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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 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 001-39208

Beam Therapeutics Inc.

(Exact name of Registrant as specified in its Charter)

Delaware	**81-5238376**
(***State or other jurisdiction of incorporation or organization***)	(***I.R.S. Employer Identification No.***)
238 Main Street **Cambridge, MA**	**02142**
(***Address of principal executive offices***)	(***Zip Code***)

Registrant's telephone number, including area code: (857) 327-8775

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 per share	**BEAM**	**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 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	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

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

The number of shares of registrant's common stock outstanding as of July 31, 2024 was 82,415,619.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Such forward-looking statements reflect, among other things:

- our current expectations and anticipated results of operations;
- our expectations regarding the initiation, timing, progress and results of our clinical trials, including our Phase 1/2 clinical trial designed to assess the safety and efficacy of BEAM-101 for the treatment of sickle cell disease, which we refer to as our BEACON trial, our Phase 1/2 clinical trial designed to assess the safety and efficacy of BEAM-201 for the treatment of relapsed, refractory T-cell acute lymphoblastic leukemia/T cell lymphoblastic lymphoma, our Phase 1/2 clinical trial designed to assess the safety and efficacy of BEAM-302 for the treatment of Alpha-1 Antitrypsin Deficiency, and our anticipated trial to assess the safety and efficacy of BEAM-301 for the treatment of glycogen storage disease type 1a;
- our expectations regarding the initiation, timing, progress and results of our research and development programs and preclinical studies;
- our ability to develop and maintain a sustainable portfolio of product candidates;
- our ability to develop life-long, curative, precision genetic medicines for patients through base editing;
- our ability to create a hub for partnering with other companies;
- our plans for preclinical studies for product candidates in our pipeline;
- our ability to advance any product candidates that we may develop and successfully complete any clinical trials or preclinical studies, including the manufacture of any such product candidates;
- our ability to pursue a broad suite of clinically validated delivery modalities;
- our expectations regarding our ability to generate additional novel lipid nanoparticles that we believe could accelerate novel nonviral delivery of gene editing or other nucleic acid payloads to tissues beyond the liver and our ability to expand the reach of our programs;
- the scope of protection we are able to establish and maintain for intellectual property rights covering our product candidates and technology;
- developments related to our competitors and our industry;
- the expected timing, progress and success of our collaborations with third parties, including any future payments we may receive under our collaboration and license agreements, and our ability to identify and enter into future license agreements and collaborations;
- developments related to base editing technologies;
- our ability to successfully develop our delivery modalities and obtain and maintain approval for our product candidates;
- our ability to successfully maintain and expand our commercial-scale current Good Manufacturing Practice, or cGMP, manufacturing facility;
- regulatory developments in the United States and foreign countries;
- our ability to attract and retain key scientific and management personnel;
- our expectations regarding the strategic and other potential benefits of our acquisition of any additional technologies;
- our ability to achieve the expected benefits of our portfolio prioritization and strategic restructuring and our estimates related to the costs and timing of implementing such initiatives;
- our estimates regarding the period over which we believe that our existing cash, cash equivalents and marketable securities will be sufficient to fund our operating expenses and capital expenditure requirements; and
- the impact on our business of macro-economic conditions, as well as the prevailing level of macro-economic, business, and operational uncertainty, including as a result of geopolitical events or other global or regional events.

All of these statements are subject to known and unknown important risks, uncertainties and other factors that may cause our actual results, performance or achievements, market trends, or industry results to differ materially from those expressed or implied by such forward-looking statements. Therefore, any statements contained herein that are not statements of historical fact may be forward-looking statements and should be evaluated as such. Without limiting the foregoing, the words “anticipate,” “expect,” “suggest,” “plan,” “believe,” “intend,” “project,” “forecast,” “estimates,” “targets,” “projections,” “should,” “could,” “would,” “may,” “might,” “will,” and the negative thereof and similar words and expressions are intended to identify forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in “Risk Factors” in Part II, Item 1A of this Quarterly Report on Form 10-Q and “Risk Factors Summary” and “Risk Factors” in Part I, Item 1A. of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, or the 2023 Form 10-K. Unless legally required, we assume no obligation to update any such forward-looking information to reflect actual results or changes in the factors affecting such forward-looking information.

When we use the terms “Beam,” the “Company,” “we,” “us” or “our” in this Quarterly Report on Form 10-Q, we mean Beam Therapeutics Inc. and its subsidiaries on a consolidated basis, unless the context indicates otherwise.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

Beam Therapeutics Inc.
Condensed Consolidated Balance Sheets
(*Unaudited*)
(in thousands, except share and per share amounts)

	June 30, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 292,763	$ 435,895
Marketable securities	715,402	753,981
Prepaid expenses and other current assets	21,275	21,167
Total current assets	1,029,440	1,211,043
Property and equipment, net	117,470	124,960
Restricted cash	6,154	8,719
Operating lease right-of-use assets	106,879	112,846
Other assets	1,323	2,146
Total assets	$ 1,261,266	$ 1,459,714
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 4,429	$ 1,617
Accrued expenses and other current liabilities	67,138	111,664
Derivative liabilities	8,200	10,800
Current portion of deferred revenue	84,925	68,706
Current portion of lease liability	12,641	12,778
Total current liabilities	177,333	205,565
Long-term lease liability	152,596	159,911
Contingent consideration liabilities	1,077	2,723
Long-term portion of deferred revenue	75,487	109,888
Other liabilities	679	298
Total liabilities	407,172	478,385
Commitments and contingencies (See Note 7, *License agreements* and Note 8, *Collaboration and license agreements*)		
Stockholders' equity:		
Preferred stock, $0.01 par value; 25,000,000 shares authorized, and no shares issued or outstanding at June 30, 2024 and December 31, 2023, respectively	—	—
Common stock, $0.01 par value; 250,000,000 shares authorized, 82,386,210 and 81,632,496 issued and outstanding at June 30, 2024 and December 31, 2023, respectively	824	816
Additional paid-in capital	2,233,989	2,169,798
Accumulated other comprehensive (loss) income	(1,110)	604
Accumulated deficit	(1,379,609)	(1,189,889)
Total stockholders' equity	854,094	981,329
Total liabilities and stockholders' equity	$ 1,261,266	$ 1,459,714

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

Beam Therapeutics Inc.
Condensed Consolidated Statements of Operations and Other Comprehensive Loss
(*Unaudited*)
(in thousands, except share and per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
License and collaboration revenue	$ 11,772	$ 20,116	$ 19,182	$ 44,324
Operating expenses:				
Research and development	87,041	97,608	171,859	197,254
General and administrative	29,626	24,656	56,350	48,146
Total operating expenses	116,667	122,264	228,209	245,400
Loss from operations	(104,895)	(102,148)	(209,027)	(201,076)
Other income (expense):				
Change in fair value of derivative liabilities	5,500	(900)	2,600	4,700
Change in fair value of non-controlling equity investments	(7,586)	6,148	(10,939)	(6,649)
Change in fair value of contingent consideration liabilities	1,779	2,171	1,646	1,875
Interest and other income (expense), net	14,190	11,953	26,039	21,914
Total other income (expense)	13,883	19,372	19,346	21,840
Net loss before income taxes	$ (91,012)	$ (82,776)	$ (189,681)	$ (179,236)
Provision for income taxes	(39)	—	(39)	—
Net loss	$ (91,051)	$ (82,776)	$ (189,720)	$ (179,236)
Unrealized gain (loss) on marketable securities	(189)	(1,250)	(1,714)	415
Comprehensive loss	$ (91,240)	$ (84,026)	$ (191,434)	$ (178,821)
Net loss per common share, basic and diluted	$ (1.11)	$ (1.08)	$ (2.31)	$ (2.41)
Weighted-average common shares outstanding, basic and diluted	82,312,467	76,335,175	82,005,550	74,315,721

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

Beam Therapeutics Inc.
Condensed Consolidated Statements of Stockholders' Equity
(*Unaudited*)
(in thousands, except share amounts)

	Common Stock		Additional Paid-in	Accumulated Other Comprehensive	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Income (Loss)	Deficit	Equity
Balance at December 31, 2022	71,277,339	$ 712	$ 1,792,554	$ (2,430)	$ (1,057,362)	$ 733,474
Purchase of common stock under ESPP	65,620	1	1,707	—	—	1,708
Issuance of common stock from At-the-Market offering, net of issuance costs of $0.2 million	2,431,770	24	93,786	—	—	93,810
Vesting of restricted common stock	284,858	3	(3)	—	—	—
Stock-based compensation	—	—	23,917	—	—	23,917
Exercise of common stock options	375,805	4	3,388	—	—	3,392
Other comprehensive income (loss)	—	—	—	1,665	—	1,665
Net loss	—	—	—	—	(96,460)	(96,460)
Balance at March 31, 2023	74,435,392	$ 744	$ 1,915,349	$ (765)	$ (1,153,822)	$ 761,506
Issuance of common stock from At-the-Market offering, net of issuance costs of $5.1 million	3,387,358	34	107,149	—	—	107,183
Vesting of restricted common stock	63,154	1	(1)	—	—	—
Stock-based compensation	—	—	26,278	—	—	26,278
Exercise of common stock options	67,598	1	701	—	—	702
Other comprehensive income (loss)	—	—	—	(1,250)	—	(1,250)
Net loss	—	—	—	—	(82,776)	(82,776)
Balance at June 30, 2023	77,953,502	$ 780	$ 2,049,476	$ (2,015)	$ (1,236,598)	$ 811,643

Beam Therapeutics Inc.
Condensed Consolidated Statements of Stockholders' Equity - Continued
(*Unaudited*)
(in thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance at December 31, 2023	81,632,496	$ 816	$ 2,169,798	$ 604	$ (1,189,889)	$ 981,329
Purchase of common stock under ESPP	76,461	1	1,397	—	—	1,398
Vesting of restricted common stock	420,579	4	(4)	—	—	—
Stock-based compensation	—	—	29,281	—	—	29,281
Exercise of common stock options	151,291	2	1,674	—	—	1,676
Other comprehensive income (loss)	—	—	—	(1,525)	—	(1,525)
Net loss	—	—	—	—	(98,669)	(98,669)
Balance at March 31, 2024	82,280,827	$ 823	$ 2,202,146	$ (921)	$ (1,288,558)	$ 913,490
Vesting of restricted common stock	72,040	1	(1)	—	—	—
Stock-based compensation	—	—	31,604	—	—	31,604
Exercise of common stock options	33,343	—	240	—	—	240
Other comprehensive income (loss)	—	—	—	(189)	—	(189)
Net loss	—	—	—	—	(91,051)	(91,051)
Balance at June 30, 2024	82,386,210	$ 824	$ 2,233,989	$ (1,110)	$ (1,379,609)	$ 854,094

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

Beam Therapeutics Inc.
Condensed Consolidated Statements of Cash Flows
(*Unaudited*)
(in thousands)

	Six Months Ended June 30,	
	2024	**2023**
Operating activities		
Net loss	$ (189,720)	$ (179,236)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	11,007	9,463
Amortization of investment discount (premiums)	(12,502)	(14,505)
Stock-based compensation expense	60,885	50,195
Change in operating lease right-of-use assets	4,755	4,829
Change in fair value of derivative liabilities	(2,600)	(4,700)
Change in fair value of contingent consideration liabilities	(1,646)	(1,875)
Change in fair value of non-controlling equity investments	10,939	6,649
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	714	(6,476)
Accounts payable	3,057	(2,765)
Accrued expenses and other liabilities	(43,761)	(10,154)
Operating lease liabilities	(6,241)	(4,054)
Deferred revenue	(18,182)	(42,824)
Other long-term liabilities	539	969
Net cash provided by (used in) operating activities	(182,756)	(194,484)
Investing activities		
Purchases of property and equipment	(4,399)	(22,195)
Purchases of marketable securities	(329,714)	(657,359)
Maturities of marketable securities	368,142	663,525
Net cash provided by (used in) investing activities	34,029	(16,029)
Financing activities		
Proceeds from issuance of common shares, net of commissions	—	201,623
Proceeds from issuances of stock under ESPP	1,398	1,708
Payment of equity offering costs	—	(247)
Repayment of equipment financings	(284)	(1,220)
Proceeds from exercise of stock options	1,916	4,094
Net cash provided by (used in) financing activities	3,030	205,958
Net change in cash, cash equivalents and restricted cash	(145,697)	(4,555)
Cash, cash equivalents and restricted cash—beginning of period	444,614	245,521
Cash, cash equivalents and restricted cash—end of period	$ 298,917	$ 240,966

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

Beam Therapeutics Inc.
Condensed Consolidated Statements of Cash Flows - Continued
(*Unaudited*)
(in thousands)

	Six Months Ended June 30,	
	2024	**2023**
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 22	$ 112
Supplemental disclosure of noncash investing and financing activities:		
Property and equipment additions in accounts payable and accrued expenses	$ 521	$ 5,634
Operating lease liabilities arising from obtaining right-of-use assets	$ (1,273)	$ 392
Equity issuance costs in accounts payable and accrued expenses	$ —	$ 384

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

1. Nature of the business and basis of presentation

Organization

Beam Therapeutics Inc., which we refer to herein as the "Company" or "Beam," is a biotechnology company committed to establishing the leading, fully integrated platform for precision genetic medicines. Beam's vision is to provide life-long cures to patients suffering from genetic diseases. The Company was incorporated on January 25, 2017 as a Delaware corporation and began operations in July 2017. Its principal offices are in Cambridge, Massachusetts.

Liquidity and capital resources

Since its inception, the Company has devoted substantially all of its resources to building its base editing platform and advancing development of its portfolio of programs, establishing and protecting its intellectual property, conducting research and development activities, making arrangements to conduct manufacturing activities with contract manufacturing organizations, organizing and staffing the Company, establishing and maintaining internal manufacturing capabilities, conducting clinical trials, maintaining its facilities and new facility build-outs, business planning, raising capital and providing general and administrative support for these operations. The Company is subject to risks and uncertainties common to early-stage companies in the biotechnology industry including, but not limited to, technical risks associated with the successful research, development and manufacturing of product candidates, development by competitors of new technological innovations, dependence on key personnel, protection of proprietary technology, compliance with government regulations and the ability to secure additional capital to fund operations. Current and future programs will require significant research and development efforts, including extensive preclinical and clinical testing and regulatory approval prior to commercialization. These efforts require significant amounts of additional capital, adequate personnel and infrastructure. Even if the Company's product development efforts are successful, it is uncertain when, if ever, the Company will realize significant revenue from product sales.

In April 2021, the Company entered into an at the market, or ATM, sales agreement, or the Sales Agreement, with Jefferies LLC, or Jefferies, pursuant to which the Company was entitled to offer and sell, from time to time at prevailing market prices, shares of the Company's common stock having aggregate gross proceeds of up to $300.0 million. The Company agreed to pay Jefferies a commission of up to 3.0% of the aggregate gross sale proceeds of any shares sold by Jefferies under the Sales Agreement. Between April 2021 and July 2021, the Company sold 2,908,009 shares of its common stock under the Sales Agreement at an average price of $103.16 per share for aggregate gross proceeds of $300.0 million, before deducting commissions and offering expenses payable by the Company.

In July 2021 and May 2023, the Company and Jefferies entered into amendments to the Sales Agreement to provide for increases in the aggregate offering amount under the Sales Agreement, such that as of May 10, 2023, the Company may offer and sell shares of common stock having an aggregate offering price of up to an additional $800.0 million. As of June 30, 2024, the Company has sold 10,860,992 additional shares of its common stock under the amended Sales Agreement at an average price of $51.93 per share for aggregate gross proceeds of $564.0 million, before deducting commissions and offering expenses payable by the Company.

Since its inception, the Company has incurred substantial losses and had an accumulated deficit of $1.4 billion as of June 30, 2024. The Company expects to generate operating losses and negative operating cash flows for the foreseeable future.

The Company expects that its cash, cash equivalents, and marketable securities as of June 30, 2024 of $1.0 billion will be sufficient to fund its operations for at least the next 12 months from the date of issuance of these financial statements. The Company will need additional financing to support its continuing operations and pursue its growth strategy. Until such time as the Company can generate significant revenue from product sales, if ever, it expects to finance its operations through a combination of equity offerings, debt financings, collaborations, strategic alliances and licensing arrangements. The Company may be unable to raise additional funds or enter into such other agreements when needed on favorable terms or at all. The inability to raise capital as and when needed would have a negative impact on the Company's financial condition and its ability to pursue its business strategy. The Company will need to generate significant revenue to achieve profitability, and it may never do so.

2. Summary of significant accounting policies

The Company's significant accounting policies are disclosed in the audited consolidated financial statements for the year ended December 31, 2023, and notes thereto, which are included in the Company's Annual Report on Form 10-K that was filed with the Securities and Exchange Commission, or the SEC, on February 27, 2024, or the 2023 Form 10-K. Since the date of those financial statements, there have been no material changes to the Company's significant accounting policies.

Basis of presentation

The accompanying condensed consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles, or GAAP. Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification, or ASC, and Accounting Standards Update, or ASU, of the Financial Accounting Standards Board, or FASB.

Principles of consolidation

The accompanying condensed consolidated financial statements include the results of operations of the Company and its wholly-owned subsidiaries. All intercompany transactions and balances have been eliminated in consolidation.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses, and the disclosure of contingent assets and liabilities as of and during the reporting period. The Company bases its estimates and assumptions on historical experience when available and on various factors that it believes to be reasonable under the circumstances. Significant estimates and assumptions reflected in these condensed consolidated financial statements include, but are not limited to, incremental borrowing rate used in the calculation of lease liabilities, research and development expenses, stock-based compensation, contingent consideration liabilities, success payments and certain judgments regarding revenue recognition. Actual results could differ from these estimates.

Recently announced accounting pronouncements

In November 2023, the FASB issued ASU 2023-07*, Segment Reporting (Topic 280).* The amendments in this update expand segment disclosure requirements, including new segment disclosure requirements for entities with a single reportable segment among other disclosure requirements. This update is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740).* The amendments in this update expand income tax disclosure requirements, including additional information pertaining to the rate reconciliation, income taxes paid, and other disclosures. This update is effective for annual periods beginning after December 15, 2024. The adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

Cash, cash equivalents, and restricted cash

Cash and cash equivalents consist of standard checking accounts, money market accounts, and all highly liquid investments with a remaining maturity of three months or less at the date of purchase. Restricted cash represents collateral provided for letters of credit issued as security deposits in connection with the Company's leases of its corporate and manufacturing facilities.

The following table reconciles cash, cash equivalents, and restricted cash reported within the Company's condensed consolidated balance sheets to the total of the amounts shown in the condensed consolidated statements of cash flows (in thousands):

	June 30, 2024	June 30, 2023
Cash and cash equivalents	$ 292,763	$ 225,544
Restricted cash	6,154	15,422
Total cash, cash equivalents, and restricted cash	$ 298,917	$ 240,966

3. Property and equipment, net

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

	June 30, 2024	December 31, 2023
Leasehold improvements	$ 100,727	$ 100,186
Lab equipment	67,913	61,674
Furniture and fixtures	4,836	4,836
Computer equipment	3,163	3,163
Construction in process	2,020	5,283
Total property and equipment	178,659	175,142
Less accumulated depreciation	(61,189)	(50,182)
Property and equipment, net	$ 117,470	$ 124,960

The following table summarizes depreciation expense incurred (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Depreciation expense	$ 5,576	$ 4,816	$ 11,007	$ 9,463

4. Fair value of financial instruments

The Company's financial instruments that are measured at fair value on a recurring basis consist of cash equivalents, marketable securities, corporate equity securities of Verve Therapeutics, Inc., or Verve, and Prime Medicine, Inc., or Prime, contingent consideration liabilities related to the Agreement and Plan of Merger, dated February 23, 2021, between Guide Therapeutics, Inc., or Guide, and the Company, or the Guide Merger Agreement, and success payment derivative liabilities pursuant to the license agreement, or the Harvard License Agreement, between President and Fellows of Harvard University, or Harvard, and the Company, and the license agreement, or the Broad License Agreement, between The Broad Institute, Inc., or Broad Institute, and the Company.

The following tables set forth the fair value of the Company's financial assets and liabilities by level within the fair value hierarchy at June 30, 2024 (in thousands):

	Carrying amount	Fair value	Level 1	Level 2	Level 3
Assets					
Cash equivalents:					
Money market funds	$ 262,674	262,674	$ 262,674	$ —	$ —
Commercial paper	29,907	29,907	—	29,907	—
Marketable securities:					
Commercial paper	274,915	274,915	—	274,915	—
Corporate notes	60,201	60,201	—	60,201	
U.S. Treasury securities	253,297	253,297	—	253,297	—
U.S. Government securities	116,053	116,053	—	116,053	—
Corporate equity securities	10,936	10,936	10,936	—	—
Total assets	$ 1,007,983	$ 1,007,983	$ 273,610	$ 734,373	$ —
Liabilities					
Success payment liability – Harvard	$ 3,900	$ 3,900	$ —	$ —	$ 3,900
Success payment liability – Broad Institute	4,300	4,300	—	—	4,300
Contingent consideration liability – Technology	473	473	—	—	473
Contingent consideration liability – Product	604	604	—	—	604
Total liabilities	$ 9,277	$ 9,277	$ —	$ —	$ 9,277

The following tables set forth the fair value of the Company's financial assets and liabilities by level within the fair value hierarchy at December 31, 2023 (in thousands):

	Carrying amount	Fair value	Level 1	Level 2	Level 3
Assets					
Cash equivalents:					
Money market funds	$ 435,689	435,689	$ 435,689	$ —	$ —
Marketable securities:					
Commercial paper	285,289	285,289	—	285,289	—
Corporate notes	23,525	23,525	—	23,525	—
U.S. Treasury securities	152,147	152,147	—	152,147	—
U.S. Government securities	271,145	271,145	—	271,145	—
Corporate equity securities	21,875	21,875	21,875	—	—
Total assets	$ 1,189,670	$ 1,189,670	$ 457,564	$ 732,106	$ —
Liabilities					
Success payment liability – Harvard	$ 5,200	$ 5,200	$ —	$ —	$ 5,200
Success payment liability – Broad Institute	5,600	5,600	—	—	5,600
Contingent consideration liability – Technology	1,371	1,371	—	—	1,371
Contingent consideration liability – Product	1,352	1,352	—	—	1,352
Total liabilities	$ 13,523	$ 13,523	$ —	$ —	$ 13,523

Cash equivalents – Money market funds included within cash equivalents are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices in active markets. Commercial paper and corporate notes are classified within Level 2 of the fair value hierarchy because pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

Marketable securities – Marketable securities, excluding corporate equity securities (held in Verve and Prime), are classified within Level 2 of the fair value hierarchy because pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined using models or other valuation methodologies.

The Company holds an investment in Verve consisting of shares of Verve's common stock. As of June 30, 2024, the Company owned 546,970 shares of Verve's common stock valued at $2.7 million, which is included in marketable securities in the condensed consolidated balance sheet.

The Company also holds an investment in Prime consisting of 1,608,337 shares of Prime's common stock. As of June 30, 2024, the Company's investment in Prime's common stock was valued at $8.3 million, which is included in marketable securities in the condensed consolidated balance sheet.

Pursuant to ASC 825, *Financial instruments*, the Company records changes in the fair value of its investments in equity securities to other income (expense), in the Company's condensed consolidated statements of operations.

The following table summarizes other income (expense) recorded due to changes in the fair value of corporate equity securities held (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Other income (expense)	$ (7,586)	$ 6,148	$ (10,939)	$ (6,649)

Success payment liabilities – As discussed further in Note 7, *License agreements*, the Company is required to make payments to Harvard and Broad Institute based upon the achievement of specified multiples of the market value of the Company's common stock, at specified valuation dates. The Company's liability for the share-based success payments under the Harvard License Agreement and the Broad License Agreement is carried at fair value. To determine the estimated fair value of the success payment liability, the Company uses a Monte Carlo simulation methodology, which models the future movement of stock prices based on several key variables.

The following variables were incorporated in the calculation of the estimated fair value of the Harvard and Broad Institute success payment liabilities:

	Harvard		Broad Institute	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Fair value of common stock (per share)	$ 23.43	$ 27.22	$ 23.43	$ 27.22
Expected volatility	81%	80%	80%	79%
Expected term (years)	0.05-4.99	0.06-5.49	0.05-5.86	0.06-6.36

The computation of expected volatility was estimated using available information about the historical volatility of stocks of similar publicly traded companies in addition to the Company's own data for a period matching the expected term assumption. In addition, the Company incorporated the estimated number, timing, and probability of valuation measurement dates in the calculation of the success payment liability.

The following table reconciles the change in the fair value of success payment liabilities based on Level 3 inputs (in thousands):

	Six Months Ended June 30, 2024		
	Harvard	Broad Institute	Total
Balance at December 31, 2023	$ 5,200	$ 5,600	$ 10,800
Change in fair value	(1,300)	(1,300)	(2,600)
Balance at June 30, 2024	$ 3,900	$ 4,300	$ 8,200

Contingent consideration liabilities – Under the Guide Merger Agreement, Guide's former stockholders and optionholders are eligible to receive up to an additional $100.0 million in technology milestone payments and $220.0 million in product milestone payments, payable in the Company's common stock valued using the volume-weighted average price of the Company's stock over the ten-day trading period ending two trading days prior to the date on which the applicable milestone is achieved. As these milestones are payable with a variable number of shares of the Company's common stock, the milestone payments result in liability classification under ASC 480, *Distinguishing Liabilities from Equity*. These contingent consideration liabilities are carried at fair value which was estimated by applying a probability-based model, which utilized inputs based on timing of achievement that were unobservable in the market. These contingent consideration liabilities are classified within Level 3 of the fair value hierarchy.

The following table reconciles the change in fair value of the contingent consideration liabilities based on level 3 inputs (in thousands):

	Six Months Ended June 30, 2024		
	Technology Milestones	Product Milestones	Total
Balance at December 31, 2023	$ 1,371	$ 1,352	$ 2,723
Change in fair value	(898)	(748)	(1,646)
Balance at June 30, 2024	$ 473	$ 604	$ 1,077

The following variables were incorporated in the calculation of the estimated fair value of the contingent consideration liabilities:

	Technology Milestones		Product Milestones	
	June 30, 2024	December 31, 2023	June 30, 2024	December 31, 2023
Discount Rate	10.00%	10.00%	10.00%	10.00%
Probability of Achievement	2%	2-5%	1-2%	1-2%
Projected Year of Achievement	2026	2025	2028-2034	2025-2031

5. Marketable securities

The following table summarizes the Company's marketable securities held at June 30, 2024 (in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Commercial paper	$ 275,217	$ 15	$ (317)	$ 274,915
Corporate notes	60,363	—	(162)	60,201
U.S. Treasury securities	253,835	11	(549)	253,297
U.S. Government securities	116,161	34	(142)	116,053
Corporate equity securities	10,936	—	—	10,936
Total	$ 716,512	$ 60	$ (1,170)	$ 715,402

The following table summarizes the Company's marketable securities held at December 31, 2023 (in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Commercial paper	$ 285,054	$ 250	$ (15)	$ 285,289
Corporate notes	23,462	63	—	23,525
U.S. Treasury securities	151,805	436	(94)	152,147
U.S. Government securities	271,181	328	(364)	271,145
Corporate equity securities	21,875	—	—	21,875
Total	$ 753,377	$ 1,077	$ (473)	$ 753,981

The amortized cost of marketable securities is adjusted for amortization of premiums and accretion of discounts to maturity. At June 30, 2024, the balance in accumulated other comprehensive (loss) income was related to marketable securities. There were no realized gains or losses recognized on the sale or maturity of marketable securities for the six months ended June 30, 2024 and 2023 and, as a result, the Company did not reclassify any amounts out of accumulated other comprehensive (loss) income for the same periods.

The Company holds debt securities of companies with high credit quality and has determined that there was no material change in the credit risk of any of its debt securities.

6. Accrued expenses and other current liabilities

Accrued expenses and other current liabilities consist of the following (in thousands):

	June 30, 2024	December 31, 2023
Accrued contingent obligation, refer to Note 7	$ 21,640	$ 43,280
Employee compensation and related benefits	9,635	21,774
Research costs	6,896	9,804
Professional fees	3,724	3,468
Process development and manufacturing costs	1,703	4,697
Other	23,540	28,641
Total	$ 67,138	$ 111,664

The Company previously received correspondence from a research institution alleging, among other things, that the Company breached the terms of a confidentiality agreement. On July 19, 2024, the Company entered into a settlement agreement with the research institution, pursuant to which, in exchange for a release of claims in its favor, the Company agreed, among other things, to pay the institution an upfront payment of $15.0 million upon signing and to make additional success payments in connection with the development and commercialization of BEAM-102 and BEAM-302. As of June 30, 2024, the Company had a liability accrued of $20.2 million included within Other in the table above for the loss based on the settlement agreement.

7. License agreements

The Company has various license agreements related to technology used in its research and development activities. The license agreements may include up-front payments, option fees, ongoing maintenance fees, sublicense fees, royalty-based payments, milestone payments, success-based payments, and other payments. Option fees, when applicable, are recognized when exercised, maintenance fees, sublicense fees, and other payments are recorded as incurred based on the estimated amounts due or that will ultimately be paid. Contingent payments that are not required to be accounted for as a derivative are recognized as incurred. As the success-based payments due under the Company's license arrangements are derivatives, the change in the fair value of the success-based payments are recognized in a separate line item in the statement of operations and comprehensive loss, as discussed further below.

The value attributable to sublicenses and the related sublicense fees due under the Company's license agreements may require estimates and other judgments related to contractual requirements, which creates uncertainty over the ultimate amount that would be paid under these arrangements. Contractual amounts due are accrued and if a contingency exists related to the interpretation of the amounts due under the license agreement, the Company recognizes a liability for the amount that is probable and estimable. When no amount within the range of potential payments is a better estimate than any other amount, however, the minimum amount in the range is accrued. If some amount within a range of loss appears to be a better estimate than any other amount within the range, that amount is accrued. The Company's accrued liabilities for license fees includes estimates, including approximately $21.6 million of contingent obligations that may be due associated with payments received under the Lilly Agreement for which discussions are continuing related to the potential applicability to such payments of the terms of license agreements. As of June 30, 2024, management believes that it is remote that an adjustment to its estimated accrual would result in a material charge in excess of the amount accrued. The ultimate amount paid may differ materially from the estimated amounts.

Harvard license agreement

Under the Harvard License Agreement, Harvard is entitled to receive success payments, in cash or shares of Company stock, determined based upon the achievement of specified multiples of the initial weighted average value of the Company's Series A Preferred at specified valuation dates. The success payments range from $5.0 million to a maximum of $105.0 million and have valuation multiples that range from 5 times to 40 times the initial weighted average value of the Series A Preferred. Subsequent to the Company's February 2020 IPO, the amount of success payments is based on the market value of the Company's common stock.

The Company is required to make success payments to Harvard during a period of time, or the Harvard Success Payment Period, which has been determined to be the later of (1) the ninth anniversary of the Harvard License Agreement or (2) the earlier of (a) the twelfth anniversary of the Harvard License Agreement and (b) the third anniversary of the first date on which a licensed product receives regulatory approval in the United States. During the Harvard Success Payment Period, the Company will perform a calculation of any amounts owed to Harvard on each rolling 90-day period, commencing one year after the Company's IPO.

In May 2021, the first success payment measurement occurred and amounts due to Harvard were calculated to be $15.0 million. The Company elected to make the payment in shares of the Company's common stock and issued 174,825 shares of the Company's common stock to settle this liability on June 10, 2021. The Company may owe Harvard success payments of up to an additional $90.0 million. As of June 30, 2024, no success payments were due to Harvard.

The following table summarizes the Company's success payment liability for Harvard (in thousands):

	June 30, 2024	December 31, 2023
Harvard success payment liability	$ 3,900	$ 5,200

The following table summarizes the expense (income) resulting from the change in the fair value of the success payment liability for Harvard (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Change in fair value of Harvard success payment liability	$ (2,800)	$ 500	$ (1,300)	$ (2,300)

Broad license agreement

Under the Broad License Agreement, Broad Institute is entitled to receive success payments, in cash or shares of Company common stock, determined based upon the achievement of specified multiples of the initial weighted average value of the Series A Preferred at specified valuation dates. The success payments range from $5.0 million to a maximum of $105.0 million and have valuation multiples that range from 5 times to 40 times the initial weighted average value of the Series A Preferred. Subsequent to the February 2020 IPO, the amount of success payments is based on the market value of the Company's common stock.

The Company is required to make success payments to Broad Institute during a period of time, or the Broad Success Payment Period, which has been determined to be the earliest of (1) the twelfth anniversary of the Broad License Agreement or (2) the third anniversary of the first date on which a licensed product receives regulatory approval in the United States. During the Broad Success Payment Period, the Company will perform a calculation of any amounts owed to Broad Institute on each rolling 90-day period, commencing one year after the Company's IPO.

In May 2021, the first success payment measurement occurred and amounts due to Broad Institute were calculated to be $15.0 million. The Company elected to make the payment in shares of the Company's common stock and issued 174,825 shares of the Company's common stock to settle this liability on June 10, 2021. The Company may owe Broad Institute success payments of up to an additional $90.0 million. As of June 30, 2024, no success payments were due to Broad Institute.

The following table summarizes the Company's success payment liability for Broad Institute (in thousands):

	June 30, 2024	December 31, 2023
Broad Institute success payment liability	$ 4,300	$ 5,600

The following table summarizes the expense (income) resulting from the change in the fair value of the success payment liability for Broad Institute (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Change in fair value of Broad Institute success payment liability	$ (2,700)	$ 400	$ (1,300)	$ (2,400)

Editas license agreement

In May 2018, the Company entered into a license agreement, or the Editas License Agreement, with Editas Medicine, Inc., or Editas. Pursuant to the Editas License Agreement, Editas granted to the Company licenses and options to acquire licenses to certain intellectual property rights owned or controlled by Editas, for specified uses.

The annual maintenance fees under the Editas License Agreement are recorded as research and development expense. Annual patent costs are expensed as incurred. In addition, the Company is required to make certain development, regulatory and commercial milestone payments to Editas upon the achievement of specified milestones.

8. Collaboration and license agreements

Eli Lilly and Company

In October 2023, the Company entered into a Transfer and Delegation Agreement, or the Lilly Agreement, with Eli Lilly and Company, or Lilly, pursuant to which Lilly acquired certain assets and other rights under the Company's amended collaboration and license agreement with Verve, or the Verve Agreement, including the Company's opt-in rights to co-develop and co-commercialize Verve's base editing programs for cardiovascular disease (see discussion below related to the Verve Agreement). The Company granted Lilly an exclusive sublicense to the Verve technology originally licensed to the Company under the Verve Agreement. Lilly also acquired from the Company the right to receive any future milestone or royalty payments payable by Verve under the Verve Agreement and the rights and obligations to designate representatives and participate on the joint steering committee with Verve. The Company received a $200.0 million nonrefundable upfront payment and is eligible to receive up to $350.0 million in potential future development-stage payments upon the completion of certain clinical, regulatory and alliance events. If Lilly does not opt-in to co-develop and co-commercialize a licensed product, Lilly is obligated to pay the Company a percentage of any royalties received from Verve for sales of such product, subject to certain caps on a licensed product-by-licensed product basis.

For a period of six years from the effective date of the Lilly Agreement, Lilly has the right to request the Company to perform any critical research and development services, if Lilly reasonably determines that the Company is uniquely able to provide such services and other conditions are met, including that no other third parties can provide such services. The parties will negotiate an agreement governing the Company's performance of such activity, if any, and the Company will be compensated for any services at approximately cost plus a margin. The Company has not been requested to perform any services and believes it is remote that the Company would be requested to provide any services.

In connection with the Lilly Agreement, the Company and Lilly entered into a Stock Purchase Agreement providing for the sale and issuance of 2,004,811 shares of the Company's common stock to Lilly for an aggregate purchase price of $50.0 million.

The Company received the consideration under the Stock Purchase Agreement of $50.0 million in October 2023 and the upfront payment of $200.0 million in November 2023.

The Lilly Agreement and Stock Purchase Agreement were negotiated at the same time as a package and have been accounted for as one combined contract. The Company accounts for the component of the arrangement to transfer common stock to Lilly under ASC 505, *Equity*, or ASC 505, and the revenue component under ASC 606, *Revenue from Contracts with Customers*, or ASC 606, as it includes a customer-vendor relationship as defined under ASC 606 and meets the criteria to be considered a contract. The Company first applied the guidance in ASC 505 to measure the fair value of the common stock issued and allocated the remaining consideration to the ASC 606 component of the arrangement.

The overall ASC 606 transaction price as of the inception of the contract was determined to be $216.4 million, which is comprised of the upfront payment of $200.0 million and the residual value of the proceeds received in excess of the fair value of the common stock sold to Lilly of $16.4 million. The fair value of the common stock issued to Lilly was $33.6 million, as determined by management with the assistance of a third-party valuation specialist. There is no variable consideration included in the transaction price at inception. The Company will re-evaluate the transaction price at each reporting period.

The Company concluded that the collaboration rights and licenses to intellectual property have the same pattern and timing of transfer and are transferred as of the effective date of the Lilly Agreement. Lilly's right to request research and development services represents an optional purchase in the agreement that does not constitute a material right. All other items promised to Lilly are immaterial in the context of the agreement.

The Company recognized revenue for the performance obligation at a point-in-time in October 2023 as all requirements related to the performance obligation have been completed. Any consideration received related to Lilly's optional purchase of the Company's research and development services will be accounted for as a separate contract if and when the option is exercised in accordance with ASC 606. During the year ended December 31, 2023, the Company recognized the full $216.4 million of revenue related to the Lilly Agreement. As of June 30, 2024, there was no deferred revenue related to the Lilly Agreement and there has been no revenue recognized subsequent to the up-front payment.

Orbital

In September 2022, the Company entered into a License and Research Collaboration Agreement, or the Orbital Agreement, with Orbital Therapeutics, Inc., or Orbital. Under the terms of the Orbital Agreement, the Company will collaborate with Orbital to advance nonviral delivery and ribonucleic acid, or RNA, technology by providing Orbital with certain proprietary materials, a non-exclusive research license to certain RNA technology and nonviral delivery technology controlled by the Company, and by performing research and development support services as outlined in a research plan. The Company also granted Orbital an exploitation license to certain RNA technology and nonviral delivery technology controlled by the Company. The exploitation license is exclusive in the fields of vaccines and certain protein therapeutics and nonexclusive in all other fields other than gene editing and conditioning. The

collaboration is managed on an overall basis by a Joint Steering Committee, or JSC, comprised of an equal number of representatives from the Company and Orbital.

In exchange for the licenses and services provided by the Company under the Orbital Agreement, the Company received a non-exclusive research license to certain RNA technology and nonviral delivery technology controlled by Orbital, and research and development support services as outlined in a research plan. Orbital also granted the Company an exploitation license to certain RNA technology and nonviral delivery technology controlled by Orbital. The exploitation license is exclusive in the fields of gene editing and conditioning and nonexclusive in all other fields other than vaccines and certain protein therapeutics. The Company also received 75 million shares of Orbital's common stock at closing. The Company accounts for its investment in Orbital under the equity method of accounting.

The research plan has a term of three years and can be extended for unspecified periods upon mutual agreement between the Company and Orbital. The exploitation licenses are exclusive for an initial research term of three years, which may be extended for up to two successive one-year periods by mutual agreement between the Company and Orbital. Either party may terminate the licenses granted to it under the Orbital Agreement for convenience on a product-by-product basis at any time by providing 90 days' prior written notice.

The Company accounts for the Orbital Agreement under ASC 606, as it includes a customer-vendor relationship as defined under ASC 606 and meets the criteria to be considered a contract.

The overall transaction price as of the inception of the contract was determined to be $25.5 million, which represents the fair value of the Company's equity interest in Orbital's common stock at inception. There is no variable consideration included in the transaction price at inception.

The Company concluded that the research and exploitation licenses are not distinct from the other promises in the Orbital Agreement, and as such the Company has determined that the licenses combined with the research and development services, know-how transfers, committee participation and materials transfer represent a combined performance obligation. The Company recognizes revenue associated with the Orbital performance obligation over time as it is satisfied during the term of the Orbital Agreement, which is three years. During each of the three and six months ended June 30, 2024 and 2023, the Company recognized $2.1 and $4.2 million of revenue, respectively, related to the Orbital agreement. As of June 30, 2024, there was $8.5 million and $2.1 million of current and long-term deferred revenue, respectively, related to the Orbital Agreement.

Pfizer

In December 2021, the Company entered into a research collaboration agreement, or the Pfizer Agreement, with Pfizer Inc., or Pfizer, focused on the use of certain of the Company's base editing technology to develop *in vivo* therapies for rare genetic diseases of the liver, muscle, and central nervous system. Under the terms of the Pfizer Agreement, the Company will conduct all research activities through development candidate selection for three base editing programs that target specific genes corresponding to specific diseases that are the subject of such programs. Pfizer will have exclusive rights to license each of the three programs at no additional cost, each an Opt-In Right, and will assume responsibility for subsequent development and commercialization. At the end of the Phase 1/2 clinical trials, the Company may elect to enter into a global co-development and co-commercialization agreement with Pfizer with respect to one program licensed under the collaboration for an option exercise fee equal to a percentage of the applicable development costs incurred by Pfizer, or the Participation Election. In the event the Company elects to exercise its Participation Election, upon the payment of its option exercise fee, Pfizer and the Company would share net profits as well as development and commercialization costs in a 65%/35% (Pfizer/Company) split for such program. The research collaboration is managed on an overall basis by a Joint Research Committee, or JRC, formed by an equal number of representatives from the Company and Pfizer.

At the inception of the Pfizer Agreement, the Company was entitled to receive a nonrefundable upfront payment of $300.0 million in consideration for the rights granted to Pfizer under the collaboration. Should Pfizer exercise its Opt-In Right for any of the three programs, the Company would be eligible to receive development, regulatory, and commercial milestones of up to $350.0 million per program, for potential total consideration of up to $1.35 billion, plus royalty payments on global net sales for each licensed program, if any. If Pfizer does not exercise its Opt-In Right for a program, the Company's rights in such program revert to the Company and the Company will be required to pay Pfizer earn-out payments equal to a low single digit percentage of net sales earned on such program for a ten-year period, if any.

During the collaboration term, Pfizer has a one-time option to substitute a disease that is the subject of a specific program with one pre-defined substitute disease. The collaboration has an initial term of four years and may be extended for an additional year on a program-by-program basis. Pfizer may terminate the Pfizer Agreement for convenience on any or all of the programs by providing 90 days' prior written notice.

The Company accounts for the Pfizer Agreement under ASC 606, as it includes a customer-vendor relationship as defined under ASC 606 and meets the criteria to be considered a contract.

The overall transaction price as of the inception of the contract was determined to be $300.0 million, which is comprised entirely of the nonrefundable upfront payment. There is no variable consideration included in the transaction price at inception as the future milestone payments are fully constrained and the Company is not required to estimate variable consideration for the royalty payments at contract inception. The Company re-evaluates the transaction price in each reporting period.

The Company has concluded that the licenses to its base editing technology, including the exclusive development and commercialization rights, are not capable of being distinct from the other performance obligations, and as such the Company has determined that the licenses combined with the other research and development services represent performance obligations and no up-front revenue was recognized for the licenses.

The selling price of each performance obligation was determined based on the Company's estimated standalone selling price, or the ESSP. The Company developed the ESSP for all of the performance obligations included in the Pfizer Agreement by determining the total estimated costs to fulfill each performance obligation identified with the objective of determining the price at which it would sell such an item if it were to be sold regularly on a standalone basis. The Company allocated the stand-alone selling price to the performance obligations based on the relative standalone selling price method.

The Company recognizes revenue for each performance obligation as it is satisfied during the term of the agreement using an input method. The Company allocated the transaction price of $300.0 million to each of the three performance obligations, which includes each of the three base editing programs combined with the research and development services, licenses, and exclusive development and commercialization rights. Revenue is recognized using an input method based on the actual costs incurred as a percentage of total estimated costs towards satisfying the performance obligation as this method provides the most faithful depiction of the entity's performance in transferring control of the goods and services promised to Pfizer and represents the Company's best estimate of the period of the obligation. During the three and six months ended June 30, 2024, the Company recognized $6.3 million and $5.7 million of revenue related to the Pfizer Agreement, respectively. The Company recognized $10.1 million and $26.3 million of revenue related to the Pfizer Agreement during the three and six months ended June 30, 2023, respectively. As of June 30, 2024, there was $57.5 million and $54.3 million of current and long-term deferred revenue, respectively, related to the Pfizer Agreement.

Apellis Pharmaceuticals

In June 2021, the Company entered into a research collaboration agreement, or the Apellis Agreement, with Apellis Pharmaceuticals, Inc., or Apellis, focused on the use of certain of the Company's base editing technology to discover new treatments for complement system-driven diseases. Under the terms of the Apellis Agreement, the Company will conduct preclinical research on six base editing programs that target specific genes within the complement system in various organs, including the eye, liver, and brain. Apellis has an exclusive option to license any or all of the six programs, or in each case, an Opt-In Right, and will assume responsibility for subsequent development. The Company may elect to enter into a 50-50 U.S. co-development and co-commercialization agreement with Apellis with respect to one program instead of a license. The collaboration is managed on an overall basis by an alliance steering committee formed by an equal number of representatives from the Company and Apellis.

As part of the collaboration, the Company received a total of $75.0 million in upfront and near-term milestones from Apellis, which was comprised of $50.0 million received upon signing and an additional $25.0 million payment on June 30, 2022, the one-year anniversary of the effective date of the Apellis Agreement, or the First Anniversary Payment. Following any exercise of an Opt-In Right for any of the six programs, the Company will be eligible to receive development, regulatory, and sales milestones from Apellis, as well as royalty payments on sales. The collaboration has an initial term of five years and may be extended up to two years on a per year and program-by-program basis. During the collaboration term, Apellis may, subject to certain limitations, substitute a specific complement gene and/or organ for any of the initial base editing programs. Apellis may terminate the Apellis Agreement for convenience on any or all of the programs by providing prior written notice.

The Company accounts for the Apellis Agreement under ASC 606 as it includes a customer-vendor relationship as defined under ASC 606 and meets the criteria to be considered a contract.

The overall transaction price as of the inception of the contract was determined to be $75.0 million, which is composed of the upfront payment of $50.0 million and the First Anniversary Payment of $25.0 million. The Company re-evaluates the transaction price in each reporting period.

The Company concluded that each of the six base editing programs combined with the research and development service, licenses, substitution rights and governance participation were material promises that were both capable of being distinct and were distinct within the context of the Apellis Agreement and represented separate performance obligations. The Company further concluded that the Opt-In Rights and option to extend the collaboration term did not grant Apellis a material right. The Company determined that the term of the contract is five years, as this is the period during which both parties have enforceable rights.

The selling price of each performance obligation was determined based on the Company's ESSP. The Company developed the ESSP for all of the performance obligations included in the Apellis Agreement by determining the total estimated costs to fulfill each performance obligation identified with the objective of determining the price at which it would sell such an item if it were to be sold

regularly on a standalone basis. The Company allocated the stand-alone selling price to the performance obligations based on the relative standalone selling price method.

The Company recognizes revenue for each performance obligation as it is satisfied over the five-year term using an input method. The Company allocated the transaction price of $75.0 million to each of the six performance obligations, which includes each of the six base editing programs combined with the research and development service, licenses, substitution rights and governance participation, and is being recognized using an input method based on the actual costs incurred as a percentage of total estimated costs towards satisfying the performance obligation as this method provides the most faithful depiction of the entity's performance in transferring control of the goods and services promised to Apellis and represents the Company's best estimate of the period of the obligation. For the three and six months ended June 30, 2024, the Company recognized $2.9 million and $8.2 million of revenue related to the Apellis Agreement, respectively. For the three and six months ended June 30, 2023, the Company recognized $6.9 million and $12.2 million of revenue related to the Apellis Agreement, respectively. As of June 30, 2024, there is $18.9 million and $19.1 million of current and long-term deferred revenue, respectively, related to the Apellis Agreement.

Verve

In April 2019, the Company entered into the Verve Agreement to investigate gene editing strategies to modify genes associated with an increased risk of coronary diseases and in July 2022, the Company and Verve amended the Verve Agreement. Under the terms of the Verve Agreement, as amended, the Company granted Verve an exclusive license to certain base editor technology and improvements and Verve granted the Company a non-exclusive license under certain know-how and patents controlled by Verve, an interest in joint collaboration technology and a non-exclusive license under certain delivery technology. The Company retained the option, after the dosing of the final patient in a Phase 1 clinical trial of a licensed product, to participate in future development and commercialization, and share 35% of worldwide profits and losses, for any licensed product directed against one of the Verve program targets, and share 50% of U.S. profits and losses for any licensed product directed against the other two targets.

In October 2023, the Company entered into the Lilly Agreement, pursuant to which Lilly acquired certain assets and other rights under the Verve Agreement, including the Company's opt-in rights to co-develop and co-commercialize Verve's base editing programs for cardiovascular disease, which consist of programs targeting PCSK9, ANGPTL3 and an undisclosed liver-mediated, cardiovascular target. In addition, Lilly acquired the right to receive any future milestone or royalty payments payable to the Company under the Verve Agreement.

During the year ended December 31, 2023, the Company recognized all remaining license revenue related to the Verve Agreement and has no related deferred revenue as of June 30, 2024.

9. Common stock

In April 2021, the Company entered into the Sales Agreement with Jefferies, pursuant to which the Company was entitled to offer and sell, from time to time at prevailing market prices, shares of the Company's common stock having aggregate gross proceeds of up to $300.0 million. The Company agreed to pay Jefferies a commission of up to 3.0% of the aggregate gross sale proceeds of any shares sold by Jefferies under the Sales Agreement. Between April 2021 and July 2021, the Company sold 2,908,009 shares of its common stock under the Sales Agreement at an average price of $103.16 per share for aggregate gross proceeds of $300.0 million, before deducting commissions and offering expenses payable by the Company.

In July 2021 and May 2023, the Company and Jefferies entered into amendments to the Sales Agreement to provide for increases in the aggregate offering amount under the Sales Agreement, such that as of May 10, 2023, the Company may offer and sell shares of common stock having an aggregate offering price of up to an additional $800.0 million. As of June 30, 2024, the Company has sold 10,860,992 additional shares of its common stock under the amended Sales Agreement at an average price of $51.93 per share for aggregate gross proceeds of $564.0 million, before deducting commissions and offering expenses payable by the Company.

10. Stock option and grant plan

2019 equity incentive plan

As of June 30, 2024, the Company had 14,964,420 shares reserved including 1,467,676 shares available for future issuance, pursuant to the Beam Therapeutics Inc. 2019 Equity Incentive Plan.

Stock-based compensation expense recorded as research and development and general and administrative expenses in the condensed consolidated statements of operations and other comprehensive loss is as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Research and development	$ 18,803	$ 15,521	$ 36,448	$ 29,743
General and administrative	12,801	10,757	24,437	20,452
Total stock-based compensation expense	$ 31,604	$ 26,278	$ 60,885	$ 50,195

Stock options

The following table provides a summary of stock option activity under the Company's equity award plans:

	Number of options		Weighted average exercise price
Outstanding at December 31, 2023	8,276,033	$	42.59
Granted	2,260,584		24.60
Exercised	(184,634)		10.37
Forfeited	(213,581)		50.64
Outstanding at June 30, 2024	10,138,402		38.99
Exercisable as of June 30, 2024	5,768,050	$	38.87

The weighted-average grant date fair value per share of stock options granted in the six months ended June 30, 2024 was $16.94. As of June 30, 2024, there was $115.8 million of unrecognized compensation expense related to unvested stock options, which is expected to be recognized over a weighted-average remaining vesting period of approximately 2.6 years.

Restricted stock

The Company issues shares of restricted common stock, including both restricted stock units and restricted stock awards. Restricted common stock issued generally vests over a period of two to four years.

The following table summarizes the Company's restricted stock activity:

	Shares		Weighted-average grant date fair value
Unvested as of December 31, 2023	2,927,152	$	40.89
Issued	1,044,450		32.21
Vested	(492,619)		52.51
Forfeited	(120,641)		38.81
Unvested as of June 30, 2024	3,358,342	$	36.56

At June 30, 2024, there was approximately $99.4 million of unrecognized stock-based compensation expense related to restricted stock that is expected to vest. These costs are expected to be recognized over a weighted-average remaining vesting period of approximately 2.3 years.

2019 employee stock purchase plan

The Company issued 76,461 and 65,620 shares under the Beam Therapeutics Inc. 2019 Employee Stock Purchase Plan, or ESPP, during the six months ended June 30, 2024 and 2023, respectively. As of June 30, 2024, the Company had 2,987,432 shares available for issuance under the ESPP.

Stock-based compensation recognized under the ESPP for the three and six months ended June 30, 2024 was $0.3 million and $0.6 million, respectively. The Company recognized stock-based compensation under the ESPP of $0.3 million and $0.8 million for the three and six months ended June 30, 2023, respectively.

11. Net loss per share

For periods in which the Company reports a net loss, potentially dilutive securities have been excluded from the computation of diluted net loss per share as their effects would be anti-dilutive. Therefore, the weighted average number of common shares outstanding used to calculate both basic and diluted net loss per share is the same. The Company excluded the following potential common shares, presented based on amounts outstanding at period end, from the computation of diluted net loss per share because including them would have had an anti-dilutive effect:

	As of June 30,	
	2024	2023
Unvested restricted stock	3,358,342	2,193,178
Outstanding options to purchase common stock	10,138,402	8,832,976
ESPP	50,722	64,080
Total	13,547,466	11,090,234

The following table summarizes the computation of basic and diluted net loss per share of the Company (in thousands, except share and per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Numerator:				
Net loss	$ (91,051)	$ (82,776)	$ (189,720)	$ (179,236)
Denominator:				
Weighted average common shares outstanding, basic and diluted	82,312,467	76,335,175	82,005,550	74,315,721
Net loss per common share, basic and diluted	$ (1.11)	$ (1.08)	$ (2.31)	$ (2.41)

12. Income taxes

Through June 30, 2024, the Company recorded a full valuation allowance on federal and state deferred tax assets since there is insufficient evidence that the deferred tax assets are more likely than not realizable. The Company recorded a current tax provision of less than $0.1 million in each of the three and six months ended June 30, 2024 and did not record any tax provision or benefit during the three and six months ended June 30, 2023.

13. Related party transactions

Orbital

The Company has significant influence over, but does not control, Orbital through its noncontrolling representation on Orbital's board of directors and the Company's equity interest in Orbital. The Company and Orbital are also parties to a collaboration and license agreement and have multiple common board members.

Founders

The Company made payments of $0.2 million to its three founder shareholders for scientific consulting and other expenses for each of the six months ended June 30, 2024 and 2023.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and the related notes to those statements included elsewhere in this Quarterly Report on Form 10-Q. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve important risks, uncertainties and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of many factors, including those discussed in "Risk Factors" in Part II, Item 1A. and elsewhere in this Quarterly Report on Form 10-Q, and in the "Risk Factors Summary" and Part I "Item 1A. Risk Factors" section of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, or the 2023 Form 10-K. Some of the numbers included herein have been rounded for the convenience of presentation.

Overview

We are a biotechnology company committed to establishing the leading, fully integrated platform for precision genetic medicines. Our vision is to provide life-long cures to patients suffering from serious diseases. To achieve this vision, we have assembled a platform that includes a suite of gene editing and delivery technologies as well as internal manufacturing capabilities.

Our suite of gene editing technologies is anchored by our proprietary base editing technology, which potentially enables a differentiated class of precision genetic medicines that target a single base in the genome without making a double-stranded break in the DNA. This approach uses a chemical reaction designed to create precise, predictable and efficient genetic outcomes at the targeted sequence. Our proprietary base editors have two principal components: (i) a clustered regularly interspaced short palindromic repeats, or CRISPR, protein, bound to a guide RNA, that leverages the established DNA-targeting ability of CRISPR, but is modified to not cause a double-stranded break, and (ii) a base editing enzyme, such as a deaminase, which carries out the desired chemical modification of the target DNA base. We believe this design contributes to a more precise and efficient edit compared to traditional gene editing methods, with the potential to dramatically increase the impact of gene editing. We are also pursuing a suite of both delivery modalities, including both *ex vivo* and *in vivo* approaches, depending on tissue type. The elegance of the base editing approach, combined with a tissue specific delivery modality, provides the basis for a targeted, efficient, precise, and highly versatile gene editing system that is designed to be capable of gene correction, gene silencing or gene activation, gene modification, and/or multiplex editing of several genes simultaneously.

Our goal is to advance a broad, diversified portfolio of base editing programs against distinct, genetically validated editing targets, as well as an innovative, platform business model that will expand the reach of our programs to more patients. Overall, we are seeking to build the leading integrated platform for precision genetic medicine, which may have broad therapeutic applicability and the potential to transform the field of precision genetic medicines

Hematology

We are advancing hematology base editing programs in which hematopoietic stem cells, or HSCs, are collected from a patient, edited using electroporation, and then infused back into the patient following a myeloablative conditioning regimen, such as treatment with busulfan, the standard of care in HSC transplantation, or HSCT, today. Once reinfused, the HSCs begin repopulating a portion of the bone marrow in a process known as engraftment. The engrafted, edited HSCs give rise to progenitor cell types with the corrected gene sequences. We are deploying this *ex vivo* approach in our BEAM-101 and ESCAPE base editing programs.

We are pursuing a long-term, staged development strategy for our base editing approach to treat hematological diseases that consists of advancing our lead *ex vivo* program, BEAM-101, in Wave 1, improving patient conditioning regimens in Wave 2, and enabling *in vivo* base editing with delivery directly into HSCs of patients via lipid nanoparticles, or LNPs, in Wave 3. We believe this suite of technologies – base editing, improved conditioning and *in vivo* delivery for editing HSCs – can maximize the potential applicability of our sickle cell disease programs to patients as well as create a platform for the treatment of many other severe genetic blood disorders.

Wave 1: Ex Vivo Base Editing via Autologous Transplant with BEAM-101

We are using base editing to pursue the development of BEAM-101 for the treatment of sickle cell disease and beta-thalassemia. BEAM-101 is a patient-specific, autologous HSC investigational therapy designed to offer a potentially best-in-class profile, incorporating base edits that are intended to mimic single nucleotide polymorphisms seen in individuals with hereditary persistence of fetal hemoglobin, or HbF. BEAM-101 aims to alleviate the effects of sickle cell disease or beta-thalassemia by increasing HbF, which is expected to increase functional hemoglobin production and, in the case of sickle cell disease, inhibit hemoglobin S, or HbS, polymerization.

We are conducting a Phase 1/2 clinical trial designed to assess the safety and efficacy of BEAM-101 for the treatment of sickle cell disease, which we refer to as our BEACON trial. The BEACON trial includes an initial “sentinel” cohort of three patients, treated one at a time to confirm successful engraftment, followed by dosing in up to a total of 45 patients. The clinical trial initially includes patients ages 18 to 35 with severe sickle cell disease who have received prior treatment with at least one disease-modifying agent with inadequate response or intolerance. Following mobilization, conditioning and treatment with BEAM-101, patients are assessed for safety and tolerability, with safety endpoints including neutrophil and platelet engraftment. Patients are also assessed for efficacy, with efficacy endpoints including the change from baseline in severe vaso-occlusive events, transfusion requirements, HbF levels, and quality of life assessments.

In May 2024, we announced that the three patients in the sentinel cohort of the BEACON trial have each been dosed and successfully achieved engraftment. Following engraftment of the third patient, we have dosed three patients in the expansion phase of the trial. To date more than twenty patients have cleared screening and enrolled in the trial. We expect to report data on all patients from the sentinel cohort as well as multiple patients from the expansion cohort in the fourth quarter of 2024.

Wave 2: Non-genotoxic Conditioning

In parallel with Wave 1 development, we also aim to improve the transplant conditioning regimen for patients undergoing HSCT, thereby reducing toxicity challenges associated with HSCT. Conditioning is a critical component necessary to prepare a patient’s body to receive the *ex vivo* edited cells that must engraft in the patient’s bone marrow in order to be effective. However, today’s conditioning regimens rely on nonspecific chemotherapy or radiation, which are associated with significant toxicities. As a potential alternative to genotoxic conditioning regimens in HSCT, we are advancing our ESCAPE program. ESCAPE aims to avoid toxicity challenges associated with currently available conditioning regimens for patients with sickle cell disease and beta-thalassemia ahead of autologous HSCT, by combining antibody-based conditioning with multiplex gene edited HSCs. ESCAPE may also have applications in other diseases of the blood and immune system where HSCT could deliver potential benefits but has been limited by toxicities associated with current standard of care conditioning regimens. We anticipate initiating Phase 1-enabling preclinical studies for the ESCAPE sickle cell disease program in 2024.

Wave 3: In Vivo Base Editing via HSC-targeted LNPs

We are also exploring the potential for *in vivo* base editing programs for sickle cell disease, in which base editors would be delivered to the patient through an infusion of LNPs targeted to HSCs, eliminating the need for transplantation altogether. This approach could provide a more accessible option for patients, particularly in regions where *ex vivo* treatment is challenging. In preclinical studies, we achieved *in vivo* validation of our most potent HSC-directed LNP, demonstrating:

- durable, dose-dependent mRNA transfection in HSCs, resulting in fluorescent reporter expression in more than 40% of cells, maintained out to 16 weeks post-delivery;
- efficient transfection of human CD34+ cells in vitro; and
- efficient transfection of nearly 20% of CD34+ HSCs in humanized mice and non-human primates at a dose of 1.0 mg/kg.

Genetic Diseases

BEAM-302: In Vivo LNP liver-targeting for AATD

BEAM-302 is a liver-targeting LNP formulation of base editing reagents designed to offer a one-time treatment to correct the E342K point mutation (PiZZ genotype) predominantly responsible for the severe form of alpha-1 antitrypsin deficiency, or AATD. AATD is an inherited genetic disorder that can cause early onset emphysema and liver disease. The most severe form of AATD arises when a patient has a point mutation in both copies of the SERPINA1 gene at amino acid 342 position (E342K, also known as the PiZ mutation or the “Z” allele). This point mutation causes Alpha-1 antitrypsin, or AAT, to misfold, accumulating inside liver cells rather than being secreted, resulting in very low levels (10%-15%) of circulating AAT. In addition to resulting in lower levels, the PiZ AAT protein variant is also less enzymatically effective compared to wildtype AAT protein. As a consequence, the lung is left unprotected from neutrophil elastase, resulting in progressive, destructive changes in the lung, such as emphysema, which can result in the need for lung transplants. The mutant AAT protein also accumulates in the liver, causing liver inflammation and cirrhosis, which can ultimately cause liver failure or cancer requiring patients to undergo a liver transplant. It is estimated that approximately 100,000 individuals in the United States have two copies of the Z allele. There are currently no curative treatments for patients with AATD.

We are conducting a Phase 1/2 open label, dose escalation study of BEAM-302 at trial sites located in the United Kingdom. The trial will evaluate the safety, pharmacodynamics, pharmacokinetics and efficacy of BEAM-302 initially in patients with AATD-associated lung disease. The study design includes a dose exploration portion followed by a dose expansion portion to identify the optimal dose to take forward in a pivotal study. In June 2024, we announced that the first patient had been dosed in the dose exploration portion of the trial. We anticipate continuing to enroll the Phase 1/2 clinical trial and expect to report initial clinical data in 2025.

BEAM-301: In Vivo LNP liver-targeting for GSD1a

BEAM-301 is a liver-targeting LNP formulation of base editing reagents designed to correct the R83C mutation, the most prevalent disease-causing mutation for, and the mutation which results in the most severe form of, glycogen storage disease 1a, or GSD1a. GSD1a is an autosomal recessive disorder caused by mutations in the G6PC gene that disrupts a key enzyme, G6Pase, critical for maintaining glucose homeostasis. Inhibition of G6Pase activity results in low fasting blood glucose levels that can result in seizures and be fatal. Patients with this mutation typically require ongoing corn starch administration, without which they may enter into hypoglycemic shock within one to three hours.

Our approach to treating patients with GSD1a is to apply base editing via LNP delivery to repair the two most prevalent mutations that cause the disease, R83C and Q347X. It is estimated that these two point mutations account for 300 and 500 patients, respectively, in the United States.

In October 2023, we presented new preclinical data demonstrating the ability of BEAM-301 to directly correct the R83C mutation. These data showed that a single dose of BEAM-301 restored clinically meaningful endpoints in *in vivo* rodent disease models out to at least one year. In July 2024, we received clearance from the U.S. Food and Drug Administration, or the FDA, for our IND for BEAM-301. We are initiating site activation activities for a Phase 1/2 clinical trial for BEAM-301 in patients with GSD1a with patient dosing expected to commence in early 2025.

Immunology/Oncology

BEAM-201: Universal CD7-targeting CAR-T cells

BEAM-201 is a development candidate comprised of T cells derived from healthy donors that are simultaneously edited at TRAC, CD7, CD52 and PDCD1 and then transduced with a lentivirus encoding for an anti-CD7 chimeric antigen receptor, or CAR, that is designed to create allogeneic CD7 targeting CAR-T cells, resistant to both fratricide and immunosuppression. We have dosed multiple patients in a first-in-human Phase 1/2 clinical trial designed to evaluate the safety and efficacy of BEAM-201 in patients with relapsed/refractory T-cell acute lymphoblastic leukemia/T-cell lymphoblastic lymphoma. Key safety endpoints for the trial include treatment-emergent and treatment-related adverse events, and key efficacy endpoints include proportion of patients with complete or partial responses, proportion eligible for HSC transplant and proportion achieving minimal residual disease negative status. We expect to report an initial clinical dataset for BEAM-201 in the fourth quarter of 2024.

Manufacturing

Due to the critical importance of high-quality manufacturing and control of production timing and know-how, we have established a 100,000 square foot manufacturing facility in Research Triangle Park, North Carolina intended to support a broad range of clinical programs. The facility, which initiated current Good Manufacturing Practice, or cGMP operations in late 2023, is designed to support manufacturing for our *ex vivo* cell therapy programs in hematology and *in vivo* non-viral delivery programs for liver and liver-mediated diseases, with the capability to scale-up to support potential commercial supply. For our initial clinical trials, we expect to rely primarily on our internal manufacturing capabilities, along with CMOs with relevant manufacturing experience in genetic medicines. We believe this investment will maximize the value of our portfolio and capabilities, the probability of technical success of our programs, and the speed at which we can provide potentially life-long cures to patients.

Collaborations

We believe our collection of base editing, gene editing and delivery technologies has significant potential across a broad array of genetic diseases. To fully realize this potential, we have established and plan to continue to seek out innovative collaborations, licenses, and strategic alliances with pioneering companies and with leading academic and research institutions. Additionally, we have and intend to continue to pursue relationships that potentially allow us to accelerate our preclinical research and development efforts. We believe these relationships will allow us to aggressively pursue our vision of maximizing the potential of base editing to provide life-long cures for patients suffering from serious diseases.

Pfizer

In December 2021, we entered into a four-year research collaboration agreement with Pfizer Inc., or Pfizer, focused on *in vivo* base editing programs for three targets for rare genetic diseases of the liver, muscle and central nervous system. Under the terms of the agreement, we will conduct all research activities through development candidate selection for three pre-specified, undisclosed targets, which are not included in our existing programs. Pfizer may opt in to exclusive, worldwide licenses to each development candidate, after which it will be responsible for all development activities, as well as potential regulatory approvals and commercialization, for each such development candidate. We have a right to opt in, at the end of Phase 1/2 clinical trials, upon the payment of an option exercise fee, to a global co-development and co-commercialization agreement with respect to one program licensed under the collaboration pursuant to which we and Pfizer would share net profits as well as development and commercialization costs in a 35%/65% ratio (Beam/Pfizer).

Apellis Pharmaceuticals

In June 2021, we entered into a research collaboration agreement, or the Apellis Agreement, with Apellis Pharmaceuticals, Inc., or Apellis, focused on the use of our base editing technology to discover new treatments for complement system-driven diseases. Under the terms of the Apellis Agreement, we will conduct preclinical research on six base editing programs that target specific genes within the complement system in various organs, including the eye, liver, and brain. Apellis has an exclusive option to license any or all of the six programs and will assume responsibility for subsequent development. We may elect to enter into a 50-50 U.S. co-development and co-commercialization agreement with Apellis with respect to one program licensed under the collaboration.

Verve Therapeutics and Eli Lilly and Company

In April 2019, we entered into a collaboration and license agreement, or the Verve Agreement, with Verve Therapeutics, Inc., or Verve, a company focused on gene editing for cardiovascular disease treatments, and in July 2022, we and Verve amended the Verve Agreement. Under the terms of the Verve Agreement, as amended, we granted Verve exclusive worldwide licenses under certain of our editing technologies for human therapeutic applications against a total of three liver-mediated, cardiovascular disease targets, including use of our base editing technology for each of these targets and use of certain of our gene editing technology for two of such targets. In exchange, we received shares of Verve common stock. In October 2023, we entered into a transfer and delegation agreement, or the Lilly Agreement, with Eli Lilly and Company, or Lilly, pursuant to which Lilly acquired certain assets and other rights under the Verve Agreement, including our opt-in rights to co-develop and co-commercialize each of Verve's base editing programs for cardiovascular disease, which consist of programs targeting PCSK9, ANGPTL3 and an undisclosed liver-mediated, cardiovascular target. In addition, Lilly acquired the right to receive any future milestone or royalty payments payable to us under the Verve Agreement. Under the terms of the Lilly Agreement, we received a $200.0 million payment and are eligible to receive up to $350.0 million in potential future development-stage payments upon the completion of certain clinical, regulatory and alliance events. In October 2023, we also entered into a Stock Purchase Agreement, or the Purchase Agreement, with Lilly providing for the sale and issuance of 2,004,811 shares, of our common stock to Lilly at a price of $24.94 per share, which was equal to a 15% premium to the volume-weighted average share price of our common stock over the 30 trading days prior to the date of the Purchase Agreement, for an aggregate purchase price of approximately $50 million. The Purchase Agreement contains customary representations, warranties and covenants of each party.

Sana Biotechnology

In October 2021, we entered into an option and license agreement, or the Sana Agreement, with Sana Biotechnology, Inc., or Sana, pursuant to which we granted Sana non-exclusive research and development and commercial rights to our CRISPR Cas12b technology to perform nuclease editing for certain *ex vivo* engineered cell therapy programs. Under the terms of the Sana Agreement, licensed products include certain specified allogeneic T cell and stem cell-derived products directed at specified genetic targets, with certain limited rights for Sana to add and substitute such products and targets. The Sana Agreement excludes the grant of any Beam-controlled rights to perform base editing. In January 2023, Sana announced that the FDA cleared its IND application to initiate a first-in-human study of SC291, its CD19-targeted allogeneic CAR-T cell therapy, in patients with various B-cell malignancies. In November 2023, Sana announced that the FDA cleared its IND application to initiate a first-in-human trial of SC291, in patients with various B-cell mediated autoimmune diseases. In January 2024, Sana announced that the FDA cleared its IND application to initiate a first-in-human trial of SC262, its CD22-directed allogeneic CAR-T cell therapy, in patients with relapsed or refractory B-cell malignancies. In connection with each of the foregoing events, Sana made immaterial milestone payments to us under the Sana Agreement.

Orbital Therapeutics

In September 2022, we entered into a license and research collaboration agreement, or the Orbital Agreement, with Orbital, pursuant to which each of us granted the other licenses to certain technology controlled during the three years after entry into the Orbital Agreement that are necessary or reasonably useful for the non-viral delivery or the design or manufacture of RNA for the prevention, treatment or diagnosis of human disease. Our license to Orbital is for all fields other than our exclusive field and also excludes the targets and substantially all of the indications that are the subject of our existing programs. Our exclusive field consists of all products and biologics that function in the process of gene editing or conditioning for use in cell transplantation, or that act in combination with any such products or biologics. Orbital's license to us is for all fields other than Orbital's exclusive field. Orbital's exclusive field consists of products and biologics that function as vaccines and also of therapeutic proteins, other than therapeutic proteins (i) that use gene editing, (ii) for use in conditioning, (iii) for use in regenerative medicine, (iv) for use as a CAR immune therapy, including CAR-T, CAR-NK and CAR-macrophage compositions, (v) for use as a T-cell receptor therapy or (vi) that modulate certain immune responses. The licenses are exclusive in each party's exclusive field for three years and non-exclusive in those fields thereafter. We and Orbital agreed that for a period of three years after entry into the Orbital Agreement, subject to limited exceptions, we would not research, develop and commercialize, or grant licenses to research, develop and commercialize, products or biologics within the other party's exclusive field.

Critical accounting policies and significant judgments and estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which we have prepared in accordance with U.S. generally accepted accounting principles. The preparation of our financial statements requires us to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, and expenses and the disclosure of contingent assets and liabilities in our financial statements. We base our estimates on historical experience, known trends and events and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates under different assumptions or conditions.

Our critical accounting policies are those policies which require the most significant judgments and estimates in the preparation of our condensed consolidated financial statements. We have determined that our most critical accounting policies are those relating to stock-based compensation, variable interest entities, fair value measurements, and leases. There have been no significant changes to our existing critical accounting policies and significant judgments and estimates discussed in the 2023 Form 10-K.

Financial operations overview

General

We were founded in January 2017 and began operations in July 2017. Since our inception, we have devoted substantially all of our resources to building our base editing platform and advancing development of our portfolio of programs, establishing and protecting our intellectual property, conducting research and development activities, organizing and staffing our company, conducting clinical trials, maintaining and expanding internal manufacturing capabilities, business planning, raising capital and providing general and administrative support for these operations. To date, we have financed our operations primarily through the sales of our redeemable convertible preferred stock, proceeds from offerings of our common stock and payments received under collaboration and license agreements.

We are an early-stage company, and the majority of our programs are at a preclinical or early clinical stage of development. To date, we have not generated any revenue from product sales and do not expect to generate revenue from the sale of products for the foreseeable future. Our revenue to date has been primarily derived from license and collaboration agreements with partners. Since inception we have incurred significant operating losses. Our net losses for the six months ended June 30, 2024 and 2023 were $189.7 million and $179.2 million, respectively. As of June 30, 2024, we had an accumulated deficit of $1.4 billion. We expect to continue to incur significant expenses and increasing operating losses in connection with ongoing development activities related to our internal programs and collaborations as we continue our preclinical and clinical development of product candidates; advance additional product candidates toward clinical development; operate our cGMP facility in North Carolina; further develop our base editing platform; continue to make investments in delivery technology for our base editors; conduct research activities as we seek to discover and develop additional product candidates; maintain, expand, enforce, defend and protect our intellectual property portfolio; and continue to hire research and development, clinical, technical operations and commercial personnel. In addition, we expect to continue to incur the costs associated with operating as a public company.

As a result of these anticipated expenditures, we will need to raise additional capital to support our continuing operations and pursue our growth strategy. Until such time as we can generate significant revenue from product sales, if ever, we expect to finance our operations through a combination of equity offerings, debt financings, collaborations, strategic alliances, and licensing arrangements. We may be unable to raise additional funds or enter into such other agreements when needed on favorable terms or at all. Our inability to raise capital as and when needed would have a negative impact on our financial condition and our ability to pursue our business strategy. We can give no assurance that we will be able to secure such additional sources of capital to support our operations, or, if such capital is available to us, that such additional capital will be sufficient to meet our needs for the short or long term.

Revenue Recognition

In April 2019, we entered into a collaboration and license agreement, or the Verve Agreement, with Verve Therapeutics, Inc., or Verve, a company focused on gene editing for cardiovascular disease treatments. In June 2021, we entered into a research collaboration agreement, or the Apellis Agreement, with Apellis Pharmaceuticals, Inc., or Apellis, focused on the use of our base editing technology to discover new treatments for complement system-driven diseases. In October 2021, we entered into an option and license agreement, or the Sana Agreement, with Sana Biotechnology, Inc., or Sana, pursuant to which we granted Sana non-exclusive research and development and commercial rights to our CRISPR Cas12b technology to perform nuclease editing for certain *ex vivo* engineered cell therapy programs. In December 2021, we entered into a four-year research collaboration agreement, or the Pfizer Agreement, with Pfizer Inc., or Pfizer, focused on *in vivo* base editing programs for three targets for rare genetic diseases of the liver, muscle and central nervous system. In September 2022, we entered into a License and Research Collaboration Agreement, or the Orbital Agreement, with Orbital Therapeutics, Inc., or Orbital, a newly formed entity focused on advancing non-viral delivery and RNA technologies. In October 2023, we entered into a Transfer and Delegation Agreement, or the Lilly Agreement, with Eli Lilly and Company, or Lilly, pursuant to which Lilly acquired certain assets and other rights under the Verve Agreement, including our opt-in rights to co-develop and co-commercialize Verve's base editing programs for cardiovascular disease.

We have not generated any revenue to date from product sales and do not expect to do so in the near future. During the six months ended June 30, 2024 and 2023, we recognized $19.2 million and $44.3 million of license and collaboration revenue, respectively.

Research and development expenses

Research and development expenses consist of costs incurred in performing research and development activities, which include:

- expenses incurred in connection with our clinical trials, including contract research organization costs and costs related to study preparation;
- the cost of manufacturing materials for use in our preclinical studies, IND-enabling studies and clinical trials;
- expenses incurred in connection with investments in delivery technology for our base editors;
- expenses incurred in connection with the discovery and preclinical development of our research programs, including under agreements with third parties, such as consultants, contractors and contract research organizations;

•personnel-related expenses, including salaries, bonuses, benefits and stock-based compensation for employees engaged in research and development functions;

•the cost to obtain licenses to intellectual property, such as those with Harvard University, or Harvard, The Broad Institute, Inc., or Broad Institute, Editas Medicine, Inc., or Editas, and Bio Palette Co., Ltd., or Bio Palette, and related future payments should certain success, development and regulatory milestones be achieved;

•expenses incurred in connection with the building of our base editing platform;

•expenses incurred in connection with regulatory filings;

•laboratory supplies and research materials; and

•facilities, depreciation and other expenses which include direct and allocated expenses.

Our external research and development expenses support our various preclinical and clinical programs. Our internal research and development expenses consist of employee-related expenses, facility-related expenses, and other indirect research and development expenses incurred in support of overall research and development. We expense research and development costs as incurred. Advance payments that we make for goods or services to be received in the future for use in research and development activities are recorded as prepaid expenses. The prepaid amounts are expensed as the benefits are consumed.

In the early phases of development, our research and development costs are often devoted to product platform and proof-of-concept preclinical studies that are not necessarily allocable to a specific target.

We expect that our research and development expenses will increase substantially as we advance our programs through their planned preclinical and clinical development.

General and administrative expenses

General and administrative expenses consist primarily of salaries and other related costs, including stock-based compensation, for personnel in our executive, intellectual property, business development and administrative functions. General and administrative expenses also include legal fees relating to intellectual property and corporate matters, professional fees for accounting, auditing, tax and consulting services, insurance costs, travel, and direct and allocated facility related expenses and other operating costs.

We anticipate that our general and administrative expenses will increase in the future to support our increased research and development activities. We also expect to continue to incur costs associated with being a public company and maintaining controls over financial reporting, including costs of accounting, audit, legal, regulatory and tax-related services associated with maintaining compliance with Nasdaq and SEC requirements, director and officer insurance costs, and investor and public relations costs.

Other income and expenses

Other income and expenses consist of the following items:

•*Change in fair value of derivative liabilities* consists primarily of remeasurement gains or losses associated with changes in success payment liabilities associated with our license agreement with Harvard, dated as of June 27, 2017, as amended, or the Harvard License Agreement, and the license agreement with The Broad Institute, as amended, dated as of May 9, 2018, or the Broad License Agreement.

•*Change in fair value of non-controlling equity investments* consists of mark-to-market adjustments related to our investments in corporate equity securities.

•*Change in fair value of contingent consideration liabilities* consists of remeasurement of the fair value of the technology and product contingent consideration liabilities related to the acquisition of Guide Therapeutics, Inc., or Guide.

•*Interest and other income (expense)*, consists primarily of interest income from our investments in fixed income securities as well as interest expense related to our equipment financings.

Results of operations

Comparison of the three months ended June 30, 2024 and 2023

The following table summarizes our results of operations (in thousands):

	Three Months Ended June 30,		
	2024	2023	Change
License and collaboration revenue	$ 11,772	$ 20,116	$ (8,344)
Operating expenses:			
Research and development	87,041	97,608	(10,567)
General and administrative	29,626	24,656	4,970
Total operating expenses	116,667	122,264	(5,597)
Loss from operations	(104,895)	(102,148)	(2,747)
Other income (expense):			
Change in fair value of derivative liabilities	5,500	(900)	6,400
Change in fair value of non-controlling equity investments	(7,586)	6,148	(13,734)
Change in fair value of contingent consideration liabilities	1,779	2,171	(392)
Interest and other income (expense), net	14,190	11,953	2,237
Total other income (expense)	13,883	19,372	(5,489)
Net loss before income taxes	$ (91,012)	$ (82,776)	$ (8,236)
Provision for income taxes	(39)	—	(39)
Net loss	$ (91,051)	$ (82,776)	$ (8,275)

License and collaboration revenue

License and collaboration revenue was $11.8 million and $20.1 million for the three months ended June 30, 2024 and 2023, respectively. The decline in revenue of $8.3 million is due to the lower level of research activities on our license and collaboration programs. License and collaboration revenue represents revenue recorded under each of the Pfizer, Apellis, Verve, and Orbital Agreements.

Research and development expenses

Research and development expenses were $87.0 million and $97.6 million for the three months ended June 30, 2024 and 2023, respectively. The following table summarizes our research and development expenses for the three months ended June 30, 2024 and 2023 (in thousands):

	Three Months Ended June 30,		
	2024	2023	Change
External research and development expenses	$ 24,145	$ 36,834	$ (12,689)
Employee related expenses	23,026	27,565	(4,539)
Facility and IT related expenses	18,724	16,849	1,875
Stock-based compensation expense	18,804	15,521	3,283
Other expenses	2,342	839	1,503
Total research and development expenses	$ 87,041	$ 97,608	$ (10,567)

The decrease of $10.6 million was primarily due to the following:

- A decrease of $12.7 million in external research and development expenses driven by a $8.6 million decrease in outsourced services, driven primarily by the strategic reprioritization of pipeline programs, timing of manufacturing spend and fewer IND-enabling activities, partially offset by increased clinical activities for BEAM-101 and BEAM-302. Also contributing to the decrease in external research and development expenses is a decrease of $4.1 million in lab supply expenses primarily driven by a decrease in research and development activities as well as a shift of programs from research into development;
- A decrease of $4.5 million of employee related costs due to the decline in research and development employees from 444 as of June 30, 2023, to 364 as of June 30, 2024;
- An increase of $3.3 million in stock-based compensation from additional equity awards granted to existing employees;
- An increase of $1.9 million of facility and IT allocated costs, including depreciation, due to the expense allocated to research and development related to our leased facilities; and
- An increase in other expenses of $1.5 million, due primarily to fees for milestones achieved during the three months ended June 30, 2024.

General and administrative expenses

General and administrative expenses were $29.6 million and $24.7 million for the three months ended June 30, 2024 and 2023, respectively. The increase of $5.0 million was primarily due to the following:

- An increase of $2.0 million in stock-based compensation from additional equity awards granted to employees;
- An increase of $1.6 million in employee related costs due to the increase in general and administrative employees from 88 as of June 30, 2023 to 97 as of June 30, 2024; and
- An increase of $1.2 million in legal costs.

Change in fair value of derivative liabilities

During the three months ended June 30, 2024 and 2023, we recorded $5.5 million of other income and $0.9 million of other expense, respectively, related to the change in fair value of success payment liabilities due to changes in the price of our common stock over the related periods. A portion of the success payment obligations were paid in June 2021; the remaining success payment obligations are still outstanding as of June 30, 2024 and will continue to be revalued at each reporting period.

Change in fair value of non-controlling equity investments

During the three months ended June 30, 2024 and 2023, we recorded $7.6 million of other expense and $6.1 million of other income, respectively, as a result of changes in the fair value of our investment in Verve and Prime common stock.

Change in fair value of contingent consideration liabilities

During the three months ended June 30, 2024 and 2023, we recorded $1.8 million and $2.2 million of other income, respectively, related to the change in fair value of the Guide technology and product contingent consideration liabilities.

Interest and other income (expense), net

Interest and other income (expense), net was $14.2 million and $12.0 million of net income for the three months ended June 30, 2024 and 2023, respectively. The change was primarily due to increases in interest income driven by increased market rates.

Comparison of the six months ended June 30, 2024 and 2023

The following table summarizes our results of operations (in thousands):

	Six Months Ended June 30,		
	2024	2023	Change
License and collaboration revenue	$ 19,182	$ 44,324	$ (25,142)
Operating expenses:			
Research and development	171,859	197,254	(25,395)
General and administrative	56,350	48,146	8,204
Total operating expenses	228,209	245,400	(17,191)
Loss from operations	(209,027)	(201,076)	(7,951)
Other income (expense):		—	
Change in fair value of derivative liabilities	2,600	4,700	(2,100)
Change in fair value of non-controlling equity investments	(10,939)	(6,649)	(4,290)
Change in fair value of contingent consideration liabilities	1,646	1,875	(229)
Interest and other income (expense), net	26,039	21,914	4,125
Total other income (expense)	19,346	21,840	(2,494)
Net loss before income taxes	$ (189,681)	$ (179,236)	$ (10,445)
Provision for income taxes	(39)	—	(39)
Net loss	$ (189,720)	$ (179,236)	$ (10,484)

License and collaboration revenue

License and collaboration revenue was $19.2 million and $44.3 million for the six months ended June 30, 2024 and 2023, respectively. License and collaboration revenue represents revenue recorded under each of the Pfizer, Apellis, Verve, and Orbital Agreements and the change reflects the lower level of research activities performed in the six months ended June 30, 2024 as compared to June 30, 2023.

Research and development expenses

Research and development expenses were $171.9 million and $197.3 million for the six months ended June 30, 2024 and 2023, respectively. The following table summarizes our research and development expenses for the six months ended June 30, 2024 and 2023 (in thousands):

	Six Months Ended June 30,		
	2024	2023	Change
External research and development expenses	$ 48,862	$ 77,719	$ (28,857)
Employee related expenses	47,595	54,925	(7,330)
Facility and IT related expenses	36,393	33,544	2,849
Stock-based compensation expense	36,449	29,743	6,706
Other expenses	2,560	1,323	1,237
Total research and development expenses	$ 171,859	$ 197,254	$ (25,395)

The decrease of $25.4 million was primarily due to the following:

- A decrease of $28.9 million in external research and development expenses driven by a $19.3 million decrease in outsourced services driven primarily by the strategic reprioritization of pipeline programs, timing of manufacturing spend and fewer IND-enabling activities, partially offset by increased clinical activities for BEAM-101 and BEAM-302. Also contributing to the decrease in expenses is a decline of $9.6 million in lab supply expenses, primarily due to a decrease in research and development activities as well as a shift of programs from research into development;
- A decrease of $7.3 million of employee related expenses due to a reduction in the number of research and development employees from 444 as of June 30, 2023 to 364 as of June 30, 2024;
- An increase of $6.7 million in stock-based compensation from additional equity awards granted to employees;
- An increase of $2.9 million of facility and IT allocated costs, including depreciation, due to the expense allocated to research and development related to our leased facilities; and
- An increase in other expenses of $1.2 million, driven primarily by fees associated with milestones achieved during the six months ended June 30, 2024.

General and administrative expenses

General and administrative expenses were $56.4 million and $48.1 million for the six months ended June 30, 2024 and 2023, respectively. The increase of $8.2 million was primarily due to the following:

- An increase of $4.0 million in stock-based compensation from additional equity awards granted to employees;
- An increase of $1.8 million in personnel related expenses and $0.9 million of facility and IT related costs, including depreciation. These increases were due to fees associated with outside consultants and an increase in the number of general and administrative employees from 88 as of June 30, 2023 to 97 as of June 30, 2024, and their related activities, as well as the expense allocated to general and administrative expenses related to our leased facilities; and
- An increase of $1.6 million in legal costs.

Change in fair value of derivative liabilities

During the six months ended June 30, 2024 and 2023, we recorded $2.6 million and $4.7 million of other income, respectively, related to the change in fair value of success payment liabilities due to a decrease in the price of our common stock over the related periods. A portion of the success payment obligations were paid in June 2021; the remaining success payment obligations are still outstanding as of June 30, 2024 and will continue to be revalued at each reporting period.

Change in fair value of non-controlling equity investments

During the six months ended June 30, 2024 and 2023, we recorded $10.9 million and $6.6 million of other expense, respectively, as a result of changes in the fair value of our investment in Verve and Prime common stock.

Change in fair value of contingent consideration liabilities

During the six months ended June 30, 2024 and 2023, we recorded $1.6 million and $1.9 million of other income, respectively, related to the change in fair value of the Guide technology and product contingent consideration liabilities.

Interest and other income (expense), net

Interest and other income (expense), net was $26.0 million and $21.9 million of net income for the six months ended June 30, 2024 and 2023, respectively. The change was primarily due to increases in interest income driven by increased market rates.

Liquidity and capital resources

Since our inception in January 2017, we have not generated any revenue from product sales, have generated only limited revenue from our license and collaboration agreements, and have incurred significant operating losses and negative cash flows from our operations. We expect to incur significant expenses and operating losses for the foreseeable future as we advance the preclinical and clinical development of our product candidates.

In February 2024, we filed a universal automatic shelf registration statement on Form S-3 with the SEC, to register for sale an indeterminate amount of our common stock, preferred stock, debt securities, warrants and/or units in one or more offerings, which became effective upon filing with the SEC (File No. 333-277427).

In April 2021, we entered into an at the market, or ATM, sales agreement, or the Sales Agreement, with Jefferies LLC, or Jefferies, pursuant to which we were entitled to offer and sell, from time to time at prevailing market prices, shares of our common stock having aggregate gross proceeds of up to $300.0 million. We agreed to pay Jefferies a commission of up to 3.0% of the aggregate gross sale proceeds of any shares sold by Jefferies under the Sales Agreement. Between April 2021 and July 2021, we sold 2,908,009 shares of our common stock under the Sales Agreement at an average price of $103.16 per share for aggregate gross proceeds of $300.0 million, before deducting commissions and offering expenses payable by us.

In July 2021 and May 2023, we and Jefferies entered into amendments to the Sales Agreement to provide for increases in the aggregate offering amount under the Sales Agreement, such that as of May 10, 2023, we may offer and sell shares of common stock having an aggregate offering price of up to an additional $800.0 million. As of June 30, 2024, we have sold 10,860,992 additional shares of our common stock under the amended Sales Agreement at an average price of $51.93 per share for aggregate gross proceeds of $564.0 million, before deducting commissions and offering expenses payable by us.

In October 2023, we entered into the Lilly Agreement, pursuant to which Lilly acquired certain assets and other rights under the Verve Agreement, including our opt-in rights to co-develop and co-commercialize Verve's base editing programs for cardiovascular disease. We received a $200.0 million upfront payment and are eligible to receive up to $350.0 million in potential future development-stage payments upon the completion of certain clinical, regulatory and alliance events. In connection with the Lilly Agreement, we and Lilly entered into a Stock Purchase Agreement providing for the sale and issuance of 2,004,811 shares of our common stock to Lilly for an aggregate purchase price of $50.0 million. We received the consideration under the Stock Purchase Agreement in October 2023 and the upfront payment in November 2023. We have accrued approximately $21.6 million of contingent obligations that may be due associated with payments received under the Lilly Agreement for which discussions are continuing related to the potential applicability to such payments of the terms of license agreements.

As of June 30, 2024, we had $1.0 billion in cash, cash equivalents, and marketable securities.

We are required to make success payments to Harvard and Broad Institute based on increases in the per share fair market value of our common stock. The amounts due may be settled in cash or shares of our common stock, at our discretion. We may owe Harvard and Broad Institute future success payments of up to $90.0 million each.

We have not yet commercialized any of our product candidates, and we do not expect to generate revenue from the sale of our product candidates for the foreseeable future. We anticipate that we may need to raise additional capital in order to continue to fund our research and development, including our planned preclinical studies and clinical trials, maintaining and operating our commercial-scale cGMP manufacturing facility, and new product development, as well as to fund our general operations. As necessary, we will seek to raise additional capital through various potential sources, such as equity and debt financings or through corporate collaboration and license agreements. We can give no assurances that we will be able to secure such additional sources of capital to support our operations, or, if such funds are available to us, that such additional financing will be sufficient to meet our needs.

Cash flows

The following table summarizes our sources and uses of cash (in thousands):

	Six Months Ended June 30,	
	2024	2023
Net cash provided by (used in) operating activities	$ (182,756)	$ (194,484)
Net cash provided by (used in) investing activities	34,029	(16,029)
Net cash provided by (used in) financing activities	3,030	205,958
Net change in cash, cash equivalents and restricted cash	$ (145,697)	$ (4,555)

Operating activities

Net cash used in operating activities for the six months ended June 30, 2024 was $182.8 million, including our net loss of $189.7 million, decreases in accrued expenses and other liabilities of $43.8 million, deferred revenue of $18.2 million, and operating lease liabilities totaling $6.2 million and an increase of prepaid expenses and other current assets of $0.7 million. In addition, noncash items, including the amortization of investment premiums of $12.5 million, a decrease in the fair value of derivative liabilities of $2.6 million

and a decrease of $1.6 million in the fair value of our contingent consideration liabilities also contributed to net cash used in operating activities.

These uses of cash were partially offset by an increase in accounts payable of $3.1 million and other long-term liabilities of $0.5 million, respectively. In addition, we recorded noncash items consisting of stock-based compensation expense of $60.9 million, depreciation and amortization expense of $11.0 million, a decrease in the fair value of non-controlling equity investments of $10.9 million and a decrease in operating lease right-of-use, or ROU, assets of $4.8 million.

Net cash used in operating activities for the six months ended June 30, 2023 was $194.5 million, consisting of our net loss of $179.2 million, a decrease in deferred revenue of $42.8 million, decreases in accrued expenses and other liabilities of $10.2 million, increases in prepaid expenses and other current assets of $6.5 million and a decrease in operating lease liabilities totaling $4.1 million. In addition, we recorded noncash items consisting of amortization of investment premiums of $14.5 million and decreases in the fair value of derivative liabilities and contingent consideration liabilities of $4.7 million and $1.9 million, respectively.

These uses of cash were partially offset by an increase in other long-term liabilities of $1.0 million and noncash items consisting of stock-based compensation expense of $50.2 million, decreases in the fair value of non-controlling equity investments of $6.6 million, depreciation and amortization expense of $9.5 million and changes in operating lease ROU assets of $4.8 million.

Investing activities

For the six months ended June 30, 2024, cash provided by investing activities consisted of net maturities of marketable securities of $38.4 million, partially offset by purchases of property and equipment of $4.4 million.

For the six months ended June 30, 2023, cash used in investing activities consisted of purchases of property and equipment of $22.2 million, partially offset by the net maturities of marketable securities of $6.2 million.

Financing activities

Net cash provided by financing activities for the six months ended June 30, 2024 consisted of $1.9 million of proceeds from the exercise of stock options and $1.4 million of proceeds from the issuance of common stock under our Employee Stock Purchase Plan, or ESPP, offset in part by repayments of equipment financing liabilities of $0.3 million.

Net cash provided by financing activities for the six months ended June 30, 2023 consisted of net proceeds from equity offerings of $201.6 million, $4.1 million of proceeds from the exercise of stock options and $1.7 million of proceeds from the issuance of common stock under our ESPP, offset in part by repayments of equipment financing liabilities of $1.2 million and payment of equity offering costs of $0.2 million.

Funding requirements

We expect our operating expenses to remain primarily unchanged over the next twelve months as a result of our portfolio prioritization and strategic restructuring, as we expect increasing costs related to continued and expected clinical-stage development of our lead product candidates to be offset by decreases in costs related to our preclinical research and development.

Our future operating expenses depend on a number of factors, including the extent to which we undertake the following activities:

- advance clinical trials of our product candidates;
- continue our research programs and our preclinical development of product candidates from our research programs;
- seek to identify additional research programs and additional product candidates;
- initiate preclinical studies and clinical trials for additional product candidates we identify and develop;
- maintain, expand, enforce, defend, and protect our intellectual property portfolio and provide reimbursement of third-party expenses related to our patent portfolio;
- seek marketing approvals for any of our product candidates that successfully complete clinical trials;
- establish a sales, marketing, and distribution infrastructure to commercialize any medicines for which we may obtain marketing approval;
- further develop our base editing platform;
- continue to hire additional personnel including research and development, clinical and commercial personnel;
- add operational, financial, and management information systems and personnel, including personnel to support our product development;
- acquire or in-license products, intellectual property, medicines and technologies; and

- maintain and operate a commercial-scale cGMP manufacturing facility.

We expect that our cash, cash equivalents and marketable securities at June 30, 2024 will enable us to fund our current and planned operating expenses and capital expenditures for at least the next 12 months from the date of issuance of our accompanying condensed consolidated financial statements. We have based these estimates on assumptions that may prove to be imprecise, and we may exhaust our available capital resources sooner that we currently expect. Because of the numerous risks and uncertainties associated with the development our programs, we are unable to estimate the amounts of increased capital outlays and operating expenses associated with completing the research and development of our product candidates.

Our future funding requirements will depend on many factors including:

- the cost of continuing to build our base editing platform;
- the costs of acquiring licenses for the delivery modalities that will be used with our product candidates;
- the scope, progress, results, and costs of discovery, preclinical development, laboratory testing, manufacturing and clinical trials for the product candidates we may develop;
- the costs of preparing, filing, and prosecuting patent applications, maintaining and enforcing our intellectual property and proprietary rights, and defending intellectual property-related claims;
- the costs, timing, and outcome of regulatory review of the product candidates we develop;
- the costs of future activities, including product sales, medical affairs, marketing, manufacturing, distribution, coverage and reimbursement for any product candidates for which we receive regulatory approval;
- the success of our license agreements and our collaborations;
- our ability to establish and maintain additional collaborations on favorable terms, if at all;
- the achievement of milestones or occurrence of other developments that trigger payments under any collaboration agreements we are a party to or may become a party to;
- the payment of success liabilities to Harvard and Broad Institute pursuant to the respective terms of the Harvard License Agreement and the Broad Institute License Agreement, should we choose to pay in cash;
- the extent to which we acquire or in-license products, intellectual property, and technologies;
- the actual savings or benefits we realize from our recent portfolio prioritization and strategic restructuring;
- the costs of operating and expanding our manufacturing capacity; and
- the impact on our business of macro-economic conditions, as well as the prevailing level of macro-economic, business, and operational uncertainty, including as a result of geopolitical events or other global or regional events.

A change in the outcome of any of these or other variables with respect to the development of any of our product candidates could significantly change the costs and timing associated with the development of that product candidate. Further, our operating plans may change in the future, and we may need additional funds to meet operational needs and capital requirements associated with such operating plans.

Until such time, if ever, as we can generate substantial product revenues, we expect to finance our cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances, and licensing arrangements. We do not have any committed external source of capital. We have historically relied on equity issuances to fund our capital needs and will likely rely on equity issuances in the future. Debt 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 capital through additional collaborations, strategic alliances, or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs, or product candidates, or we may have to grant licenses on terms that may not be favorable to us. If we are unable to raise additional capital through equity or debt financings when needed, we may be required to delay, limit, reduce, or terminate our product development or, if approved, future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves. We can give no assurance that we will be able to secure such additional sources of funds to support our operations, or, if such funds are available to us, that such additional funding will be sufficient to meet our needs.

Contractual obligations

We enter into contracts in the normal course of business with contract research organizations and other vendors to assist in the performance of our research and development activities and other services and products for operating purposes. These contracts

generally provide for termination on notice, and therefore are cancelable contracts and not included in our calculations of contractual obligations and commitments.

We lease certain assets under noncancelable operating and finance leases. The leases relate primarily to office space and laboratory space in addition to equipment. As of June 30, 2024, aggregate future minimum commitments under these office and laboratory leases and equipment leases are $237.9 million, of which $12.1 million will be payable in 2024. These minimum lease payments exclude our share of the facility operating expenses, real-estate taxes and other costs that are reimbursable to the landlord under the leases.

During the six months ended June 30, 2024, there were no material changes to our contractual obligations and commitments described under Management's Discussion and Analysis of Financial Condition and Results of Operations in the 2023 Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risk related to changes in interest rates. As of June 30, 2024, we had cash, cash equivalents, and marketable securities of $1.0 billion, which consisted of cash, money market funds, commercial paper and corporate and government securities. Our cash and cash equivalents are primarily maintained in accounts with multiple financial institutions in the United States. At times, we may maintain cash and cash equivalent balances in excess of Federal Deposit Insurance Corporation limits. We do not believe that we are subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships. Our primary exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of U.S. interest rates, particularly because our investments are in short-term marketable securities. Due to the short-term duration of our investment portfolio and the low risk profile of our investments, we believe an immediate 10% change in interest rates would not have a material effect on the fair market value of our investment portfolio. We have the ability to hold our investments until maturity, and therefore, we would not expect our operating results or cash flows to be affected to any significant degree by the effect of a change in market interest rates on our investment portfolio.

We are not currently exposed to significant market risk related to changes in foreign currency exchange rates; however, we do contract with vendors that are located outside of the United States and may be subject to fluctuations in foreign currency rates. We may enter into additional contracts with vendors located outside of the United States in the future, which may increase our foreign currency exchange risk.

Inflation generally affects us by increasing our cost of labor and research, manufacturing and development costs. We believe that inflation has not had a material effect on our financial statements included elsewhere in this Quarterly Report on Form 10-Q. However, our operations may be adversely affected by inflation in the future.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and our principal financial officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. The term "disclosure controls and procedures," as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to a company's management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Based on the evaluation of our disclosure controls and procedures as of June 30, 2024, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures as of such date are effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

We continuously seek to improve the efficiency and effectiveness of our internal controls. This results in refinements to processes throughout our company. 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) during the quarter ended June 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings.

We are not currently subject to any material legal proceedings.

Item 1A. Risk Factors.

In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the factors discussed in the sections titled sections titled "Risk Factors Summary" and "Item 1A. Risk Factors" in the 2023 Form 10-K, which could materially affect our business, financial condition or future results. The risk factors disclosure in the 2023 Form 10-K is qualified by the information in this Quarterly Report on Form 10-Q. The risks described in the 2023 Form 10–K are not our only risks. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or future results.

Item 5. Other Information.

(a)

On August 3, 2024, Bethany Cavanagh, our Senior Vice President, Finance, was appointed to the positions of Treasurer and principal accounting officer of the Company, to be effective upon the resignation of Terry-Ann Burrell as our Chief Financial Officer and Treasurer on August 9, 2024.

Ms. Cavanagh, age 49, has served as our Senior Vice President, Finance, since August 2021, and previously served as our Vice President, Finance, beginning in April 2019. Prior to her role with us, Ms. Cavanagh held the position of Executive Director of Financial Planning and Analysis with CRISPR Therapeutics, a gene editing company, beginning in January 2017. Ms. Cavanagh holds a Bachelor's degree in English from Roger Williams University and a Master's degree in Business Administration from Babson College.

In connection with Ms. Cavanagh's appointment as Treasurer and principal accounting officer, the compensation committee of our board of directors approved the grant to Ms. Cavanagh of an option to purchase 5,000 shares of our common stock and of 2,500 restricted stock units, with effective grant dates of August 31, 2024 and September 30, 2024, respectively. The option will vest in 48 equal monthly installments, and the restricted stock units will vest in four equal annual installments, in each case subject to Ms. Cavanagh's continued employment with us through the applicable vesting date.

We and Ms. Cavanagh will also enter into our standard form of indemnification agreement, a copy of which was filed as Exhibit 10.12 to our Registration Statement on Form S-1 (File No. 333- 233985) filed with the Securities and Exchange Commission on September 27, 2019.

(c)

Director and Officer Trading Arrangements

The following table describes for the quarterly period covered by this report each trading arrangement for the sale or purchase of Company securities adopted or terminated by our directors and officers that is either (1) a contract, instruction or written plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c), or a "Rule 10b5-1 trading arrangement," or (2) a "non-Rule 10b5-1 trading arrangement" (as defined in Item 408(c) of Regulation S-K):

Name*(Title)*	**Action Taken *(Date of Action)***	**Type of Trading Arrangement**	**Nature of Trading Arrangement**	**Duration of Trading Arrangement**	**Aggregate Number of Securities**
John Evans *(Chief Executive Officer)*	Adoption *(June 14, 2024)*	Rule 10b5-1 trading arrangement	Sale	Until June 30, 2025, or such earlier date upon which all transactions are completed or expire without execution.	Up to 200,000 shares
Giuseppe Ciaramella *(President)*	Adoption *(June 28, 2024)*	Rule 10b5-1 trading arrangement	Sale	Until March 31, 2025, or such earlier date upon which all transactions are	Up to 102,220 shares

completed or expire without execution.

Item 6. Exhibits.

Exhibit Number	Description of Exhibit	Incorporated by Reference				Filed Herewith
		Form	File Number	Date of Filing	Exhibit Number	
3.1	Fourth Amended Certificate of Incorporation of Beam Therapeutics Inc.	8-K	001-39208	02/11/2020	3.1	
3.2	Second Amended and Restated Bylaws of Beam Therapeutics Inc.	10-K	001-39208	02/28/2023	3.2	
10.1	Amended and Restated Beam Therapeutics Inc. Non-Employee Director Compensation Policy	10-Q	001-39208	05/07/2024	10.1	
10.2+	Form of Addendum to Letter Agreement between Beam Therapeutics Inc. and each of its executive officers	10-Q	001-39208	05/07/2024	10.2	
10.3	Amendment to License Agreement between The Broad Institute, Inc. and Beam Therapeutics Inc., dated May 31, 2024.					X
31.1	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.					X
31.2	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.					X
32.1	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.					X
32.2	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.					X
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					X
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X
101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document					X
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X
101.LAB	Inline XBRL Taxonomy Label Linkbase Document					X
101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document					X
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)					X

+ Indicates management contract or compensatory plan.

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.

BEAM THERAPEUTICS INC.

Date: August 6, 2024

By: /s/ John Evans

John Evans
Chief Executive Officer
(Principal executive officer)

Date: August 6, 2024

By: /s/ Terry-Ann Burrell

Terry-Ann Burrell
Chief Financial Officer and Treasurer
(Principal financial and accounting officer)

Exhibit 10.3

Third Amendment to License Agreement

This Third Amendment ("**Amendment**"), effective as of May 31, 2024 ("**Amendment Effective Date**"), is entered into by and between Beam Therapeutics Inc., as a successor in interest to Blink Therapeutics Inc., a corporation existing under the laws of the State of Delaware, having a place of business at 238 Main Street, 9th Floor, Cambridge, Massachusetts 02142 ("**Licensee**"), and the Broad Institute, Inc., a non-profit corporation existing under the laws of Massachusetts, having a place of business at 415 Main Street, Cambridge, MA 02142 ("**Broad**").

WHEREAS, Licensee and Broad have entered into that certain License Agreement dated as of May 9, 2018, as amended by that First Amendment to License Agreement between Licensee and Broad effective as of September 4, 2018 and Second Amendment to License Agreement between Licensee and Broad effective as of January 7, 2021, (the "**Agreement**");

WHEREAS, Licensee and Broad desire to amend the Agreement to (i) include the interests under the Patent Rights of the National Institutes of Health, National Library of Medicine and Rutgers, The State University of New Jersey, and (ii) to make other edits, each as more fully set forth herein.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

Capitalized terms used but not defined herein shall have the meaning given to them in the Agreement.

1.Amendments to Agreement.

A.The Agreement is hereby amended by deleting the Recitals in their entirety and replacing them with the following:

"**WHEREAS**, the technology claimed in the Patent Rights (as defined below) was discovered and developed by researchers at Broad and the Institutions (as defined below);

WHEREAS, Broad, the Massachusetts Institute of Technology ("**MIT**", a not-for-profit Massachusetts Corporation with a principal place of business at 77 Massachusetts Avenue, Cambridge, Massachusetts 02139), the President and Fellows of Harvard College ("**Harvard**", an educational and charitable corporation existing under the laws and the constitution of the Commonwealth of Massachusetts, having a place of business at Smith Campus Center, Suite 727, 1350 Massachusetts Avenue, Cambridge, Massachusetts 02138), the National Institutes of Health, National Library of Medicine (**"NIH/NLM",** having an address at the Office of Technology Transfer, National Institutes of Health, 6701 Rockledge Drive, Suite 700, MS 7788, Bethesda, MD USA 20892-7788) and/or Rutgers, The State University of New Jersey ("**Rutgers**", having its university-wide Technology Transfer located at 33 Knightsbridge Rd, Piscataway, NJ 08854), are co-owners of certain of the Patent Rights set forth on Exhibit 1.117;

WHEREAS, pursuant to that certain Operating Agreement by and among Broad, MIT and Harvard, dated July 1, 2009, MIT and Harvard have authorized Broad to act as their sole and

exclusive agent for the purposes of licensing their interest in the co-owned Patent Rights, and MIT and Harvard have authorized Broad to enter into this Agreement on their behalf with respect to such Patent Rights;

WHEREAS, pursuant to that certain Joint Invention Administration Agreement by and among Broad, Rutgers and certain other parties thereto, dated September 7, 2018 (the "**JIAA**"), Rutgers has authorized Broad to act as its sole and exclusive agent for the purposes of licensing its interests in the co-owned Patent Rights and Rutgers has authorized Broad to enter into this Agreement on its behalf with respect to such Patent Rights, in each case subject to the terms of the JIAA;

WHEREAS, pursuant to that Joint Invention Administration Agreement by and between Broad and NIH/NLM, effective September 11, 2019 (the "**NIH/NLM JIAA**"), NIH/NLM has authorized Broad to act as its sole and exclusive agent for the purposes of licensing its interests in the co-owned Patent Rights and NIH/NLM has authorized Broad to enter into this Agreement on its behalf with respect to such Patent Rights, subject to the terms of the NIH/NLM JIAA;

WHEREAS, the research was sponsored in part by the Federal Government of the United States of America and as a consequence this license is subject to overriding obligations to the Federal Government under 35 U.S.C. §§ 200-212 and applicable regulations;

WHEREAS, Licensee wishes to obtain a license under the Patent Rights;

WHEREAS, Broad and the Institutions desire to have products based on the inventions described in the Patent Rights developed and commercialized to benefit the public;

WHEREAS, such products may be applicable to the improvement of the health of individuals throughout the world; and

WHEREAS, Licensee has represented to Broad, in order to induce Broad to enter into this Agreement, that Licensee shall commit itself to commercially reasonable efforts to develop, obtain regulatory approval for and commercialize such products, and thereafter make them available to the public."

B.Article 1 (Definitions) of the Agreement is hereby amended by inserting the following after Section 1.79 (Generic/Biosimilar Product):

"1.79.1 "**Government**" shall have the meaning set forth in Section 2.2.6.1 (Reserved Government Rights).

1.79.2 "**Government Patent Rights**" means any Patent Rights designated as such on Exhibit 1.117 (Patent Rights) and any Patent Rights that fall within any of clauses (b) through (g) of Section 1.117 ("Patent Rights") with respect to such Government Patent Rights."

C.Article 1 (Definitions) of the Agreement is hereby amended by deleting Section 1.89 (Institution) in its entirety and replacing it with the following:

"1.89 **"Institution"** means each of Broad, Harvard, MIT, NIH/NLM and Rutgers individually, and "Institutions" means Broad, Harvard, MIT, NIH/NLM and Rutgers collectively."

D.Article 1 (Definitions) of the Agreement is hereby amended by inserting the following after Section 1.110.3 (Net Sales):

"1.110.4 "**NIH/NLM**" shall have the meaning set forth in the Recitals."

E.Article 1 (Definitions) of the Agreement is hereby amended by inserting the following after Section 1.141 (RESCUE Base Editor Patent Rights):

"1.141.1 "**Research License**" means a nontransferable, nonexclusive license to make and to use any tangible embodiment of the Government Patent Rights and to practice any process(es) included within the Government Patent Rights for purposes of internal research and not for purposes of commercial manufacture or distribution in lieu of purchase. Such internal research includes, but is not limited to, the right to enter into projects permitted under 15 U.S.C. 3710a (the CRADA statute) or other sponsored research projects or collaborations whether or not such collaborations are formal or informal."

F.Article 1 (Definitions) of the Agreement is hereby amended by inserting the following after Section 1.148 (Royalty-Bearing Product):

"1.148.1 **"Rutgers"** shall have the meaning set forth in the Recitals."

G.Section 2.2.4 (Reservation of Rights, Certain Restrictions) of the Agreement is hereby amended by deleting Section 2.2.4 in its entirety and replacing it with the following:

"2.2.4 Licensee agrees that any Royalty-Bearing Products used or sold in the United States that are subject to 35 U.S.C. §§ 201-211 and the regulations promulgated thereunder, as amended, or any successor statutes or regulations thereto shall, to the extent required by law, be manufactured substantially in the United States unless a waiver is granted by the relevant authority (for clarity, where otherwise permitted by Applicable Law, the requirements described in this Section 2.2.4 do not require manufacturing in any specific jurisdiction for use or sale outside of the United States); and"

H.Section 2.2.6 (RESERVED) of the Agreement is hereby amended to read in its entirety as follows:

"2.2.6. Reserved Government Rights.

2.2.6.1The United States of America, as represented by the Secretary, Department of Health and Human Services (the "**Government**") shall have the irrevocable, royalty-free, paid-up right to practice and have practiced the Government Patent Rights throughout the world by or on behalf of the Government and on behalf of any foreign government or international organization pursuant to any existing or future treaty or agreement to which the Government is a signatory. The licenses granted by Broad to Licensee hereunder shall be subject to this right of the Government.

2.2.6.2The Government reserves the right to require Broad or Licensee to grant non-exclusive sublicenses under the Government Patent Rights to

responsible applicants, on terms that are reasonable under the circumstances when necessary to fulfill health or safety needs or when necessary to meet requirements for public use specified by Federal regulations. In the event that such a sublicense is granted to a responsible applicant, Licensee shall, notwithstanding such sublicense, be deemed to maintain at least non-exclusive rights to the Government Patent Rights under this Agreement.

2.2.6.3In addition to the reserved rights of Section 2.2.6.2 (Reserved Government Rights), the Government reserves the right to require Broad to grant non-exclusive Research Licenses under the Government Patent Rights to Third Parties on reasonable terms and conditions. The purpose of these Research Licenses is to encourage basic research, whether conducted at an academic or corporate facility. In the event that such a Research License is granted to a Third Party, Licensee shall, notwithstanding such Research License, be deemed to maintain at least non-exclusive rights to the Government Patent Rights under this Agreement."

I.Section 7.10 of the Agreement is hereby amended to read in its entirety as follows: “7.10 Enforcement of Government Patent Rights. Notwithstanding anything to the contrary herein, and solely with respect to Infringement of the Government Patent Rights, Licensee (or Broad, pursuant to Section 7.3 (Suit by Broad)) in cooperation with the Government, shall use its reasonable efforts to eliminate any such Infringement without litigation. If the efforts of the parties are not successful in eliminating the Infringement within [***] days after the infringer has been formally notified of the Infringement by Broad or Licensee (as applicable), and, following consultation with the Government, the Government does not separately commence its own suit within such [***] day period with respect to such Infringement, then Licensee (or Broad, pursuant to Section 7.3 (Suit by Broad)) shall have the right to take action with respect to such Infringement, provided that the Government shall retain the right to voluntarily join Licensee’s (or Broad’s) suit. Licensee (or Broad, pursuant to Section 7.3 (Suit by Broad)) shall not take action to compel the Government either to initiate or to join in any suit for Infringement.”

J.Section 8.6 (Limitation of Liability) of the Agreement is hereby amended by deleting Section 8.6 in its entirety and replacing it with the following:

“EXCEPT WITH RESPECT TO MATTERS FOR WHICH LICENSEE IS OBLIGATED TO INDEMNIFY INDEMNITEES UNDER ARTICLE 9, AND LIABILITY RESULTING FROM A BREACH BY LICENSEE OF THE LICENSE GRANT RESTRICTIONS UNDER SECTION 2.1.2 (LICENSE GRANTS), NEITHER LICENSEE NOR ANY INSTITUTION SHALL BE LIABLE TO THE OTHER PARTY OR INSTITUTIONS, AS APPLICABLE, WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR
(A) ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOST PROFITS OR
(B) COST OF PROCUREMENT OF SUBSTITUTE GOODS, TECHNOLOGY OR SERVICES.”

K.Section 9.2.1 (Insurance) of the Agreement is hereby amended by deleting Section 9.2.1 in its entirety and replacing it with the following:

"9.2.1 Beginning after the Amendment Effective Date, at the time any research or development on a Royalty-Bearing Product is first initiated by Licensee, or by an Affiliate, Sublicensee or agent of Licensee, Licensee shall, at its sole cost and expense, procure and maintain commercial general liability insurance in amounts not less than [***] per incident and [***] annual aggregate and naming the Indemnitees as additional insureds. Such commercial general liability insurance shall provide contractual liability coverage. Beginning at the time any Royalty-Bearing Product is being commercially distributed, sold, leased, or otherwise transferred, or performed or used (other than for the purpose of obtaining Regulatory Approvals) by Licensee, or by an Affiliate, Sublicensee or agent of Licensee, Licensee shall also, at its sole cost and expense, procure and maintain product liability coverage and the amounts of both the commercial general liability insurance and the product liability coverage shall be not less than [***] per incident and [***] annual aggregate and naming the Indemnitees as additional insureds. During Clinical Studies of any such Royalty-Bearing Product Licensee shall, at its sole cost and expense, procure and maintain both commercial general liability insurance and product liability coverage in such equal or lesser amount as the insurance coverage for commercialization as Broad or any other Institution shall require, naming the Indemnitees as additional insureds."

L.Section 9.2.4 (Insurance) of the Agreement is hereby amended by deleting Section 9.2.4 in its entirety and replacing it with the following:

"9.2.4 Licensee shall maintain such commercial general liability insurance and product liability coverage beyond the expiration or termination of this Agreement during: (a) the period that any Royalty - Bearing Product is being commercially distributed, sold, leased or otherwise transferred, or performed or used by Licensee, or an Affiliate, Sublicensee or agent of Licensee; and (b) a reasonable period after the period referred to in (a) above which in no event shall be less than [***]. Licensee shall maintain commercial general liability insurance and product liability coverage after the expiration or termination of this Agreement relating to research and development or Clinical Studies activities, and thereafter for a period of [***], if the coverage is under a claims-made policy. The minimum amounts of insurance coverage required shall not be construed to create a limit of Licensee's liability with respect to its indemnification obligations under this Agreement."

M.Article 11.5 (Use of Names) of the Agreement is hereby amended by deleting Section 11.5 in its entirety and replacing it with the following:

"11.5 Use of Names. Except as provided below, Licensee shall not, and shall ensure that its Affiliates and Sublicensees shall not, use or register the name "The Broad Institute, Inc.," "Broad," "President and Fellows of Harvard College," the "Massachusetts Institute of Technology," "Lincoln Laboratory," "Wyss Institute for Biologically Inspired Engineering at Harvard University," "Rutgers, The State University of New Jersey," "National Institutes of Health, National Library of Medicine," or any variation, adaptation, or abbreviation thereof (alone or as part of another name), or of any of their trustees, directors, officers, faculty, students, staff, employees, agents, or affiliated investigators or any trademark owned by any Institution, or any

logos, seals, insignia or other words, names, symbols or devices that identify Broad or Institutions or any Institution's school, unit, or division ("**Institution Names**") for any purpose except with the prior written approval of, and in accordance with restrictions required by the applicable Institution. Without limiting the foregoing, Licensee shall, and shall ensure that its Affiliates and Sublicensees shall, cease all use of Institution Names on the termination or expiration of this Agreement except as otherwise approved by the applicable Institution. This restriction shall not apply to any information required by Law to be disclosed to any governmental entity."

N.The Agreement is hereby amended by deleting Exhibit 1.117 (Patent Rights) in its entirety and replacing it with the Exhibit 1.117 (Patent Rights) attached as Exhibit A to this Amendment.

2.Limited Waiver of Sublicensee Insurance Requirement. Notwithstanding the provisions of Sections 2.4.2.3, Broad agrees to waive compliance with the requirement that a Sublicensee carry insurance under the terms of the first sentence of Section 9.2.1 regarding insurance for research and development on a Royalty-Bearing Product (required of Sublicensees pursuant to Section 2.4.2.3), for the following Sublicensee only: Bio Palette Co., Ltd. This waiver shall expire with respect to such Sublicensee upon the earlier to occur of the following: (i) there is an amendment, extension, restatement or other modification of the Sublicense Agreement for such Sublicensee, or (ii) such Sublicensee utilizes any of the sublicensed Patent Rights in connection with treatment of or research on human beings, whether through a clinical trial, use or testing of a device or technology, or otherwise. The waiver granted pursuant to this Section 2 of the Amendment shall be limited precisely as written, shall apply only to the Sublicensee named in this Section 2 and shall not extend to any failure by a Sublicensee to comply with any other provision of the Agreement or its Sublicense Agreement.

3.No Other Modifications. Except as specifically set forth in this Amendment, the terms and conditions of the Agreement (including all exhibits thereto) shall remain in full force and effect. Licensee and Broad hereby agree to be bound by provisions substantially identical to Article 11 with respect to this Amendment, *mutatis mutandis* (which are incorporated herein by reference as they so apply); provided that references to the Agreement provided in Section

11.6 shall be read to apply to the Agreement as amended by this Amendment. Without limiting the foregoing, Broad and Licensee agree that the Agreement, as amended by this Amendment, reflects the sole agreement of the Parties with respect to the inclusion of the interests under the Patent Rights of the National Institutes of Health, National Library of Medicine and Rutgers, The State University of New Jersey.

[*Signatures Follow*]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be executed by their duly authorized representatives as of the Amendment Effective Date.

THE BROAD INSTITUTE, INC.

By: /s/ Michael Christiano

BEAM THERAPEUTICS INC.

By: /s/ John Evans

Name: Title:
Michael Christiano Chief Business Officer

Name: Title:

John Evans

CEO

Broad Legal: _

[Signature Page to Third Amendment to License Agreement]

Exhibit A – Exhibit 1.117 (Patent Rights)

[***]

Exhibit 31.1

CERTIFICATION 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

I, John Evans, certify that:

1.I have reviewed this Quarterly Report on Form 10-Q of Beam Therapeutics Inc.;

2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4.The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b)Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c)Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d)Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5.The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a)All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

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

Date: August 6, 2024

By: /s/ John Evans
John Evans
Chief Executive Officer
(Principal executive officer)

Exhibit 31.2

CERTIFICATION 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

I, Terry-Ann Burrell, certify that:

1.I have reviewed this Quarterly Report on Form 10-Q of Beam Therapeutics Inc.;

2.Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3.Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4.The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a)Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b)Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c)Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d)Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5.The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a)All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

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

Date: August 6, 2024

By: /s/ Terry-Ann Burrell
Terry-Ann Burrell
Chief Financial Officer
(Principal financial and accounting officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report of Beam Therapeutics Inc. (the "Company") on Form 10-Q for the period ending June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1)The Report 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 the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 6, 2024

By: /s/ John Evans
John Evans
Chief Executive Officer
(Principal executive officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Quarterly Report of Beam Therapeutics Inc. (the "Company") on Form 10-Q for the period ending June 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(1)The Report 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 the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 6, 2024

By: /s/ Terry-Ann Burrell
Terry-Ann Burrell
Chief Financial Officer
(Principal financial and accounting officer)