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DELTA REPORT

10-Q

CONTEXT THERAPEUTICS INC.

10-Q - SEPTEMBER 30, 2024 COMPARED TO 10-Q - JUNE 30, 2024

The following comparison report has been automatically generated

TOTAL DELTAS	1141
CHANGES	129
DELETIONS	855
ADDITIONS	157

REFINITIV

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

FORM 10-Q

(Mark one)

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

For the quarterly period ended June 30, 2024 September 30, 2024

o **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: 001-40654

CONTEXT THERAPEUTICS INC.

(Exact name of registrant as specified in its charter)

Delaware	**86-3738787**
(State of other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

2001 Market Street, Suite 3915, Unit #15
Philadelphia, Pennsylvania 19103
(Address of principal executive offices, including zip code)

(267) 225-7416
(Registrant's telephone number, including area code)

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

Title of Each Class	**Trading Symbol(s)**	**Name of Each Exchange on Which Registered**
Common Stock, par value $0.001 per share	CNTX	The Nasdaq Stock Market LLC

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 ý No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted 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 ý No o

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 Act).Yes o No ý

The number of shares of common stock outstanding at August 6, 2024 November 4, 2024 was 74,998,312 shares.

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Unless the context otherwise requires, all references in this Form 10-Q to "Context," "Company," "we," "us," and "our" refer to Context Therapeutics Inc. and its subsidiaries.

Trademark Notice

Context Therapeutics® is a trademark of ours in the United States. All other trademarks, trade names and service marks appearing in this Form 10-Q are the property of their respective owners. We do not intend our use or display of other companies' trademarks, trade names or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q includes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on our management's beliefs and assumptions and on information currently available to us. All statements other than statements of historical facts are forward-looking statements. These statements relate to future events or to our future financial performance and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. Forward-looking statements include, but are not limited to, statements about:

- the ability of our preclinical studies and clinical trials to demonstrate safety and efficacy of our product candidates, and other positive results;
- the timing, progress and results of preclinical studies and clinical trials for CTIM-76, CT-95, CT-202, and any other product candidates we may develop, including statements regarding the timing of initiation and completion of studies or trials and related preparatory work, the period periods during which the data and results of the

trials will become available, and our research and development programs;

- the timing, scope and likelihood of U.S. and foreign regulatory filings and approvals, including timing of Investigational New Drug applications and final U.S. Food and Drug Administration ("FDA") approval of CTIM-76, CT-95, CT-202, and any other future product candidates;
- our ability to develop and advance CTIM-76, CT-95, CT-202, and any other future product candidates, and successfully complete clinical studies;
- our manufacturing, commercialization, and marketing capabilities, implementations thereof, and strategy;
- our plans relating to commercializing our product candidates, if approved, including the geographic areas of focus, sales strategy, and our ability to grow a sales team;
- our intellectual property position, including the scope of protection we are able to establish and maintain for intellectual property rights covering CTIM-76, CT-95, CT-202, and any other product candidates we may develop, our ability to obtain extensions of existing patent terms, the validity of intellectual property rights held by third parties, and our ability not to infringe, misappropriate or otherwise violate any third-party intellectual property rights;
- any disagreements or disputes with our licensees, licensors and other counterparties relating to the development and/or commercialization of our current or past product candidates, which may be time consuming, costly and could harm our efforts to develop our current or future product candidates;
- the impact of economic uncertainties on our business and operations, including clinical trials, manufacturing suppliers, collaborators, use of contract research organizations and employees;
- the need to hire additional personnel and our ability to attract and retain such personnel;
- the size of the market opportunity for our product candidates, including our estimates of the number of patients who suffer from the diseases we are targeting;
- our competitive position and the success of competing therapies that are or may become available;
- the beneficial characteristics, safety, efficacy and therapeutic effects of our product candidates;
- our ability to obtain and maintain regulatory approval of our product candidates;
- our plans relating to the further development of our product candidates, including additional indications we may pursue;
- existing regulations and regulatory developments in the United States, Europe and other jurisdictions;

- our continued reliance on third parties to conduct and support clinical trials of our product candidates, and for the manufacture of our product candidates for preclinical studies and clinical trials;

trials, as well as research and development activities;

- our ability to obtain, and negotiate favorable terms of, collaboration, licensing or other arrangements that may be necessary or desirable to develop, manufacture or commercialize our product candidates;
- the pricing and reimbursement of CTIM-76, CT-95, CT-202, and any other product candidates we may develop, if approved;
- the rate and degree of market acceptance and clinical utility of CTIM-76, CT-95, CT-202, and any other product candidates we may develop;
- our estimates regarding expenses, future revenue, capital requirements and needs for additional financing;
- our current plans to seek additional capital in the future through equity and/or debt financings, partnerships, collaborations, licensing agreements or other strategic arrangements, or other sources and the availability of such future sources of capital;
- our financial performance;
- the period over which we estimate our existing cash and cash equivalents will be sufficient to fund our future operating expenses and capital expenditure requirements;
- the impact of laws and regulations;
- our expectations regarding the period during which we will qualify as an emerging growth company under the JOBS Act;
- our anticipated use of our existing cash and cash equivalents; and
- other risks and uncertainties, including those listed under the caption "Risk Factors";

as well as other statements relating to our future operations, financial performance and financial condition, prospects, strategies, objectives or other future events. In some cases, you can identify forward-looking statements by terms such as "may," "could," "will," "should," "would," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," "potential," "project" or "continue" or the negative of these terms or other comparable terminology. These statements are only predictions. You should not place undue reliance on forward-looking statements because they involve known and unknown risks, uncertainties and other factors, which are, in some cases, beyond our control and which could materially affect results. Factors that may cause actual results to differ materially from current expectations include, among other things, those listed under the heading "Risk Factors" and elsewhere in this Form 10-Q. If one or more of these risks or uncertainties occur, or if our underlying assumptions prove to be incorrect, actual events or results may vary significantly from those implied or projected by the forward-looking statements. No forward-looking statement is a guarantee of future performance. As a result, you should not place undue reliance on forward-looking statements.

Additionally, the forward-looking statements contained in this Form 10-Q represent our views only as of the date of this Form 10-Q (or any earlier date indicated in such statement). While we may update certain forward-looking statements from time to time, we specifically disclaim any obligation to do so, even if new information becomes available in the future. However, you are advised to consult any further disclosures we make on related subjects in the reports that we file with the U.S. Securities and Exchange Commission ("SEC").

The foregoing cautionary statements are intended to qualify all forward-looking statements wherever they may appear in this Form 10-Q. For all forward-looking statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Market, Industry and Other Data

This Form 10-Q may contain estimates, projections, market research and other data generated by independent third parties, by third parties on our behalf and by us concerning markets for CTIM-76, our Claudin 6 ("CLDN6") x CD3 bispecific antibody ("bsAb"), and CT-95, our Mesothelin ("MSLN") x CD3 bsAb, and CT-202, our Nectin cell adhesion protein 4 ("Nectin-4") x CD3 bsAb. Information that is based on estimates, projections, market research or similar methodologies is inherently subject to uncertainties and actual results, events or circumstances may differ materially from results, events and circumstances reflected in this information. As a result, you are cautioned not to give undue weight to such information.

This Form 10-Q also may contain certain data and information, which we obtained from various government and private publications. Although we believe that the publications and reports are reliable, we have not independently verified the data. Statistical data in these publications include projections that are based on a number of assumptions. If any one or more of the assumptions underlying the market data is later found to be incorrect, actual results may differ from the projections based on these assumptions.

Part I - Financial Information

Item 1. Financial Statements

Context Therapeutics Inc.
Condensed Consolidated Balance Sheets

	June 30, 2024	December 31, 2023					
	September 30, 2024	December 31, 2023					
	(Unaudited)	(Unaudited)		(Note 3)		(Unaudited)		(Note 3)
Assets								
Current assets:								
Current assets:								
Current assets:								
Cash and cash equivalents								
Cash and cash equivalents								
Cash and cash equivalents								
Prepaid expenses and other current assets	Prepaid expenses and other current assets	1,161,633	1,597,384		1,597,384	Prepaid expenses and other current assets	1,269,265	1,597,384		1,597,384
Total current assets	Total current assets	102,698,465	16,047,211		16,047,211	Total current assets	86,070,821	16,047,211		16,047,211
Property and equipment, net										
Operating lease right-of-use lease assets										
Total assets										
Liabilities and Stockholders' Equity										
Current liabilities:										

Current liabilities:		
Current liabilities:		
Accounts payable		
Accounts payable		
Accounts payable		
Accrued expenses and other current liabilities		
Operating lease liabilities - current		
Total current liabilities		
Operating lease liabilities - non-current		
Total liabilities		
Commitments and contingencies (Note 8)	Commitments and contingencies (Note 8)	Commitments and contingencies (Note 8)
Stockholders' equity:		
Preferred stock, $0.001 par value; 10,000,000 shares authorized; no shares issued or outstanding		
Preferred stock, $0.001 par value; 10,000,000 shares authorized; no shares issued or outstanding		
Preferred stock, $0.001 par value; 10,000,000 shares authorized; no shares issued or outstanding		
Common stock, $0.001 par value; 100,000,000 shares authorized; 74,998,312 and 15,966,053 shares issued and outstanding at June 30, 2024 and December 31, 2023, respectively		
Common stock, $0.001 par value; 200,000,000 and 100,000,000 shares authorized at September 30, 2024 and December 31, 2023, respectively; 74,998,312 and 15,966,053 shares issued and outstanding at September 30, 2024 and December 31, 2023, respectively		
Additional paid-in capital		
Accumulated deficit		
Total stockholders' equity		
Total liabilities and stockholders' equity		

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

Context Therapeutics Inc.
Condensed Consolidated Statements of Operations
(Unaudited)

	Three months ended June 30,	
	Three months ended June 30,	
	Three months ended June 30,	
	Three months ended September 30,	
	Three months ended September 30,	
	Three months ended September 30,	
	2024	
	2024	
	2024	

Operating expenses:
Operating expenses:
Operating expenses:
Research and development
Research and development
Research and development
General and administrative
General and administrative
General and administrative
Loss from operations
Loss from operations
Loss from operations
Interest income
Interest income
Interest income
Other expense
Other expense
Other expense
Other (expense) income
Other (expense) income
Other (expense) income
Net loss
Net loss
Net loss
Net loss per common share, basic and diluted
Net loss per common share, basic and diluted
Net loss per common share, basic and diluted
Weighted average shares outstanding, basic and diluted
Weighted average shares outstanding, basic and diluted
Weighted average shares outstanding, basic and diluted

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

Context Therapeutics Inc.
Condensed Consolidated Statements of Changes in Stockholders' Equity
(Unaudited)

	Six Months Ended June 30, 2024				
	Common Stock		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Deficit	Equity
Balance at January 1, 2024	15,966,053	$ 15,966	$ 79,909,644	$ (68,054,590)	$ 11,871,020
Share-based compensation expense	—	—	240,007	—	240,007
Net loss	—	—	—	(3,667,797)	(3,667,797)
Balance at March 31, 2024	15,966,053	$ 15,966	$ 80,149,651	$ (71,722,387)	$ 8,443,230
Sale of common stock and prefunded warrants, net of offering costs of $5,234,020	59,032,259	59,032	94,699,715	—	94,758,747
Share-based compensation expense	—	—	157,037	—	157,037
Net loss	—	—	—	(2,254,506)	(2,254,506)
Balance at June 30, 2024	74,998,312	$ 74,998	$ 175,006,403	$ (73,976,893)	$ 101,104,508

	Six Months Ended June 30, 2023				
	Common Stock		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Deficit	Equity
Balance at January 1, 2023	15,966,053	$ 15,966	$ 78,832,779	$ (44,090,379)	$ 34,758,366
Share-based compensation expense	—	—	282,762	—	282,762
Net loss	—	—	—	(6,308,318)	(6,308,318)
Balance at March 31, 2023	15,966,053	$ 15,966	$ 79,115,541	$ (50,398,697)	$ 28,732,810
Share-based compensation expense	—	—	283,103	—	283,103
Net loss	—	—	—	(5,011,321)	(5,011,321)
Balance at June 30, 2023	15,966,053	$ 15,966	$ 79,398,644	$ (55,410,018)	$ 24,004,592

	Nine Months Ended September 30, 2024				
	Common Stock		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Deficit	Equity
Balance at January 1, 2024	15,966,053	$ 15,966	$ 79,909,644	$ (68,054,590)	$ 11,871,020
Share-based compensation expense	—	—	240,007	—	240,007
Net loss	—	—	—	(3,667,797)	(3,667,797)
Balance at March 31, 2024	15,966,053	15,966	80,149,651	(71,722,387)	8,443,230
Sale of common stock and prefunded warrants, net of offering costs of $5,234,020	59,032,259	59,032	94,699,715	—	94,758,747
Share-based compensation expense	—	—	157,037	—	157,037
Net loss	—	—	—	(2,254,506)	(2,254,506)
Balance at June 30, 2024	74,998,312	74,998	175,006,403	(73,976,893)	101,104,508
Share-based compensation expense	—	—	213,002	—	213,002
Net loss	—	—	—	(17,459,893)	(17,459,893)
Balance at September 30, 2024	74,998,312	$ 74,998	$ 175,219,405	$ (91,436,786)	$ 83,857,617

	Nine Months Ended September 30, 2023				
	Common Stock		Additional Paid-in	Accumulated	Total Stockholders'
	Shares	Amount	Capital	Deficit	Equity
Balance at January 1, 2023	15,966,053	$ 15,966	$ 78,832,779	$ (44,090,379)	$ 34,758,366
Share-based compensation expense	—	—	282,762	—	282,762
Net loss	—	—	—	(6,308,318)	(6,308,318)
Balance at March 31, 2023	15,966,053	15,966	79,115,541	(50,398,697)	28,732,810
Share-based compensation expense	—	—	283,103	—	283,103
Net loss	—	—	—	(5,011,321)	(5,011,321)
Balance at June 30, 2023	15,966,053	15,966	79,398,644	(55,410,018)	24,004,592
Share-based compensation expense	—	—	254,949	—	254,949
Net loss	—	—	—	(5,874,686)	(5,874,686)
Balance at September 30, 2023	15,966,053	$ 15,966	$ 79,653,593	$ (61,284,704)	$ 18,384,855

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

Context Therapeutics Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Six months ended June 30,	Nine months ended September 30,

	2024	2024	2023	2024	2023
Cash flows from operating activities:					
Cash flows from operating activities:					
Cash flows from operating activities:					
Net loss					
Net loss					
Net loss					
Adjustments to reconcile net loss to net cash used in operating activities:					
Share-based compensation expense					
Share-based compensation expense					
Acquired in-process research and development charge					
Acquired in-process research and development charge					
Acquired in-process research and development charge					
Share-based compensation expense					
Depreciation and amortization expense					
Reduction in the carrying amount of operating lease right-of-use asset					
Changes in operating assets and liabilities:					
Prepaid expenses and other current assets					
Prepaid expenses and other current assets					
Prepaid expenses and other current assets					
Other assets					
Accounts payable					
Accrued expenses and other current liabilities					
Operating lease liability					
Cash used in operating activities					
Cash flows from financing activities:					
Cash flows from financing activities:					
Cash flows from investing activities:					
Acquired in-process research and development					
Acquired in-process research and development					
Acquired in-process research and development					
Purchase of property and equipment					
Cash used in investing activities					
Cash flows from financing activities:					
Proceeds from the sale of common stock and prefunded warrants, net					
Proceeds from the sale of common stock and prefunded warrants, net					
Proceeds from the sale of common stock and prefunded warrants, net					
Cash provided by financing activities					
Net increase (decrease) in cash and cash equivalents					
Cash and cash equivalents at beginning of period					
Cash and cash equivalents at end of period					
Supplemental disclosure of non-cash activities:					
Supplemental disclosure of non-cash activities:					
Supplemental disclosure of non-cash activities:					
Unpaid offering costs in accounts payable					
Unpaid offering costs in accounts payable					
Unpaid offering costs in accounts payable					
Right-of-use asset obtained in exchange for lease obligation					
Right-of-use asset obtained in exchange for lease obligation					
Right-of-use asset obtained in exchange for lease obligation					

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

CONTEXT THERAPEUTICS INC.
Notes to Unaudited Condensed Consolidated Financial Statements

(1) Organization and Description of Business

Context Therapeutics Inc. (the "Company") is a biopharmaceutical company advancing medicines T cell engaging bispecific antibodies for solid tumors. The Company's clinical stage product candidates include CTIM-76, a Claudin 6 ("CLDN6") x CD3 bispecific antibody ("bsAb"), and CT-95, an a Mesothelin ("MSLN") x CD3 bsAb, and CT-202, a Nectin-4 x CD3 bsAb.

The Company had also been developing onapristone extended release ("ONA-XR"). However, in March 2023, the Company announced its plan to discontinue the development of this product candidate and focus its efforts on the development of CTIM-76. All estimated close-out costs associated with the ONA-XR program were recognized in research and development expense during the first quarter of 2023. The Company does not expect to incur future expenses related to this program.

The Company was organized in April 2015 under the laws of the State of Delaware. The Company is headquartered in Philadelphia, Pennsylvania.

(2) Risks and Liquidity

The Company has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of $74.0 $91.4 million as of June 30, 2024 September 30, 2024. The Company anticipates incurring additional losses until such time, if ever, that it can generate significant revenues from its current or any future product candidates. The Company believes its cash and cash equivalents of $101.5 million $84.8 million as of June 30, 2024 September 30, 2024 are sufficient to fund its projected operations for a period of at least 12 months from the issuance date of these unaudited condensed consolidated financial statements. Substantial additional funding will be needed by the Company to fund its operations and to commercially develop its current and any future product candidates.

Management plans to seek additional capital in the future through a combination of equity offerings, debt financings, collaborations, strategic transactions and/or marketing, distribution or licensing arrangements to carry out the Company's planned development activities. If additional capital is not available when required, the Company may need to delay or curtail its operations until such funding is received. There is no assurance that such financing will be available when needed or on acceptable terms. Various internal and external factors will affect whether and when the Company's current or any future product candidates become approved for marketing and successful commercialization. The regulatory approval and market acceptance of the Company's current and any future product candidates, length of time and cost of developing and commercializing these product candidates and/or failure of them at any stage of the approval process will materially affect the Company's financial condition and future operations.

The Company faces risks associated with companies whose products are in development. These risks include the need for additional financing to complete its research and development, achieving its research and development objectives, defending its intellectual property rights, recruiting and retaining skilled personnel, and dependence on key members of management, among others.

(3) Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying unaudited condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"). Certain information and note disclosures normally included in annual financial statements prepared in accordance with U.S. generally accepted accounting principles ("GAAP") have been condensed or omitted pursuant to those rules and regulations, although the Company believes that the disclosures made are adequate to make the information not misleading. Any reference in these notes to applicable guidance is meant to refer to GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASU") of the Financial Accounting Standards Board ("FASB").

In the opinion of management, the accompanying unaudited condensed consolidated financial statements include all normal and recurring adjustments (which consist primarily of accruals and estimates that impact the unaudited condensed consolidated financial financial statements) considered necessary to present fairly the Company's financial position as of June 30, 2024 September 30, 2024, and its results of operations and cash flows for the three and six nine months ended June 30, 2024 September 30, 2024 and 2023. Operating results for the three and six nine months ended June 30, 2024 September 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024. The unaudited condensed consolidated financial statements, presented herein, do not contain the required disclosures under GAAP for annual financial statements. The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the annual audited consolidated financial statements and related notes as of and for the year ended December 31, 2023. The consolidated financial information as of December 31, 2023 included herein has been derived from the annual audited consolidated financial statements.

The unaudited condensed consolidated financial statements include the accounts of the Company, Context Therapeutics LLC, Context Biopharma, Inc. and Context Ireland Ltd., the Company's wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the unaudited condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the date of the unaudited condensed consolidated financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

Estimates and assumptions are periodically reviewed, and the effects of the revisions are reflected in the accompanying unaudited condensed consolidated financial statements in the period they are determined to be necessary. Significant estimates and assumptions made in the accompanying unaudited condensed consolidated financial statements include,

but are not limited to, share-based compensation arrangements, the fair value of warrants, and in recording the prepayments, accruals and associated expense for research and development activities performed for the Company by third parties.

Concentrations of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash and cash equivalents. The Company maintains deposits in federally insured financial institutions in excess of federally insured limits. The Company has not experienced any losses in such accounts.

Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, which include cash and cash equivalents and accounts payable, approximate their fair values given their short-term nature.

Cash and Cash Equivalents

The Company considers all highly liquid investments that have original maturities of three months or less when acquired to be cash equivalents. Cash equivalents consist of amounts invested in money market accounts. At June 30, 2024 September 30, 2024, the Company's Company's cash and cash equivalent balances exceeded federally insured limits by approximately $101.1 million $84.3 million.

Deferred Offering Costs

The Company capitalizes certain legal, professional, accounting and other third-party fees that are directly associated with in-process equity financings as deferred offering costs until such financings are consummated. After consummation of an equity financing, the costs are recorded as a reduction of additional paid-in capital generated as a result of such offering. Should an in-process equity financing be abandoned, the deferred offering costs will be expensed immediately as a charge to operating expenses in the condensed consolidated statements of operations.

Property and Equipment

Property and equipment consist of office equipment, furniture, and leasehold improvements and are recorded at cost. Property and equipment are depreciated on a straight-line basis over their estimated useful lives. Leasehold improvements are amortized over the shorter of their economic lives or the remaining lease term.

Leases

The Company determines if an arrangement is a lease at inception. Balances recognized related to operating leases are included in operating lease right-of-use assets and operating lease liabilities in the condensed consolidated balance sheets. Operating lease right-of-use assets and operating lease liabilities are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. As the Company's lease does not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of future payments. The Company recognizes rent expense on a straight-line basis over the lease period and accrues for rent expense incurred but not yet paid.

Acquired In-Process Research and Development Costs

Acquired in-process research and development ("IPR&D") expense consists of payments incurred in connection with the acquisition or licensing of products or technologies that do not meet the definition of a business under FASB ASC Topic 805, *Business Combinations*. Payments for acquired IPR&D as well as future product development milestones are initially treated as the acquisition of an asset but then immediately expensed as there is no future alternative use under the accounting guidance for the asset. These payments are reflected as a component of research and development expense as well as an investing activity outflow on the Company's condensed consolidated statements of cash flows due to the nature of the underlying acquisition of an asset. See Note 8 for further discussion.

Research and Development Costs

Research and development costs are expensed as incurred. Research and development costs include external costs of outside vendors engaged to conduct clinical studies and other research and development activities, acquired IPR&D, salaries, share-based compensation, and other operational costs related to the Company's research and development activities.

Costs for certain development activities, such as the provision of services for product candidate development, clinical and preclinical development and related supply and manufacturing costs, are estimated based on an evaluation of the progress to completion of specific tasks using data such as patient enrollment, clinical site activations or information provided to the Company by its vendors with respect to their actual costs incurred. Payments for these activities are based on the terms of the individual arrangements, which may differ from the pattern of costs incurred, and are reflected in the unaudited condensed consolidated financial statements as prepaid or accrued research and development expense, as the case may be. The estimates are adjusted to reflect the best information available at the time of the financial statement issuance. Although the Company does not expect its estimates to be materially different from amounts actually incurred, the Company's estimate of the status and timing of services performed relative to the actual status and timing of services performed may vary.

Nonrefundable advance payments for goods and services, including fees for clinical trial expenses, process development or manufacturing and distribution of clinical supplies that will be used in future research and development activities, are deferred and recognized as expense in the period that the related goods are consumed or services are performed.

Patent Costs

Costs related to filing and pursuing patent applications are recorded as general and administrative expense and expensed as incurred since recoverability of such expenditures is uncertain.

Share-Based Compensation

The Company measures and recognizes share-based compensation expense for both employee and non-employee awards based on the grant date fair value of the awards. The Company recognizes share-based compensation expense on a straight-line basis over the requisite service period of the awards, which is generally the vesting period. The Company recognizes forfeitures as they occur.

The Company classifies share-based compensation expense in its unaudited condensed consolidated statements of operations in the same manner in which the award recipients' payroll costs are classified or in which the award recipients' service payments are classified.

The Company estimates the fair value of employee and non-employee stock awards as of the date of grant using the Black-Scholes option pricing model. The Company lacks Company-specific historical and implied volatility information. Therefore, management estimates the expected share price volatility based on the historical volatility of a publicly traded set of peer companies and expects to continue to do so until such time as it has adequate historical data regarding the volatility of its own publicly traded share price. The expected term of the Company's stock awards has been determined utilizing the "simplified" method for awards that qualify as "plain-vanilla" stock awards. The risk-free interest rate is determined by reference to the yield curve of a zero-coupon U.S. Treasury bond on the date of grant of the award for time periods approximately equal to the expected term of the award. Expected dividend yield is based on the fact that the Company has never paid cash dividends on common stock and does not expect to pay any cash dividends in the foreseeable future.

Net Loss Per Share

Basic net loss per share of common stock is computed by dividing net loss by the weighted-average number of shares of common stock outstanding during each period, including pre-funded warrants to purchase shares of common stock that were issued in the private placement transaction in May 2024 (Note 6). Diluted net loss per share of common stock includes the effect, if any, from the potential exercise or conversion of securities, such as convertible promissory notes, preferred stock, warrants (excluding pre-funded warrants) and share-based awards, which would result in the issuance of incremental shares of common stock. For diluted net loss per share, the weighted-average number of shares of common stock is the same for basic net loss per share due to the fact that when a net loss exists, dilutive securities are not included in the calculation as the impact is anti-dilutive.

The following potentially dilutive securities have been excluded from the computation of diluted weighted-average shares of common stock outstanding, as they would be anti-dilutive:

	June 30,	June 30,	June 30,
	September 30,	September 30,	September 30,
	2024	2024	2024
Stock options			
Stock options			
Stock options			
Warrants			
Warrants			
Warrants			
	8,763,578	8,763,578	8,763,578
	9,119,615	9,119,615	9,119,615

The amounts in the above table reflect common stock equivalents.

Emerging Growth Company Status

The Company is an emerging growth company, as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). Under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued subsequent to the enactment of the JOBS Act, until such time as those standards apply to private companies. The Company has elected to use this extended transition period for complying with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date that it (i) is no longer an emerging growth company or (ii) affirmatively and irrevocably opts out of the extended transition period provided in

the JOBS Act. As a result, these unaudited condensed consolidated financial statements may not be comparable to companies that comply with the new or revised accounting pronouncements as of public company effective dates.

Recently Issued but Not yet Adopted Accounting Pronouncements

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, which requires disclosure of incremental segment information on an annual and interim basis. This ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024 on a retrospective basis. The Company is currently evaluating the effect of this pronouncement on its disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which expands the disclosures required for income taxes. This ASU is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The amendment should be applied on a prospective basis while retrospective application is permitted. The Company is currently evaluating the effect of this pronouncement on its disclosures.

(4) Fair Value Measurements

The Company utilizes a valuation hierarchy that prioritizes fair value measurements based on the types of inputs used for the various valuation techniques related to its financial assets and financial liabilities. The three levels of inputs used to measure fair value are described as follows:

Level 1 – Observable inputs such as quoted prices in active markets.

Level 2 – Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly.

Level 3 – Unobservable inputs for which there is little or no market data, which require the reporting entity to develop its own assumptions.

In accordance with the fair value hierarchy described above, the following table sets forth the Company's assets and liabilities measured at fair value on a recurring basis:

	June 30, 2024				September 30, 2024			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant C Observable Ir (Level 2)
Financial assets							
Cash equivalents (Money Market Accounts)	$101,064,195	$ 101,064,195	$ —	$ —	$84,304,470	$ 84,304,470	$

	December 31, 2023			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Financial assets				
Cash equivalents (Money Market Accounts)	$ 14,017,306	$ 14,017,306	$ —	$ —

(5) Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

	June 30, 2024	December 31, 2023
	September 30, 2024	December 31, 2023
Compensation and benefits		
Research and development costs		
Professional fees		
Other		
Total		

(6) Stockholders' Equity

Increase to Authorized Shares

On September 17, 2024, the Company held a Special Meeting of Stockholders (the "Special Meeting"). At the Special Meeting, the Company's stockholders approved, among other things, an amendment to the Company's Amended and Restated Certificate of Incorporation to increase the number of authorized shares of common stock from 100,000,000 to 200,000,000.

Private Placement

On May 1, 2024, the Company entered into a securities purchase agreement (the "Purchase Agreement") for the private placement (the "Private Placement") of (i) 59,032,259 shares (the "Shares") of the Company's common stock at a purchase price of $1.55 per Share, and (ii) pre-funded warrants (the "Pre-Funded Warrants") to purchase 5,482,741 shares of common stock at a purchase price of $1.549 per Pre-Funded Warrant. The Pre-Funded Warrants have an exercise price of $0.001 per share of common stock, are immediately exercisable and remain exercisable until exercised in full. As of June 30, 2024 September 30, 2024, the Pre-Funded Warrants had not been exercised. The aggregate gross proceeds for the Private Placement were approximately $100 million, before deducting offering expenses of approximately $5.2 million, and the Private Placement closed on May 6, 2024.

Warrants for Common Stock

In connection with the Company's initial public offering ("IPO") and private placement in 2021, the Company issued warrants to purchase shares of common stock.

In March 2022, the Company issued 360,000 warrants to purchase common stock with an exercise price of $10.00 per share and a term of 5.76 years as compensation for professional consulting services performed in 2021.

At June 30, 2024 September 30, 2024, the Company had the following warrants outstanding to acquire common stock:

	Outstanding		Exercise price	Expiration dates
Issued in connection with 2021 IPO	250,000	$	6.25	October 2026
Issued in connection with 2021 private placement	5,250,000	$	6.25	June 2027
Issued in 2022 for consulting services	360,000	$	10.00	December 2027
Issued in connection with 2024 private placement	5,482,741	$	0.001	No expiration
	11,342,741			

(7) Share-based Compensation

In April 2021, the Company adopted the 2021 Long-Term Performance Incentive Plan ("2021 Incentive Plan"). Under the 2021 Incentive Plan, the Company can grant stock options, stock appreciation rights, restricted stock, restricted stock units ("RSUs") and stock grants. The 2021 Incentive Plan allows for the issuance of up to 1,266,092 shares of common stock (the "Share Limit"). The Share Limit automatically increases on January 1st of each year, during the term of the 2021 Incentive Plan, commencing on January 1 of the year following the year in which the effective date occurs, in an amount equal to four percent (4%) of the total number of shares of the Company's common stock outstanding on December 31st of the preceding calendar year; provided that the board of directors may determine that there will be no such increase or a smaller increase for any particular year. As of June 30, 2024 September 30, 2024, 261,745 223,115 shares remained available for future grants.

In addition, from time to time, the Company makes inducement grants of stock options to new hires, which awards are made pursuant to the Nasdaq's inducement grant exception to the shareholder approval requirement for grants of equity compensation. During the nine months ended September 30, 2024, the Company granted inducement stock options

covering 317,407 shares of the Company's common stock to new employees.

Share-based awards generally vest over a period of one year to four years, and share-based awards that lapse or are forfeited are available to be granted again. The contractual life of all share-based awards is ten years. The expiration dates of the outstanding share-based awards range from January 2028 to June September 2034.

The Company measures share-based awards at their grant-date fair value and records compensation expense on a straight-line basis over the service period of the awards. Share-based compensation is allocated to employees and consultants based on their respective departments. All board of directors' compensation is charged to general and administrative expense.

Share-based compensation expense related to the issuance of stock options was as follows for the three and six nine months ended June 30, 2024 September 30, 2024 and 2023:

	Three months ended June 30,	Three months ended June 30,	Three months ended June 30,	Three months ended September 30,	Three months ended September 30,	Three months ended September 30,
	2024	2024	2024			
Research and development						
Research and development						
Research and development						
General and administrative						
General and administrative						
General and administrative						
	$					
	$					
	$					

The weighted average assumptions used in the Black-Scholes option pricing model to determine the fair value of share-based awards granted to employees during the six nine months ended June 30, 2024 September 30, 2024 and 2023 were as follows:

		2024		2023		2024		2023
Expected stock price volatility	Expected stock price volatility	95.18%		91.98%	Expected stock price volatility	95.52%		91.98%
Risk-free interest rate	Risk-free interest rate	4.26%		3.86%	Risk-free interest rate	4.13%		3.86%
Expected term (in years)	Expected term (in years)		6.00	Expected term (in years)			6.00	
Expected dividend yield	Expected dividend yield		—	Expected dividend yield			—	

The following table summarizes the share-based award activity for the periods presented:

	Number of Shares	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value	Number of Shares	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value
Outstanding at January 1, 2024								
Granted								
Forfeited								
Forfeited								
Forfeited								
Outstanding at June 30, 2024								
Outstanding at June 30, 2024								
Outstanding at June 30, 2024								

Vested and exercisable at June 30, 2024
Vested and expected to vest at June 30, 2024
Outstanding at September 30, 2024
Outstanding at September 30, 2024
Outstanding at September 30, 2024
Vested and exercisable at September 30, 2024
Vested and expected to vest at September 30, 2024

The weighted average fair value of share-based awards granted during the six nine months ended June 30, 2024 September 30, 2024 and 2023 was $0.94 $1.19 and $0.65, respectively. As of June 30, 2024 September 30, 2024, the unrecognized compensation cost related to outstanding share-based awards was $1.4 $1.8 million and is expected to be recognized as expense over a weighted-average period of approximately 2.6 2.8 years.

(8) Commitments and Contingencies, including License Agreements

Operating Lease

In February 2022, the Company commenced a noncancellable operating sublease for corporate office space in Philadelphia, Pennsylvania. In March 2023, the Company entered into a direct lease for this same office space that commenced on August 1, 2023. In March 2024, the Company amended the lease, which extended the expiration date to November 30, 2024. In July 2024, the Company further amended the lease, which is now set to expire on November 30, 2026, pursuant to which thus making the arrangement no longer qualify for the short-term lease exception under ASC 842. The Company also retains the right to renew the lease for up to two consecutive 12-month terms upon at least nine months advance notice to the landlord before any such successive renewal. These renewal options were not contemplated in the Company's calculation of its right of use asset and lease liability.

As of June 30, 2024 September 30, 2024, the operating lease right-of-use asset and the operating lease liabilities were immaterial. each $0.2 million, which were estimated using a discount rate of 11%. As of June 30, 2024 September 30, 2024, the remaining term of the Company’s noncancellable operating lease was 0.42 2.2 years. Future minimum lease payments under the sublease are $52,000 $0.3 million at June 30, 2024 September 30, 2024.

The Company recognizes rent expense on a straight-line basis over the lease period and accrues for rent expense incurred but not yet paid. Rent expense related to the Company’s operating lease was approximately $31,000 and $22,000 $18,000 for the three months ended June 30, 2024 September 30, 2024 and 2023, respectively. Rent expense related to the Company’s operating lease was approximately $62,000 $93,000 and $45,000 $63,000 for the six nine months ended June 30, 2024 September 30, 2024 and 2023, respectively.

Employee Benefit Plans

The Company established a defined contribution 401(k) plan in which employees may contribute up to 100% of their salary and bonus, subject to statutory maximum contribution amounts. The Company contributes a safe harbor minimum contribution equivalent to 3% of employees' compensation. The Company generally assumes all administrative costs of the plan. For the three months ended June 30, 2024 September 30, 2024 and 2023, the Company provided contributions of approximately $12,000 $9,000 and $15,000, $7,000, respectively. For the six nine months ended June 30, 2024 September 30, 2024 and 2023, the Company provided contributions of approximately $41,000 $50,000 and $55,000, $62,000, respectively.

Collaboration Agreement with Tyligand Bioscience

In March 2020, the Company entered into a process development agreement (the “Tyligand Process Development Agreement”) with Tyligand Bioscience (Shanghai) Limited (“Tyligand”) for the development, manufacturing, registration and future commercialization of ONA-XR.

Under the terms Upon completion of specific performance-based milestones under the Tyligand Process Development Agreement, Tyligand was solely responsible for the design and optimization of an improved manufacturing process for ONA-XR. Upon completion of specific performance-based milestones, in August 2021, the Company and Tyligand entered into a license agreement (the “Tyligand License Agreement”) whereby Tyligand was granted the exclusive right to ONA-XR and is was solely responsible for the development and commercialization of ONA-XR in China, Hong Kong and Macau (the “Territory”). Macau. The Company retained rights in the rest of the world to commercialize ONA-XR. The Tyligand License Agreement provides for termination in the event of (a) insolvency, (b) a material breach of the agreement, and (c) in the event that Tyligand does not meet certain regulatory milestones. For example, In August 2024, the Company has the ability and Tyligand mutually agreed to terminate the Tyligand License Agreement, if Tyligand fails to file and receive acceptance of an investigational new drug for an ONA-XR related product in the People’s Republic of China by August 23, 2024.

Under the Tyligand Process Development Agreement, any ongoing payment obligations the Company paid Tyligand certain milestone payments upon successful completion of the manufacturing development plan in 2021. In addition, $2.0 million would be payable upon the completion of scale-up of the first cumulative 100 kilograms of the Good Manufacturing Practices (“GMP”)-grade compound and $3.0 million upon the Company’s completion of scale-up of the first cumulative 300 kilograms of the GMP-grade compound. In consideration of and upon Tyligand’s successful completion of the development plan, within 30 days at the end of each calendar quarter, the Company shall pay Tyligand 1% of net sales of finished product utilizing the compound substantially manufactured in accordance with the process and specifications outlined in the Tyligand Process Development Agreement. The Tyligand Process Development Agreement terminated in August 2021, subject to certain surviving and ongoing obligations, including the scale up payments and the 1% net sales payment obligations. Due to the Company's decision to discontinue the development of ONA-XR, the Company does not anticipate any further payments will become due may have had to Tyligand under the Tyligand Process Development Agreement.

Per the Tyligand License Agreement, Tyligand shall pay the Company a non-refundable, non-creditable royalty at a rate in the mid-single digits of the net sales of each product in the Territory in each calendar quarter commencing with the first commercial sale of such product in the field in the Territory and ending upon the latest of (i) the sale of a generic product in the Territory and (ii) 15 years after the date of the first commercial sale of product in the Territory.

Collaboration and Licensing Agreement with Integral Molecular

In April 2021, the Company entered into a collaboration and licensing agreement with Integral Molecular, Inc. ("Integral") (the "Integral License Agreement") for the development of a CLDN6 bispecific antibody for cancer therapy. Under the terms of the agreement, Integral and the Company will develop CLDN6 bispecific antibodies that trigger the activation of T cells and eliminate cancer cells displaying CLDN6. The Company will conduct preclinical and all clinical development, as well as regulatory and commercial activities through exclusive worldwide rights to develop and commercialize the novel CLDN6 candidates. The payment for the initial upfront license fee as well as subsequent payments for milestones achieved were expensed to acquired in-process research and development. As a part of the agreement, Integral was eligible to receive remaining development and regulatory milestone payments totaling approximately $55.0 million, sales milestone payments totaling up to $130.0 million, and tiered royalties of up to 12% of net sales of certain products developed under this agreement.

On March 20, 2023, the Company amended the Integral License Agreement ("First Amendment") to remove the previously agreed to second milestone payment and to change the amount of the third milestone payment to increase such payment by the amount of the prior second milestone payment and to add payment for third-party research funding obtained and used by Integral in connection with the development of CTIM-76.

On February 29, 2024, the Company further amended the Integral License Agreement ("Second Amendment") to reflect updated financial terms. Integral's right to receive certain future payments was reduced as follows: aggregate development and regulatory milestone payments were reduced from $55 million to $15 million, aggregate sales milestone payments were reduced from $130 million to $12.5 million, and a tiered royalty of 8-12% that commenced at first commercial sale was reduced to a flat royalty rate of 6% on net sales beginning no sooner than February 1, 2034. The Second Amendment also narrowed the license grant from Integral to the Company to only cover CTIM-76, removed any further obligation to reimburse Integral for any third-party research funding Integral applied against CTIM-76 research, and included mutual releases by the parties.

Research and Development Arrangements

In the course of normal business operations, the Company enters into agreements with universities and contract research organizations to assist in the performance of research and development activities and contract manufacturers to assist with

chemistry, manufacturing, and controls-related expenses. Expenditures to contract research organizations represent a significant cost in clinical development for the Company. The Company could also enter into additional collaborative research, contract research, manufacturing, and supplier agreements in the future, which mayrequire upfront payments and long-term commitments of cash.

(9) Subsequent Events Asset Purchase Agreement

On July 9, 2024, the Company entered into an asset purchase agreement (the "Asset Purchase Agreement") pursuant to which the Company acquired CT-95 (formerly known as LNK-101), an MSLN x CD3 T cell engaging bispecific antibody, from Link (assignment for the benefit of creditors), LLC (the "Seller") ("Link"), which succeeded to the assets of Link Immunotherapeutics Inc.

Pursuant to the Asset Purchase Agreement, the Company purchased all of the assets of the Seller from Link associated with CT-95, including patent rights, know-how, regulatory filings, and inventory of drug substance and drug product (the "Transferred Assets"), on an "as is" and "where is" basis. CT-95 patents are currently being prosecuted and/or maintained in the United States, Europe, Canada, Australia and Taiwan. The Company also assumed certain liabilities relating to the Transferred Assets. In consideration of the purchase of the Transferred Assets, the Company made a one-time payment to the Seller Link of $3.75 million and is not obligated to make any other payments. This transaction qualified as an asset purchase as prescribed by ASC 805-50 and the assets purchased were determined to have no alternative future use under the accounting definition, and therefore the Company expensed the one time payment as a component of research and development expense in the condensed consolidated statements of operations for the three and nine months ended September 30, 2024.

Collaboration and Licensing Agreement with BioAtla

On September 23, 2024, the Company entered into a license agreement (the "BioAtla License Agreement") with BioAtla, Inc. ("BioAtla"), pursuant to which the Company obtained an exclusive, worldwide license to develop, manufacture and commercialize two licensed antibodies (the "BioAtla Assets"), including BA3362 (renamed by the Company as CT-202), BioAtla's Nectin-4 x CD3 T cell engaging bispecific antibody.

As partial consideration for the exclusive license under the BioAtla License Agreement, the Company made an upfront payment of $11.0 million for the IPR&D asset which was determined to have no alternative future use under the accounting definition. Therefore, the upfront payment was expensed as a component of research and development expense in the condensed consolidated statements of operations for the three and nine months ended September 30, 2024. The Company may be obligated to pay up to $122.5 million in additional milestone payments based upon the achievement of specified pre-clinical, clinical, development and commercial milestones, as well as tiered mid-single digit to low double-digit royalties on future net sales for products containing the BioAtla Assets, subject to standard reductions. The BioAtla License Agreement will continue on a country-by-country, product-by-product basis until the expiration of the royalty term as defined in the BioAtla License Agreement, unless earlier terminated.

Research and Development Arrangements

In the course of normal business operations, the Company enters into agreements with universities and contract research organizations to assist in the performance of research and development activities and contract manufacturers to assist with chemistry, manufacturing, and controls-related expenses. Expenditures to contract research organizations represent a significant cost in clinical development for the Company. The Company could also enter into additional collaborative research, contract research, manufacturing, and supplier agreements in the future, which mayrequire upfront payments and long-term commitments of cash.

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

You should read the following discussion of our financial condition and results of operations together with our unaudited condensed consolidated financial statements and the notes thereto included elsewhere in this Quarterly Report on Form 10-Q and other financial information included in this report and our audited consolidated financial statements and related notes thereto and management's discussion and analysis of financial condition and results of operations included in our Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the SEC on March 21, 2024. In addition to historical information, the following discussion contains a number of forward-looking statements, all of which are based on our current expectations and could be affected by the uncertainties and risks referred to under Part I, Item 1A. "Risk Factors" of our Annual Report on Form 10-K. Please also see the section entitled "Note Regarding Forward-Looking Statements."

Overview

We are a biopharmaceutical company advancing medicines T cell engaging ("TCE") bispecific antibodies for solid tumors that is tumors. We are building an innovative portfolio of clinical-stage T cell engaging TCE bispecific therapeutics. Product candidates include therapeutics, including CTIM-76, a CLDN6 x CD3 bispecific antibody, and bsAb, CT-95, an MSLN x CD3 bispecific antibody. bsAb, and CT-202, a Nectin-4 x CD3 bsAb.

CTIM-76 is a CLDN6 x CD3 bispecific antibody that is intended to redirect T-cell-mediated lysis toward malignant cells expressing CLDN6. CLDN6 is a tight junction membrane protein target expressed in multiple solid tumors and absent from or expressed at low levels in healthy adult tissues. IND-enabling Investigational New Drug ("IND")-enabling studies on CTIM-76 have been completed. On May 2, 2024, we announced the FDA cleared our Investigational New Drug ("IND") IND application to support the initiation of a Phase 1 dose escalation and expansion trial of CTIM-76 in patients with CLDN6-positive gynecologic and testicular cancers. We anticipate dosing the first patient in the CTIM-76 Phase 1 trial by the end of 2024. We expect to share initial data for the CTIM-76 Phase 1 trial in the third quarter first half of 2024. 2026.

On September 23, 2024, we entered into a license agreement (the "BioAtla License Agreement") with BioAtla, Inc. ("Bioatla"), pursuant to which we obtained an exclusive, worldwide license to develop, manufacture and commercialize two licensed antibodies (the "BioAtla Assets"), including BA3362 (renamed by the Company as CT-202), BioAtla's Nectin-4 x CD3 TCE bispecific antibody.

As partial consideration for the exclusive license under the BioAtla License Agreement, we made an upfront payment of $11.0 million, and BioAtla is eligible to receive up to $122.5 million in additional milestone payments based upon the achievement of specified pre-clinical, clinical, development and commercial milestones, as well as tiered mid-single digit to low double-digit royalties on future net sales for products containing the BioAtla Assets, subject to standard reductions.

CT-202 targets Nectin-4, which is highly and frequently overexpressed in a variety of cancers. Nectin-4 is a clinically-validated target for cancer therapy using a traditional antibody-drug conjugate, but it is also associated with certain adverse events, including neuropathy and rash. CT-202 is a Conditionally Active Biologic T cell engager that is designed to be preferentially active within the tumor microenvironment. We expect to file an IND application for CT-202 in the middle of 2026.

On July 9, 2024, we entered into an asset purchase agreement (the "Asset Purchase Agreement") pursuant to which we acquired CT-95 (formerly known as LNK-101), from Link (assignment for the benefit of creditors), LLC (the "Seller" ("Link"), which succeeded to the assets of Link Immunotherapeutics Inc. The FDA previously cleared the IND application for CT-95. We funded the acquisition of CT-95 and intend to fund its advancement through the dose escalation portion of our planned CT-95 Phase 1 clinical trial with our existing cash.

Pursuant to the Asset Purchase Agreement, we purchased all of the assets of the Seller Link associated with CT-95, including patent rights, know-how, regulatory filings, and inventory of drug substance and drug product (the "Transferred Assets"), on an "as is" and "where is" basis. CT-95 patents are currently being prosecuted and/or maintained in the United States, Europe, Canada, Australia and Taiwan. We also assumed certain liabilities relating to the Transferred Assets. In consideration of the purchase of the Transferred Assets, we made a one-time payment to the Seller Link of $3.75 million.

CT-95 is an MSLN x CD3 bispecific antibody that is intended to redirect T-cell-mediated lysis toward malignant cells expressing MSLN. MSLN is a membrane protein overexpressed in approximately 30% of cancers. One challenge in developing MSLN-targeted therapies has been the presence of MSLN fragments, also referred to as shed MSLN, found in both blood and the tumor microenvironment that can serve as a decoy or sink for MSLN-targeting antibodies. CT-95 is a fully humanized bispecific T cell engager that has a relatively low affinity but high avidity for membrane-bound MSLN, minimizing the impact of the shed MSLN. CT-95 is being developed as a therapy for advanced cancers associated with MSLN expression, including ovarian, lung, pancreatic, and mesothelioma. We expect to dose the first patient in the CT-95 Phase 1 trial in the first quarter of 2025. We expect to share initial data for the CT-95 Phase 1 trial in the middle of 2026.

On May 1, 2024, we entered into a securities purchase agreement (the "Purchase Agreement") for the private placement (the "Private Placement") of (i) 59,032,259 shares (the "Shares") of our common stock at a purchase price of $1.55 per Share, and (ii) pre-funded warrants (the "Pre-Funded Warrants") to purchase 5,482,741 shares of common stock (the "Warrant Shares") at a purchase price of $1.549 per Pre-Funded Warrant. The Pre-Funded Warrants have an exercise price of $0.001 per share of common stock, are immediately exercisable and remain exercisable until exercised in full. The aggregate gross proceeds for the Private Placement were approximately $100 million, before deducting offering expenses of $5.2 million, and the Private Placement closed on May 6, 2024.

Net proceeds from the Private Placement are expected to be used to fund the research and development of CTIM-76 and CT-95, as well as for working capital and general corporate purposes. We expect to have sufficient cash and cash equivalents to fund the estimated duration of our CTIM-76 Phase 1 trial and the dose escalation portion portions of our CTIM-76 and CT-95 Phase 1 trial, trials, the estimated expenses through IND filing for CT-202, as well as our operations into 2028. 2027.

In addition, pursuant to a registration rights agreement dated May 1, 2024 (the "Registration Rights Agreement"), we filed a registration statement for purposes of registering the resale of the Shares (including the Warrant Shares) (the "Registration Statement"), which was declared effective by the SEC on May 31, 2024. We agreed to use our reasonable best efforts to keep the Registration Statement effective until the date that all registrable securities covered by the Registration Statement (i) have been sold, thereunder or pursuant to Rule 144, or (ii) may be sold by a non-affiliate without volume or manner-of-sale restrictions pursuant to Rule 144 and without the requirement for us to be in compliance with the current public information requirement under Rule 144.

On February 29, 2024, we amended the Integral Research Collaboration and License Agreement (the "Integral License Agreement") with Integral Molecular, Inc. ("Integral") to reflect updated financial terms. In the course of our further due diligence review of CTIM-76, we determined that certain of the licensed rights under the Integral License Agreement may incorporate intellectual property rights currently held by a third party. Specifically, we are aware of issued patents in the United States and certain foreign jurisdictions expiring in January 2034 that potentially cover certain of the intellectual property included in CTIM-76. While we believe we will have reasonable defenses against any potential claim of infringement, we may not be successful in such efforts, and we also may not be able to obtain a license to such patent on commercially reasonable terms, or at all.

As part of the Second Amendment, Integral's right to receive certain future payments was reduced as follows: aggregate development and regulatory milestone payments were reduced from $55 million to $15 million, aggregate sales milestone payments were reduced from $130 million to $12.5 million, and a tiered royalty of 8-12% that commenced at first commercial sale was reduced to a flat royalty rate of 6% on net sales beginning no sooner than February 1, 2034. The Second Amendment also narrowed the license grant from Integral to us to only cover CTIM-76, removed any further obligation of us to reimburse Integral for any independently obtained research funding Integral applied against CTIM-76 research, and included mutual releases by the parties.

The reduced development and regulatory milestones now reflect a payment due at each of: first patient's first screening visit in a Phase 1b/2 or Phase 2 clinical trial for CTIM-76, first patient's first screening visit in a Phase 3 clinical trial for CTIM-76, United States marketing approval for CTIM-76, European Union marketing approval for CTIM-76, United Kingdom marketing approval for CTIM-76, and Japan marketing approval for CTIM-76. The amended commercial milestones now also reflect a payment due upon the achievement of annual net sales of $500 million and annual net sales of $1 billion.

On March 22, 2023, we announced a portfolio prioritization and capital allocation strategy, including discontinuing the development of ONA-XR and focusing on the development of CTIM-76. Based upon the challenging market conditions for emerging companies, the increasingly competitive landscape for breast cancer treatments, recent study findings, and other factors, we decided to cease development and explore strategic options for ONA-XR. As a result, we no longer primarily focus on female cancers.

We were incorporated in April 2015 under the laws of the State of Delaware. Since inception, we have devoted substantially all of our resources to developing product and technology rights, conducting research and development, organizing and staffing our company, business planning and raising capital. We operate as one business segment and have incurred recurring losses, the majority of which are attributable to research and development activities, and negative cash flows from operations. We have funded our operations primarily through the sale of common stock, warrants, convertible debt, and convertible preferred stock. Our net loss was $5.9 million $23.4 million for the six nine months ended June 30, 2024 September 30, 2024. As of June 30, 2024 September 30, 2024, we had an accumulated deficit of $74.0 $91.4 million.

Currently, our primary use of cash is to fund operating expenses, which consist primarily of research and development expenditures, as well as general and administrative expenditures. Our ability to generate product revenue sufficient to achieve profitability will depend heavily on the successful development and eventual commercialization of one or more of our current or any future product candidates. We expect to continue to incur significant expenses and operating losses for the foreseeable future as we advance our current and any future product candidates through all stages of development and clinical trials and, ultimately, seek regulatory approval. In addition, if we obtain regulatory approval for any product candidate, we expect to incur significant commercialization expenses related to product manufacturing, marketing, sales and distribution. Furthermore, we have incurred and continue to incur significant costs associated with operating as a public company, including legal, accounting, investor relations and other expenses. Our net losses may fluctuate significantly from quarter-to-quarter and year-to-year, depending on the timing of our clinical trials and our expenses on other research and development activities.

We expect to continue to incur net operating losses for at least the next several years, and we expect our research and development expenses, general and administrative expenses, and capital expenditures will continue to increase. We expect our expenses and capital requirements will increase significantly in connection with our ongoing activities as we:

- continue nonclinical studies and initiate clinical trials for CTIM-76, CT-95, CT-202, and for any additional product candidates that we may pursue;
- continue to scale up external manufacturing capacity with the aim of securing sufficient quantities to meet our capacity requirements for clinical trials and potential commercialization;
- establish a sales, marketing and distribution infrastructure to commercialize any approved product candidate and related additional commercial manufacturing costs;

- develop, maintain, expand, protect and enforce our intellectual property portfolio, including patents, trade secrets and know how;
- acquire or in-license other product candidates and technologies, including related upfront, milestone and royalty payments;
- attract, hire and retain additional executive officers, clinical, scientific, quality control, and manufacturing management and administrative personnel;
- add clinical, operational, financial and management information systems and personnel, including personnel to support our product development and planned future commercialization efforts;
- expand our operations in the United States and to other geographies; and
- incur additional legal, accounting, investor relations and other expenses associated with operating as a public company.

As of June 30, 2024 September 30, 2024, we had cash and cash equivalents of $101.5 million $84.8 million, which we expect will be sufficient to fund our operations into 2028. 2027. If the Company is unable to obtain additional financing, the lack of liquidity could have a material adverse effect on the Company's future prospects.

We will need to raise substantial 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 plan to finance our operations through a combination of equity offerings, debt financings, collaborations, strategic transactions and/or marketing, distribution or licensing arrangements. There are no assurances that we will be successful in obtaining an adequate level of financing as and when needed to finance our operations on terms acceptable to us, or at all. Any failure to raise capital as and when needed could have a negative impact on our financial condition and on our ability to pursue our business plans and strategies. If we are unable to secure adequate additional funding, we may have to significantly delay, scale back or discontinue the development and commercialization of one or more product candidates or delay our pursuit of potential in-licenses or acquisitions.

Components of Our Results of Operations

Operating Expenses

Research and Development Expenses

Research and development expenses have consisted primarily of costs incurred in connection with the discovery and development of our product candidates. We expense research and development costs as incurred, including:

- expenses incurred to conduct the necessary discovery-stage laboratory work, preclinical studies and clinical trials required to obtain regulatory approval;
- personnel expenses, including salaries, benefits and share-based compensation expense for our employees and consultants engaged in research and development functions;
- costs of funding research performed by third parties, including pursuant to agreements with contract research organizations ("CROs" (“CROs”) that conduct our clinical trials, as well as investigative sites, consultants and CROs that conduct our preclinical and clinical studies;
- expenses incurred under agreements with contract manufacturing organizations, including manufacturing scale-up expenses, milestone-based payments, and the cost of acquiring and manufacturing preclinical study and clinical trial materials;
- fees paid to consultants who assist with research and development activities;
- license payments and acquisitions of IPR&D assets that have no alternative future use;
- expenses related to regulatory activities, including filing fees paid to regulatory agencies; and
- allocated expenses for facility costs, including rent, utilities and maintenance.

We track outsourced development costs and other external research and development costs to specific product candidates on a program-by-program basis. However, we do not track our internal research and development expenses on a program-by-program basis as they primarily relate to compensation, early research and other costs which are deployed across multiple projects under development.

Research and development activities are central to our business model. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. We expect our research and development expenses to increase significantly over the next several years as we increase personnel costs, including share-based compensation, conduct our clinical trials, including later-stage clinical trials, for current and any future product candidates and prepare regulatory filings for our current and any future product candidates.

General and Administrative Expenses

General and administrative expenses have consisted primarily of personnel expenses, including salaries, benefits and share-based compensation expense, for employees and consultants in executive, finance and accounting, legal, operations support, information technology and business development functions. General and administrative expense also includes corporate facility costs not otherwise included in research and development expense, including rent, utilities and insurance, as well as legal fees related to intellectual property and corporate matters and fees for accounting and consulting services.

We expect that our general and administrative expenses will increase in the future to support our continued research and development activities, potential commercialization efforts and increased costs of operating as a public company. These increases will likely include increased costs related to the hiring of additional personnel and fees to outside consultants, legal support and accountants, among other expenses. Additionally, we will continue to incur significant costs associated with being a public company, including expenses related to services associated with maintaining compliance with the requirements of Nasdaq and the SEC, insurance and investor relations costs. If any of our current or future product candidates obtain U.S. regulatory approval, we expect that we would incur significantly increased expenses associated with building a sales and marketing team.

Interest Income

Interest income consists of interest earned on our cash and cash equivalents.

Other (Expense) Income

Other (expense) income is primarily due to the recognition of foreign currency gains or losses as a result of exchange rate fluctuations on transactions denominated in a currency other than our functional currency.

Results of Operations

Comparison of the Three Months Ended June 30, 2024 September 30, 2024 and 2023

The following table sets forth our results of operations for the three months ended June 30, 2024 September 30, 2024 and 2023:

	Three Months Ended June 30,						Three Months Ended September 30,					
	2024		2023		$ Change	% Change	2024		2023			
Operating expenses:												
Research and development												
Research and development												
Research and development	$ 1,384,553	$	$ 3,460,937	$	$ (2,076,384)	(60)	(60) %	$ 16,825,198		$	$	4,485,
General and administrative	General and administrative	1,703,996	1,831,431	1,831,431	(127,435)	(127,435)	(7)	(7) %	General and administrative	1,876,230	1,695,272	
Loss from operations	Loss from operations	(3,088,549)	(5,292,368)	(5,292,368)	2,203,819	2,203,819	(42)	(42) %	Loss from operations	(18,701,428)	(6,180,495)	
Interest income	Interest income	840,150	293,274	293,274	546,876	546,876	186	186 %	Interest income	1,243,687	290,440	
Other expense		(6,107)		(12,227)		6,120		(50) %				
Other (expense) income		(2,152)		15,369		(17,521)		(114) %				
Net loss	Net loss	$ (2,254,506)	$	$ (5,011,321)	$	$ 2,756,815	(55)	(55) %	Net loss	$ (17,459,893)	$	

Research and Development Expenses

Research and development expenses decreased increased by approximately $2.1 million $12.3 million for the three months ended June 30, 2024 September 30, 2024 as compared to the same period in 2023. The following table summarizes our research and development expenses for the three months ended June 30, 2024 September 30, 2024 as compared to the same period in 2023:

		Three Months Ended June 30, Three Months Ended September 30, 2024 2024 2024		2023		$ Change		% Change			2023
ONA-XR	ONA-XR	$ —	$	$ (167,312)	$	$ 167,312	(100)	(100) %	ONA-XR	$ —	$
CTIM-76	CTIM-76	1,338,285	3,323,226	3,323,226	(1,984,941)	(1,984,941)	(60)	(60) %	CTIM-76	1,431,387	4,191,008
CT-95		4,008,841		—		4,008,841		*			
CT-202		11,016,442		—		11,016,442		*			
Personnel-related costs	Personnel-related costs	42,488	287,752	287,752	(245,264)	(245,264)	(85)	(85) %	Personnel-related costs	349,414	295,323
Other research and development	Other research and development	3,780	17,271	17,271	(13,491)	(13,491)	(78)	(78) %	Other research and development	19,114	16,255
	$	$ 1,384,553	$	$ 3,460,937	$	$ (2,076,384)	(60)	(60) %			$ 16,825,198

* *Percentage not meaningful*

ONA-XR income of $0.2 million $17,363 for the three months ended June 30, 2023 September 30, 2023 was due to actual closeout costs incurred being less than the estimated close out costs recorded as of March 31, 2023 June 30, 2023, following our decision in March 2023 to discontinue the development of ONA-XR and focus on the development of CTIM-76. CTIM-76 expenditures decreased by $2.0 $2.8 million, primarily due to a decrease of $2.7 million $3.5 million in contract manufacturing costs and preclinical costs, partially offset by an increase of $0.7 million $0.8 million in clinical and regulatory costs as a result of preparing to initiate initiating our planned Phase 1 clinical trial. CT-95 expense of $4.0 million primarily represents consideration paid of $3.75 million to acquire the asset from Link in July 2024 and approximately $0.2 million in other preclinical expenses incurred. CT-202 expense of $11.0 million primarily represents consideration paid under the BioAtla

License Agreement entered into in September 2024. Personnel-related costs, which include salaries, benefits and stock-based compensation expense, decreased increased by approximately $0.2 million $0.1 million, primarily due to lower higher headcount over the prior year period.

General and Administrative Expenses

General and administrative expenses decreased increased by approximately $0.1 million $0.2 million for the three months ended June 30, 2024 September 30, 2024 as compared to the same period in 2023. The decrease increase was primarily driven by decreases in compensation and share-based compensation costs of $0.2 million and insurance expense of $0.1 million, partially offset by an increase in professional fees of $0.1 million. $0.2 million for legal services incurred during the three months ended September 30, 2024.

Interest Income

Interest income increased by approximately $0.5 million $1.0 million for the three months ended June 30, 2024 September 30, 2024 as compared to the same period in 2023 primarily due to higher cash and cash equivalent balances due to the Private Placement.

Other expense

(expense) income

Other expense decreased by approximately $6,000 was $2,152 for the three months ended June 30, 2024 September 30, 2024 as compared to other income of $15,369 for the same period in 2023, primarily due to lower higher foreign currency losses as a result of exchange rate fluctuations on transactions denominated in a currency other than our functional currency.

Comparison of the Six Nine Months Ended June 30, 2024 September 30, 2024 and 2023

The following table sets forth our results of operations for the six nine months ended June 30, 2024 September 30, 2024 and 2023:

		Six Months Ended June 30, / Nine Months Ended September 30,										
		2024 / 2024 / 2024		2023		$ Change		% Change			2023	
Operating expenses:												
Research and development / Research and development / Research and development		$ 3,357,762	$	$ 7,995,613	$	$ (4,637,851)	(58)	(58) %	$ 20,182,960	$	$	12,480,8
General and administrative	General and administrative	3,554,288	3,963,303	3,963,303	(409,015)	(409,015)	(10)	(10) %	General and administrative	5,430,518	5,658,575	
Loss from operations	Loss from operations	(6,912,050)	(11,958,916)	(11,958,916)	5,046,866	5,046,866	(42)	(42) %	Loss from operations	(25,613,478)	(18,139,411)	
Interest income	Interest income	992,501	648,816	648,816	343,685	343,685	53	53 %	Interest income	2,236,188	939,256	
Other expense		(2,754)		(9,539)		6,785		(71) %				
Other (expense) income		(4,906)		5,830		(10,736)		(184) %				
Net loss	Net loss	$ (5,922,303)	$	$ (11,319,639)	$	$ 5,397,336	(48)	(48) %	Net loss	$ (23,382,196)	$	

Research and Development Expenses

Research and development expenses decreased increased by approximately $4.6 million $7.7 million for the six nine months ended June 30, 2024 September 30, 2024 as compared to the same period in 2023. The following table summarizes our research and development expenses for the six nine months ended June 30, 2024 September 30, 2024 as compared to the same period in 2023:

		Six Months Ended June 30, / Nine Months Ended September 30,										
		2024 / 2024 / 2024		2023		$ Change		% Change			2023	
ONA-XR	ONA-XR	$ —	$	$ 1,921,451	$	$ (1,921,451)	(100)	(100) %	ONA-XR	$ —	$	$ 1,
CTIM-76	CTIM-76	3,228,377	5,408,501	5,408,501	(2,180,124)	(2,180,124)	(40)	(40) %	CTIM-76	4,659,764	9,599,509	
CT-95		4,008,841		—		4,008,841		*				
CT-202		11,016,442		—		11,016,442		*				
Personnel-related costs	Personnel-related costs	121,357	633,007	633,007	(511,650)	(511,650)	(81)	(81) %	Personnel-related costs	470,771	928,330	
Other research and development	Other research and development	8,028	32,654	32,654	(24,626)	(24,626)	(75)	(75) %	Other research and development	27,142	48,909	
	$	$ 3,357,762	$	$ 7,995,613	$	$ (4,637,851)	(58)	(58) %			$ 20,182,960	$

** Percentage not meaningful*

The decrease in ONA-XR expense of $1.9 million was due to the decision in March 2023 to discontinue the development of ONA-XR and focus on the development of CTIM-76. CTIM-76 expenditures decreased by $2.2 million $4.9 million, primarily due to a decrease of $3.2 million $6.8 million in preclinical and contract manufacturing costs, partially offset by an increase of $0.9 million $1.7 million in clinical and regulatory costs as a result of preparing to initiate initiating our planned Phase 1 clinical trial. CT-95 expense of $4.0 million primarily represents consideration paid of $3.75 million to acquire the asset from Link in July 2024 and approximately $0.2 million in other preclinical expenses incurred. CT-202 expense of $11.0 million primarily represents consideration paid under the BioAtla License Agreement entered into in September 2024. Personnel-related costs, which include salaries, benefits and stock-based compensation expense, decreased by approximately $0.5 million, primarily due to lower average headcount over the prior year period.

General and Administrative Expenses

General and administrative expenses decreased by approximately $0.4 million $0.2 million for the six nine months ended June 30, 2024 September 30, 2024 as compared to the same period in 2023. The decrease was primarily driven by decreases in compensation and share-based compensation costs of $0.3 million and insurance expense of $0.1 million $0.2 million. These decreases were partially offset by an increase in professional fees of $0.2 million in the nine months ended September 30, 2024.

Interest Income

Interest income increased by approximately $0.3 million $1.3 million for the six nine months ended June 30, 2024 September 30, 2024 as compared to the same period in 2023 primarily due to higher cash and cash equivalent balances due to the Private Placement.

Other expense

Other expense decreased by approximately $7,000 was $4,906 for the six nine months ended June 30, 2024 September 30, 2024 as compared to other income of $5,830 for the same period in 2023, primarily due to lower higher foreign currency losses as a result of exchange rate fluctuations on transactions denominated in a currency other than our functional currency.

Liquidity and Capital Resources

Overview

Since our inception, we have not recognized any revenue and have incurred operating losses and negative cash flows from our operations. We have not yet commercialized any product and we do not expect to generate revenue from sales of any products convfor for several years, if at all. Since our inception through June 30, 2024 September 30, 2024, we have funded our operations through the sale of common stock, warrants, convertible debt, and convertible preferred stock. As of June 30, 2024 September 30, 2024, we had $101.5 million $84.8 million in cash and cash equivalents and an accumulated deficit of $74.0 $91.4 million.

We expect our cash and cash equivalents at June 30, 2024 September 30, 2024 to fund the estimated duration of our CTIM-76 Phase 1 trial and the dose escalation portion portions of our CTIM-76 and CT-95 Phase 1 trial, trials, the estimated expenses through IND filing for CT-202, as well as our operations into 2028. 2027. We have based these estimates on assumptions that may prove to be imprecise, and we could utilize our available capital resources sooner than we expect.

Funding Requirements

Our primary use of cash is to fund operating expenses, which consist of research and development expenditures and various general and administrative expenses. Cash used to fund operating expenses is impacted by the timing of when we pay these expenses, as reflected in the change in our outstanding accounts payable, accrued expenses and prepaid expenses.

Because of the numerous risks and uncertainties associated with research, development and commercialization of pharmaceutical products, we are unable to estimate the exact amount of our operating capital requirements. Our future funding requirements will depend on many factors, including, but not limited to:

- the scope, timing, progress and results of discovery, preclinical development, laboratory testing and clinical trials for our current and any future product candidates that we may pursue;
- the costs of manufacturing our current and any future product candidates for clinical trials and in preparation for regulatory approval and commercialization;
- the extent to which we enter into collaborations or other arrangements with additional third parties in order to further develop our current and any future product candidates that we may pursue;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims;
- the costs and fees associated with the discovery, acquisition or in-license of additional product candidates or technologies;
- expenses needed to attract and retain skilled personnel;

- costs associated with being a public company;
- the costs required to scale up our clinical, regulatory and manufacturing capabilities;
- the costs of future commercialization activities, if any, including establishing sales, marketing, manufacturing and distribution capabilities, for our current and any future product candidates for which we receive regulatory approval; and
- revenue, if any, received from commercial sales of our current and any future product candidates, should any of our product candidates receive regulatory approval.

We will need additional funds to meet our operational needs and capital requirements for clinical trials, other research and development expenditures, and general and administrative expenses. We currently have no credit facility or committed sources of capital.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our operations through a combination of equity offerings, debt financings, collaborations, strategic transactions and/or marketing, distribution or licensing arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interests of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making acquisitions or capital expenditures or declaring dividends. If we raise additional funds through collaborations, strategic transactions or marketing, distribution 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 grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed, we may be required to delay, limit, reduce or terminate our research, product development or future commercialization efforts, or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

Cash Flows

The following table shows a summary of our cash flows for the periods indicated:

	Six Months Ended June 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Cash used in operating activities				
Cash provided by financing activities				
Cash provided by financing activities				
Cash used in investing activities				
Cash provided by financing activities				
Net increase (decrease) in cash and cash equivalents				

Comparison of the Six Nine Months Ended June 30, 2024 September 30, 2024 and 2023

Operating Activities

During the six nine months ended June 30, 2024 September 30, 2024, we used $7.7 million $9.6 million of cash in operating activities. Cash used in operating activities reflected our net loss of $5.9 million $23.4 million and a change in our operating assets and liabilities of $2.2 million $1.7 million, partially offset by in-process research and development charges of $14.8 million and non-cash share-based compensation expense of $0.4 million. The primary uses of cash were to fund our operations related to the development of CTIM-76.

During the six months ended June 30, 2023, we used $10.4 million of cash in operating activities. Cash used in operating activities reflected our net loss of $11.3 million, partially offset by non-cash share-based compensation expense of $0.6 million and a change in our operating assets and liabilities of $0.3 million. The primary uses of cash were to fund our operations related to the development of our product candidates.

During the nine months ended September 30, 2023, we used $13.8 million of cash in operating activities. Cash used in operating activities reflected our net loss of $17.2 million, partially offset by a change in our operating assets and liabilities of $2.5 million and non-cash share-based compensation expense of $0.8 million. The primary uses of cash were to fund our operations related to the development of our product candidates.

Investing Activities

During the nine months ended September 30, 2024, cash used in investing activities was primarily attributable to a one-time payment of $3.75 million made to Link to acquire the assets associated with CT-95 and a payment of $11.0 million under the BioAtla License Agreement for the development of CT-202. In addition, we used $7,000 of cash to purchase property and equipment.

We did not have cash flows from investing activities during the nine months ended September 30, 2023.

Financing Activities

During the six nine months ended June 30, 2024 September 30, 2024, financing activities provided $94.8 million, consisting of net proceeds from the sale of common stock and Pre-Funded Warrants in the Private Placement.

We did not have cash flows from financing activities during the six nine months ended June 30, 2023 September 30, 2023.

Off-Balance Sheet Arrangements

During the periods presented, we did not have, nor do we currently have, any relationships with unconsolidated entities or financial partnerships, including entities sometimes referred to as structured finance or special purpose entities, that were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. We do not engage in off-balance sheet financing arrangements. In addition, we do not engage in trading activities involving non-exchange traded contracts. We therefore believe that we are not materially exposed to any financing, liquidity, market or credit risk that could arise if we had engaged in these relationships.

Critical Accounting Policies and Estimates

During the three and six nine months ended June 30, 2024 September 30, 2024, there were no material changes to our critical accounting policies and estimates from those described in our Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the SEC on March 21, 2024.

Recent Accounting Pronouncements

See Note 3 to our unaudited condensed consolidated financial statements found elsewhere in this Quarterly Report for a description of recent accounting pronouncements applicable to our unaudited condensed consolidated financial statements.

Emerging Growth Company and Smaller Reporting Company Status

In April 2012, the JOBS Act was enacted. Section 107 of the JOBS Act provides that an “emerging growth company” can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended, for complying with new or revised accounting standards. Thus, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to avail ourselves of this exemption from complying with new or revised accounting standards and, therefore, will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

Other exemptions and reduced reporting requirements under the JOBS Act include, without limitation, the requirements for providing an auditor’s attestation report on our system of internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002, an exemption from any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation, and less extensive disclosure about our executive compensation arrangements. We will remain an emerging growth company until the earlier to occur of (a) the last day of the fiscal year (i) following October 19, 2026, (ii) in which we have total annual gross revenues of at least $1.235 billion or (iii) in which we are deemed to be a “large accelerated filer” under the rules of the SEC, which means that we have been required to file annual and quarterly reports under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), for a period of at least 12 months and have filed at least one annual report pursuant to the Exchange Act and (b) either (i) the market value of our common stock that is held by non-affiliates exceeds $700.0 million as of the prior June 30th, or (ii) the date on which we have issued more than $1.0 billion in non-convertible debt during the prior three-year period.

We are also a “smaller reporting company,” meaning that the market value of our stock held by non-affiliates is less than $700.0 million and our annual revenue was less than $100.0 million during the most recently completed fiscal year. We will continue to be a smaller reporting company while either (i) the market value of our stock held by non-affiliates is less than $250.0 million or (ii) our annual revenue is less than $100.0 million during the most recently completed fiscal year and the market value of our stock held by non-affiliates is less than $700.0 million. If we are a smaller reporting company at the time we cease to be an emerging growth company, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. Specifically, as a smaller reporting company we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and, similar to emerging growth companies, smaller reporting companies have reduced disclosure obligations regarding executive compensation.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are a smaller reporting company as defined in Rule 12b-2 of the Exchange Act and are not required to provide the information otherwise required under this Item 3.

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 the 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 September 30, 2024, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures as of such date were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2024 September 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

From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. We are not presently a party to any material legal proceedings.

Item 1A. Risk Factors

Investing in our common stock involves a high degree of risk. In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the factors described under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on March 21, 2024. There have been no material changes to the risk factors described in that report. The occurrence of any of the events or developments described in our Risk Factors could adversely affect our business, financial condition, results of operations and growth prospects. In such an event, the market price of our common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations.

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

None. During the third quarter of 2024, the Company granted inducement stock options outside of the 2021 Long-Term Performance Incentive Plan covering 317,407 shares of the Company’s common stock to new employees (the "Inducement Grants") with a weighted average exercise price of $2.25 per share. Each respective Inducement Grants will vest as to 25% of the shares on the first anniversary of the date of grant and in successive equal monthly installments over the subsequent three years, subject to continued employment with the Company and the terms and conditions in the stock option agreement. The options were granted pursuant to the exemption contained in Section 4(a)(2) of the Securities Act of 1933.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended June 30, 2024 September 30, 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act or any non-Rule 10b5-1 trading arrangement (as defined in the SEC’s rules).

Item 6. Exhibits

Exhibit No.	Exhibit Description
3.1	Amended & Restated Certificate of Incorporation of Context Therapeutics Inc. as amended through September 17, 2024 (incorporated by reference to Exhibit 3.1 3.2 to the Company's Current Report on Form 8-K (File No. 001-40654), as filed with the SEC on October 22, 2021).September 17, 2024).
3.2	Amended and Restated Bylaws of Context Therapeutics Inc. (incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K (File No. 001-40654), as filed with the SEC on March 21, 2024).
4.1	Form of Pre-Funded Warrant (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K (File No. 001-40654), as filed with the SEC on May 2, 2024).
10.1	Securities Purchase Agreement, dated May 1, 2024, by and between the Company and the Purchasers named therein (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-40654), as filed with the SEC on May 2, 2024).
10.2	Registration Rights Agreement, dated May 1, 2024, by and between the Company and the Purchasers named therein (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-40654), as filed with the SEC on May 2, 2024).
10.3#10.1#	Asset Purchase Agreement, dated July 9, 2024, by and between Company and Link (assignment for the benefit of creditors), LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-40654), as filed with the SEC on July 10, 2024).
10.4*†10.2†	Employment Agreement, dated August 1, 2024, between Context Therapeutics Therapeutics Inc. and Claudio Alberto Dansky Ullmann, M.D. (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q (File No. 001-40654), as filed with the SEC on August 7, 2024).
10.3#	10.5*†License Agreement, dated September 23, 2024, by and between the Company and BioAtla, Inc.(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-40654), as filed with the SEC on September 23, 2024).
10.4†	Form of Stock Option Agreement (Inducement Grant) of Context Therapeutics Inc.(incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on 10-Q (File No. 001-40654), as filed with the SEC on August 7, 2024).
10.6*†10.5†	Form of Stock Option Agreement under the Context Therapeutics Inc. 2021 Long-Term Incentive Plan(incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on 10-Q (File No. 001-40654), as filed with the SEC on August 7, 2024).
31.1*	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15a-14(a) under the Exchange Act.
31.2*	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15a-14(a) under the Exchange Act.
32.1*+	Certification Pursuant to 18 U.S.C. Section 1350 of principal executive officer and principal financial officer.
101*	The following financial statements from Context Therapeutics Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2024 September 30, 2024, formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets; (ii) Condensed Consolidated Statements of Operations; (iii) Condensed Consolidated Statements of Changes in Stockholders' Equity; (iv) Condensed Consolidated Statements of Cash Flows; (v) Notes to the Condensed Consolidated Financial Statements; and (vi) the information under Part II, Item 5, "Other Information."
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101 hereto)

* Filed herewith
† Executive Compensation Plan or Agreement
# Certain information has been excluded from the exhibit because it both (i) is not material and (ii) is the type that the registrant treats as private or confidential.
+ This certification is being furnished pursuant to 18 U.S.C. Section 1350 and is not being filed for purposes of Section 18 of the Exchange Act, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof.

SIGNATURES

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

Date: August 7, 2024 November 6, 2024

CONTEXT THERAPEUTICS INC.

By: /s/ Martin Lehr
Martin Lehr
Chief Executive Officer (Principal Executive Officer)

By: /s/ Jennifer Minai-Azary
Jennifer Minai-Azary
Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

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Exhibit 10.4

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("**Agreement**")is made and entered into effective as of this 1st day of August, 2024 ("**Effective Date**")by and between Context Therapeutics Inc. (the "**Company**")and Claudio Alberto Dansky Ullmann, M.D. ("**Executive**").The Company and Executive are each referred to herein as a "**Party**"or together as the "**Parties**."Capitalized words not immediately defined shall have the meaning in the "Definitions" Section below.

NOW, THEREFORE, in consideration of the mutual covenants contained and incorporated herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby expressly covenant and agree as follows:

1. Employment Period. The Company shall employ Executive pursuant to this Agreement beginning on the Effective Date and continuing until such employment is terminated pursuant to Section 4 below (the "**Employment Period**").During the Employment Period, Executive shall remain in the employ of the Company and provide services to the Company in accordance with the terms of this Agreement.

2. Position and Duties.

(a) The Company shall employ Executive during the Employment Period as its Chief Medical Officer ("**CMO**")**.** During the Employment Period, Executive shall devote Executive's full business time, energy, and talent to serving as Executive Officer of the Company, subject to the direction of the Company's Chief Executive Officer (the "**CEO**"),board of directors (the "**Board**")or the compensation committee of the Board (the "**Compensation Committee**").

(b) Executive shall have the duties and responsibilities that are commensurate with Executive's position as a senior executive of the Company in a position with authority to make policy decisions that can affect the entire Company and any other or different duties that may be assigned to Executive by the CEO, Board or the Compensation Committee, and Executive shall perform all such duties faithfully and efficiently in compliance with applicable law and the policies of the Company, as such policies may be in effect from time to time. Executive shall have such authority and powers as are inherent to the undertakings applicable to Executive's position and necessary to carry out the duties required of Executive hereunder.

(c) Executive's principal place of business shall be Executive's home office in Executive's primary place of residence; provided, however, that Executive may be required to travel to the Company's corporate headquarters from time-to-time on dates to be selected by the Company with due regard for Executive's personal commitments. It is understood that Executive may also be required to travel to other locations, both domestic and international, in fulfillment of Executive's duties as set forth herein.

(d) Notwithstanding the foregoing provisions of this **Section 2,** during the Employment Period, Executive may devote reasonable time to activities other than those

required under this Agreement, including activities of a charitable, educational, religious, or similar nature to the extent such activities do not, in the judgment of the CEO or the Board, inhibit, prohibit, interfere with, or conflict with Executive's duties under this Agreement or conflict in any material way with the business of the Company or any Affiliate; *provided, however,* that Executive shall not serve on the board of directors of any business (other than the Company or an Affiliate) or hold any other position with any business without receiving the prior written consent of the CEO or the Board.

3. Compensation and Benefits. During the Employment Period, the Company shall compensate Executive for Executive's services as follows:

(a) Executive shall be paid a base salary at an annual rate of $500,000 (the "**Annual Base Salary**")**,** which shall be payable in accordance with the normal payroll practices of the Company then in effect. The Executive's Annual Base Salary may be increased annually by the Compensation Committee beginning in the first calendar quarter of 2025; *provided* that the decision whether to increase the Executive's Annual Base Salary and by what amount, if any, shall be made in the good faith discretion of the Compensation Committee.

(b) Executive shall be eligible to receive performance-based annual incentive bonuses (each, an "**Incentive Bonus**")from the Company for each fiscal year ending during the Employment Period. Incentive Bonuses shall be as determined in the discretion of the Compensation Committee, or as may be pursuant to a new annual incentive plan as may be adopted and in effect from time to time, with any applicable performance metrics and goals to be established by the Compensation Committee, after consultation with Executive. Executive's initial target Incentive Bonus shall be 40% of Annual Base Salary ("**Target Bonus**"),which Target Bonus may be increased annually by the Compensation Committee beginning in the first calendar quarter of 2025; *provided* that the decision whether to increase the percentage of the Target Bonus and by what amount, if any, shall be made in the good faith discretion of the Compensation Committee. The actual amount of the Executive's Incentive Bonus, if any, shall be determined in the good faith discretion of the Compensation Committee, subject to the terms of any applicable incentive compensation plan that may be in effect from time to time. Notwithstanding anything in this Agreement to the contrary, the Executive's Incentive Bonus for 2024, if any, shall be prorated on a per diem basis for the number of days Executive was employed during 2024, divided by 365. Except as otherwise provided herein, as may be provided by the Compensation Committee or as may otherwise be set forth in any applicable incentive compensation plan, the Executive must be employed by the Company on the day such Incentive Bonus is paid in order to earn or receive such Incentive Bonus. The Incentive Bonus, if any, will be paid to Executive during the period from January 1 through March 15 of the calendar year following the calendar year to which it relates.

(c) Effective as of the Effective Date, Executive shall receive stock options for 202,170 shares of $0.001 par value per share of common stock (the "**Stock**") of the Company (the "**Options**").The Options will vest as to 25% of the total number of shares of Stock covered by the Options, on the one-year anniversary of the date of grant, rounded down to the nearest whole share, and thereafter, the number of shares of Stock which Executive may purchase under

the Options shall vest monthly thereafter at the rate of 2.0833% of the total number of shares of Stock covered by the Options (approximately 1/48th of the shares), rounded down to the nearest whole share, subject to Executive's continuous service to the Company through each such date. The Options will be subject to the terms and conditions of the Company's equity incentive plan (attached hereto as **Exhibit B)** (the "**Plan**")**,** and the Option Agreement (as attached hereto as **Exhibit C).** TheOptions will be granted (i) as an inducement material to Executive entering into employment with the Company in reliance on the employment inducement award exemption under Nasdaq Listing Rule 5635(c)(4) and (ii) as a stand-alone award, separate and apart from, and outside of, the Plan, and shall not constitute an award granted under or pursuant to the Plan. Notwithstanding the foregoing, the terms, provisions, conditions and definitions set forth in the Plan shall apply to the Options.

(d) Executive shall be eligible to participate, subject to the terms thereof, in all incentive plans of the Company as may be in effect from time to time with respect to senior executives employed by the Company in the United States, on as favorable a basis as other similarly situated and performing executives.

(e) Executive shall be eligible to participate, subject to the terms thereof, in all employee benefit plans (including pension, 401(k) and welfare benefit plans) available to the Company's executive employees, subject to the terms and conditions of such benefit plans as in effect from time to time. If the Company does not have in place a medical, vision and dental insurance program, Company shall pay to Executive a monthly amount for Executive to purchase coverage in such amounts and on such terms as Executive and Company may agree.

(f) Executive shall be entitled to take discretionary paid time off in accordance with and subject to the Company's discretionary paid time off programs and policies relating to Executive, and Executive shall exercise reasonable business judgment to ensure that the amount of discretionary paid time taken does not unreasonably interfere with Executive's duties and responsibilities under this Agreement.

(g) Executive shall be reimbursed by the Company for all reasonable out-of-pocket expenses for entertainment, travel, meals, lodging, and similar items that are consistent with the Company's expense reimbursement policy and that are actually incurred by Executive in the promotion of the Company's business.

4. **Termination.** Executive's employment relationship with the Company shall be at-will. Either Party may terminate Executive's employment at any time, with or without Cause or Good Reason, for any or no reason (such date of termination, for any reason, the "**Termination Date**").

(a) **Minimum Benefits upon Termination.** Upon termination of Executive's employment by the Company for any reason, Executive shall be entitled, in addition to any other benefits to which Executive may be entitled under the following provisions of this **Section 4** or the express terms of any employee benefit plan or as required by law, to the following (together, the "**Accrued Benefits**"):

(i) Executive's earned but unpaid Annual Base Salary for the period ending on the Termination Date;

(ii) Executive's earned but unpaid Incentive Bonus, if any, for any completed fiscal year preceding the Termination Date; *provided, however,* that Executive shall not be entitled to any Incentive Bonus in the event of a Termination for Cause if the events giving rise to the

Termination for Cause occurred in such prior fiscal year;

(iii) Executive's accrued but unpaid paid time off;

(iv) Executive's unreimbursed business expenses through and including the Termination Date, *provided* that all required submissions for expense reimbursement are made in accordance with the Company's expense reimbursement policy and within 45 days following the Termination Date; and

(v) The benefits, incentives, and awards described in **Section 4(h)(i).**

Any benefits to be provided to Executive pursuant to this **Section 4(a)** shall be provided within 30 days after the Termination Date (except that payments under Section 4(a)(iv) shall be made within 30 days following submission for reimbursement); *provided, however,* that any benefits, incentives, or awards payable as described in **Section 4(h)(i)** shall be provided in accordance with the terms of the applicable plan, program, or arrangement. Except as may expressly be provided to the contrary in this Agreement, nothing in this Agreement shall be construed as requiring Executive to be treated as employed by the Company or any Affiliate following the Termination Date for purposes of any plan, program, or arrangement.

(b) **Termination for Death or Disability.** Executive's employment shall terminate automatically upon Executive's death. The Company shall be entitled to terminate the employment of Executive upon Executive's Disability by giving written notice to Executive, in which event the date that the Company gives such notice shall be deemed the Termination Date. Upon a Termination due to Executive's death or Disability, Executive (or Executive's estate, if applicable) shall be entitled to the following:

(i) The Accrued Benefits;

(ii) A payment, payable on the 45th day following the Termination Date, equal to the Target Bonus for the fiscal year in which the Termination Date occurs, prorated on a per diem basis for the number of days employed during such fiscal year prior to the Termination Date, divided by 365 (a "**Pro-Rated Bonus**");

(iii) All unvested Options and any other unvested incentive equity awards then held by Executive that are scheduled to vest within twelve (12) months after the Termination Date shall immediately vest; and

(iv) The continuation of benefits as provided in Section 4(g), provided such benefit shall only be for a maximum period of twelve (12) months.

(c) **Termination by Executive for Good Reason or by Company Without Cause**. Executive shall be entitled to terminate Executive's employment for Good Reason by giving at least 10 days', but not more than 30 days', prior written notice of termination to the Company, in which event the date specified in the notice of termination shall be deemed the Termination Date; *provided, however,* that (A) prior to giving such notice of Termination for Good Reason, Executive must give the Company written notice of the existence of any condition giving rise to Good Reason within 30 days of its initial existence and the Company shall have 30 days from the date of such notice in which to cure the condition giving rise to Good Reason, if curable, and if, during such 30-day period, the Company cures the condition giving rise to Good Reason, such condition shall not constitute Good Reason and (B) any Termination for Good Reason must occur within six months of the initial existence of the condition constituting Good Reason. The Company shall be entitled to terminate Executive's employment for any reason that does not constitute Cause, or no reason, by giving at least 10 days' prior written notice to Executive, in which event the date specified in the notice of termination shall be deemed the Termination Date. Upon a Termination by Executive for Good Reason or a Termination by the Company without Cause, Executive shall be entitled to the following:

(i) The Accrued Benefits;

(ii) Payment in an amount equal to 75% of Executive's Annual Base Salary in effect on the Termination Date, paid ratably over a period of nine (9) months in accordance with the Company's regular payroll cycle;

(iii) All unvested Options and any other unvested incentive equity awards then held by Executive that are scheduled to vest within twelve (12) months after the Termination Date shall immediately vest; and

(iv) The continuation of benefits as provided in **Section 4(g).**

(d) Termination Upon a Change in Control. Notwithstanding Section 4(c) above, and in lieu of any payment owed under Section 4(c), if any, in the event that the Company (or its successor) terminates the Executive without Cause or the Executive resigns from employment with the Company for Good Reason, in each case upon a Change of Control (as such terms are defined below) or within the twelve (12) month period following the Change in Control, then Executive shall be entitled to the following:

(i) The Accrued Benefits;

(ii) Payment in an amount equal to the sum of (x) 100% of Executive's Annual Base Salary in effect on the Termination Date, and (y) 100% of the Target Bonus for the fiscal year in which the Termination Date occurs, paid ratably over a period of twelve (12) months in accordance with the Company's regular payroll cycle;

(iii) All unvested Options and any other unvested incentive equity awards then held by Executive that are scheduled to vest after the Termination Date shall immediately vest and become immediately exercisable on the Termination Date; and

(iv) The continuation of benefits as provided in **Section 4(g).**

(e) Termination for Cause. The Company shall be entitled to terminate Executive's employment for Cause by giving written notice of termination to Executive, in which event the date that the Company gives such notice shall be deemed the Termination Date; *provided, however,* that with respect to clauses (iii) or (iv) of the definition of Cause set forth below, to the extent curable, Executive shall be entitled to at least 30 days' prior written notice of the Company's intention to terminate Executive's employment for Cause, which notice shall specify the grounds for Cause; and Executive shall be provided a reasonable opportunity to cure any conduct or act, if curable, alleged as grounds for Cause, and a reasonable opportunity to present to the Board Executive's position regarding any dispute relating to the existence of any grounds for Cause. Further, all rights Executive has or may have under this Agreement shall be suspended automatically during (i) the pendency of any investigation by the Board or the Compensation Committee, or (ii) any negotiations between the Board and Executive regarding any actual or alleged act or omission by Executive of the type that would warrant a Termination for Cause and any such suspension shall not give rise to a claim of Good Reason by Executive. Upon a Termination for Cause, Executive shall only be entitled to the Accrued Benefits, and all vested and unvested Options and any other incentive equity awards then held by Executive shall immediately be forfeited and expire on the Termination Date.

(f) Termination due to Voluntary Resignation. Executive shall be entitled to terminate Executive's employment without Good Reason by giving at least 30 days' prior written notice to the Company, in which event the date that is 30 days after the date that Executive gives such notice shall be deemed to be the Termination Date. Upon a Termination by Executive without Good Reason, Executive shall only be entitled to the Accrued Benefits, and all unvested Options and other unvested incentive equity awards then held by Executive shall immediately expire on the Termination Date.

(g) Medical, Vision and Dental Benefits. If Executive's employment is terminated pursuant to **Section 4(b), 4(c)** or **4(d)** above, then, to the extent that Executive or any of Executive's dependents may be covered under the terms of any medical, vision or dental plans of the Company (or an Affiliate) for active employees immediately prior to the Termination Date and provided Executive is eligible for and elects to continue coverage (under the health care continuation rules of COBRA, *provided that* if, on the Termination Date, the Company is not subject to COBRA, the Company shall provide for continuation coverage as if it were subject to COBRA for the entire period to which COBRA would have applied if the Company had been subject to COBRA (collectively for purposes of this Agreement, "**COBRA**")**),** the Company shall provide Executive and those dependents with coverage equivalent to the coverage in effect immediately prior to the applicable Termination Date for a period of up to 12-months following the Termination Date, such that Executive shall be required to pay, on a monthly after-tax basis, the same amount as Executive would pay if Executive continued in employment with the Company during such period ("**Subsidized Coverage**")and the Company's portion of the cost of the

Subsidized Coverage will be treated as taxable income to Executive, and thereafter Executive shall be responsible for the full cost of such continued coverage; *provided, however,* that Subsidized Coverage shall be provided as described above unless the Company determines,

based on a written legal opinion of counsel, that the Company's provision of Subsidized Coverage results in the violation of non-discrimination provisions of applicable law, as may be applicable to the Company, the imposition of a material additional tax or other material penalty being imposed on the Company (or an Affiliate) or any employee participating in such plans. If the Company makes such a determination, then the Company shall pay Executive an additional severance benefit equal to the cost to the Company of the Subsidized Coverage (had such Subsidized coverage been provided) to assist Executive with the cost of COBRA or, if not available, to assist Executive with the cost of comparable coverage for Executive and Executive's eligible dependents. In the event Executive or any of Executive's dependents is or becomes eligible for coverage under the terms of any other medical and/or dental plan of a subsequent employer with plan benefits that are comparable to Company (or Affiliate) plan benefits, the Company's and its Affiliates' obligations under this **Section 4(g)** shall cease with respect to the eligible Executive and/or dependent. Executive and Executive's dependents must notify the Company of any subsequent employment and provide information regarding medical and/or dental coverage available.

(h) Other Benefits.

(i) Executive's rights following a Termination with respect to any benefits, incentives, or awards provided to Executive pursuant to the terms of any plan, program, or arrangement sponsored or maintained by the Company or its Affiliates, whether tax-qualified or not, which are not specifically addressed herein, shall be subject to the terms of such plan, program, or arrangement and this Agreement shall have no effect upon such terms except as specifically provided herein.

(ii) Except as specifically provided in this Agreement, the Company and its Affiliates shall have no further obligations to Executive under this Agreement following a Termination.

(i) Removal from any Boards, Committees and Positions. Unless otherwise agreed to in writing by the Parties at the time of Termination, upon a Termination, Executive shall be deemed to resign (i) if a member, from the Board and from the board of directors of any Affiliate and any other board or committee to which Executive has been appointed or nominated by or on behalf of the Company or an Affiliate, (ii) from each position with the Company and any Affiliate, including as an officer of the Company or an Affiliate and (iii) as a fiduciary of any employee benefit plan of the Company and any Affiliate.

5. Release. Notwithstanding any provision of this Agreement to the contrary, Executive shall not be entitled to any benefits under **Section 4(b), 4(c), 4(d) or 4(g)** (other than the Accrued Benefits), and shall repay to the Company any such benefits received, unless Executive (or Executive's estate, if applicable) executes (without subsequent revocation) and delivers to the Company a Release within 21 days (or such longer period to the extent required by applicable law) following the Termination Date.

6. Restrictive Covenants. Executive acknowledges that Executive has been and will continue to be provided intimate knowledge of the business practices, trade secrets, and other

confidential and proprietary information of the Company (including the Confidential Information), which, if exploited by Executive, would seriously, adversely, and irreparably affect the interests of the Company and the ability of the Company to continue its business. Executive further acknowledges that, during the course of Executive's employment with the Company, Executive has produced and had access, and will continue to produce and have access, to Confidential Information.

(a) **Confidential Information.** During the course of Executive's employment and following a Termination:

(i) Executive shall not directly or through others use, disclose, copy, or make lists of Confidential Information for the benefit of anyone other than the Company, except to the extent that such information is, at the time of disclosure, lawfully available from public sources, or such disclosure is authorized in writing by the Company, required or permitted by law, or otherwise as reasonably necessary or appropriate in connection with the performance by Executive of Executive's duties to the Company.

(ii) Executive shall abide by the Company's policies, as in effect from time to time, respecting avoidance of interests conflicting with those of the Company and its Affiliates. In this regard, Executive shall not directly or indirectly render services to any person or Entity where Executive's service would involve the use or disclosure of Confidential Information other than as authorized on behalf of the Company.

(iii) Notwithstanding the foregoing, nothing in this Agreement prohibits Executive from initiating communications directly with, responding to any inquiries from, providing testimony before, providing confidential information to, reporting possible violations of law or regulation to, or from filing a claim or assisting with an investigation directly with a self-regulatory authority or a government agency or entity, including the U.S. Equal Employment Opportunity Commission, the Department of Labor, the National Labor Relations Board, the Department of Justice, the Securities and Exchange Commission, Congress, and any agency Inspector General (collectively, the "**Regulators**"),or from making other disclosures that are protected under the whistleblower provisions of state or federal law or regulation. In connection with any such activity, Executive must identify any information that is confidential and ask the Regulator for confidential treatment of such information, except as permitted by law. Despite the foregoing, Executive is not permitted to reveal to any third party, including any governmental, law enforcement, or regulatory authority, information Executive came to learn during the course of Executive's employment with the Company that is protected from disclosure by any applicable privilege, including but not limited to the attorney-client privilege, attorney work product doctrine and/or other applicable legal privileges, except as otherwise required by law. The Company and its Affiliates do not waive any applicable privileges or the right to continue to protect its privileged attorney-client information, attorney work product, and other privileged information.

(b) **Documents and Property.**

(i) All records, files, documents, and other materials or copies thereof relating to the business of the Company or its Affiliates that Executive prepares, receives, or uses shall be and remain the sole property of the Company and, other than in connection with the performance by Executive of Executive's duties to the Company, shall not be removed from the premises of the Company or its Affiliates without the Company's prior written consent, and shall be immediately returned to the Company upon a Termination, together with all copies (including copies or recordings in electronic form), abstracts, notes, or reproductions of any kind made from or about the records, files, documents, or other materials.

(ii) Executive acknowledges that Executive's access to and permission to use the Company's and its Affiliates' computer systems, networks, and equipment, and all the Company and Affiliate information contained therein, is restricted to legitimate business purposes on behalf of the Company and reasonable personal use in accordance with the Company's applicable policies and procedures. Any other access to or use of such systems, networks, equipment, and information is without authorization and is prohibited. The restrictions contained in this **Section 6(b)** extend to any personal computers or other electronic devices of Executive that are used for business purposes relating to the Company or its Affiliates. Executive shall not transfer any Company or Affiliate information to any personal computer or other electronic device that is not otherwise used for any business purpose relating to the Company or an Affiliate. Upon a Termination, Executive's authorization to access and permission to use the Company's and its Affiliates' computer systems, networks, and equipment, and any Company and Affiliate information contained therein, shall cease, and Executive shall delete any Company and Affiliate information from Executive's personal computer or other electronic device.

(c) **Non-Competition and Non-Solicitation.** In consideration of the enhanced compensation and benefits provided in this Agreement, and Executive's employment hereunder, Executive shall not, during Executive's employment with the Company or during the Restricted Period, directly or through others (all of which are collectively referred to in this Agreement as the "**Restrictive Covenant**"):

(i) Own, manage, operate, or control, participate in the management, operation, or control of, be employed by, serve as a director, officer, or consultant to, or render services to a Competitor conducting business in the Restricted Area. *However,* the ownership by Executive of shares of the capital stock of any Entity, which shares are listed on a securities exchange and that do not represent more than 5% of the Entity's outstanding capital stock, shall not violate any terms of this Agreement. Additionally, Executive's participation or inclusion on the board of any other entity, shall not violate any terms of this Agreement.

(ii) (A) Induce or attempt to induce any employee of the Company or an Affiliate to leave the employ of the Company or any Affiliate; (B) interfere with the relationship between the Company or an Affiliate, on the one hand, and any employee of the Company or an Affiliate, on the other hand; or (C) induce or attempt to induce any customer, supplier, licensee, advisor, consultant, or other business relation of the Company to cease doing business with the Company or interfere with the relationship between the Company and its respective customers, suppliers, licensees, advisors, consultants or other business relations.

(d) **Works Made for Hire; Ownership of Company Work Product.**

(i) The Parties understand and agree that all work prepared by Executive for the Company or for its Affiliates shall be a Work Made For Hire as such phrase is defined under the U.S. Copyright laws, 17 U.S.C. § 101 *et seq.,* and if such work does not qualify as a Work Made For Hire, Executive shall, and does, assign to the Company all of Executive's right, title, and interest in and to the work, including all patent, copyright, trademark, and other proprietary rights thereto. Executive waives and releases all moral rights in any of the works as Executive may possess by virtue of the Visual Artist's Moral Rights Act of 1990 and various country or state laws of attribution, authorship, and integrity commonly referred to as Moral Rights Law. Executive shall not assert any claim based upon such moral rights against the Company, the Affiliates, or any of their respective successors in interest or assigns. Executive shall have no right, title, or interest in any of the work and shall not be entitled to any royalties or other proceeds received by the Company or its Affiliates from the commercialization in any manner of the work.

(ii) Executive hereby assigns to the Company any right, title, and interest in and to all Company Work Product that Executive may have, by law or equity, without additional consideration of any kind whatsoever from the Company or its Affiliates.

(iii) Executive shall execute and deliver any instruments or documents and do all further acts (including the giving of testimony and executing any applications, oaths, and assignments) requested by the Company (both before and after a Termination) in order to vest more fully in the Company or its Affiliates all ownership rights in the Company Work Product (including obtaining patent, copyright, trademark, or other intellectual property protection therefore in the United States and foreign countries).

(iv) The Company or its Affiliates shall at all times own and have exclusive right, title, and interest in and to all Confidential Information and Company Work Product, and the Company or its Affiliates shall retain the exclusive right to use, license, sell, transfer, and otherwise exploit and dispose of the same. Executive shall, and does, assign to the Company all of Executive's right, title, and interest in and to any and all Company Work Product work, including all patent, copyright, trademark, and other proprietary rights thereto. Executive acknowledges the Company's or its Affiliates' exclusive right, title, and interest in and to the Confidential Information and Company Work Product, and shall not contest, challenge or make any claim adverse to the Company's or its Affiliates' ownership of or the validity of the Confidential Information and Company Work Product, any future application for registration or registration thereof, or any rights of the Company or its Affiliates therein, or which, directly or indirectly, may impair any part of the Company's or its Affiliates' right, title, and interest therein.

(v) This **Section 6(d)** shall not apply to an invention by Executive for which no equipment, supplies, facility, or trade secret information of the Company or its Affiliates was used and that was developed entirely on Executive's own time, unless the invention (i) relates to the business of the Company or an Affiliate or to the Company's or an

Affiliate's actual or demonstrably anticipated research or development or (ii) results from any work performed by Executive for the Company or an Affiliate.

(e) Consent and Release. From time to time, the Company's business locations may be the subject of a Promotional Work. Executive acknowledges that Executive is aware that Executive's name, image, and likeness may be captured in such Promotional Work, and hereby consents and agrees that the Company may use Executive's name, image, and likeness as captured in the Promotional Work in any manner, in connection with the Company's products and services or as part of any promotion of the Company, and, at all times, including after the term of this Agreement, the Company, its Affiliates, and, without limitation, their respective customers, successors, licensees, and assigns, may continue to use the Promotional Work that includes Executive's name, image, or likeness. Executive, Executive's heirs, predecessors, successors, assigns, and all affiliated entities hereby fully and finally release, remise, and forever discharge the Company, its Affiliates, their respective predecessors, successors, assigns, and all affiliated entities, and each of their respective directors, officers, members, shareholders, partners, employees, customers, agents, and attorneys, to the extent that such apply, of and from any and all manner of actions, causes of action, losses, claims, demands, liabilities, obligations, suits, debts, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, controversies, agreements, promises, variances, trespasses, damages, judgments, and executions, in law or in equity, that arise out of or are related to the Company's or its Affiliates' use of a Promotional Work that includes Executive's name, image, or likeness.

(f) Company Proprietary and Intellectual Property.

(i) The Company or its Affiliates shall at all times own and have exclusive right, title, and interest in and to all Company Proprietary and Intellectual Property, and the Company or its Affiliates shall retain the exclusive right to use, license, sell, transfer, and otherwise exploit and dispose of the same. Executive acknowledges the Company's or its Affiliates' exclusive right, title, and interest in and to Company Proprietary and Intellectual Property, and shall not contest, challenge, or make any claim adverse to the Company's or its Affiliates' ownership of or the validity of Company Proprietary and Intellectual Property, any future application for registration or registration thereof, or any rights of the Company or its Affiliates therein, or which, directly or indirectly, may impair any part of the Company's or its Affiliates' right, title, and interest therein. Executive shall not use or otherwise exploit any of Company Proprietary and Intellectual Property in any manner not authorized by the Company.

(ii) Notwithstanding any other provisions of this Agreement, pursuant to 18 USC Section 1833(b), Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of the Company's or its Affiliate's trade secret that is made: (A) confidentially to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (B) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose a Company's or its Affiliate's

trade secret to Executive's attorney and use the trade secret information in related court proceedings, provided that Executive files any document containing the trade secret information under seal and does not disclose the trade secret, except pursuant to court order.

(g) Remedies for Breach of Restrictive Covenant.

(i) Executive has reviewed the provisions of this Agreement with legal counsel, or has been given adequate opportunity to seek such counsel, and Executive acknowledges that the covenants contained in this **Section 6** are reasonable with respect to their duration, geographical area, and scope.

(ii) Executive acknowledges that (A) the restrictions contained in this **Section 6** are reasonable and necessary for the protection of the legitimate business interests of the Company, (B) such restrictions create no undue hardships, and (C) such restrictions were a material inducement to the Company to employ Executive and to enter into this Agreement and to provide the compensation, benefits and opportunities hereunder.

(iii) Executive agrees to communicate the existence and terms of this Agreement to any third party with whom Executive may seek or obtain future employment or other similar arrangement during the Restricted Period.

(iv) In the event of any violation or threatened violation of the restrictions contained in this **Section 6,** the Company, in addition to and not in limitation of, any other rights, remedies, or damages available to the Company under this Agreement or otherwise at law or in equity, may be entitled to preliminary and permanent injunctive relief to prevent or restrain any such violation by Executive and all persons directly or indirectly acting for or with Executive, as the case may be.

(v) If Executive violates the Restrictive Covenant and the Company brings legal action for injunctive or other relief, the Company shall not, as a result of the time involved in obtaining such relief, be deprived of the benefit of the full period of the Restrictive Covenant; accordingly, the Restrictive Covenant shall be deemed to have the duration specified herein computed from the date the relief is granted but reduced by the time between the period when the Restricted Period began to run and the date of the first violation of the Restrictive Covenant by Executive.

7. Section 280G. In the event it shall be determined that any payment, distribution or other action by the Company to or for the benefit of Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (each, a "**Payment**")would be subject to an excise tax imposed by Section 4999 of the Code (such excise tax referred to as the "**Excise Tax**"),the Company shall either **(a)** make a payment to Executive of all amounts due without any adjustment, or **(b)** reduce whatever payments are deemed to be contingent on a transaction that constitutes either a "change in the ownership or effective control" of the Company, a "change in the ownership of a substantial portion of the assets" of the Company (as such phrases are used for purposes of Code Section 280G), to the extent necessary that no payments or benefits provided to Executive are subject to the Excise Tax, whichever

approach results in a better economic result for Executive on a better economic result for Executive net of all taxes, including the Excise Tax. The determination of which approach shall be applied shall be made by a public accounting firm retained by the Company for purposes of making this determination (the "**Accounting Firm**"),which need not be the same firm otherwise retained by the Company for the provision of general accounting services. The reduction in payments or benefits provided to Executive under approach (b) shall be applied in a manner that the Accounting Firm determines to be the most appropriate, taking into account possible tax implications of Code Section 409A, and that avoids any unnecessary losses to Executive that may occur in the case of a reduction achieved by reducing the extent to which equity is vested on an accelerated basis.

8. No Set-Off; No Mitigation. Except as provided herein, the Company's obligation to provide benefits under this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including any set-off, counterclaim, recoupment, defense, or other right the Company may have against Executive or others. In no event shall Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to Executive under any of the provisions of this Agreement, and such amounts shall not be reduced whether or not Executive obtains other employment.

9. Notices. Notices and all other communications under this Agreement shall be in writing and shall be deemed given when mailed by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows: if to the Company, to the principal headquarters of the Company, attention: Chairman of the Board; and if to Executive, to Executive's most recent address in the Company's records; or,

in each respective case, to such other address as either Party may furnish to the other in writing, except that notices of changes of address shall be effective only upon receipt.

10. **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of Delaware, without regard to principles of conflict of laws (whether in Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than Delaware.

11. **Choice of Venue and Consent to Jurisdiction.** Each Party hereby irrevocably submits to the exclusive jurisdiction of the federal and state courts located within Philadelphia County, Pennsylvania and New Castle County, Delaware for the purpose of any suit, action, or other proceeding arising out of or based on this Agreement or any other agreement contemplated hereby or any subject matter hereof, whether in tort, contract, or otherwise.

12. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties concerning the subject matter hereof, and supersedes all prior negotiations, undertakings, agreements, and arrangements with respect thereto, whether written or oral.

13. **Withholding of Taxes.** The Company may withhold from any benefits payable under this Agreement all federal, state, city and other taxes as may be required pursuant to any law, governmental regulation, or ruling.

14. **Assignment.** Executive's right to receive benefits under this Agreement shall not be assignable or transferable whether by pledge, creation of a security interest, or otherwise, other than a transfer by will, by the laws of descent or distribution, or as otherwise provided in this Agreement. The Company may assign this Agreement, including to any Affiliate or in connection with a merger or sale of equity or assets, and upon any such assignment all references to the Company herein shall be deemed to include the assignee. The Company need not obtain Executive's authorization or permission to assign this Agreement; however, if the Company assigns this Agreement, for any reason, the Company agrees to provide advance notice thereof to Executive and ensure the party to whom this Agreement is assigned has the resources to comply with the terms set forth herein. This Agreement shall inure to the benefit of and be enforceable by Executive's personal and legal representatives, executors, administrators, successors, heirs, distributees, devisees, and legatees. This Agreement shall be binding upon and inure to the benefit of the Company, its successors, and assigns.

15. **Amendment.** This Agreement may not be amended or modified except by written agreement signed by the Parties.

16. **Executive Acknowledgement.** Executive hereby represents that from and after the Effective Date the performance of Executive's duties hereunder will not breach any other agreement to which Executive is a party. Executive acknowledges that Executive has read and understands this Agreement, is fully aware of its legal effect, has not acted in reliance upon any representations or promises made by the Company other than those contained in writing herein, and has entered into this Agreement freely based on Executive's own judgment.

17. **Code Section 409A.** To the extent any provision of this Agreement or action by the Company would subject Executive to liability for interest or additional taxes under Code Section 409A, it shall be deemed null and void, to the extent permitted by law and deemed advisable by the Company. Payments under this agreement are intended to be exempt from Code Section 409A, and, if not exempt, to be compliant with the requirements of Code Section 409A. Notwithstanding any provision of this Agreement to the contrary, to the extent any payments are part of a plan or agreement that is subject to Code Section 409A and such payments are payable on termination of employment (or other similar concept), such payments shall only be made if the payment triggering event also constitutes a "separation from service" within the meaning of Code Section 409A. In addition, if (A) the Company has any class of equity securities traded on a stock exchange and **(B)** Executive is a "specified employee" (as that phrase is used for purposes of Code Section 409A) as of the date of Executive's "separation from service," any payment that is subject to Code Section 409A and is payable by reason of Executive's "separation from service," such payment shall not be made prior to the first day of the seventh (7th) calendar month following the date of Executive's "separation from service" or the date of Executive's death, if earlier. For purposes of Code Section 409A, all installment payments of deferred compensation made hereunder, or pursuant to another plan or arrangement, shall be deemed to be separate payments. To the extent any reimbursements or in-kind benefit payments under this Agreement are subject to Code Section 409A, such

reimbursements and in-kind benefit payments shall be made in accordance with Treasury Regulation Section 1.409A-3(i)(1)(iv). This Agreement may be amended to the extent necessary (including

retroactively) by the Company to avoid the application of taxes or interest under Code Section 409A, while maintaining to the maximum extent practicable the original intent of this Agreement. This Section 17 shall not be construed as a guarantee of any particular tax effect for Executive's benefits under this Agreement and the Company does not guarantee that any such benefits will satisfy the provisions of Code Section 409A or any other provision of the Code.

18. Construction.

(a) In this Agreement, unless otherwise stated, the following uses apply: (i) references to a statute refer to the statute and any amendments and any successor statutes, and to all regulations promulgated under or implementing the statute, as amended, or its successors, as in effect at the relevant time; (ii) in computing periods from a specified date to a later specified date, the words "from" and "commencing on" (and the like) mean "from and including," and the words "to," "until," and "ending on" (and the like) mean "to, and including"; (iii) references to a governmental or quasi-governmental agency, authority, or instrumentality also refer to a regulatory body that succeeds to the functions of the agency, authority, or instrumentality; (iv) the words "include," "includes," and "including" (and the like) mean "include, without limitation," "includes, without limitation," and "including, without limitation," (and the like) respectively; (v) all references to sections and exhibits are to sections and exhibits in or to this Agreement; (vi) the words "hereof," "herein," "hereto," "hereby," "hereunder," (and the like) refer to this Agreement as a whole (including exhibits); (vii) any reference to a document or set of documents, and the rights and obligations of the Parties under any such documents, means such document or documents as amended from time to time, and all modifications, extensions, renewals, substitutions, or replacements thereof; (viii) all words used shall be construed to be of such gender or number as the circumstances and context require; and (ix) the captions and headings of preambles, recitals, sections, and exhibits appearing in or attached to this Agreement have been inserted solely for convenience of reference and shall not be considered a part of this Agreement, nor shall any of them affect the meaning or interpretation of this Agreement or any of its provisions.

(b) If a court of competent jurisdiction determines that any provision of this Agreement is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement and all other provisions shall remain in full force and effect.

(c) The various covenants and provisions of this Agreement are intended to be severable and to constitute independent and distinct binding obligations.

(d) Without limiting the generality of the foregoing, if the scope of any covenant contained in this Agreement is too broad to permit enforcement to its full extent, such covenant shall be enforced to the maximum extent permitted by law, and such scope may be judicially modified accordingly.

(e) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same Agreement.

19. Definitions. As used in this Agreement, the terms defined in this **Section 19** have the meanings set forth below.

(a) "Affiliate" means each Entity that, directly or indirectly, is controlled by, controls, or is under common control with, the Company, where "control" means (i) the ownership of more than 50% of the Voting Securities or other voting or equity interests of any Entity, or (ii) the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Entity.

(b) "Cause" means any of the following (in each case as determined by the Compensation Committee or the Board):

(i) Executive's conviction of, or plea of *nolo contendere* or equivalent to, a crime of embezzlement or fraud or any felony under the laws of the United States or any state thereof;

(ii) An act of fraud, willful misconduct or dishonesty by Executive in the course of or related to Executive's employment hereunder or that could reasonably be expected to be materially injurious to the Company or an Affiliate;

(iii) A material breach by Executive of any of the provisions of the Agreement; or

(iv) An act of moral turpitude by Executive in the course of, or related to, Executive's employment hereunder or that could reasonably be expected to lead to a material harm (financial or reputational) to the Company or an Affiliate.

(c) "Change in Control" means the date on which:

(i) A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group ("Person"), acquires ownership of the stock of the Company that, together with the stock held by such Person, constitutes more than fifty percent (50%) of the total voting power of the stock of the Company; provided, however, that for purposes of this subsection (i), the acquisition of additional stock by any one Person, who is considered to own more than fifty percent (50%) of the total voting power of the stock of the Company will not be considered a Change in Control; or

(ii) A change in the effective control of the Company which occurs on the date that a majority of members of the Board is replaced during any twelve (12) month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the date of the appointment or election. For purposes of this clause (ii), if any Person is considered to be in effective control of the Company, the acquisition of additional control of the Company by the same Person will not be considered a Change in Control; or

(iii) A sale or other disposition of all or substantially all of the Company's assets in one or more transactions, other than to any entity of which more than 50%

of the total voting power is owned, directly or indirectly, by stockholders of the Company in substantially the same proportions as their ownership of the voting power of the stock of the Company immediately prior to the transaction which results in a sale or disposition as to all or substantially all of the Company's assets; or

(iv) A merger, consolidation or similar transaction directly or indirectly involving the Company in which immediately after the consummation of such transaction, the stockholders of the Company immediately prior to such transaction do not directly or indirectly own more than 50% of the total voting power of the surviving entity in such transaction (or of any applicable Parent of such surviving entity), in substantially the same proportions as their ownership of the voting power of the stock of the Company immediately prior to the transaction.

For purposes of this definition of Change in Control, persons will be considered to be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company. Notwithstanding the foregoing, the occurrence of any event shall not be deemed a Change in Control: (i) with respect to any award or payment that is subject to Code Section 409A unless such event qualifies as a change in control event within the meaning of Code Section 409A, or (ii) if the sole purpose of the underlying

transaction(s) is to change the jurisdiction of the Company's incorporation or to create a holding company of which the total voting power is owned, directly or indirectly, by stockholders of the Company in substantially the same proportions as their ownership of the voting power of the stock of the Company immediately prior to such transaction(s).

(d) **"Code"** means the Internal Revenue Code of 1986.

(e) **"Company Proprietary and Intellectual Property"** means all products, systems, methods, procedures, techniques, manuals, databases, plans, lists, inventions, discoveries, innovations, improvements, enhancements, concepts, ideas, and software conceived, created, compiled, or otherwise developed by the Company or its Affiliates and/or comprised, in whole or part, of Confidential Information, together with all patent rights, copyrights, trademarks, service marks, trade name rights and other source identifiers, trade secrets, and other intellectual property and property rights therein, if any.

(f) **"Company Work Product"** means all products, systems, methods, procedures, techniques, manuals, databases, plans, lists, inventions, discoveries, innovations, improvements, enhancements, concepts, ideas, and software conceived, created, compiled, or otherwise developed by Executive, alone or with others, in the course of Executive's employment with the Company or its Affiliates and/or comprised, in whole or part, of Confidential Information, together with all patent rights, copyrights, trademarks, service marks, trade name rights, trade secrets, and other intellectual property and propriety rights therein, if any.

(g) **"Competitor"** means any entity offering, or having proposed to offer, the specific products offered by the Company during the two years prior to Executive's separation. For purposes of clarity, "Competitor" does not include an entity simply because it offers

oncology products or operates in the oncology field; rather, for an entity to be a Competitor, the entity must offer or have proposed to offer the specific products offered by the Company during the two years prior to Executive's separation.

(h) **"Confidential Information"** means trade secret, confidential, proprietary or other nonpublic information concerning the Company or its Affiliates, including research, development, designs, formulae, processes, specifications, technologies, marketing materials, financial and other information concerning customers and prospective customers, customer lists, records, data, computer programs, source codes, object codes, database structures, trade secrets, proprietary business information, pricing and profitability information, policies, strategic planning, commitments, plans, procedures, litigation, pending litigation, and other information not generally available to the public.

(i) **"Disability"** means that (i) Executive is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, or (ii) Executive is, by reason of any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under long-term disability plan covering employees of the Company. In the event of a dispute regarding whether Executive has incurred a Disability, each of Executive and the Company shall choose a physician who together shall choose a third physician to make a final determination regarding whether Executive has incurred a Disability.

(j) **"Entity"** means any corporation, partnership, limited liability company, joint venture, association, partnership, business trust or other business entity.

(k) **"Financing"** means a transaction involving equity, debt, joint venture, licensing, merger or other similar arrangement resulting in cash proceeds to the Company, including the aggregate amount of capital raised without regard to any conditions placed on the Financing (such as milestone targets).

(l) **"Good Reason"** means the occurrence of any one of the following events, unless Executive agrees in writing that such event shall not constitute Good Reason:

(i) A material and adverse change in the nature, scope, or status of Executive's position, authorities, responsibilities or duties from those in effect in accordance with **Section 2,** including, without limitation, Executive ceasing to be an "executive officer" (as defined under Rule 3b-7 of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of a company with a class of securities registered under Section 12(b) of the Exchange Act, or the assignment to Executive of any duties materially inconsistent with the duties and responsibilities of CMO;

(ii) A material reduction in Executive's then-current Annual Base Salary and/or Target Bonus, or a material reduction in Executive's aggregate benefits or other compensation plans in effect immediately following the Effective Date;

(iii) The Company's corporate headquarters is relocated to a metropolitan area that is more than five hundred (500) flight miles from the airport(s) most frequently used within the metropolitan area closest to Executive's home office, or, in the event that Executive relocates to the metropolitan area in which the Company's headquarters is located and Executive's principal place of business becomes the Company's corporate headquarters, a relocation to a primary place of employment that increases Executive's commuting distance from Executive's then primary residence by more than twenty-five (25) miles, as compared with Executive's commute to Executive's then primary place of employment; or

(iv) A material breach by the Company of this Agreement.

(m) **"Promotional Work"** means, without limitation, photographs, films, clips, sketches, segments, and other media and promotional works, including any derivative works thereof, used for reasonable purposes in connection with the business of the Company.

(n) **"Release"** means a general release and waiver as substantially in the form attached hereto as **Exhibit A** and otherwise as agreed upon by the Company and Executive.

(o) **"Restricted Area"** means each state in the United States in which the Company or its Affiliates are actively engaged in or pursing business at the time of Executive's termination of employment.

(p) **"Restricted Period"** means a period of 6 months immediately following the applicable Termination Date.

(q) **"Termination"** means termination of Executive's employment with the Company and all Affiliates for any reason or no reason.

(r) **"Voting Securities"** means any securities that ordinarily possess the power to vote in the election of directors without the happening of any precondition or contingency.

20. **Survival.** The provisions of Section 6 shall survive the termination of this Agreement.

[Signature page to follow]

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed in its name and on its behalf, and Executive acknowledges understanding and acceptance of, and agrees to, the terms of this Agreement, all as of the Effective Date.

CONTEXT THERAPEUTICS INC. By: /s/ Martin Lehr Name: Martin Lehr Title: Chief Executive Officer	**Claudio Alberto Dansky Ullmann, M.D.** /s/ Claudio Alberto Dansky Ullmann

EXHIBIT A

Agreement and Release and Waiver

This **Agreement and Release** ("**Agreement**")is made and entered into by and between **Context Therapeutics Inc.** (the "**Company**")and **Claudio Alberto Dansky Ullmann, M.D.** ("**Executive**").

Whereas, Executive and the Company desire to settle fully and amicably all issues that Executive has with the Company, including any issues arising out of Executive's employment with the Company and the termination of that employment; and

Whereas, Executive and the Company are parties to that certain Employment Agreement, made and entered into as of [●], as amended (the "**Employment Agreement**").

Now, therefore, for and in consideration of the mutual promises contained herein, and for other good and sufficient consideration, receipt of which is hereby acknowledged, Executive and the Company (collectively, the "**Parties**"and, individually, each a "**Party**"),intending to be legally bound, hereby agree as follows:

1. Termination of Employment. Executive's employment with the Company terminated effective as of the close of business on [•] (the "**Termination Date**").

2. Compensation and Benefits. Subject to the terms of this Agreement, the Company shall compensate Executive under this Agreement as follows (collectively, the "**Severance Payments**"):

(a) Severance Payments. [●].

(b) Accrued Salary and Vacation. Executive shall be entitled to a lump sum payment in an amount equal to Executive's earned but unpaid annual base salary and vacation pay for the period ending on the Termination Date, with such payment to be made on the first payroll date following the Termination Date.

(c) Executive Acknowledgement. Executive acknowledges that, subject to fulfillment of all obligations provided for herein, Executive has been fully compensated by the Company, including under all applicable laws, and that nothing further is owed to Executive with respect to wages, bonuses, severance, other compensation, or benefits. Executive further acknowledges that the Severance Payments (other than (b) above) are consideration for Executive's promises contained in this Agreement, and that the Severance Payments are above and beyond any wages, bonuses, severance, other compensation, or benefits to which Executive is entitled from the Company under the terms of Executive's employment or under any other contract or law, absent Executive's execution of this Agreement.

(d) Withholding. The Severance Payments shall be treated as wages and subject to all taxes and other payroll deductions required by law.

3. Termination of Benefits. Except as provided in **Section 2** above or as may be required by law, Executive's participation in all employee benefit (pension and welfare) and compensation plans of the Company shall cease as of the Termination Date. Nothing contained herein shall limit or otherwise impair Executive's right to receive pension or similar benefit payments that are vested as of the Termination Date under any applicable tax-qualified pension or other plans, pursuant to the terms of the applicable plan.

4. Release of Claims and Waiver of Rights. Executive, on Executive's own behalf and that of Executive's heirs, executors, attorneys, administrators, successors, and assigns, fully releases and discharges the Company; each of its predecessors, successors, parents, subsidiaries, affiliates, and assigns; all of its and their current and former directors, officers, trustees, employees, and agents, both in their individual and official capacities; and the current and former trustees and administrators of each retirement and other benefit plan applicable to the employees and former employees of the Company, both in their official and individual capacities (the "**Releasees**")from all liability, claims, demands, and actions Executive now has, may have had, or may ever have, whether currently known or unknown, as of or prior to Executive's execution of this Agreement (the "**Release**"),including liability claims, demands, and actions:

(a) Arising from or relating to Executive's employment or other association with the Company, or the termination of such employment,

(b) Relating to wages, bonuses, incentive pay, equity, other compensation, or benefits,

(c) Relating to any employment or change in control contract,

(d) Relating to any employment law, including

(i) The laws of the United States and Commonwealth of Pennsylvania,

(ii) The Civil Rights Act of 1964,

(iii) The Civil Rights Act of 1991,

(iv) The Equal Pay Act,

(v) The Employee Retirement Income Security Act of 1974,

(vi) The Age Discrimination in Employment Act, as amended by the Older Workers Benefit Protection Act (the "**ADEA**"),

(vii) The Americans with Disabilities Act,

(viii) Executive Order 11246, and

(ix) Any other federal, state, or local statute, ordinance, or regulation relating to employment,

(e) Relating to any right of payment for disability,

(f) Relating to any statutory or contractual right of payment, and

(g) For relief on the basis of any alleged tort or breach of contract under the common law of the Commonwealth of Pennsylvania, or any other state, including defamation, intentional or negligent infliction of emotional distress, wrongful termination, breach of the covenant of good faith and fair dealing, promissory estoppel, and negligence.

Executive acknowledges that Executive is aware that statutes exist that render null and void releases and discharges of any claims, rights, demands, liabilities, actions, and causes of action that are unknown to the releasing or discharging party at the time of execution of the release and discharge. Executive waives, surrenders, and shall forego any protection to which Executive would otherwise be entitled by virtue of the existence of any such statutes in any jurisdiction, including the Commonwealth of Pennsylvania.

5. Exclusions from General Release. Excluded from the Release are any claims or rights that cannot be waived by law, claims for indemnification by the Company as an officer or former officer of the Company, whether by law, contract or articles or bylaws of the Company, as well as Executive's right to file a charge with an administrative agency or participate in any agency investigation. Executive is, however, waiving the right to recover any money from the Company and other Releasees in connection with a charge or investigation. Executive is also waiving the right to recover any money from the Company and other Releasees in connection with a charge filed by any other individual or by the Equal Employment Opportunity Commission or any other federal or state agency.

6. Covenant Not to Sue.

(a) A "covenant not to sue" is a legal term that means Executive promises not to file a lawsuit in court. It is different from the release of claims and waiver of rights contained in **Section 4** above. Besides waiving and releasing the claims covered by **Section 4** above, Executive shall never sue the Releasees in any forum for any reason covered by the Release. Notwithstanding this covenant not to sue, Executive may bring a claim against the Company to enforce this Agreement, to challenge the validity of this Agreement under the ADEA or for any claim that arises after execution of this Agreement. Executive may also file an administrative complaint or charge with a government agency, *provided, however,* that Executive shall not be entitled recover any monies from the Releasees as a result of filing such administrative complaint or charge. If Executive sues any of the Releasees in violation of this Agreement, Executive shall be liable to them for their reasonable attorneys' fees and costs (including the costs of experts, evidence, and counsel) and other litigation costs incurred in defending against Executive's suit. In addition, if Executive sues any of the Releasees in violation of this Agreement, the Company

can require Executive to return all but a sum of $100 of the Severance Payments, which sum is, by itself, adequate consideration for the promises and covenants in this Agreement. In that event, the Company shall have no obligation to make any further Severance Payments.

(b) If Executive has previously filed any lawsuit against any of the Releasees, Executive shall immediately take all necessary steps and execute all necessary documents to withdraw or dismiss such lawsuit to the extent Executive's agreement to withdraw, dismiss, or not file a lawsuit would not be a violation of any applicable law or regulation.

7. Representations by Executive. Executive warrants that Executive is legally competent to execute this Agreement and that Executive has not relied on any statements or explanations made by the Company or its attorneys. **Executive acknowledges that Executive has been advised to consult legal counsel regarding the terms of this Agreement, including the Release. Executive acknowledges that Executive has been offered at least 21 days to consider this Agreement. After being so advised, and without coercion of any kind, Executive freely, knowingly, and voluntarily enters into this Agreement. Executive acknowledges that Executive may revoke this Agreement within seven days after Executive has signed this Agreement and acknowledges understanding that this Agreement shall not become effective or enforceable until seven days after Executive has signed this Agreement (the "Effective Date"), as evidenced by the date set forth below Executive's signature**

on the signature page hereto. Any revocation must be in writing and directed to [●]. If sent by mail, any revocation must be postmarked within the seven-day period described above and sent by certified mail, return receipt requested.

8. Restrictive Covenants. Section 6 of the Employment Agreement (entitled "**Restrictive Covenants**") shall continue in full force and effect as if fully restated herein.

9. Non-Disparagement. Executive shall not engage in any disparagement or vilification of the Releasees, and shall refrain from making any false, negative, critical, or disparaging statements, implied or expressed, concerning the Releasees, including regarding management style, methods of doing business, the quality of products and services, role in the community, or treatment of employees. The Company and its directors, officers and senior management employees, while associated with the Company, shall not engage in any disparagement or vilification of the Releasees, and shall refrain from making any false, negative, critical, or disparaging statements, implied or expressed, concerning Executive; *provided, however* that each Party may make truthful statements as required by applicable law and the Company may make internal statements and statements to its attorneys and advisors for legitimate business reasons.

10. Company Property.

(a) Executive shall return to the Company all information, property, and supplies belonging to the Company or any of its affiliates, including any confidential or proprietary information, Company autos, keys (for equipment or facilities), laptop computers and related equipment, cellular phones, smart phones or PDAs (including SIM cards), security cards, corporate credit cards, and the originals and all copies of all files, materials, and documents

(whether in tangible or electronic form) containing confidential or proprietary information or relating to the business of the Company or any of its affiliates.

(b) Executive shall not, at any time on or after the Termination Date, directly or indirectly use, access, or in any way alter or modify any of the databases, e-mail systems, software, computer systems, or hardware or other electronic, computerized, or technological systems of the Company or any of its affiliates. Executive acknowledges that any such conduct by Executive would be illegal and would subject Executive to legal action by the Company, including claims for damages and/or appropriate injunctive relief.

11. No Admissions. The Company denies that it or any of its affiliates, or any of their employees or agents, has taken any improper action against Executive, and this Agreement shall not be admissible in any proceeding as evidence of improper action by the Company or any of its affiliates or any of their employees or agents.

12. Confidentiality of Agreement. Executive shall keep the existence and the terms of this Agreement confidential, except for Executive's immediate family members and Executive's legal and tax advisors in connection with services related hereto and except as may be required by law or in connection with the preparation of tax returns.

13. Non-Waiver. The Company's waiver of a breach of this Agreement by Executive shall not be construed or operate as a waiver of any subsequent breach by Executive of the same or of any other provision of this Agreement.

14. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Delaware, without regard to principles of conflict of laws (whether in Delaware or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than Delaware.

15. Entire Agreement. This Agreement sets forth the entire agreement of the Parties regarding the subject matter hereof, and shall be final and binding as to all claims that have been or could have been advanced on behalf of Executive pursuant to any claim arising out of or related in any way to Executive's employment with the Company and the termination of that employment; *provided, however* that nothing contained herein shall supersede or eliminate any post-separation obligations that Executive has pursuant to the Employment Agreement or otherwise.

16. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.

17. Successors. This Agreement shall be binding upon and inure to the benefit of the Company, its successors and assigns.

18. Construction. In this Agreement, unless otherwise stated, the following uses apply: (a) references to a statute refer to the statute and any amendments and any successor statutes, and

to all regulations promulgated under or implementing the statute, as amended, or its successors, as in effect at the relevant time; (b) in computing periods from a specified date to a later specified date, the words “from” and “commencing on” (and the like) mean “from and including, “ and the words “to,” “until,” and “ending on” (and the like) mean “to, and including”; (c) references to a governmental or quasi-governmental agency, authority, or instrumentality also refer to a regulatory body that succeeds to the functions of the agency, authority, or instrumentality; (d) the words “include,” “includes,” and “including” (and the like) mean “include, without limitation,” “includes, without limitation,” and “including, without limitation,” (and the like) respectively; (e) all references to sections are to sections to this Agreement; (f) the words “hereof,” “herein,” “hereto,” “hereby,” “hereunder,” (and the like) refer to this Agreement as a whole (including exhibits); (g) any reference to a document or set of documents, and the rights and obligations of the parties under any such documents, means such document or documents as amended from time to time, and all modifications, extensions, renewals, substitutions, or replacements thereof; (h) all words used shall be construed to be of such gender or number as the circumstances and context require; (i) the captions and headings have been inserted solely for convenience of reference and shall not be considered a part of this Agreement, nor shall any of them affect the meaning or interpretation of this Agreement or any of its provisions; and (j) all accounting terms not specifically defined herein shall be construed in accordance with GAAP.

19. Future Cooperation. In connection with any and all claims, disputes, negotiations, governmental, internal or other investigations, lawsuits, or administrative proceedings (the “**Legal Matters**”)involving the Company or any affiliate, or any of their current or former officers, employees or board members (collectively, the “**Disputing Parties**”and, individually, each a “**Disputing Party**”),Executive shall make herself reasonably available, upon reasonable notice from the Company and without the necessity of subpoena, to provide information and documents, provide declarations and statements regarding a Disputing Party, meet with attorneys and other representatives of a Disputing Party, prepare for and give depositions and testimony, and otherwise cooperate in the investigation, defense, and prosecution of any and all such Legal Matters, as may, in the good faith and judgment of the Company, be reasonably requested. The Company shall consult with Executive and make reasonable efforts to schedule such assistance so as not to materially disrupt Executive’s business and personal affairs. The Company shall reimburse all reasonable expenses incurred by Executive in connection with such assistance, including travel, meals, rental car, and hotel expenses, if any.

In witness whereof, the Parties have duly executed this Agreement as of the dates set forth below their respective signatures below.

CONTEXT THERAPEUTICS INC.

By:

Print Name:

Title:

Date:

[INSERT NAME]

Date:

Exhibit 10.5

Context Therapeutics Inc.
Stock Option Agreement
(Inducement Grant)

1. A Stock Option (the "Option") for a total of [•] shares of $0.001 par value per share of Common Stock (the "Stock") of Context Therapeutics Inc. (the "Company"), is hereby granted to [•] (the "Optionee"), subject to the terms and provisions of this Stock Option Agreement (this "Agreement") and the Context Therapeutics Inc. 2021 Long-Term Performance Incentive Plan (the "Plan"). Any capitalized term that is not defined in this Agreement shall have the meaning set forth in the Plan.
2. The exercise price of the Option is $[•] per share which is equal to 100% of the Fair Market Value (as defined in the Plan) of the Stock on the date of the grant of the Option, as determined pursuant to Section 3.2 of the Plan by the Compensation Committee of the Company's Board of Directors (the "Committee").
3. Subject to the provisions of Paragraphs 4 and 5 hereof, the Option may be exercised in whole at any time or in part from time to time on or after the date the Option, or any portion thereof, first becomes exercisable. The Option terminates on the earlier of the date when fully exercised under the provisions of the Plan, the date fixed pursuant to Section 3.7(a), 3.7(b), or 3.7(c) of the Plan, or ten (10) years from the Date of Grant (the "Expiration Date") set forth below.
4. The Option may not be exercised if the issuance of the Stock upon such exercise would constitute a violation of any applicable Federal or state securities or other law or valid regulation. Further, exercise of an Option granted pursuant to this Agreement shall be in accordance with Section 3.4 of the Plan.
5. This Option (the "Award") consists of the number of stock options identified below and shall be exercisable in accordance with the following schedule:

Options	Exercisable on or After
[•] Non-Qualified Stock Options	The Option shall vest as to 25% of the total number of shares of Stock covered by the Option on the first anniversary of the Date of Grant, rounded down to the nearest whole share. Thereafter, the remaining 75% of the shares of Stock subject to the Option shall vest over 36 months at a rate of 2.0833% of the total number of shares of Stock covered by the Option per full calendar month, rounded down to the nearest whole share of Stock; provided that the Optionee shall not have had a Termination of Service (as defined in the Plan) prior to such vesting date.
Date of Grant [•]	
Expiration Date [•]	

Notwithstanding anything herein to the contrary, following termination of Optionee's employment by the Company or a Subsidiary of the Company for any reason not specified in Sections 3.7(a) or (b) of the Plan, the Option shall not be or become exercisable as to any shares of Stock other than those shares of Stock as to which the Option shall have been exercisable in accordance with the preceding schedule on the date of such termination.

6. This Award is made and granted to Optionee as an inducement material to Optionee entering into employment with the Company in reliance on the employment inducement award exemption under Nasdaq Listing Rule 5635(c)(4).

7. Except to the extent permitted under the Code or as provided by the Committee in its sole discretion, the Option may not be transferred in any manner other than by will or the laws of descent or distribution and may be exercised during the lifetime of the Optionee only by him/her. The terms of the Option shall be binding upon the executors, administrators, heirs, successors, and assigns of the Optionee.

8. The Option may be exercised only upon payment of the full exercise price and all applicable withholding taxes, and completion of necessary exercise form(s) as may be set forth in the equity administration platform and/or such exercise form(s) as may be made available by the Company from time to time that shall then be delivered by the Optionee to the Secretary of the Company. Any attempted exercise of the Option without such completion or delivery, as applicable, of the relevant exercise form(s) may be disregarded by the Company. Payment and delivery for the purposes hereof may also be accomplished by making payment and delivery to an agent duly appointed by the Company for the purposes of accepting payment and notice of exercise. Where any such appointment is made, the Company shall so advise Optionee, and Optionee may rely upon such notice until such notice is revoked or amended.
9. Optionee shall have none of the rights of a shareholder with respect to any shares of Stock subject to the Option, except as to the shares with respect to which Optionee has validly exercised the Option granted herein and tendered to the Company the full price therefor.
10. This Agreement does not give Optionee a right to continued service with the Company or any Subsidiary, and the Company or any such Subsidiary may terminate Optionee's service at any time.

11. This Award is made and granted as a stand-alone award, separate and apart from, and outside of, the Plan, and shall not constitute an award granted under or pursuant to the Plan. Notwithstanding the foregoing, the terms, provisions, conditions and definitions set forth in the Plan shall apply to this Award (including but not limited to the adjustment provisions contained in Section 9 of the Plan) as if it had been granted under the Plan, and this Award shall be subject to such terms, provisions, conditions and definitions, which are hereby incorporated into this Agreement by reference. For the avoidance of doubt, this Award shall not be counted for purposes of calculating the aggregate number of shares of Stock that may be issued or transferred pursuant to Awards under the Plan as set forth in Section2.5 of the Plan. In the event of any inconsistency between the Plan and this Agreement, the terms of this Agreement shall control.

12. All notices required to be given hereunder shall be mailed by registered or certified mail to the Company to the attention of its Secretary, at 2001 Market Street, Suite 3915, Unit #15 Philadelphia,

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Pennsylvania 19103 and to Optionee at Optionee's address as it appears on the Company's books and records unless either of said parties has duly notified the other in writing of a change in address.

Optionee acknowledges receipt of a copy of the Plan, and represents that he/she is familiar with the terms and provisions thereof, and hereby accepts the Option subject to the terms and provisions of the Plan insofar as they relate to Stock Options granted thereunder. Optionee agrees hereby to accept as binding, conclusive, and final all decisions or interpretations of the Committee upon any questions arising under the Plan or the Option. Optionee authorizes the Company to withhold in accordance with applicable law from any compensation payable to him/her any taxes required to be withheld by Federal, state, or local law as a result of the exercise of the Option.

OPTIONEE

_____

[•]

CONTEXT THERAPEUTICS INC.

By:_____

Title:_____

Context Therapeutics Inc.
2021 Long -Term Performance Incentive Plan
Stock Option Agreement

1. A Stock Option (the "Option") for a total of [•] shares of $0.001 par value per share of Common Stock (the "Stock") of Context Therapeutics Inc. (the "Company"), is hereby granted to [•] (the "Optionee"), subject to the terms and provisions of the Context Therapeutics Inc. 2021 Long-Term Performance Incentive Plan (the "Plan") insofar as the same are applicable to Stock Options granted thereunder. The terms and provisions of the Plan are incorporated herein by reference.
2. The exercise price of the Option is $[•] per share which is equal to 100% of the Fair Market Value (as defined in the Plan) of the Stock on the date of the grant of the Option, as determined pursuant to Section 3.2 of the Plan by the Compensation Committee of the Company's Board of Directors (the "Committee") which has the authority for administering the Plan.
3. Subject to the provisions of Paragraphs 4 and 5 hereof, the Option may be exercised in whole at any time or in part from time to time on or after the date the Option, or any portion thereof, first becomes exercisable. The Option terminates on the earlier of the date when fully exercised under the provisions of the Plan, the date fixed pursuant to Section 3.7(a), 3.7(b), or 3.7(c) of the Plan, or ten (10) years from the Date of Grant set forth below.
4. The Option may not be exercised if the issuance of the Stock upon such exercise would constitute a violation of any applicable Federal or state securities or other law or valid regulation. Further, exercise of an Option granted pursuant to this Agreement shall be under and subject to Paragraph 3.4 of the Plan.
5. This Option consists of the options identified below and shall be exercisable in accordance with the following Schedule:

Options	Exercisable on or After
[•]Non-Qualified Stock Options	[•]

Notwithstanding anything herein to the contrary, following termination of Optionee's employment by the Company or a Subsidiary of the Company for any reason not specified in Sections 3.7(a) or (b) of the Plan, the Option shall not be or become exercisable as to any shares other than those shares as to which the Option shall have been exercisable in accordance with the preceding Schedule on the date of such termination.

6. Except to the extent permitted under the Code or as provided by the Committee in its sole discretion, the Option may not be transferred in any manner other than by will or the laws of descent or distribution and may be exercised during the lifetime of the Optionee only by him/her. The terms of the Option shall be binding upon the executors, administrators, heirs, successors, and assigns of the Optionee.

7. The Option may be exercised only upon payment of the full exercise price and all applicable withholding taxes, and completion of necessary exercise form(s) as may be set forth in the equity administration platform and/or such exercise form(s) as may be made available by the Company from time to time that shall then be delivered by the Optionee to the Secretary of the Company. Any attempted exercise of the Option without such completion or delivery, as applicable, of the

Exhibit 10.6

relevant exercise form(s) may be disregarded by the Company. Payment and delivery for the purposes hereof may also be accomplished by making payment and delivery to an agent duly appointed by the Company for the purposes of accepting payment and notice of exercise. Where any such appointment is made, the Company shall so advise Optionee, and Optionee may rely upon such notice until such notice is revoked or amended.

8. Optionee shall have none of the rights of a shareholder with respect to any shares of Stock subject to the Option, except as to the shares with respect to which Optionee has validly exercised the Option granted herein and tendered to the Company the full price therefor.
9. All notices required to be given hereunder shall be mailed by registered or certified mail to the Company to the attention of its Secretary, at 2001 Market Street, Suite 3915, Unit#15, Philadelphia, Pennsylvania 19103 and to Optionee at Optionee's address as it appears on the Company's books and records unless either of said parties has duly notified the other in writing of a change in address.

OPTIONEE:

[•]

CONTEXT THERAPEUTICS INC.

By:

[•]

Date of Grant: [•]

Optionee acknowledges receipt of a copy of the Plan, and represents that he/she is familiar with the terms and provisions thereof, and hereby accepts the Option subject to the terms and provisions of the Plan insofar as they relate to Stock Options granted thereunder. Optionee agrees hereby to accept as binding, conclusive, and final all decisions or interpretations of the Committee upon any questions arising under the Plan or the Option. Optionee authorizes the Company to withhold in accordance with applicable law from any compensation payable to him/her any taxes required to be withheld by Federal, state, or local law as a result of the exercise of the Option.

By:

Exhibit 31.1

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

I, Martin Lehr, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: August 7, 2024 November 6, 2024

By: /s/ Martin Lehr
Martin Lehr
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

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

I, Jennifer Minai-Azary, certify that:

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

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

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

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

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

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

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

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

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

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

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(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 7, 2024 November 6, 2024

By: /s/ Jennifer Minai-Azary
Jennifer Minai-Azary
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

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

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350, as adopted), Martin Lehr, Chief Executive Officer (Principal Executive Officer) of Context Therapeutics Inc. (the "Company"), and Jennifer Minai-Azary, Chief Financial Officer (Principal Financial Officer) of the Company, each hereby certifies that, to the best of his or her knowledge:

(1) The Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 September 30, 2024 (the "Quarterly Report"), and to which this Certification is attached as Exhibit 32.1, fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, and

(2) The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

/s/ Martin Lehr
Date: August 7, 2024 November 6, 2024
Martin Lehr
Chief Executive Officer (Principal Executive Officer)

/s/ Jennifer Minai-Azary
Date: August 7, 2024 November 6, 2024
Jennifer Minai-Azary
Chief Financial Officer (Principal Financial Officer)

"This certification accompanies the Quarterly Report on Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Context Therapeutics Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing."

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.

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