall not be liable to the Purchasers (or any partner, member, officer, director or controlling Person of the Purchasers) to the extent that any such Loss is caused by an untrue statement or omission or alleged untrue statement or omission made in any preliminary prospectus if either (i) (A) any Purchaser failed to send or deliver a copy of the final prospectus with or prior to, or any Purchaser failed to confirm that a final prospectus was deemed to be delivered prior to (in accordance with Rule 172 of the Securities Act), the delivery of written confirmation of the sale by a Purchaser to the Person asserting the claim from which such Loss resulted and (B) the final prospectus corrected such untrue statement or omission, (ii) (X) such untrue statement or omission is corrected in an amendment or supplement to the prospectus and (Y) having previously been furnished by or on behalf of the Company with copies of the prospectus as so amended or supplemented or notified by the Company that such amended or supplemented prospectus has been filed with the Commission, in accordance with Rule 172 of the Securities Act, any Purchaser thereafter fails to deliver such prospectus as so amended or supplemented, with or prior to or a Purchaser fails to confirm that the prospectus as so amended or supplemented was deemed to be delivered prior to (in accordance with Rule 172 of the Securities Act), the delivery of written confirmation of the sale by a Purchaser to the person asserting the claim from which such Loss resulted or (iii) a Purchaser sold Registrable Shares in violation of such Purchasers’ covenant contained in **Section 3.2** of this Agreement.



(b) The Purchasers agree, severally and not jointly, to indemnify and hold harmless the Company (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, each officer of the Company who signs a Resale Registration Statement and each director of the Company), from and against any Losses to which the Company (or any such officer, director or controlling person) may become subject (under the Securities Act or otherwise), insofar as such Losses (or actions or proceedings in respect thereof) arise out of, or are based upon, any material breach of this Agreement by the Purchasers or untrue statement or alleged untrue statement of a material fact contained in a Resale Registration Statement (or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading in each case, on the effective date thereof), if, and only to the extent, such untrue statement or omission or alleged untrue statement or omission was made in reliance upon and in conformity with written information furnished by or on behalf of the Purchasers specifically for use in preparation of a Resale Registration Statement, and the Purchasers, severally and not jointly, will reimburse the Company (and each of its officers, directors or controlling persons) for any legal or other expenses reasonably incurred in investigating, defending or preparing to defend any such action, proceeding or claim; *provided, however*, that in no event shall any indemnity under this **Section 4.4(b)** be greater in amount than the dollar amount of the proceeds received by the Purchasers upon the sale of such Registrable Shares (net of all expenses paid by such Purchaser in connection with any claim relating to this **Section 4.4(b)**) and the amount of any damages such Purchaser has otherwise been required to pay by reason of such untrue statement or omission).

(c) Promptly after receipt by any indemnified person of a notice of a claim or the beginning of any action in respect of which indemnity is to be sought against an indemnifying person pursuant to this **Section 4.4**, such indemnified person shall notify the indemnifying person in writing of such claim or of the commencement of such action, and, subject to the provisions hereinafter stated, in case any such action shall be brought against an indemnified person and such indemnifying person shall have been notified thereof, such indemnifying person shall be entitled to participate therein, and, to the extent that it shall wish, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified person. After notice from the indemnifying person to such indemnified person of its election to assume the defense thereof, such indemnifying person shall not be liable to such indemnified person for any legal expenses subsequently incurred by such indemnified person in connection with the defense thereof; *provided, however*, that if there exists or shall exist a conflict of interest that would make it inappropriate in the reasonable judgment of the indemnified person for the same counsel to represent both the indemnified person and such indemnifying person or any affiliate or associate thereof, the indemnified person shall be entitled to retain its own counsel at the expense of such indemnifying person; *provided, further*, that no indemnifying person shall be responsible for the fees and expense of more than one separate counsel for all indemnified parties. The indemnifying party shall not settle an action without the consent of the indemnified party, which consent shall not be unreasonably withheld.

(d) If the indemnification provided for in this **Section 4.4** is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any Losses referred to herein, the indemnifying party, in lieu of indemnifying such indemnified party thereunder, shall to the extent permitted by applicable law contribute to the amount paid or payable by such indemnified party as a result of such Loss in such proportion as is appropriate to reflect

the relative fault of the indemnifying party on the one hand and of the indemnified party on the other, as well as any other relevant equitable considerations; provided, that in no event shall any contribution by an indemnifying party hereunder be greater in amount than the dollar amount of the proceeds received by such indemnifying party upon the sale of such Registrable Shares.

**4.5 Prospectus Suspension.** Each Purchaser acknowledges that there may be times when the Company must suspend the use of the prospectus forming a part of a Resale Registration Statement until such time as an amendment to a Resale Registration Statement has been filed by the Company and declared effective by the Commission, or until such time as the Company has filed an appropriate report with the Commission pursuant to the Exchange Act. Each Purchaser hereby covenants that it will not sell any Registrable Shares pursuant to said prospectus during the period commencing at the time at which the Company gives the Purchasers notice of the suspension of the use of said prospectus and ending at the time the Company gives the Purchasers notice that the Purchasers may thereafter effect sales pursuant to said prospectus; provided, that such suspension periods shall in no event exceed 30 consecutive trading days or 60 total trading days in any 12 month period (any such suspension, an “*Allowed Delay*”) and that, in the good faith judgment of the Board, the Company would, in the absence of such delay or suspension hereunder, be required under state or federal securities laws to disclose any corporate development, a potentially significant transaction or event involving the Company, or any negotiations, discussions, or proposals directly relating thereto, in either case the disclosure of which would reasonably be expected to have a Material Adverse Effect upon the Company or its stockholders. The Company shall use commercially reasonable efforts to terminate an Allowed Delay as promptly as practicable and shall provide prompt written notice to Purchasers whose Registrable Shares are included in the Resale Registration Statement of the termination of an Allowed Delay and take such other reasonable actions to permit registered sales of Registrable Shares as contemplated hereby.

**4.6 Termination of Obligations.** The obligations of the Company pursuant to **Section 4.2** hereof shall cease and terminate, with respect to any Registrable Shares, upon the earlier to occur of (a) such time such Registrable Shares have been resold, or (b) such time as such Registrable Shares no longer remain Registrable Shares pursuant to **Section 4.1(b)** hereof.

**4.7 Reporting Requirements.**

(a) With a view to making available the benefits of certain rules and regulations of the Commission that may at any time permit the sale of the Registrable Shares to the public without registration or pursuant to a registration statement on Form S-3, the Company agrees to:

(i) make and keep public information available, as those terms are understood and defined in Rule 144;

(ii) file with the Commission in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(iii) so long as a Purchaser owns Registrable Shares, to furnish to such Purchaser upon request (A) a written statement by the Company as to whether it is in compliance with the reporting requirements of Rule 144, the Securities Act and the Exchange Act, or whether

it is qualified as a registrant whose securities may be resold pursuant to Commission Form S-3, (B) 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 (C) such other information as may be reasonably requested to permit the Purchaser to sell such securities pursuant to Rule 144.

**4.8 Blue Sky.** The Company shall obtain and maintain all necessary blue sky law permits and qualifications, or secured exemptions therefrom, required by any state for the offer and sale of Registrable Shares; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

## **5. OTHER AGREEMENTS OF THE PARTIES**

**5.1 Securities Laws Disclosure; Publicity.** The Company shall: (a) issue a press release disclosing the material terms of the transactions contemplated hereby promptly following the execution and delivery hereof (the “*Press Release*”), and (b) by 5:30 p.m. (New York City time) on the fourth Trading Day following the date hereof, file a Current Report on Form 8-K disclosing the material terms of the transactions contemplated hereby (the “*Form 8-K*”).

**5.2 Stockholder Approval.** Not later than six (6) months following the Closing Date, the Company agrees to use commercially reasonable efforts to obtain, at a special or annual meeting of the stockholders of the Company at which a quorum is present (the “*Stockholder Meeting*”), such approval as may be required by the applicable rules and regulations of The Nasdaq Stock Market, LLC (or any successor entity) (“*Nasdaq*”) from the stockholders of the Company with respect to a change of control of the Company pursuant to Section 5635(b) of the Listing Rules of Nasdaq resulting from beneficial ownership in excess of 19.99% of the Company’s outstanding Common Stock upon the issuance of the Pre-Funded Warrant Shares (“*Stockholder Approval*”). The Company, at its expense, will prepare and file with the Commission a proxy statement to be sent to the Company’s stockholders in connection with the Stockholder Meeting. The Company will provide the draft of such proxy statement to the Purchaser and its counsel not less than three (3) business days prior to the expected filing of such proxy statement and will accommodate any reasonable comments.

## **6. MISCELLANEOUS**

**6.1 Termination.** This Agreement may be terminated by any Purchaser, as to such Purchaser’s obligations hereunder only and without any effect whatsoever on the obligations between the Company and the other Purchasers, by written notice to the other parties, if the Closing has not been consummated within ten calendar days from the Effective Date through no fault of such Purchaser; *provided, however*, that no such termination will affect the right of any party to sue for any breach by the other party (or parties).

**6.2 Fees and Expenses.** Each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement. Notwithstanding the foregoing, the Company shall pay all transfer agent fees, stamp taxes and

other taxes and duties levied in connection with the delivery of any Pre-Funded Warrants or Pre-Funded Warrant Shares to the Purchasers.

**6.3 Entire Agreement.** The Transaction Documents, together with the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such subject matter, which the parties acknowledge have been merged into such documents, exhibits and schedules.

**6.4 Notices.** Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective upon actual receipt via mail, courier or confirmed email by the party to whom such notice is required to be given. The address for such notices and communications shall be as set forth on the signature pages attached hereto.

**6.5 Amendments; Waivers.** No provision of this Agreement may be waived or amended except in a written instrument signed, in the case of an amendment, by (a) the Company and (b) Purchasers holding at least a majority of the Securities then-held by a Purchaser or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

**6.6 Headings.** The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

**6.7 Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties and their permitted successors and assigns. The Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of each Purchaser (other than by merger). The Purchasers may not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Company (other than by merger).

**6.8 Third-Party Beneficiaries.** This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

**6.9 Governing Law.** All questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the State of New York for the adjudication of any dispute hereunder or in connection herewith or with any transaction

contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. If either party shall commence an action or proceeding to enforce any provisions of the Transaction Documents, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

**6.10 Execution.** This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature on this Agreement is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a legally valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

**6.11 Severability.** If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

**6.12 Rescission and Withdrawal Right.** Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) any of the other Transaction Documents, whenever any Purchaser exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then such Purchaser may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.

**6.13 Replacement of Securities.** If any certificate or instrument evidencing any Securities is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof (in the case of mutilation), or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and



reasonable indemnity or bond, if requested. The applicant for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs (including customary indemnity) associated with the issuance of such replacement Securities.

**6.14 Independent Nature of Purchasers' Obligations and Rights.** The obligations of each Purchaser under any Transaction Document are several and not joint with the obligations of any other Purchaser, and no Purchaser shall be responsible in any way for the performance or non-performance of the obligations of any other Purchaser under any Transaction Document. Nothing contained herein or in any other Transaction Document, and no action taken by any Purchaser pursuant thereto, shall be deemed to constitute the Purchasers as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Purchasers are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by the Transaction Documents. Each Purchaser shall be entitled to independently protect and enforce its rights, including without limitation, the rights arising out of this Agreement or out of the other Transaction Documents, and it shall not be necessary for any other Purchaser to be joined as an additional party in any proceeding for such purpose.

**6.15 Construction.** The parties agree that each of them and/or their respective counsel has reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents or any amendments hereto.

**6.16 WAIVER OF JURY TRIAL.** IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.

**[Remainder of page intentionally left blank.]**

**IN WITNESS WHEREOF**, the parties hereto have caused this Subscription Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

**ELICIO THERAPEUTICS, INC.**

/s/ Robert Connelly

Name: Robert Connelly

Title: Chief Executive Officer

Address for Notice:

451 D Street, 5th Floor

Boston, Massachusetts 02210

Email: brian.piekos@elicio.com; megan.filoon@elicio.com

Attention: Chief Financial Officer; General Counsel,  
Secretary and Compliance Officer

With a copy to (which shall not constitute notice):

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

One Financial Center

Boston, MA 02111

Email: wchicks@mintz.com; dabagliebter@mintz.com

Attention: William Hicks, Esq. and Daniel Bagliebter, Esq.

**PURCHASERS:**

**GKCC, LLC**

By: /s/ Yekaterina Chudnovsky

Name: Yekaterina Chudnovsky

Title: Manager

Address: 501 Silverside Road, Suite 87AVA  
Wilmington, DE 19809

Email: yekatie@gmail.com

With copy to:

Orrick, Herrington and Sutcliffe LLP  
222 Berkeley St #2000  
Boston, MA 02116

Email: sthau@orrick.com; avanderlaan@orrick.com  
Attention: Stephen Thau, Esq.; Albert Vanderlaan,  
Esq.



**EXHIBIT A**  
**FORM OF PRE-FUNDED WARRANT**  
(Circulated separately)

**EXHIBIT B**  
**CLOSING SCHEDULE**

<b>Name</b>	<b>Pre-Funded Warrants to be Purchased</b>	<b>Aggregate Purchase Price for Pre-Funded Warrants</b>
GKCC, LLC	1,032,702	\$6,000,000



THE OFFER AND SALE OF THESE SECURITIES AND THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, ASSIGNED OR OTHERWISE DISPOSED OF (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OR (B) AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN EACH CASE IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS OR BLUE SKY LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY OR (II) UNLESS SOLD PURSUANT TO RULE 144 UNDER THE SECURITIES ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES; PROVIDED THAT IN CONNECTION WITH ANY FORECLOSURE OR TRANSFER OF THE SECURITIES, THE TRANSFEROR SHALL COMPLY WITH THE PROVISIONS HEREIN AND IN THE SUBSCRIPTION AGREEMENT, AND UPON FORECLOSURE OR TRANSFER OF THE SECURITIES, SUCH FORECLOSING PERSON OR TRANSFEREE SHALL COMPLY WITH ALL PROVISIONS CONTAINED HEREIN AND IN THE SUBSCRIPTION AGREEMENT.

ELICIO THERAPEUTICS, INC.

**PRE-FUNDED WARRANT TO PURCHASE COMMON STOCK**

Number of Shares: [•]  
(subject to adjustment)

Warrant No. [•]  
Original Issue Date: [•]

Elicio Therapeutics, Inc., a Delaware corporation (the “*Company*”), hereby certifies that, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, GKCC, LLC (the “*Holder*”), is entitled, subject to the terms set forth below, to purchase from the Company up to a total of [•] shares of common stock, \$0.01 par value per share (the “*Common Stock*”), of the Company (each such share, a “*Warrant Share*” and all such shares, the “*Warrant Shares*”) at an exercise price per share equal to \$0.01 per share (as adjusted from time to time as provided in Section 9 herein, the “*Exercise Price*”), upon surrender of this Pre-Funded Warrant to Purchase Common Stock (the “*Warrant*” (which, for the avoidance of doubt, shall include any New Warrant (as defined below))) at any time and from time to time on or after the date hereof (the “*Original Issue Date*”), subject to the following terms and conditions:

This Warrant is issued pursuant to that certain Subscription Agreement, dated March 18, 2024, by and among the Company and the Holder (the “*Subscription Agreement*”). All such Warrants are referred to herein, collectively, as the “*Warrants*.”

1. Definitions. In addition to the terms defined elsewhere in this Warrant, capitalized terms that are not otherwise defined herein have the meanings given to such terms in the Subscription Agreement. For purposes of this Warrant, the following terms shall have the following meanings:

(a) “*Closing Sale Price*” means, for any security as of any date, the last trade price for such security on the Principal Trading Market for such security, as reported by Bloomberg Financial Markets, or, if such Principal Trading Market begins to operate on an extended hours basis and does not designate the last trade price, then the last trade price of such security prior to 4:00 P.M., New York City time, as reported by Bloomberg Financial Markets, or if the foregoing do not apply, the last trade price of such security in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg Financial Markets (such time, the “*Close of Trading*”). If the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Sale Price of such security on such date shall be the fair market value as mutually determined in good faith by the Company and the Holder. If the Company and the Holder are unable to agree upon the fair market value of such security, then the Board of Directors shall use its good faith judgment to determine the fair market value. The Board of Directors’ determination shall be binding upon all parties absent demonstrable error. All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination or other similar transaction during the applicable calculation period.

2. Warrant Register. The Company shall register ownership of this Warrant, upon records to be maintained by or on behalf of the Company for that purpose (the “*Warrant Register*”), in the name of the record Holder (which shall include the initial Holder or, as the case may be, any registered assignee to which this Warrant is permissibly assigned hereunder) from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes, absent actual notice to the contrary.

3. Registration of Transfers. Subject to the restrictions on transfer set forth in Section 3.2 of the Subscription Agreement and compliance with all applicable securities laws, the Company shall, or will cause its warrant agent to, register the transfer of all or any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, payment for all applicable transfer taxes (if any), and with the Form of Assignment attached as Schedule 2 hereto duly completed and signed, to the Company at its address specified in the Subscription Agreement and (x) delivery, at the request of the Company, of an opinion of counsel reasonably satisfactory to the Company to the effect that the transfer of such portion of this Warrant may be made pursuant to an available exemption from the registration requirements of the Securities Act of 1933, as amended (the “*Securities Act*”) and all applicable state securities or blue sky laws and (y) delivery by the transferee of a written statement to the Company certifying that the transferee is an “accredited investor” as defined in Rule 501(a) under the Securities Act and making the representations and certifications set forth in Section 3.2 of the Subscription Agreement, to the Company at its address specified in the Subscription Agreement. Upon any such registration or transfer, a new warrant to purchase Common Stock in substantially the form of this Warrant (any such new warrant, a “*New Warrant*”) evidencing the portion of this Warrant so transferred shall be issued to the transferee, and a New Warrant evidencing the remaining portion of this Warrant

not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations in respect of the New Warrant that the Holder has in respect of this Warrant. The Company shall, or will cause its warrant agent to, prepare, issue and deliver at the Company's own expense any New Warrant under this Section 3. Until due presentment for registration of transfer, the Company may treat the registered Holder hereof as the owner and holder for all purposes, and the Company shall not be affected by any notice to the contrary.

4. Exercise and Duration of Warrants.

(a) All or any part of this Warrant shall be exercisable by the registered Holder in any manner permitted by this Warrant at any time and from time to time on or after the Original Issue Date.

(b) The Holder may exercise this Warrant by delivering to the Company (i) an exercise notice, in the form attached as Schedule 1 hereto (the "*Exercise Notice*"), completed and duly signed, and (ii) payment of the Exercise Price for the number of Warrant Shares as to which this Warrant is being exercised (which may take the form of a "cashless exercise" if so indicated in the Exercise Notice pursuant to Section 10), and the date on which the last of such items is delivered to the Company (as determined in accordance with the notice provisions hereof) is an "*Exercise Date*." Within two (2) days following the delivery of the Exercise Notice (the "*Payment Deadline*"), the Holder shall make payment with respect to the Exercise Price for the number of Warrant Shares as to which this Warrant is being exercised; provided that the Company's obligations to deliver such Warrant Shares shall be delayed on a day-for-day basis each day after the Payment Deadline such payment of the Exercise Price is not paid. The delivery by (or on behalf of) the Holder of the Exercise Notice and the applicable Exercise Price as provided above shall constitute the Holder's certification to the Company that its representations contained in Section 3.2 of the Subscription Agreement are true and correct as of the Exercise Date as if remade in their entirety (or, in the case of any transferee Holder that is not a party to the Subscription Agreement, such transferee Holder's certification to the Company that such representations are true and correct as to such transferee Holder as of the Exercise Date). The Holder shall not be required to physically surrender this Warrant to the Company until the Holder has purchased all of the Warrant Shares available hereunder and the Warrant has been exercised in full, in which case, the Holder shall surrender this Warrant to the Company for cancellation within three (3) Trading Days of the date the final Exercise Notice is delivered to the Company. Execution and delivery of the Exercise Notice shall have the same effect as cancellation of the original Warrant and issuance of a New Warrant evidencing the right to purchase the remaining number of Warrant Shares, if any. The aggregate exercise price of this Warrant, except for the Exercise Price, was pre-funded to the Company on or before the Original Issue Date, and consequently no additional consideration (other than the Exercise Price) shall be required to be paid by the Holder to effect any exercise of this Warrant. The Holder shall not be entitled to the return or refund of all, or any portion, of such pre-funded exercise price under any circumstance or for any reason whatsoever.

5. Delivery of Warrant Shares.

(a) Subject to Section 4(b), upon exercise of this Warrant, the Company shall promptly (but no later than three (3) Trading Days after the Exercise Date (or four (4) Trading Days after the Exercise Date if the last of the Exercise Notice, the Exercise Price (if applicable) and opinion of counsel referred to below in this Section 5(a) (if applicable) is delivered after 5:00 P.M., New York City time, on the Exercise Date) or as soon as reasonably practicable in the event that a certificate is requested (such time, the “*Delivery Deadline*”)) issue or cause to be issued and cause to be delivered to or upon the written order of the Holder and in such name or names as the Holder may designate (provided that, if a registration statement is not effective and the Holder directs the Company to deliver a certificate for the Warrant Shares in a name other than that of the Holder or an Affiliate of the Holder, it shall deliver to the Company on the Exercise Date an opinion of counsel reasonably satisfactory to the Company to the effect that the issuance of such Warrant Shares in such other name may be made pursuant to an available exemption from the registration requirements of the Securities Act and all applicable state securities or blue sky laws), (i) an electronic delivery of the Warrant Shares to the Holder’s account at the Depository Trust Company (“DTC”) or a similar organization, or (ii) if requested by the Holder, a certificate for the Warrant Shares issuable upon such exercise, free of restrictive legends, unless in the case of clause (i) and (ii) a registration statement covering the resale of the Warrant Shares and naming the Holder as a selling stockholder thereunder is not then effective or the Warrant Shares are not freely transferable without volume and manner of sale restrictions pursuant to Rule 144 under the Securities Act, in which case such Holder shall receive a book-entry notation for the Warrant Shares issuable upon such exercise with appropriate restrictive legends. The Holder, or any Person permissibly so designated by the Holder to receive Warrant Shares, shall be deemed to have become the holder of record of such Warrant Shares as of the Exercise Date. If the Warrant Shares are to be issued free of all restrictive legends, the Company shall, upon the written request of the Holder, deliver, or cause to be delivered, Warrant Shares hereunder electronically through DTC or another established clearing corporation performing similar functions, if available; provided, that, the Company may, but will not be required to, change its transfer agent if its current transfer agent cannot deliver Warrant Shares electronically through such a clearing corporation.

(b) If by the Close of Trading on the third (3<sup>rd</sup>) Trading Day after the Exercise Date, the Company fails to deliver to the Holder a certificate representing the required number of Warrant Shares in the manner required pursuant to Section 5(a) or fails to credit the Holder’s balance account with DTC for such number of Warrant Shares to which the Holder is entitled, and if after such third (3<sup>rd</sup>) Trading Day and prior to the receipt of such Warrant Shares, the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of the Warrant Shares which the Holder anticipated receiving upon such exercise (a “*Buy-In*”), then the Company shall, within three (3) Trading Days after the Holder’s request promptly honor its obligation to deliver to the Holder a certificate or certificates representing such Warrant Shares and pay cash to the Holder in an amount equal to the excess (if any) of Holder’s total purchase price (including brokerage commissions, if any) for the shares of Common Stock so purchased in the Buy-In less the product of (A) the number of shares of Common Stock purchased in the Buy-In, times (B) the sale price of the Common Stock at which the sell order giving rise to such purchase obligations was executed.

(c) To the extent permitted by law and subject to Section 5(b), the Company's obligations to issue and deliver Warrant Shares in accordance with and subject to the terms hereof (including the limitations set forth in Section 12 below) are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder or any other Person of any obligation to the Company or any violation or alleged violation of law by the Holder or any other Person, and irrespective of any other circumstance that might otherwise limit such obligation of the Company to the Holder in connection with the issuance of Warrant Shares. Subject to Section 5(b), nothing herein shall limit the Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver certificates representing shares of Common Stock upon exercise of the Warrant as required pursuant to the terms hereof.

6. Charges, Taxes and Expenses. Issuance and delivery of the Warrant Shares upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, transfer agent fee or other incidental tax or expense (excluding any applicable stamp duties) in respect of the issuance of the Warrant Shares, all of which taxes and expenses shall be paid by the Company; *provided, however*, that the Company shall not be required to pay any tax that may be payable in respect of any transfer involved in the registration of Warrant Shares or the Warrants in a name other than that of the Holder or an Affiliate thereof. The Holder shall be responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. Replacement of Warrant. If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction (in such case) and, in each case, a customary and reasonable indemnity and surety bond, if requested by the Company. Applicants for a New Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe. If a New Warrant is requested as a result of a mutilation of this Warrant, then the Holder shall deliver such mutilated Warrant to the Company as a condition precedent to the Company's obligation to issue the New Warrant.

8. Reservation of Warrant Shares. The Company covenants that it will, at all times while this Warrant is outstanding, reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved shares of Common Stock, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares that are initially issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of persons other than the Holder (taking into account the adjustments and restrictions of Section 9). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and non-assessable. The Company will take all such action as may be reasonably necessary to assure that such shares of Common Stock may be



issued as provided herein without violation of any applicable law or regulation, or of any requirements of any securities exchange or automated quotation system upon which the shares of Common Stock may be listed.

9. Certain Adjustments. The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9.

(a) Stock Dividends and Splits. If the Company, at any time while this Warrant is outstanding, (i) pays a stock dividend on its Common Stock or otherwise makes a distribution on any class of capital stock issued and outstanding on the Original Issue Date and in accordance with the terms of such capital on the Original Issue Date (or as amended), that is payable in shares of Common Stock, (ii) subdivides its outstanding shares of Common Stock into a larger number of shares of Common Stock, (iii) combines its outstanding shares of Common Stock into a smaller number of shares of Common Stock or (iv) issues by reclassification of Common Stock any additional Common Stock of the Company, then in each such case, the Exercise Price shall be multiplied by a fraction, the numerator of which shall be the number of shares of Common Shares outstanding immediately before such event and the denominator of which shall be the number of shares of Common Stock outstanding immediately after such event, and the number of shares issuable upon exercise of this Warrant shall be proportionately adjusted such that the aggregate Exercise Price of this Warrant shall remain unchanged. Any adjustment made pursuant to clause (i) of this paragraph shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution, provided, however, that if such record date shall have been fixed and such dividend is not fully paid on the date fixed therefor, the Exercise Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Exercise Price shall be adjusted pursuant to this paragraph as of the time of actual payment of such dividends. Any adjustment pursuant to clause (ii) or (iii) of this paragraph shall become effective immediately after the effective date of such subdivision or combination.

(b) Pro Rata Distributions. If the Company, at any time while this Warrant is outstanding, distributes to all holders of Common Stock for no consideration (i) evidences of its indebtedness, (ii) any security (other than a distribution of Common Stock covered by the preceding paragraph), (iii) rights or warrants to subscribe for or purchase any security, or (iv) cash or any other asset (in each case, "*Distributed Property*"), then, upon any exercise of this Warrant that occurs after the record date fixed for determination of stockholders entitled to receive such distribution, the Holder shall be entitled to receive, in addition to the Warrant Shares otherwise issuable upon such exercise (if applicable), the Distributed Property that such Holder would have been entitled to receive in respect of such number of Warrant Shares had the Holder been the record holder of such Warrant Shares immediately prior to such record date without regard to any limitation on exercise contained therein. The Company covenants that it will, at all times while this Warrant is outstanding, reserve and keep available all Distributed Property that the Holder shall be entitled to receive hereunder, solely for the purpose of fulfilling its obligations pursuant to this Section 9(b). Notwithstanding anything herein to the contrary, the foregoing provisions in this Section 9(b) shall not apply to, or be triggered by, any rights issued by the Company (either separately or that attach to any securities of the Company) in connection

with any stockholders rights agreement, poison pill or other similar anti-takeover provision under the Company's certificate of incorporation, bylaws or other documents.

(c) Fundamental Transactions. If, at any time while this Warrant is outstanding (i) the Company effects any merger or consolidation of the Company with or into another Person, in which the Company is not the surviving entity and in which the stockholders of the Company immediately prior to such merger or consolidation do not own, directly or indirectly, at least 50% of the voting power of the surviving entity immediately after such merger or consolidation, (ii) the Company effects any sale to another Person of all or substantially all of its assets in one transaction or a series of related transactions, (iii) pursuant to any tender offer or exchange offer (whether by the Company or another Person), holders of capital stock tender shares representing more than 50% of the voting power of the capital stock of the Company and the Company or such other Person, as applicable, accepts such tender for payment, (iv) the Company consummates a share purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person whereby such other Person acquires more than the 50% of the voting power of the capital stock of the Company (except for any such transaction in which the stockholders of the Company immediately prior to such transaction maintain, in substantially the same proportions, the voting power of such Person immediately after the transaction) or (v) the Company effects any reclassification of the Common Stock or any compulsory share exchange pursuant to which the shares of Common Stock are effectively converted into or exchanged for other securities, cash or property (other than as a result of a subdivision or combination of shares of Common Stock covered by Section 9(a) above) (in any such case, a "*Fundamental Transaction*"), then following such Fundamental Transaction the Holder shall have the right to receive, upon exercise of this Warrant, the same amount and kind of securities, cash or property as it would have been entitled to receive upon the occurrence of such Fundamental Transaction if it had been, immediately prior to such Fundamental Transaction, the holder of the number of Warrant Shares then issuable upon exercise in full of this Warrant without regard to any limitations on exercise contained herein (the "*Alternate Consideration*"). The provisions of this paragraph (c) shall similarly apply to subsequent transactions analogous of a Fundamental Transaction type.

(d) Calculations. All calculations under this Section 9 shall be made to the nearest one-hundredth of one cent or the nearest whole share, as applicable.

(e) Notice of Adjustments. Upon the occurrence of each adjustment pursuant to this Section 9, the Company at its expense will, at the written request of the Holder, promptly compute such adjustment, in good faith, in accordance with the terms of this Warrant and prepare a certificate setting forth such adjustment, including a statement of the adjusted Exercise Price and adjusted type of other securities issuable upon exercise of this Warrant (as applicable), describing the transactions giving rise to such adjustments and showing in detail the facts upon which such adjustment is based. Upon written request, the Company will promptly deliver a copy of each such certificate to the Holder and to the warrant agent.

(f) Notice of Corporate Events. If, while this Warrant is outstanding, the Company (i) declares a dividend or any other distribution of cash, securities or other property in respect of its Common Stock, including, without limitation, any granting of rights or warrants to

subscribe for or purchase any capital stock of the Company or any subsidiary, (ii) authorizes or approves, enters into any agreement contemplating or solicits stockholder approval for any Fundamental Transaction or (iii) authorizes the voluntary dissolution, liquidation or winding up of the affairs of the Company, then, the Company shall deliver to the Holder a notice of such transaction at least ten (10) days prior to the applicable record and effective date on which a Person would need to hold Common Stock in order to participate in or vote with respect to such transaction; *provided, however*, that the failure to deliver such notice or any defect therein shall not affect the validity of the corporate action required to be described in such notice (but the Company shall remain liable to the Holder for any damages resulting therefrom). Holder agrees to maintain any information disclosed pursuant to this Section 9(f) in confidence until such information is publicly available and shall comply with applicable law with respect to trading in the Company's securities following receipt any such information.

10. Payment of Exercise Price. The Holder shall pay the Exercise Price in immediately available funds by wire transfer to an account designated by the Company; provided, however, that if, on any Exercise Date either (i) there is not an effective registration statement registering, or no current prospectus available for, the resale of the Warrant Shares by the Holder or (ii) upon the Holder's election (in the Holder's sole discretion), then the obligation to pay the Exercise Price will be satisfied through a "cashless exercise", in which event the Company shall issue to the Holder the number of Warrant Shares in an exchange of securities effected pursuant to Section 3(a)(9) of the Securities Act, as determined as follows:

$$X = Y [(A-B)/A]$$

where:

"X" equals the number of Warrant Shares to be issued to the Holder;

"Y" equals the total number of Warrant Shares with respect to which this Warrant is then being exercised;

"A" equals the Closing Sale Price of the shares of Common Stock (as reported by Bloomberg Financial Markets) as of the Trading Day on the date immediately preceding the Exercise Date (the "*Fair Market Value*"); and

"B" equals the Exercise Price then in effect for the applicable Warrant Shares at the time of such exercise.

For purposes of Rule 144 promulgated under the Securities Act, it is intended, understood and acknowledged that the Warrant Shares issued in a "cashless exercise" transaction shall be deemed to have been acquired by the Holder, and the holding period for the Warrant Shares shall be deemed to have commenced, on the date this Warrant was originally issued pursuant to the Subscription Agreement (provided that the U.S. Securities and Exchange Commission (the "*Commission*") continues to take the position that such treatment is proper at the time of such exercise). In the event that a registration statement registering the issuance of Warrant Shares is, for any reason, not effective at the time of exercise of this Warrant, then the Warrant may only be exercised through a cashless exercise, as set forth in this Section 10. Except as set forth in

Section 5(b) (Buy-In remedy) and Section 13 (payment of cash in lieu of fractional shares), in no event will the exercise of this Warrant be settled in cash.

11. Company-Elected Conversion. The Company shall provide to the Holder prompt written notice if, after the Original Issue Date, the Company is unable to issue the Warrant Shares without restrictive legend, because the Commission has issued a stop order with respect to, or the Commission or Company has otherwise suspended or withdrawn, a registration statement covering the resale of the Warrant Shares, either temporarily or permanently, or otherwise (each a “*Restrictive Legend Event*”). To the extent that (A) a Restrictive Legend Event occurs, (B) at such time the Warrant Shares would be saleable under Rule 144 without compliance with the manner of sale or volume restrictions, (C) the Company has delivered the notice described in the immediately preceding sentence, and (D) the Holder attempts to exercise the Warrant after receipt of such notice by paying cash, the Company shall (i) if the Fair Market Value (as calculated above) of the Warrant Shares is greater than the Exercise Price, provide written notice to the Holder that the Company will deliver that number of Warrant Shares to the Holder as should be delivered in a cashless exercise in accordance with Section 10, and return to the Holder all consideration paid to the Company in connection with the Holder’s attempted exercise of this Warrant (a “*Company-Elected Conversion*”), or (ii) at the election of the Holder to be given within five (5) days of receipt of notice of a Company-Elected Conversion, the Holder shall be entitled to rescind the previously submitted Exercise Notice and the Company shall return all consideration paid by Holder for such Warrant Shares upon such rescission.

12. Limitations on Exercise.

(a) Notwithstanding anything to the contrary contained herein, the Company shall not effect any exercise of this Warrant, and the Holder shall not be entitled to exercise this Warrant for a number of Warrant Shares in excess of that number of Warrant Shares which, upon giving effect or immediately prior to such exercise, would cause (i) the aggregate number of shares of Common Stock beneficially owned by the Holder and its Affiliates and any other Persons whose beneficial ownership of shares of Common Stock would be aggregated with the Holder’s for purposes of Section 13(d) of the Exchange Act, to exceed 19.99% (the “Maximum Percentage”) of the total number of issued and outstanding shares of Common Stock of the Company following such exercise, or (ii) the combined voting power of the securities of the Company beneficially owned by the Holder and its Affiliates and any other Persons whose beneficial ownership of shares of Common Stock would be aggregated with the Holder’s for purposes of Section 13(d) of the Exchange Act to exceed 19.99% of the combined voting power of all of the securities of the Company then outstanding following such exercise; provided, however, that the Holder shall be permitted to exercise this Warrant for a number of Warrant Shares in excess of the Maximum Percentage upon receipt of Stockholder Approval (as defined in the Subscription Agreement). For purposes of this Warrant, in determining the number of outstanding shares of Common Stock, the Holder may rely on the number of outstanding shares of Common Stock as reflected in (x) the Company’s most recent Form 10-Q or Form 10-K, as the case may be, filed with the Commission prior to the date hereof, (y) a more recent public announcement by the Company or (z) any other notice by the Company setting forth the number of shares of Common Stock outstanding. Upon the written request of the Holder, the Company shall within three (3) Trading Days confirm in writing or by electronic mail to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding

shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder since the date as of which such number of outstanding shares of Common Stock was reported. By written notice to the Company, the Holder may from time to time increase or decrease the Maximum Percentage to any other percentage not in excess of 19.99% specified in such notice; provided that any such increase will not be effective until the sixty-first (61st) day after such notice is delivered to the Company; provided, however, that the Holder shall be permitted to increase the Maximum Percentage upon receipt of Stockholder Approval (as defined in the Subscription Agreement). For purposes of this Section 12(a), the aggregate number of shares of Common Stock or voting securities beneficially owned by the Holder and its Affiliates and any other Persons whose beneficial ownership of Common Shares would be aggregated with the Holder's for purposes of Section 13(d) of the Exchange Act shall include the shares of Common Stock issuable upon the exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (x) exercise of the remaining unexercised and non-cancelled portion of this Warrant by the Holder and (y) exercise or conversion of the unexercised, non-converted or non-cancelled portion of any other securities of the Company that do not have voting power (including without limitation any securities of the Company which would entitle the holder thereof to acquire at any time shares of Common Stock, including without limitation any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, shares of Common Stock), is subject to a limitation on conversion or exercise analogous to the limitation contained herein and is beneficially owned by the Holder or any of its Affiliates and other Persons whose beneficial ownership of shares of Common Stock would be aggregated with the Holder's for purposes of Section 13(d) of the Exchange Act.

(b) This Section 12 shall not restrict the number of shares of Common Stock which a Holder may receive or beneficially own in order to determine the amount of securities or other consideration that such Holder may receive in the event of a Fundamental Transaction as contemplated in Section 9(c) of this Warrant.

13. No Fractional Shares. No fractional Warrant Shares will be issued in connection with any exercise of this Warrant. In lieu of any fractional shares that would otherwise be issuable, the number of Warrant Shares to be issued shall be rounded down to the next whole number and the Company shall pay the Holder in cash the fair market value (based on the Closing Sale Price) for any such fractional shares.

14. Notices. Any and all notices or other communications or deliveries hereunder (including, without limitation, any Exercise Notice) shall be in writing and shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via confirmed e-mail at the e-mail address specified in the Subscription Agreement prior to 5:30 P.M., New York City time, on a Trading Day, (ii) the next Trading Day after the date of transmission, if such notice or communication is delivered via confirmed e-mail at the e-mail address specified in the Subscription Agreement on a day that is not a Trading Day or later than 5:30 P.M., New York City time, on any Trading Day, (iii) the Trading Day following the date of mailing, if sent by nationally recognized overnight courier service specifying next business day delivery, or (iv) upon actual receipt by the Person to whom



such notice is required to be given, if by hand delivery. The address of a Person for such notices or communications shall be as set forth in the Subscription Agreement unless changed by such Person by two (2) Trading Days' prior written notice to the other Persons in accordance with this Section 14.

15. Warrant Agent. The Company shall initially serve as warrant agent under this Warrant. Upon thirty (30) days' notice to the Holder, the Company may appoint a new warrant agent. Any corporation into which the Company or any new warrant agent may be merged or any corporation resulting from any consolidation to which the Company or any new warrant agent shall be a party or any corporation to which the Company or any new warrant agent transfers substantially all of its corporate trust or stockholders services business shall be a successor warrant agent under this Warrant without any further act. Any such successor warrant agent shall promptly cause notice of its succession as warrant agent to be mailed (by first class mail, postage prepaid) to the Holder at the Holder's last address as shown on the Warrant Register.

16. Miscellaneous.

(a) No Rights as a Stockholder. The Holder, solely in such Person's capacity as a holder of this Warrant, shall not be entitled to vote or receive dividends or be deemed the holder of capital stock of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, solely in such Person's capacity as the Holder of this Warrant, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, amalgamation, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant Shares which such Person is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company.

(b) Authorized Shares.

(i) Except and to the extent as waived or consented to by the Holder, the Company shall not by any action, including, without limitation, amending its certificate or articles of incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such actions as may be necessary or appropriate to protect the rights of Holder as set forth in this Warrant against impairment. Without limiting the generality of the foregoing, the Company will (a) not increase the par value of any Warrant Shares above the amount payable therefor upon such exercise immediately prior to such increase in par value, (b) take all such action as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and non-assessable Warrant Shares upon the exercise of this Warrant, and (c) use commercially reasonable efforts to obtain all such authorizations, exemptions or consents from any public

regulatory body having jurisdiction thereof as may be necessary to enable the Company to perform its obligations under this Warrant.

(ii) Before taking any action which would result in an adjustment in the number of Warrant Shares for which this Warrant is exercisable or in the Exercise Price, the Company shall obtain all such authorizations or exemptions thereof, or consents thereto, as may be necessary from any public regulatory body or bodies having jurisdiction thereof.

(c) Successors and Assigns. Subject to the restrictions on transfer set forth in this Warrant and in the Subscription Agreement and compliance with applicable securities laws, this Warrant may be assigned by the Holder. This Warrant may not be assigned by the Company without the written consent of the Holder, except to a successor in the event of a Fundamental Transaction. This Warrant shall be binding on and inure to the benefit of the Company and the Holder and their respective successors and permitted assigns. Subject to the preceding sentence, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant. This Warrant may be amended only in writing signed by the Company and the Holder, or their successors and assigns.

(d) Amendment and Waiver. Except as otherwise provided herein, the provisions of this Warrant may be amended and the Company may take any action herein prohibited, or omit to perform any act herein required to be performed by it, only if the Company has obtained the written consent of the Holder.

(e) Acceptance. Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

(f) Governing Law; Jurisdiction. ALL QUESTIONS CONCERNING THE CONSTRUCTION, VALIDITY, ENFORCEMENT AND INTERPRETATION OF THIS WARRANT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO THE PRINCIPLES OF CONFLICTS OF LAW THEREOF. EACH OF THE COMPANY AND THE HOLDER HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS SITTING IN THE CITY OF NEW YORK, BOROUGH OF MANHATTAN, FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HERewith OR WITH ANY TRANSACTION CONTEMPLATED HEREBY OR DISCUSSED HEREIN (INCLUDING WITH RESPECT TO THE ENFORCEMENT OF ANY OF THE TRANSACTION DOCUMENTS), AND HEREBY IRREVOCABLY WAIVES, AND AGREES NOT TO ASSERT IN ANY SUIT, ACTION OR PROCEEDING, ANY CLAIM THAT IT IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF ANY SUCH COURT. EACH OF THE COMPANY AND THE HOLDER HEREBY IRREVOCABLY WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS TO PROCESS BEING SERVED IN ANY SUCH SUIT, ACTION OR PROCEEDING BY MAILING A COPY THEREOF VIA REGISTERED OR CERTIFIED MAIL OR OVERNIGHT DELIVERY (WITH EVIDENCE OF DELIVERY) TO SUCH PERSON AT THE ADDRESS IN EFFECT FOR NOTICES TO IT UNDER THE SUBSCRIPTION AGREEMENT AND AGREES THAT SUCH SERVICE SHALL

CONSTITUTE GOOD AND SUFFICIENT SERVICE OF PROCESS AND NOTICE THEREOF. NOTHING CONTAINED HEREIN SHALL BE DEEMED TO LIMIT IN ANY WAY ANY RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW. EACH OF THE COMPANY AND THE HOLDER HEREBY WAIVES ALL RIGHTS TO A TRIAL BY JURY.

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

(h) Severability. In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby, and the Company and the Holder will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(i) Interpretation. For purposes of this Warrant, (a) the words "include," "includes" and "including" are deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Warrant as a whole. Unless the context otherwise requires, references herein: (x) to sections and schedules mean the sections of, and schedules attached to, this Warrant; (y) to an agreement, instrument, or other document means such agreement, instrument, or other document (as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof/without regard to subsequent amendments, supplements, and modifications thereto); and (z) to a statute means such statute (as amended from time to time and includes/enforced at the time and date of this Warrant becoming effective) and does not include any successor legislation thereto and any regulations promulgated thereunder. This Warrant shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The schedules referred to herein shall be construed with, and as an integral part of, this Warrant to the same extent as if they were set forth verbatim herein. All references to "\$" or "dollars" mean the lawful currency of the United States of America. Whenever the singular is used in this Warrant, the same shall include the plural, and whenever the plural is used herein, the same shall include the singular, where appropriate.

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IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

ELICIO THERAPEUTICS, INC.

By: \_\_\_\_\_  
Name:  
Title:

*Signature Page to Pre-Funded Warrant to Purchase Common Stock*

4125-1938-3119.3

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## SCHEDULE 1

### FORM OF EXERCISE NOTICE

[To be executed by the Holder to purchase shares of Common Stock under the Warrant]

Ladies and Gentlemen:

(1) The undersigned is the Holder of Warrant No. [•] (the “*Warrant*”) issued by Elicio Therapeutics, Inc., a Delaware corporation (the “*Company*”). Capitalized terms used herein and not otherwise defined herein have the respective meanings set forth in the Warrant.

(2) The undersigned hereby exercises its right to purchase Warrant Shares pursuant to the Warrant.

(3) The Holder intends that payment of the Exercise Price shall be made as (check one):

☐ Cash Exercise

☐ “Cashless Exercise” under Section 10 of the Warrant

(4) If the Holder has elected a Cash Exercise, the Holder shall pay the sum of \$\_\_\_\_\_ in immediately available funds to the Company in accordance with the terms of the Warrant.

(5) Pursuant to this Exercise Notice, the Company shall deliver to the Holder Warrant Shares determined in accordance with the terms of the Warrant.

(6) By its delivery of this Exercise Notice, the undersigned represents and warrants to the Company that in giving effect to the exercise evidenced hereby the Holder will not beneficially own in excess of the number of shares of Common Stock (as determined in accordance with Section 13(d) of the Securities Exchange Act of 1934, as amended) permitted to be owned under Section 12(a) of the Warrant to which this notice relates.

(7) By its delivery of this Exercise Notice and pursuant to Section 4(b) of the Warrant, the undersigned certifies to the Company that its representations contained in Section 3.2 of the Subscription Agreement are true and correct as of the date hereof as if remade in their entirety (or, in the case of any transferee Holder that is not a party to the Subscription Agreement, such transferee Holder’s certification to the Company that such representations are true and correct as to such transferee Holder as of the date hereof).

Dated: \_\_\_\_\_

Name of Holder: \_\_\_\_\_

Number of Warrant  
Shares Exercised  
Pursuant to this Notice: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

(Signature must conform in all respects to name of Holder as specified on the face of the  
Warrant)

SCHEDULE 2

FORM OF ASSIGNMENT

[To be completed and executed by the Holder only upon transfer of the Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (the “*Transferee*”) the right represented by the within Warrant to purchase shares of Common Stock of Elicio Therapeutics, Inc. (the “*Company*”) to which the within Warrant relates and appoints attorney to transfer said right on the books of the Company with full power of substitution in the premises. In connection therewith, the undersigned represents, warrants, covenants and agrees to and with the Company that:

- (a) the offer and sale of the Warrant contemplated hereby is being made in compliance with Section 4(a)(1) of the United States Securities Act of 1933, as amended (the “*Securities Act*”) or another valid exemption from the registration requirements of Section 5 of the Securities Act and in compliance with all applicable securities laws of the states of the United States;
- (b) the undersigned has not offered to sell the Warrant by any form of general solicitation or general advertising, including, but not limited to, any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, and any seminar or meeting whose attendees have been invited by any general solicitation or general advertising;
- (c) the undersigned has read the Transferee’s investment letter included herewith, and to its actual knowledge, the statements made therein are true and correct; and
- (d) the undersigned understands that the Company may condition the transfer of the Warrant contemplated hereby upon the delivery to the Company by the undersigned or the Transferee, as the case may be, of a written opinion of counsel (which opinion shall be in form, substance and scope customary for opinions of counsel in comparable transactions) to the effect that such transfer may be made without registration under the Securities Act and under applicable securities laws of the states of the United States.

Dated: \_\_\_\_\_

\_\_\_\_\_  
(Signature must conform in all respects to  
name of holder as specified on the face of  
the Warrant)

\_\_\_\_\_  
Address of Transferee

\_\_\_\_\_  
\_\_\_\_\_

In the presence of:

\_\_\_\_\_

Schedule 2



**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Robert Connelly, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Elicio Therapeutics, Inc.;
  2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
  3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
  4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
  5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
-

- b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

**ELICIO THERAPEUTICS, INC.**

By:

/s/ ROBERT CONNELLY

Robert Connelly  
President and Chief Executive Officer  
(Principal Executive Officer)

Date: May 15, 2024

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Brian Piekos, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Elicio Therapeutics, Inc.;
  2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
  3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
  4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
  5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
-



- b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

**ELICIO THERAPEUTICS, INC.**

By: /s/ Brian Piekos

Brian Piekos  
Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)

Date: May 15, 2024

**CERTIFICATIONS PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
(18 U.S.C. SECTION 1350)**

The undersigned officer of Elicio Therapeutics, Inc. (the "Company") certifies to such officer's knowledge, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2024 (the "Quarterly Report"), as filed with the Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
2. The information contained in this Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

**ELICIO THERAPEUTICS, INC.**

By: \_\_\_\_\_ /s/ ROBERT CONNELLY

Robert Connelly  
*President and Chief Executive Officer*  
*(Principal Executive Officer)*

Date: May 15, 2024

**CERTIFICATIONS PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
(18 U.S.C. SECTION 1350)**

The undersigned officer of Elicio Therapeutics, Inc. (the "Company") certifies to the officer's knowledge, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2024 (the "Quarterly Report"), as filed with the Securities and Exchange Commission, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and
2. The information contained in this Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

**ELICIO THERAPEUTICS, INC.**

By: \_\_\_\_\_ /s/ BRIAN PIEKOS

Brian Piekos  
Chief Financial Officer

*(Principal Financial Officer and Principal Accounting Officer)*

Date: May 15, 2024