REFINITIV

DELTA REPORT

10-Q

STTK - SHATTUCK LABS, INC.

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2529
CHANGES	112
DELETIONS	264
ADDITIONS	2153

REFINITIV

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2023 March 31, 2024

OR

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

For the transition period from to

Commission File Number: 001-39593

Shattuck Labs, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**81-2575858**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

500 W. 5th Street, Suite 1200
Austin, TX 78701
(512) 900-4690

(Address of principal executive offices including zip code)

Former name, former address and former fiscal year, if changed since last report: N/A

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.0001 per share	STTK	The Nasdaq Global Select Market

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

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

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

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

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

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

As of October 1, 2023 April 11, 2024, the registrant had 42,485,485 47,550,872 shares of common stock, $0.0001 par value per share, outstanding.

SHATTUCK LABS, INC.
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CAUTIONARY NOTE ABOUT FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of the federal securities laws, which statements are subject to substantial risks and uncertainties and are based on estimates and assumptions. All statements, other than statements of historical facts, including statements concerning our plans, objectives, goals, strategies, future events, future revenues or performance, financing needs, plans or intentions relating to products and markets, and business trends and other information referred to under the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as "may," "might," "will," "objective," "intend," "should," "could," "can," "would," "expect," "believe," "design," "estimate," "predict," "potential," "plan," "develop," or the negative of these terms, and similar expressions intended to identify forward-looking statements. Forward-looking statements are not historical facts and reflect our current views with respect to future events. Given the significant uncertainties, you should not place undue reliance on these forward-looking statements.

There are a number of risks, uncertainties and other factors that could cause our actual results to differ materially from the forward-looking statements expressed or implied in this Quarterly Report on Form 10-Q. Such risks, uncertainties and other factors include, among others, the following:

- the timing of the initiation, progress, and expected results of our nonclinical studies, our clinical trials, and our research and development programs;
- our ability to enroll patients in our clinical trials;
- the costs related to our nonclinical studies, our clinical trials and our research and development programs, and the impact of inflationary pressures on such costs;
- our ability to retain the continued service of our key executives and to identify, hire, and retain additional qualified professionals;
- our ability to advance product candidates into, and successfully complete, nonclinical studies and clinical trials;
- the timing or likelihood of regulatory filings and approvals;
- the commercialization of our product candidates, if approved;
- our ability and the potential to successfully manufacture and supply our product candidates for clinical trials and for commercial use, if approved;

- the pricing, coverage, and reimbursement of our product candidates, if approved;
- the implementation of our business model, strategic plans for our business, and product candidates;
- the scope of protection we are able to establish and maintain for intellectual property rights covering our technology platforms, including our ARC® product candidates candidate and other product candidates, and the defense of such intellectual property rights;
- our potential need to obtain additional licenses of third-party technology that may not be available to us or are available only on commercially unreasonable terms, and which may cause us to operate our business in a more costly or otherwise adverse manner that was not anticipated;
- our ability to enter into strategic arrangements and/or collaborations and to realize the potential benefits of such arrangements;
- our ability to contract with third-party suppliers and manufacturers and their ability to perform adequately;
- our estimates regarding the market opportunity for our product candidates, if approved;
- our estimates regarding expenses, capital requirements, and needs for additional financing and our ability to obtain additional capital;
- our financial performance; and

- developments relating to our competitors and our industry, including competing product candidates and therapies.

There may be other factors that may cause our actual results to differ materially from the forward-looking statements expressed or implied in this Quarterly Report on Form 10-Q, including factors disclosed in “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” You should evaluate all forward-looking statements made in this Quarterly Report on Form 10-Q in the context of these risks and uncertainties.

We caution you that the risks, uncertainties, and other factors referred to above and elsewhere in this Quarterly Report on Form 10-Q may not contain all of the risks, uncertainties and other factors that may affect our future results and operations. Moreover, new risks will emerge from time to time. It is not possible for our management to predict all risks. In addition, we cannot assure you that we will realize the results, benefits or developments that we expect or anticipate or, even if substantially realized, that they will result in the consequences or affect us or our business in the way expected.

Any forward-looking statements contained in this Quarterly Report on Form 10-Q speak only as of the date hereof and not of any future date, and we expressly disclaim any intent to update any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I - FINANCIAL INFORMATION

Item 1. Condensed Financial Statements

SHATTUCK LABS, INC.
CONDENSED BALANCE SHEETS
(In thousands, except share and per share amounts)

		September 30, 2023 (unaudited)	December 31, 2022
		March 31, 2024	
		March 31, 2024	
		March 31, 2024	
		(unaudited)	
		(unaudited)	
		(unaudited)	
Assets			
Assets			
Assets	**Assets**		
Current assets:	Current assets:		

Current assets:			
Current assets:			
Cash and cash equivalents			
Cash and cash equivalents			
Cash and cash equivalents	Cash and cash equivalents	$ 40,632	$ 47,379
Investments	Investments	60,442	113,901
Investments			
Investments			
Prepaid expenses and other current assets			
Prepaid expenses and other current assets			
Prepaid expenses and other current assets	Prepaid expenses and other current assets	11,914	23,304
Total current assets	Total current assets	112,988	184,584
Total current assets			
Total current assets			
Property and equipment, net			
Property and equipment, net			
Property and equipment, net	Property and equipment, net	14,796	17,671
Other assets	Other assets	2,673	3,069
Other assets			
Other assets			
Total assets			
Total assets			
Total assets	Total assets	$ 130,457	$ 205,324
Liabilities and Stockholders' Equity	**Liabilities and Stockholders' Equity**		
Liabilities and Stockholders' Equity			
Liabilities and Stockholders' Equity			
Current liabilities:			
Current liabilities:			
Current liabilities:	Current liabilities:		
Accounts payable	Accounts payable	$ 2,016	$ 7,170
Accounts payable			
Accounts payable			
Accrued expenses and other current liabilities	Accrued expenses and other current liabilities	12,043	17,795
Accrued expenses and other current liabilities			
Accrued expenses and other current liabilities			
Deferred revenue			
Deferred revenue			
Deferred revenue			
Total current liabilities			
Total current liabilities			
Total current liabilities	Total current liabilities	14,059	24,965
Non-current operating lease liabilities	Non-current operating lease liabilities	3,615	4,202
Non-current operating lease liabilities			
Non-current operating lease liabilities			
Total liabilities			
Total liabilities			
Total liabilities	Total liabilities	17,674	29,167

Commitments and contingencies (Note 5)	Commitments and contingencies (Note 5)		
Commitments and contingencies (Note 5)			
Commitments and contingencies (Note 5)			
Stockholders' equity:	Stockholders' equity:		
Common stock, $0.0001 par value: 300,000,000 shares authorized; 42,485,485 shares issued and outstanding at September 30, 2023 and 42,390,586 shares issued and outstanding at December 31, 2022		5	5
Stockholders' equity:			
Stockholders' equity:			
Common stock, $0.0001 par value: 300,000,000 shares authorized; 47,519,219 shares issued and outstanding at March 31, 2024 and 47,260,108 shares issued and outstanding at December 31, 2023			
Common stock, $0.0001 par value: 300,000,000 shares authorized; 47,519,219 shares issued and outstanding at March 31, 2024 and 47,260,108 shares issued and outstanding at December 31, 2023			
Common stock, $0.0001 par value: 300,000,000 shares authorized; 47,519,219 shares issued and outstanding at March 31, 2024 and 47,260,108 shares issued and outstanding at December 31, 2023			
Additional paid-in capital	Additional paid-in capital	401,394	396,041
Accumulated other comprehensive loss		7	(877)
Additional paid-in capital			
Additional paid-in capital			
Accumulated other comprehensive (loss) income			
Accumulated other comprehensive (loss) income			
Accumulated other comprehensive (loss) income			
Accumulated deficit			
Accumulated deficit			
Accumulated deficit	Accumulated deficit	(288,623)	(219,012)
Total stockholders' equity	Total stockholders' equity	112,783	176,157
Total stockholders' equity			
Total stockholders' equity			
Total liabilities and stockholders' equity	Total liabilities and stockholders' equity	$ 130,457	$ 205,324
Total liabilities and stockholders' equity			
Total liabilities and stockholders' equity			

See accompanying notes to unaudited interim condensed financial statements

SHATTUCK LABS, INC.
CONDENSED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)
(In thousands, except share and per share amounts)

		Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
		2023	2022	2023	2022	2024	2023
Collaboration revenue	Collaboration revenue	$ 686	$ 212	$ 943	$ 262		
Operating expenses:	Operating expenses:						
Research and development	Research and development	24,211	18,862	59,083	61,012		
Research and development							

Research and development					
General and administrative	General and administrative	5,073	6,579	14,866	16,303
Expense from operations	Expense from operations	29,284	25,441	73,949	77,315
Loss from operations	Loss from operations	(28,598)	(25,229)	(73,006)	(77,053)
Other income	Other income	1,057	594	3,395	519
Other income					
Other income					
Net loss	Net loss	$ (27,541)	$ (24,635)	$ (69,611)	$ (76,534)
Unrealized gain (loss) on investments		81	(226)	884	(774)
Unrealized (loss) gain on investments					
Comprehensive loss	Comprehensive loss	$ (27,460)	$ (24,861)	$ (68,727)	$ (77,308)
Net loss per share – basic and diluted					
Net loss per share – basic and diluted					
Net loss per share – basic and diluted	Net loss per share – basic and diluted	$ (0.65)	$ (0.58)	$ (1.64)	$ (1.81)
Weighted-average shares outstanding – basic and diluted	Weighted-average shares outstanding – basic and diluted	42,477,642	42,386,470	42,461,644	42,374,955

See accompanying notes to unaudited interim condensed financial statements

SHATTUCK LABS, INC.
CONDENSED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)
(In thousands, except share amounts)

	Nine Months Ended September 30, 2023					
	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Gain (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance at December 31, 2022	42,390,586	$ 5	$ 396,041	$ (877)	$ (219,012)	$ 176,157

	Three Months Ended March 31, 2024						Three Months Ended March 31, 2024				
	Common Stock						Common Stock	Additional Paid-In Capital	Accumulated Other Comprehensive Gain (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares										
Balance at December 31, 2023											
Balance at December 31, 2023											
Balance at December 31, 2023											
Exercise of stock options and purchases pursuant to employee stock purchase plan	Exercise of stock options and purchases pursuant to employee stock purchase plan	11,888	—	39	—	—	39				

Issuance of common stock upon settlement of restricted stock units	Issuance of common stock upon settlement of restricted stock units	73,937	—	—	—	—	—
Shares withheld related to net share settlement	Shares withheld related to net share settlement	(16,153)	—	(39)	—	—	(39)
Stock-based compensation expense	Stock-based compensation expense	—	—	1,683	—	—	1,683
Unrealized gain on investments		—	—	—	538	—	538
Proceeds from sale of common stock, net							
Unrealized loss on investments							
Net loss	Net loss	—	—	—	—	(20,724)	(20,724)
Balance at March 31, 2023		42,460,258	$ 5	$ 397,724	$ (339)	$ (239,736)	$ 157,654
Exercise of stock options		11,077	—	33	—	—	33
Stock-based compensation expense		—	—	1,852	—	—	1,852
Unrealized gain on investments		—	—	—	265	—	265
Net loss		—	—	—	—	(21,346)	(21,346)
Balance at June 30, 2023		42,471,335	$ 5	$ 399,609	$ (74)	$ (261,082)	$ 138,458
Exercise of stock options and purchases pursuant to employee stock purchase plan		11,849	—	21	—	—	21
Issuance of common stock upon settlement of restricted stock units		3,375	—	—	—	—	—
Shares withheld related to net share settlement		(1,074)	—	—	—	—	—
Stock-based compensation expense		—	—	1,764	—	—	1,764
Unrealized gain on investments		—	—	—	81	—	81
Net loss		—	—	—	—	(27,541)	(27,541)
Balance at September 30, 2023		42,485,485	$ 5	$ 401,394	$ 7	$ (288,623)	$ 112,783
Balance at March 31, 2024							

See accompanying notes to unaudited interim condensed financial statements

SHATTUCK LABS, INC.
CONDENSED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (Continued)
(Unaudited)
(In thousands, except share amounts)

	Nine Months Ended September 30, 2022				
	Common Stock	Additional Paid-In Capital	Accumulated Other	Accumulated Deficit	Total Stockholders' Equity

	Shares	Amount		Comprehensive Gain (Loss)		
Balance at December 31, 2021	42,338,898	$ 5	$ 389,408	$ (560)	$ (117,067)	$ 271,786

	Three Months Ended March 31, 2023						Three Months Ended March 31, 2023				
	Common Stock						Common Stock				
	Shares							Additional Paid-In Capital	Accumulated Other Comprehensive Gain (Loss)	Accumulated Deficit	Total Stockholders' Equity
Balance at December 31, 2022											
Balance at December 31, 2022											
Balance at December 31, 2022											
Exercise of stock options and purchases pursuant to employee stock purchase plan	Exercise of stock options and purchases pursuant to employee stock purchase plan	39,616	—	134	—	—	134				
Issuance of common stock upon settlement of restricted stock units											
Shares withheld related to net share settlement											
Stock-based compensation expense	Stock-based compensation expense	—	—	1,513	—	—	1,513				
Unrealized gain on investments	Unrealized gain on investments	—	—	—	33	—	33				
Net loss	Net loss	—	—	—	—	(24,528)	(24,528)				
Balance at March 31, 2022		42,378,514	$ 5	$ 391,055	$ (527)	$ (141,595)	$ 248,938				
Exercise of stock options		3,499	—	10	—	—	10				
Stock-based compensation expense		—	—	1,533	—	—	1,533				
Unrealized loss on investments		—	—	—	(581)	—	(581)				
Net loss		—	—	—	—	(27,371)	(27,371)				
Balance at June 30, 2022		42,382,013	$ 5	$ 392,598	$ (1,108)	$ (168,966)	$ 222,529				
Exercise of stock options and purchases pursuant to employee stock purchase plan		8,573	—	27	—	—	27				
Stock-based compensation expense		—	—	1,723	—	—	1,723				
Unrealized loss on investments		—	—	—	(226)	—	(226)				
Net loss		—	—	—	—	(24,635)	(24,635)				
Balance at September 30, 2022		42,390,586	$ 5	$ 394,348	$ (1,334)	$ (193,601)	$ 199,418				
Balance at March 31, 2023											

See accompanying notes to unaudited interim condensed financial statements

SHATTUCK LABS, INC.
CONDENSED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	Nine Months Ended September 30,	
	2023	2022
Cash flows from operating activities:		
Net loss	$(69,611)	$(76,534)
Adjustments to reconcile net loss to net cash used in operations:		
Stock-based compensation	5,299	4,769
Depreciation	3,061	2,068
Non-cash operating lease expense	267	220
Net amortization (accretion) of investments	(1,055)	1,509
Impairment loss	204	770
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	11,890	3,060
Other assets	129	(87)
Accounts payable	(5,154)	(7,197)
Accrued expenses and other current liabilities	(6,309)	1,066
Non-current operating lease liabilities	(587)	(517)

	Three Months Ended March 31,	
	2024	2023
Cash flows from operating activities:		
Net loss	$(69,611)	$(76,534)
Adjustments to reconcile net loss to net cash used in operations:		
Stock-based compensation	5,299	4,769
Depreciation	3,061	2,068
Non-cash operating lease expense	267	220
Net amortization (accretion) of investments	(1,055)	1,509
Impairment loss	204	770
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	11,890	3,060
Other assets	129	(87)
Accounts payable	(5,154)	(7,197)
Accrued expenses and other current liabilities	(6,309)	1,066
Non-current operating lease liabilities	(587)	(517)

Deferred revenue	Deferred revenue	57	216
Net cash used in operating activities	Net cash used in operating activities	(61,809)	(70,657)
Cash flows from investing activities:	Cash flows from investing activities:		
Cash flows from investing activities:			
Cash flows from investing activities:			
Purchases of property and equipment	Purchases of property and equipment	(390)	(10,921)
Net change in investments		55,398	28,897
Net cash provided by investing activities		55,008	17,976
Purchases of property and equipment			
Purchases of property and equipment			
Sale and maturities of investments			
Purchases of investments			
Net cash (used in) provided by investing activities			
Cash flows from financing activities:	Cash flows from financing activities:		
Cash flows from financing activities:			
Cash flows from financing activities:			
Proceeds from the exercises of stock options and purchases pursuant to employee stock purchase plan			
Proceeds from the exercises of stock options and purchases pursuant to employee stock purchase plan			
Proceeds from the exercises of stock options and purchases pursuant to employee stock purchase plan	Proceeds from the exercises of stock options and purchases pursuant to employee stock purchase plan	93	171

Taxes paid related to net share settlement of equity awards	Taxes paid related to net share settlement of equity awards	(39)	—
Net cash provided by financing activities		54	171
Net decrease in cash and cash equivalents		(6,747)	(52,510)
Offering cost			
Net cash (used in) provided by financing activities			
Net (decrease) increase in cash and cash equivalents			
Cash and cash equivalents, beginning of period	Cash and cash equivalents, beginning of period	47,379	92,268
Cash and cash equivalents, end of period	Cash and cash equivalents, end of period	$ 40,632	$ 39,758
Supplemental disclosures of non-cash financial activities:	Supplemental disclosures of non-cash financial activities:		
Supplemental disclosures of non-cash financial activities:			
Supplemental disclosures of non-cash financial activities:			
Deferred revenue billed but not received			
Deferred revenue billed but not received			
Deferred revenue billed but not received	Deferred revenue billed but not received	$ 500	$ —
Unpaid amounts related to purchases of property and equipment	Unpaid amounts related to purchases of property and equipment	$ —	$ 221
Operating lease liabilities recognized for operating right-of-use assets		$ —	$ 5,447
Operating right-of-use assets exchanged for operating lease liabilities		$ —	$ 2,945

See accompanying notes to unaudited interim condensed financial statements

SHATTUCK LABS, INC.
NOTES TO THE UNAUDITED INTERIM CONDENSED FINANCIAL STATEMENTS

1. Organization and Description of Business

Shattuck Labs, Inc. (the "Company") was incorporated in 2016 in the State of Delaware and is a clinical-stage biopharmaceutical biotechnology company developing pioneering the development of dual-sided fusion proteins, including its Agonist Redirected Checkpoint ("ARC®ARC®") platform, as a novel an entirely new class of biologic medicines medicine capable of multifunctional activity with potential applications in oncology and autoimmune and inflammatory diseases. diseases, and other therapeutic areas. Using its proprietary technology, the Company is building a pipeline of therapeutics, initially focused on the treatment of solid tumors and hematologic malignancies. The Company has one clinical-stage product candidate, SL-172154, and has several compounds in preclinical development.

Liquidity

The Company has incurred losses and negative cash flows from operations since inception and has an accumulated deficit of $288.6 million $324.8 million as of September 30, 2023 March 31, 2024. The Company anticipates incurring additional losses and negative cash flows from operations until such time, if ever, that it can generate significant sales of its product candidates currently in development, and is highly dependent on its ability to find additional sources of funding in the form of licensing of its technology, collaboration agreements and/or public and private debt and equity financings. Adequate additional funding may not be available to the Company on acceptable terms, or at all. The failure to raise funds as and when needed could have a negative impact on the Company's financial condition and ability to pursue its clinical operations, research and development and commercialization of its product candidates. Management believes that the Company's cash and cash equivalents and investments of $101.1 million $114.6 million as of September 30, 2023 March 31, 2024 are sufficient to fund projected operations of the Company for at least the next twelve months. months from the date of filing of these financial statements.

Global Economic Considerations

The global macroeconomic environment is uncertain, and could be negatively affected by, among other things, increased U.S. trade tariffs and trade disputes with other countries, instability in the global capital and credit markets, supply chain weaknesses, financial institution instability, and instability in the geopolitical environment, including as a result of the Russian invasion of Ukraine and other political tensions, and lingering effects of the COVID-19 pandemic. environment. Such challenges have caused, and may continue to cause, recession fears, rising high interest rates, foreign exchange volatility and inflationary pressures. At this time, we are the Company is unable to quantify the potential effects of this economic instability on our its future operations.

2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited interim condensed financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Unaudited Interim Condensed Financial Statements

In the opinion of management, the accompanying interim financial statements include all normal and recurring adjustments (which consist primarily of accruals, estimates and assumptions that impact the financial statements) considered necessary to present fairly the Company's financial position, its results of operations, statements of changes in stockholders' equity and cash flows for the interim periods presented. Operating results for interim periods presented are not necessarily indicative of the results that may be expected for the year ending December 31, 2023 December 31, 2024. The interim financial statements presented herein do not contain all required disclosures under GAAP for annual financial statements. The accompanying unaudited interim condensed financial statements should be read in conjunction with the annual audited financial statements and related notes in our the Company's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Significant

estimates and assumptions reflected in these financial statements include, but are not limited to, revenue recognition,

the accrual of research and development expenses, and the valuation of stock-based awards. Estimates are periodically reviewed in light of changes in circumstances, facts and experience. Changes in estimates, if any, are recorded in the period in which they become known and actual results could differ from management's estimates.

Segment Information

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company views its operations and manages its business as one segment.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received upon the sale of an asset or paid upon the transfer of a liability in an orderly transaction between market participants at the measurement date and in the principal or most advantageous market for that asset or liability. Fair value measurements are classified and disclosed in one of the following categories:

- Level 1: Observable inputs such as quoted prices in active markets for identical assets the reporting entity has the ability to access as of the measurement date;
- Level 2: Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Fair value measurements are classified based on the lowest level of input that is significant to the measurement. The Company's assessment of the significance of a particular input to the fair value measurement requires judgment, which may affect the valuation of the assets and liabilities and their placement within the fair value hierarchy levels. The determination of the fair values stated below takes into account the market for its financial assets and liabilities, the associated credit risk and other factors as required. The Company considers active markets as those in which transactions for the assets or liabilities occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Management believes that the carrying amounts of the Company's financial instruments, including investments and accounts payable, approximate fair value due to the short-term nature of those instruments.

Concentration of Risk

Financial instruments that potentially subject the Company to concentrations of credit risk primarily consist of cash, cash equivalents and investments. The Company maintains its cash and cash equivalents at two an accredited financial institutions institution in amounts that exceed federally-insured limits. The Company does not believe that it is subject to unusual credit risk beyond the normal credit risk associated with commercial banking relationships. The Company invests in only U.S. Treasury highly-rated debt securities that management believes protects the Company from risk of default and impairment of value.

All of the Company's revenue in 2024 has been derived from collaborations with Ono Pharmaceutical Co., Ltd ("Ono") and ImmunoGen, Inc., and revenue in 2023 was derived from a collaboration agreement with ImmunoGen (the "ImmunoGen Agreement"). In February 2024, ImmunoGen was acquired by AbbVie, Inc.

The Company is highly dependent on a limited number of contract development and manufacturing organizations ("CMOs" CDMOs") to supply drug products for its research and development activities of its programs, including clinical trials and non-clinical studies. These programs could be adversely affected by a significant interruption in the supply of such drug products.

The Company is highly dependent on a limited number of contract research organizations ("CROs") and third-party service providers to manage and support its clinical trials. These programs could be adversely affected by a significant disruption in services provided by these CROs and third parties.

Cash and Cash Equivalents

The Company considers all demand deposits with financial institutions and all highly liquid investments with original maturities of 90 days or less at the date of purchase to be cash and cash equivalents. Cash and cash equivalents consisted of $1.6 million $3.8 million held in operating accounts and $39.0 million $37.9 million held in money market funds as of September 30, 2023 March 31, 2024, and $3.5 million $4.8 million held in operating accounts and $43.9 million $81.1 million held in money market funds as of December 31, 2022 December 31, 2023.

Investments

The Company's investments consist of highly-rated U.S. Treasury securities and have been classified as available-for-sale and are carried at estimated fair value as determined based upon quoted market prices. Management determines the appropriate classification of its investment securities at the time of purchase. The Company may hold securities with stated maturities greater than one year. All available-for-sale securities are considered available to support current operations and are classified as current assets. Credit impairments for available-for-sale securities are recorded through an allowance rather than a direct write-down of the security and are recorded through a charge to the statements of operations. Unrealized gains or losses not related to credit impairments are recorded in accumulated other comprehensive income (loss), a component of stockholders' equity, until realized. The Company reviews available-for-sale debt securities for impairments related to credit losses and other factors each quarter. As of September 30, 2023 March 31, 2024 and December 31, 2022 December 31, 2023, there were no impairments related to credit losses of investments.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for indications of possible impairment whenever events or changes in circumstance indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by comparison of the carrying amounts to the future undiscounted cash flows attributable to these assets. An impairment loss is recognized to the extent an asset group is not recoverable and the carrying amount exceeds the projected discounted future cash flows arising from these assets. There were $0.2 million in impairment losses no impairments of long-lived assets for each of the three and nine months ended September 30, 2023, March 31, 2024 and $0.4 million and $0.8 million of impairment losses for the three and nine months ended September 30, 2022, respectively. Impairment losses were related to lab equipment that was determined to no longer be needed, and such loss was included in the Company's research and development costs. 2023.

Leases

The Company determines if an arrangement is a lease at inception. Right-of-use ("ROU") assets represent the Company's right to use an underlying asset for the lease term and lease liabilities represent the Company's obligation to make lease payments arising from the lease. The classification of the Company's leases as operating or finance leases, along with the initial measurement and recognition of the associated ROU assets and lease liabilities, are performed at the lease commencement date. The measurement of lease liabilities is based on the present value of future lease payments over the lease term. As the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the lease commencement date in determining the present value of future lease payments. The ROU asset is based on the measurement of the lease liability and also includes any lease payments made prior to or on lease commencement and excludes lease incentives and initial direct costs incurred, as applicable. The lease terms may include options to extend or terminate the lease when it is reasonably certain the Company will exercise any such options. Rent expense for the Company's operating leases is recognized on a straight-line basis over the lease term. The Company has elected to not apply the recognition requirement of Accounting Standards Codification ("ASC") 842, *Leases* of the Financial Accounting Standards Board ("FASB") to leases with a term of 12 months or less for all classes of assets.

Commitments and Contingencies

The Company follows ASC 450-20, *Contingencies* of the FASB to report accounting for contingencies. Certain conditions may exist as of the date the condensed financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's condensed financial statements. If the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed.

Revenue Recognition

Collaboration revenue is recognized in accordance with ASC 606, *Revenue from Contracts with Customers* ("ASC 606"). Arrangements with collaborators may include licenses to intellectual property, research and development services, manufacturing services for clinical and commercial supply and participation on joint steering committees. The Company evaluates the promised goods or services in the contract to determine which promises, or group of promises, represent performance obligations. In contemplation of

whether a promised good or service meets the criteria required of a performance obligation, the Company considers the stage of development of the underlying intellectual property, the capabilities and expertise of the customer relative to the underlying intellectual property and whether the promised goods or services are integral to or dependent on other promises in the contract. When accounting for an arrangement that contains multiple performance obligations, the Company must develop judgmental assumptions, which may include market conditions, reimbursement rates for personnel costs, development timelines and probabilities of regulatory success to determine the stand-alone selling price for each performance obligation identified in the contract.

Upon the amendment of an existing agreement, the Company evaluates whether the amendment represents a modification to an existing contract that would be recorded through a cumulative catch-up to revenue, or a separate contract. If it is determined that it is a separate contract, the Company will evaluate the necessary revenue recognition through the five-step process described below.

When the Company concludes that a contract should be accounted for as a combined performance obligation and recognized over time, the Company must then determine the period over which revenue should be recognized and the method by which to measure revenue. The Company generally recognizes revenue using a cost-based input method.

The Company recognizes collaboration revenue in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services when its customer or collaborator obtains control of promised goods or services. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC 606, the following five steps are performed:

i. identify the contract(s) with a customer;

ii. identify the performance obligations in the contract;

iii. determine the transaction price;

iv. allocate the transaction price to the performance obligations within the contract; and

v. recognize revenue when (or as) the entity satisfies a performance obligation.

The Company only applies the five-step model to contracts when it determines that it is probable it will collect the consideration it is entitled to in exchange for the goods or services it transfers to the customer.

At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised within the contract to determine whether each promised good or service is a performance obligation. The promised goods or services in the Company's arrangements may consist of a license of, or options to license, the Company's intellectual property and research, development and manufacturing services. The Company may provide options to additional items in such arrangements, which are accounted for as separate contracts when the customer elects to exercise such options, unless the option provides a material right to the customer. Performance obligations are promises in a contract to transfer a distinct good or service to the customer that (i) the customer can benefit from on its own or together with other readily available resources and (ii) are separately identifiable from other promises in the contract. Goods or services that are not individually distinct performance obligations are combined with other promised goods or services until such combined group of promises meet the requirements of a performance obligation.

The Company determines transaction price based on the amount of consideration the Company expects to receive for transferring the promised goods or services in the contract. Consideration may be fixed, variable or a combination of both. At contract inception for arrangements that include variable consideration, the Company estimates the probability and extent of consideration it expects to receive under the contract utilizing either the most-likely amount method or expected amount method, whichever best estimates the amount expected to be received. The Company then considers any constraints on the variable consideration and includes variable consideration in the transaction price to the extent it is deemed probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company then allocates the transaction price to each performance obligation based on the relative standalone selling price and recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) control is transferred to the customer and the performance obligation is satisfied. For performance obligations that consist of licenses and other promises, the Company utilizes judgment to assess the nature of the combined performance obligation to determine whether the combined performance obligation is satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress. The Company evaluates the measure of progress each reporting period and, if necessary, adjusts the measure of performance and related revenue recognition.

The Company records amounts as accounts receivable when the right to consideration is deemed unconditional. When consideration is received, or such consideration is unconditionally due, from a customer prior to transferring goods or services to the customer under the terms of a contract, a contract liability is recorded as deferred revenue.

Amounts received prior to satisfying the revenue recognition criteria are recognized as deferred revenue in the Company's accompanying balance sheet. Deferred revenues expected to be recognized as revenue within the 12 months following the balance sheet date are classified as a current liability. Deferred revenues not expected to be recognized as revenue within the 12 months following the balance sheet date are classified as non-current liabilities.

The Company's collaboration revenue arrangements may include the following:

Up-front License Fees: If a license is determined to be distinct from the other performance obligations identified in the arrangement, the Company recognizes revenues from nonrefundable, up-front fees allocated to the license when the license is transferred to the licensee and the licensee is able to use and benefit from the license. For licenses that are bundled with other promises, the Company utilizes judgment to assess the nature of the combined performance obligation to determine whether the combined performance obligation is satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress for purposes of recognizing revenue from non-refundable, up-front fees. The Company evaluates the measure of progress each reporting period and, if necessary, adjusts the measure of performance and related revenue recognition.

Milestone Payments: At the inception of an agreement that includes research and development milestone payments, the Company evaluates each milestone to determine when and how much of the milestone to include in the transaction price. The Company first estimates the amount of the milestone payment that the Company could receive using either the expected value or the most-likely amount approach. The Company primarily uses the most-likely amount approach as that approach is generally most predictive for milestone payments with a binary outcome. The Company then considers whether any portion of that estimated amount is subject to the variable consideration constraint (that is, whether it is probable that a significant reversal of cumulative revenue would not occur upon resolution of the uncertainty). The Company updates the estimate of variable consideration included in the transaction price at each reporting date which includes updating the assessment of the likely amount of consideration and the application of the constraint to reflect current facts and circumstances.

Royalties: For arrangements that include sales-based royalties, including milestone payments based on a level of sales, and the license is deemed to be the predominant item to which the royalties relate, the Company will recognize revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied).

To date, the Company has not granted a development and commercialization license nor recognized any revenue related to sales-based royalties or milestone payments based on the level of sales.

Research and Development Services: The Company will record costs associated with development and process optimization activities as research and development expenses in the statements of operations and comprehensive loss consistent with ASC 730, *Research and Development.* The Company considered the guidance in ASC 808, *Collaborative Arrangements* and will recognize the payments received from these agreements as revenue when the related costs are incurred.

Research and Development Costs

Research and development costs are expensed as incurred, and include salaries, stock-based compensation and other personnel-related costs, equipment and supplies, depreciation, nonclinical studies, clinical trials and manufacturing development activities.

A substantial portion of the Company's ongoing research and development activities are conducted by third-party service providers, including CROs and CMOs. CDMOs. The Company accrues for expenses resulting from obligations under agreements with CROs, CMOs CDMOs and other outside service providers for which payment flows do not match the periods over which materials or services are provided to the Company. Accruals are recorded based on estimates of services received and efforts expended pursuant to agreements established with CROs, CMOs CDMOs and other outside service providers. These estimates are typically based on contracted amounts applied to the proportion of work performed and determined through an evaluation of the progress or stage of completion of the services. In the event advance payments are made to a CRO, CMO CDMO or outside service provider, the payments will be recorded as a prepaid asset, which will be amortized as the contracted services are performed. As actual costs become known, the Company adjusts its accruals and prepaid assets accordingly. Inputs, such as the services performed, the number of patients enrolled or the study duration, may vary from the Company's estimates, resulting in adjustments to research and development expense in future periods. The Company makes significant judgments and estimates in determining the accrual and/or prepaid balance in each reporting period and changes in these estimates may result in material changes to the Company's accruals that could materially affect the Company's results of operations.

Net Loss Per Share

Basic loss per share of common stock is computed by dividing net loss attributable to common stockholders by the weighted-average number of shares of common stock outstanding during each period. Basic shares outstanding includes the weighted average effect of the Company's outstanding 3,100,823 pre-funded warrants, the exercise of which requires nominal consideration for the delivery of shares of common stock. Diluted loss per share of common stock includes the effect, if any, from the potential exercise or conversion of securities, such as redeemable convertible preferred stock or convertible notes, if any, stock options and unvested shares of restricted stock, 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 of March 31, 2024 and 2023, as they would be anti-dilutive:

	As of September 30,	
	2023	2022
Stock options	5,357,517	4,073,267
Unvested restricted stock	655,777	295,977
	6,013,294	4,369,244

	Three Months Ended March 31,	
	2024	2023
Stock options	6,468,859	5,261,439
Unvested restricted stock units	1,040,621	652,598
	7,509,480	5,914,037

Other Comprehensive Income (Loss)

Other comprehensive income (loss) is defined as the change in equity of a business enterprise during a period from transactions and other events and circumstances from non-owner sources. Other comprehensive income (loss) is comprised of the net loss and unrealized gains and losses on investments.

Recently Adopted Accounting Pronouncements

None.

3. Investments

The following table represents the Company's available for sale available-for-sale investments by major security type (amounts in (in thousands):

	September 30, 2023		
	Amortized Cost	Gross Unrealized Gain	Total Fair Value
Investments:			
U.S. Treasury securities	$ 60,435	$ 7	$ 60,442
Total investments	$ 60,435	$ 7	$ 60,442

	March 31, 2024		
	Amortized Cost	Gross Unrealized Loss	Total Fair Value
Investments:			
U.S. government securities	$ 38,642	$ (14)	$ 38,628
Cash equivalents:			
U.S. government securities	34,245	—	34,245
Total level 1 debt securities	$ 72,887	$ (14)	$ 72,873

	December 31, 2022		
	Amortized Cost	Gross Unrealized Loss	Total Fair Value
Investments:			
U.S. Treasury securities	$ 114,778	$ (877)	$ 113,901
Total investments	$ 114,778	$ (877)	$ 113,901

	December 31, 2023		
	Amortized Cost	Gross Unrealized Gain/(Loss)	Total Fair Value
Investments:			
U.S. government securities	$ 4,998	$ 1	$ 4,999
Cash equivalents:			
U.S. government securities	39,657	3	39,660
Total level 1 debt securities	$ 44,655	$ 4	$ 44,659

The Company's investment instruments and cash and cash equivalents are classified using Level 1 inputs within the fair value hierarchy and are valued using quoted market prices, broker or dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Debt securities have a weighted-average maturity of 0.11 0.19 years as of September 30, 2023 March 31, 2024.

4. Accrued Expenses and Other Current Liabilities

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

	September 30, 2023	December 31, 2022
Research and development contract costs	$ 6,510	$ 11,256
Compensation and related benefits	3,981	3,967
Operating lease liabilities	771	701
Deferred revenue	557	—
Other	224	471
Litigation settlement	—	1,400
Total accrued expenses and other current liabilities	$ 12,043	$ 17,795

	March 31, 2024	December 31, 2023
Research contract costs	$ 5,357	$ 4,235
Compensation	1,028	3,794
Operating lease liabilities	821	796
Other	363	698
	$ 7,569	$ 9,523

5. Commitments and Contingencies

Operating Leases

The Company leases certain office space, laboratory facilities, and equipment. These leases require monthly lease payments that may be subject to annual increases throughout the lease term. Certain of these leases also include renewal options at the election of the Company to renew or extend the lease. These optional periods have not been considered in the determination of the ROU assets or lease liabilities associated with these leases as the

Company did not consider it reasonably certain it would exercise the options. The Company performed evaluations of its contracts and determined it has operating leases. There have been no material changes in our operating leases as compared to operating leases disclosed in our the Company's Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Nighthawk Biosciences, Inc. Kopfkino License Agreement

In connection The Company is party to an Exclusive License Agreement (the "Kopfkino License Agreement"), with a license agreement with Nighthawk Biosciences, Inc. Kopfkino IP, LLC ("Nighthawk" Kopfkino"), . Under terms of the Kopfkino License Agreement, the Company is required to make payments of up to $20.6 $20.5 million in aggregate for upon the achievement of specified development, regulatory and commercial sales milestones for certain licensed products. The Company paid $0.1 million to Nighthawk in the nine months ended September 30, 2023 as a milestone payment for the Company's completion of a Phase 1 clinical trial for SL-172154. The Company is required to pay Nighthawk Kopfkino a percentage of upfront fees or other non-royalty payments not tied to milestone events that it receives in connection with certain sublicenses of the licensed patents. The Company is also required to pay Nighthawk Kopfkino a royalty on all of its worldwide net sales, those of its affiliates, and sublicenses of certain licensed patents in the low single digits. The Company has not recorded a liability for the aforementioned payments given the achievement of specified development, regulatory and commercial sales milestones for certain licensed products is not probable as of the balance sheet date. The Company originally entered into the Kopfkino License Agreement in June 2016 with Scorpius Holdings, Inc., ("Scorpius") (f/k/a Nighthawk Biosciences, Inc., f/k/a Heat Biologics Inc.). In January 2024, Scorpius assigned the rights, title, and interest in and under the agreement, along with the underlying patents and patent applications, to Kopfkino.

Litigation

From time to time, the Company may become involved in various legal actions arising in the ordinary course of business. On January 31, 2022 and February 11, 2022 As of March 31, 2024, putative class action lawsuits were filed in management was not aware of any existing, pending, or threatened legal actions that would have a material impact on the U.S. District Court for the Eastern District financial position, results of New York against us and certain operations, or cash flows of the Company's officers and directors. The cases were consolidated on June 2, 2022, and the plaintiffs filed an amended complaint on July 1, 2022. The amended complaint cites the volatility in the Company's common stock and alleges that the defendants made or are responsible for misleading omissions regarding the Company's clinical trial results and the collaboration agreement with Millennium Pharmaceuticals, Inc., a wholly-owned subsidiary of Takeda Pharmaceutical Company, Ltd. The court approved the parties settlement of plaintiffs' claims in the amount of $1.4 million on November 6, 2023. The Company paid the amount to the escrow agent for the settlement on June 19, 2023. Company.

Contractual Obligations

Contractual obligations represent future cash commitments and liabilities under agreements with third parties, and exclude contingent liabilities for which the Company cannot reasonably predict future payment. The Company's contractual obligations result primarily from obligations for various CMOs CDMOs and CROs, which include potential payments that may be required under its agreements. The contracts also contain variable costs and milestones that are hard to predict, as they are based on such things as patients enrolled and clinical trial sites. The timing of payments and actual amounts paid under CMO CDMO and CRO agreements may be different depending on the timing of receipt of goods or services or changes to agreed-upon terms or amounts for some obligations. Such agreements are cancellable upon written notice by the Company and, therefore, are not long-term liabilities.

6. Collaboration Agreements

The Company recognizes revenue for collaboration agreements using a cost-based input measure. In applying the cost-based input method of revenue recognition, the Company uses actual costs incurred relative to budgeted costs expected to be incurred, and any upfront payments are deferred accordingly.

Ono Pharmaceutical Co., Ltd

In February 2024, the Company entered into a collaboration and license agreement (the "Ono Agreement") with Ono, pursuant to which the parties will collaborate in the research and preclinical development of certain compounds selected by Ono from the Company's pipeline of bifunctional fusion proteins directed toward a pair of prespecified targets for potential treatment of autoimmune and inflammatory diseases.Under the terms of the Ono Agreement, the Company is primarily responsible for carrying out research activities in accordance with a mutually agreed upon research plan (the "Research Plan"), subject to the oversight of a joint research committee consisting of representatives from each party. Ono is responsible for all research costs incurred under the Research Plan.

The Company also granted Ono an exclusive option (the "Option") to obtain an exclusive, sublicensable license to further research, develop, manufacture and commercialize products containing the specified bifunctional fusion proteins in any therapeutic area worldwide. The option period will extend from the effective date of the Ono Agreement until 90 days after the Company delivers its final report pursuant to the Research Plan. If Ono exercises the Option, the Company may receive licensing and clinical, regulatory, and commercial milestone payments of up to $217.5 million upon the exercise of the Option and the achievement of certain specified clinical, regulatory and commercial milestones, as well as tiered royalty payments on commercial sales ranging from mid-single digit to low-double digit percentages. Royalties are payable by Ono on a licensed product-by-licensed product and country-by-country basis during the product's royalty term, defined as the period beginning on the first commercial sale of a product and ending on the later of (i) the expiration of the last-to-expire composition of matter claim within applicable product patent rights covering such product in such country, (ii) the expiration of regulatory exclusivity for such product in such country, and (iii) the tenth (10th) anniversary of such first commercial sale of a product in such country.

The Ono Agreement may be terminated by mutual agreement of both parties or by either party upon an uncured material breach of the Ono Agreement or the insolvency of the other party. Ono may terminate the Ono Agreement at any time upon 90 days' written notice to the Company. If Ono exercises such termination right, Ono will pay all of the Company's costs up through the date of termination. In addition, after the conditions to exercise the Option have been met, the Company may terminate the Ono Agreement if Ono discontinues its development or commercialization efforts and other conditions are met.

Further, under the terms of the Ono Agreement, the Company will receive an initial non-refundable payment of $5.4 million, consisting of a $2.0 million payment for the Option and an initial research funding payment of $3.4 million to cover the expected cost of the first six months of planned activities under the Research Plan. At the conclusion of the first six months, Ono may continue to reimburse nonclinical research activities under the Research Plan, and the Company may receive up to $7.0 million payable upon the achievement of certain milestones specified in the Research Plan.

The Ono Agreement is a collaborative arrangement under ASC 808 as both companies are active participants that are exposed to significant risks and rewards. However, since the units of account identified under ASC 808 follow a typical vendor/customer relationship, the Company accounted for the transaction under ASC 606. The Company determined that the contingent promise to provide the license upon the exercise of the Option should be accounted for as a customer option, and the $2.0 million amount allocated to that option will be deferred and recognized when the Option is either exercised or expires. The Company will re-evaluate whether or not the license is distinct from research activities at the time of exercise when it delivers the license. The Company determined that the Option was not a material right.

The Company identified a single performance obligation under the Research Plan consisting of the non-clinical research activities to develop candidate bifunctional fusion proteins. The Company will recognize revenue for the non-clinical research activities as the services are performed in accordance with the Research Plan using an inputs method. The future development milestone payments represent variable consideration that is fully constrained at inception of the arrangement as the achievement of the milestone events are highly uncertain and outside of the Company's control.

The Company will re-evaluate the transaction price, including the estimated variable consideration included in the transaction price and all constrained amounts, in each reporting period and as other changes in circumstances occur.

For the three months ended March 31, 2024 and 2023, the Company recognized $0.8 million and $0 of revenue under the Ono Agreement, respectively.

ImmunoGen

In 2022, the Company entered into the ImmunoGen Agreement, pursuant to which ImmunoGen will reimburse the Company for $2.0 million of the costs the Company incurs in the Phase 1B combination cohort evaluating SL-172154 in combination with mirvetuximab soravtansine in patients with platinum-resistant ovarian cancer. The Company dosed its first patient with mirvetuximab soravtansine in 2023 and recognized revenue of $0.3 millionand $0.1 million under the ImmunoGen Agreement for the three months ended March 31, 2024 and 2023, respectively. In February 2024, ImmunoGen was acquired by AbbVie, Inc.

7. Equity

The Company is authorized to issue up to 300,000,000 shares of common stock and 10,000,000 shares of preferred stock, all with a par value of $0.0001 per share. The holders of the Company's common stock are entitled to one vote per share on all matters submitted to a vote of stockholders. The Company's common stock is not entitled to preemptive rights, and is not subject to conversion, redemption or sinking fund provisions. Subject to preferences that may apply to any shares of preferred stock outstanding at the time, the holders of the Company's common stock will receive ratably any dividends declared by the Company's board of directors ("Board") out of funds legally available. In the event of the Company's liquidation, dissolution or winding-up, the holders of the Company's common stock will be entitled to share ratably in all assets remaining after payment of or provision for any liabilities. As of the periods presented, no common stock dividends had been declared by the Board. At September 30, 2023 As of March 31, 2024, none of the 10,000,000 shares of preferred stock were outstanding, and the Company has no present plans to issue any shares of preferred stock.

In July 2022, the Company entered into a sales agreement (the "Sales Agreement") with Leerink Partners LLC (the "Sales Agent"), pursuant to which it may offer and sell up to $75.0 million of shares of its common stock from time to time (the "ATM Facility"). The Sales Agent is generally entitled to compensation at a commission equal to 3.0% of the aggregate gross sales price per share sold under the Sales Agreement. As of March 31, 2024, there were no sales pursuant to the ATM Facility.

7. In 2023, the Company sold 4,651,163 shares of common stock through an underwritten public offering, and concurrently completed a private placement of 3,100,823 pre-funded warrants. The purchase price per share of common stock was $6.45, and the purchase price per pre-funded warrant was $6.4499, which was the purchase price per share of common stock minus the $0.0001 per share exercise price of such pre-funded warrant. Each pre-funded warrant may be exercised for one share of common stock, is immediately exercisable, does not expire, and is subject to a beneficial ownership limitation of 9.99% post-exercise. As of March 31, 2024, all 3,100,823 pre-funded warrants remain outstanding.

8. Stock-Based Compensation and Employee Benefit Plans

2020 Equity Incentive Plan

In September 2020, the Company adopted the 2020 Stock Incentive Plan (the "2020 Plan") which, as of the adoption date, replaced the 2016 Stock Incentive Plan. Under the 2020 Plan, the share reserve automatically increases on January 1st of each year beginning in 2021 and ending with a final increase on January 1, 2030 in an amount equal to 4% of the Company's outstanding common shares stock on December 31st of the preceding calendar year. The Board may provide that there will be no increase in the share reserve for any such year or that the increase in the share reserve may be smaller than would otherwise occur. On January 1, 2023 January 1, 2024, the share reserve automatically increased by 1,695,623 1,890,404 shares. As of September 30, 2023 March 31, 2024, there were 3,626,489 3,645,422 shares available for future grants. The 2020 Plan permits the granting of options, stock appreciation rights, restricted stock units ("RSUs"), performance stock and performance cash awards. The terms of the agreements under the 2020 Plan are determined by the Board. The Company's awards generally vest over four years and have a term of 10 years. Periodically, the The Company grants awards has also granted options that vest based on the Company achieving are subject to certain closing share prices for a number of consecutive trading days. market-based vesting conditions.

2020 Employee Stock Purchase Plan

The 2020 Employee Stock Purchase Plan ("2020 (the "2020 ESPP") became effective in October 2020. Eligible employees may purchase shares of common stock under the 2020 ESPP at 85% of the lower of the fair market value of the Company's common stock as of the first or the last day of each offering period. Employees are limited to contributing 15% of the employee's eligible compensation and may not purchase more than $25,000 of stock during any calendar year or more than 600 shares during any one purchase period. The 2020 ESPP share reserve automatically increases on January 1st of each calendar year, for ten years, commencing on January 1, 2021, in an amount equal to 1% of the total number of shares of common stock outstanding on December 31st of the preceding calendar year. The Board may act prior to January 1st of a given year to provide that there will be no January 1st increase of the share reserve for such year or that the increase in the share reserve for such year will be a smaller number of shares of common stock than would otherwise occur pursuant to the preceding sentence. On January 1, 2023 January 1, 2024, the share reserve increased by 423,905 shares. 472,601 shares of common stock. As of September 30, 2023 March 31, 2024, there were 1,204,874 1,670,189

shares available for future purchases. grants. During the three and nine months ended September 30, 2023, March 31, 2024 and 2023, the Company issued 11,849 7,286 and 23,020 11,171 shares of common stock for aggregate cash proceeds of less than $0.1 million and $0.1 million, respectively. During the three and nine months ended September 30, 2022, the Company issued 7,861 and 13,088 shares of common stock for aggregate cash proceeds of $0.1 million and $0.1 million, respectively. million.

The Company recorded stock-based compensation expense in the following expense categories of its accompanying unaudited interim condensed statements of operations and comprehensive loss (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Research and development	$ 921	$ 950	$2,681	$2,672
General and administrative	843	773	2,618	2,097
Total stock-based compensation	$1,764	$1,723	$5,299	$4,769

	Three Months Ended March 31,	
	2024	2023
Research and development	$ 921	$ 950
General and administrative	843	773
Total stock-based compensation	$1,764	$1,723

The following table summarizes option activity under the 2020 Plan for the nine months ended September 30, 2023: Plan:

	Options	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)
Balance at December 31, 2022	4,209,255	$ 8.29	8.07
Granted	1,462,535	3.41	
Exercised	(11,794)	2.95	
Forfeited	(302,479)	7.00	
Balance at September 30, 2023	5,357,517	$ 7.04	7.21
Vested and expected to vest	5,294,379	$ 7.06	7.20
Exercisable at the end of the period	2,595,439	$ 8.05	6.38

	Options	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)
Balance at December 31, 2023	4,942,164	$ 7.21	7.62
Forfeited			
Balance at March 31, 2024	6,468,859	$ 7.96	7.86
Vested and expected to vest	6,134,411	$ $ 7.93	7.78 7.78
Exercisable at the end of the period	3,043,909	$ $ 7.89	6.47 6.47

Options granted during the nine three months ended September 30, 2023 March 31, 2024 and 2022 2023 had weighted-average grant-date fair values of $2.50 $7.85 and $4.21 $2.46 per share, respectively. As of September 30, 2023 March 31, 2024, the unrecognized compensation cost for options issued was $10.9 million $17.7 million and will be recognized over an estimated weighted-average amortization period of 2.18 2.65 years. The total intrinsic value of options exercised during the nine three months ended September 30, 2023

March 31, 2024 and 2022 2023 was $0.0 million $0.6 million and $0.1 million, $0.1 million, respectively. The aggregate intrinsic value of options outstanding and exercisable as of September 30, 2023 March 31, 2024 was $0.1 million. $12.4 million.

Restricted Stock Units

The following table summarizes employee RSU activity for the nine three months ended September 30, 2023 March 31, 2024:

	Awards	Weighted Average Grant Date Fair Value
Unvested RSUs as of December 31, 2022	309,477	$ 7.22

Awards		Awards	Weighted Average Grant Date Fair Value
Unvested RSUs as of December 31, 2023			
Granted	Granted	460,925	3.54
Released	Released	(77,312)	7.22
Forfeited	Forfeited	(37,313)	4.77
Balance at September 30, 2023		655,777	$ 4.78
Unvested RSUs as of March 31, 2024			

The Company recognized $0.7 million $0.5 million and $0.2 million of stock-based compensation expense cost related to RSUs for the nine months ended September 30, 2023. as of March 31, 2024 and 2023. As of September 30, 2023 March 31, 2024, the unrecognized compensation cost for RSUs issued was $2.6 million $6.8 million and will be recognized over an estimated weighted-average amortization period of 2.99 3.29 years. The fair values of RSUs are based on the fair value of the Company's common stock on the date of the grant.

Fair Value of Stock Options and Shares Issued

The Company accounts for stock-based compensation by measuring and recognizing as compensation expense the fair value of all share-based payment awards made to employees, including employee stock options and restricted stock awards. The Company uses the Black-Scholes option pricing model to estimate the fair value of employee stock options that only have service or performance conditions. The Company uses the Monte Carlo pricing model to estimate the fair value of options that have market-based conditions. The inputs to both pricing models require a number of management estimates such as the expected term, volatility, risk-free interest rate and dividend yield. The fair value of stock options was determined using the methods and assumptions discussed below.

- The expected term of employee stock options with service-based vesting is determined using the "simplified" method, whereby the expected life equals the arithmetic average of the vesting term and the original contractual term of the option due to the Company's lack of sufficient historical data.
- The expected stock price volatility assumption is based on the historical volatilities of the common stock of a peer group of publicly traded companies as well as the historical volatility of the Company's common stock since the Company began trading subsequent to the Company's initial public offering ("IPO") in October 2020 over the period corresponding to the expected life as of the grant date. The historical volatility data was computed using the daily closing prices during the equivalent period of the calculated expected term of the stock-based awards. The Company will continue to apply this process until a sufficient amount of historical information regarding the volatility of the Company's stock price becomes available, or until circumstances change, such that the identified entities are no longer comparable companies. In the latter case, other suitable, similar entities whose share prices are publicly available would be utilized in the calculation.
- The risk-free interest rate is based on the interest rate payable on U.S. Treasury securities in effect at the time of grant for a period that is commensurate with the expected term.
- The expected dividend yield is 0% because the Company has not historically paid, and does not expect, for the foreseeable future, to pay dividends on its common stock.
- Prior to the Company's IPO, the Board periodically estimated the fair value of the Company's common stock considering, among other things, contemporaneous valuations of its common stock prepared by an unrelated third-party valuation firm. Subsequent to the Company's IPO, options are issued with a strike price no less than the market price on date of grant.

The grant-date fair value of options calculated using the Black-Scholes option pricing model granted under the Company's 2020 Plan were estimated using the following weighted-average assumptions:

	Nine Months Ended September 30,	
	2023	2022
2020 Plan		

Three Months Ended March 31,	Three Months Ended March 31,

2024				2024	2023
2020 Plan:					
Expected term - years					
Expected term - years					
Expected term - years	Expected term - years	6.06	6.08	6.08	6.08
Expected volatility	Expected volatility	84.6%	82.3%	Expected volatility 95.8%	84.8%
Risk-free interest rate	Risk-free interest rate	3.6%	2.2%	Risk-free interest rate 4.0%	3.5%
Expected dividends	Expected dividends	—	—	Expected dividends —	—

The grant-date fair value of options calculated using the Monte Carlo option pricing model granted under the Company's 2020 Plan were estimated using the following assumptions:

	Nine Months Ended September 30,	
	2023	2022
2020 Plan		

Three Months Ended March 31,				Three Months Ended March 31,	
2024				2024	2023
2020 Plan:					
Expected term - years					
Expected term - years					
Expected term - years	Expected term - years	4.00	4.00	0.00	4.00
Expected volatility	Expected volatility	80.0%	80.0%	Expected volatility — %	80.0 %
Risk-free interest rate	Risk-free interest rate	3.6%	1.4%	Risk-free interest rate — %	3.6 %
Expected dividends	Expected dividends	—	—		

The grant-date fair value of shares issued calculated using the Black-Scholes option pricing model under the Company's 2020 ESPP were estimated using the following weighted-average assumptions:

	Nine Months Ended September 30,	
	2023	2022
2020 ESPP		

Three Months Ended March 31,				Three Months Ended March 31,	
2024				2024	2023
2020 ESPP:					

Expected term - years											
Expected term - years											
Expected term - years	Expected term - years	0.5	0.5		0.50			0.49			
Expected volatility	Expected volatility	85.5%	82.9%	Expected volatility	158.6	%		84.8	%		
Risk-free interest rate	Risk-free interest rate	4.0%	2.5%	Risk-free interest rate	5.1	%		3.5	%		
Expected dividends	Expected dividends	—	—								

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

You should read the following discussion and analysis of our financial condition and results of operations together with our unaudited condensed financial statements and related notes appearing in this Quarterly Report on Form 10-Q, as well as the audited financial statements, notes 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, 2022 December 31, 2023. This discussion and other parts of this Quarterly Report on Form 10-Q contain forward-looking statements that involve risks and uncertainties, such as statements of our plans, objectives, expectations and intentions. Our actual results could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the "Risk Factors" section of our Annual Report on Form 10-K. You should carefully read the "Cautionary Note About Forward-Looking Statements" of this Quarterly Report on Form 10-Q and the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2023 to gain an understanding of the important factors that could cause actual results to differ materially from the results described below.

Overview

We are an innovative clinical-stage biotechnology company pioneering the development of dual-sided fusion proteins as an entirely new class of biologic medicine. We have created a novel approach to immune modulation by designing biologics with structural characteristics that may not be achievable by existing therapeutic modalities, including monoclonal or bispecific antibodies. Compounds derived from our proprietary Agonist Redirected Checkpoint, or ARC®, Our ARC® platform was designed to simultaneously inhibit checkpoint molecules and activate costimulatory molecules with a single therapeutic.therapeutic as a potential treatment for cancer. We also have at varying stages of preclinical development, dual-sided fusion proteins, distinct from our ARC platform, that have therapeutic potential in autoimmune and inflammatory diseases, among other therapeutic areas.

Our lead product candidate, SL-172154, is designed to simultaneously inhibit the CD47/SIRPα macrophage checkpoint interaction and activate the CD40 costimulatory receptor to induce an antitumor immune response. Coupling CD40 activation with CD47 inhibition differentiates SL-172154 from all other clinical-stage CD47/SIRPα inhibitors in development, and in our published preclinical studies, SL-172154 resulted in superior antitumor immunity as compared to certain CD47/SIRPα inhibitors. We are pursuing a broad clinical development strategy in both solid and hematologic tumors, with multiple ongoing clinical trials. SL-172154 is in an ongoing Phase 1 1B clinical trial for the treatment of patients with ovarian cancer. We are also evaluating SL-172154 in an ongoing Phase 1 1B clinical trial for the treatment of patients with certain hematologic malignancies, including acute myeloid leukemia, or AML and higher-risk myelodysplastic syndromes, or HR-MDS. We believe our clinical development plan may provide both first-in-class and best-in-class development opportunities for SL-172154.

We believe that data shared to date in human cancer patients have demonstrated demonstrate that the unique protein engineering and physical properties of the ARC platform have led to a differentiated profile in terms of safety and on-target immune activation, demonstrated by unique pharmacodynamic findings, as compared to monoclonal or bispecific antibodies.

In addition Further, clinical data generated with our ARC platform has guided our preclinical research efforts to further expand our clinical-stage ARC product candidate, pipeline, and we possess a deep pipeline of are advancing certain potential product candidates in through preclinical development. As We expect to nominate one or more additional product candidates to our clinical pipeline in the future, potentially for indications outside of oncology, by selecting product candidates where there is an example, SL-9258, an ARC compound in preclinical development, is designed to inhibit the TIGIT/PVR checkpoint interaction while simultaneously activating HVEM expectation of monotherapy efficacy and LTβ costimulatory receptors.

Longer-term, we are pursuing additional disease areas, including autoimmune diseases, where our dual-sided fusion scientific and protein platforms may provide engineering expertise has led to a product candidate with advantages over current treatment modalities.

Recent Developments

SL-172154 as Monotherapy In February 2024, we entered into a collaboration and in Combination license agreement (the "Ono Agreement") with Azacitidine in Relapsed/Refractory AML or HR-MDS

On November 2, 2023 Ono Pharmaceutical Co., Ltd. ("Ono") pursuant to which we announced that topline data from the dose escalation portion of our Phase 1 A/B clinical trial of SL-172154 as monotherapy and in combination with azacitidine, or AZA, in primarilyrelapsed/refractory, or R/R, acute myeloid leukemia, or AML, and higher-risk myelodysplastic syndromes, or HR-MDS, patients Ono will be featured in a poster presentation at the 65th American Society of Hematology Annual Meeting, which is being held both virtually and in San Diego, CA from December 9-12, 2023.

SL-172154 monotherapy response was observed in a heavily pretreated patient with R/R AML after just a single cycle of treatment, as well as early efficacy signals for SL-172154 in combination with AZA in previously untreated HR-MDS with TP53 mutant patients. SL-172154 was tolerable at 3 mg/kg as a monotherapy and in combination with AZA.

- Data Overview: As of the abstract data cut-off date of May 25, 2023, 37 adult patients with R/R AML and HR-MDS had received SL-172154 as monotherapy or in combination with AZA collaborate in the parallel staggered dose-escalation portion research and preclinical development of a Phase 1A/B clinical trial. Patients had a median of two prior lines of therapy.
- Preliminary signs of anti-leukemic activity: As of the data cut-off date of July 10, 2023 used for efficacy evaluation for the ASH abstract, a monotherapy response in a R/R AML patient and early signals of anti-leukemic activity (in the form of blast count reductions) in patients with R/R AML who received SL-172154 in combination with AZA were observed in a dose-dependent manner. Early signals of activity with SL-172154 in combination with AZA in frontline patients with TP53 mutant HR-MDS were observed.
    - SL-172154 monotherapy response (Morphologic Leukemia-Free State) (n=1 at 6 mg/kg) was observed in a heavily pretreated R/R AML patient who subsequently proceeded to allogeneic hematopoietic cell transplantation (allo-HCT).
    - Anti-leukemic activity, in the form of blast count reductions, was observed in R/R AML patients in combination with AZA (n=2 at 1 mg/kg, n=5 at 3 mg/kg) and one patient subsequently proceeded to allo-HCT.
    - Out of four evaluable previously untreated HR-MDS with TP53m patients, there was one confirmed complete response (3 mg/kg), one marrow complete response (1 mg/kg), and two stable diseases (n=1 at 1 mg/kg, n=1 at 6 mg/kg). Two patients subsequently proceeded to allo-HCT.
- SL-172154 had an acceptable safety profile as monotherapy and in combination with AZA.
    - Infusion-related reactions (IRRs) were the most common SL-172154-related treatment-emergent AEs (TEAEs) and were reported in 13 patients (68%) as monotherapy and 8 patients (44%) in combination with AZA.
    - Other TEAEs observed were increased AST (aspartate aminotransferase) (4; 21%), ALT (alanine aminotransferase) (3; 16%) and nausea (3; 17%) in monotherapy cohorts, and nausea (3; 17%) in combination cohorts. All events of increased AST/ALT were transient.
    - SL-172154 in combination with AZA had an acceptable safety profile with one dose-limiting toxicity event at 6 mg/kg of SL-172154. The dose of 3 mg/kg is being evaluated in the dose expansion.
- CD47 and CD40 target engagement and CD40-dependent pharmacodynamic effects observed at the 3 mg/kg dose.
    - SL-172154 induced elevations in serum IL-12p40, IP-10, IL-8, IL-10, MIP3α, and MCP1 with greater response at 3 mg/kg compared to 1 mg/kg and similar response between 3 mg/kg and 6 mg/kg.
    - In bone marrow, abundant staining of SL-172154 was observed, along with a dose-dependent increase in phagocytic cells within mature myeloid immune cell compartments. Reduction in leukemic blasts was associated with an increase in mature myeloid and phagocytic cell phenotypes.

SL-172154 in Combination with Pegylated Liposomal Doxorubicin in Platinum-Resistant Ovarian Cancer

On November 9, 2023, we announced interim data certain compounds selected by Ono from our Phase 1B clinical trial pipeline of SL-172154 in combination with pegylated liposomal doxorubicin, or PLD. We observed three partial responses (one confirmed with 58% reduction in the sum bifunctional fusion proteins directed toward a pair of target lesion diameters prespecified targets for potential treatment of autoimmune and two unconfirmed with 100% and 31% reductions in the

sum of the target lesion diameters) out of 11 evaluable patients with PROC for SL-172154 in combination with PLD.The preliminary data suggest SL-172154 had an acceptable safety profile in combination with PLD.

- Data overview: As of the data cut-off date of October 31, 2023, 16 adult patients with PROC have been dosed in the ongoing Phase 1B clinical study, of which 11 patients were evaluable for response. Patients had a median of 1.5 prior lines of systemic therapy, 47% had bulky disease measuring >5 cm, 56% were pre-treated with bevacizumab and 88% were resistant to frontline platinum regimen.
- Preliminary anti-tumor activity: As of the data cut-off date of October 31, 2023, three partial responses (one confirmed, two unconfirmed) had been observed for SL-172154 in combination with PLD. As of November 9, 2023, both patients with unconfirmed partial responses remain on study and have not reached the date of confirmatory response assessment.
- Response rate benchmark for PLD: The patient population treated in this study to date is similar to the population enrolled in the Pfizer-sponsored JAVELIN Ovarian 200 clinical trial, wherein PLD monotherapy provided an overall response rate of 4%.
- Safety profile of SL-172154 plus PLD is consistent with the safety profile of the individual agents:
    - As of the data cut-off date of October 31, 2023, among the 16 treated patients, the most common SL-172154-related adverse events were infusion related reaction, nausea, fatigue, headache and neutropenia, mostly in Grade 1-2. SL-172154-related adverse events in Grade 3 or 4 were observed in 6 patients: anemia (n=2), aspartate aminotransferase increased (n=2), neutropenia (n=2), alanine aminotransferase increased (n=1), embolism (n=1) and thrombocytopenia (n=1). SL-172154-related IRRs occurred in four patients but were manageable and did not prevent the completion of dosing or lead to discontinuation. There were no Grade 5 adverse events.
    - The Phase 1B combination trial in PROC of SL-172154 in combination with PLD is using the 3 mg/kg dose of SL-172154.
- Next steps and anticipated milestones:
    - Completion of planned enrollment of the Phase 1B dose-expansion cohort of SL-172154 in combination with PLD in PROC expected in the fourth quarter of 2023.inflammatory diseases.

Overview of Operations

Since our inception in 2016, we have devoted substantially all of our resources to conducting research and development activities, including undertaking nonclinical studies of our product candidates, conducting clinical trials of our most advanced product candidates, manufacturing our product candidates, developing and perfecting

our intellectual property rights, organizing and staffing our company, business planning, and raising capital. We do not have any products approved for sale, and we have not generated any revenue from product sales. We have funded our operations as of the filing date of this Quarterly Report on Form 10-Q through the net proceeds from the sale of our initial public offering, or IPO, of approximately $213.5 million common stock and pre-funded warrants for approximately $261.7 million, the sale of redeemable convertible preferred stock for approximately $152.9$152.9 million, the issuance of convertible notes for approximately $10.5$10.5 million and payments received pursuant to our collaboration agreements for approximately $82.9 million.$89.6 million.

For the nine three months ended September 30, 2023 March 31, 2024 and 2022, 2023, our net loss was $69.6 million $18.5 million and $76.5 million, $20.7 million, respectively. We have not been profitable since inception, and as of September 30, 2023 March 31, 2024, we had an accumulated deficit of $288.6 $324.8 million and $101.1 million $114.6 million in cash and cash equivalents and investments. We expect to continue to incur significant expenses and operating losses in the near term in connection with our ongoing activities, as we:

- continue to advance the nonclinical and clinical development of our clinical-stage product candidate, SL-172154;
- initiate nonclinical studies and clinical trials for additional product candidates that we may identify in the future;
- manufacture sufficient quantities of bulk drug substance and drug product to support our ongoing and planned nonclinical studies and clinical trials;
- continue our process development efforts for our current and future product candidates; candidates, including scale up of our Phase 3 and commercial manufacturing process;
- initiate nonclinical studies and clinical trials for additional product candidates that we may identify in the future;
- maintain our operational, financial, and management systems;
- retain key personnel and infrastructure to support our clinical development, research and manufacturing efforts;
- utilize our in-house process development and manufacturing capabilities;
- continue to develop, perfect, and defend our intellectual property portfolio; and
- incur additional legal, accounting, or other expenses in operating our business, including the additional costs associated with operating as a public company and expenses incurred in connection with ongoing and future litigation, if any.

We do not expect to generate significant product revenue unless and until we successfully complete development and obtain regulatory and marketing approval of, and begin to sell, one or more of our product candidates, if ever, which we expect will take several years. We expect to spend a significant amount in development and marketing costs prior to such time. We may never succeed in achieving regulatory and marketing approval for our product candidates. We may obtain unexpected results from our nonclinical studies and clinical trials. We may elect to discontinue, delay, or modify nonclinical studies and clinical trials of our product candidates. We may be adversely affected by inflationary pressures and the macroeconomic environment, which are beyond our control. A change in the outcome of any of these variables with respect to the development of a product candidate could mean a significant change in the costs and timing associated with the development of that product candidate. Accordingly, until such time as we can generate significant product revenue, if ever, we expect to continue to seek private or public equity and debt financing, and/or additional collaborations with third-parties, to meet our capital requirements. There can be no assurance that such funding may be available to us on acceptable terms, or at all, or that we will be able to commercialize our product candidates. In addition, we may not be profitable even if we commercialize any one or more of our product candidates.

Global Economic Considerations

In addition, the The global macroeconomic environment is uncertain, and could be negatively affected by, among other things, increased U.S. trade tariffs and trade disputes with other countries, instability in the global capital and credit markets, supply chain weaknesses, financial institution instability, and instability in the geopolitical environment, including as a result of the Russian invasion of Ukraine and other political tensions, and lingering effects of the COVID-19 pandemic. environment. Such challenges have caused, and may continue to cause, recession fears, rising high interest rates, foreign exchange volatility and inflationary pressures. At this time, we are unable to quantify the potential effects of this economic instability on our future operations.

Components of our Results of Operation Operations

Collaboration Revenue

We have no products approved for commercial sale, and we have not generated any revenue from commercial product sales. Our total revenue to date has been generated from our collaboration and research agreements with various third parties, including parties. Revenue recognized in 2024 was a clinical trial result of collaboration agreement agreements with Ono and ImmunoGen, Inc., or ImmunoGen, under (“ImmunoGen”).

In February 2024, we entered into the Ono Agreement pursuant to which we expect and Ono will collaborate in the research and preclinical development of certain compounds selected by Ono from our pipeline of bifunctional fusion proteins directed toward a pair of prespecified targets for potential treatment of autoimmune and inflammatory diseases. Under the terms of the Ono Agreement, we are primarily responsible for carrying out research activities in accordance with a mutually agreed upon research plan (the “Research Plan”), subject to recognize the oversight of a joint research committee, consisting of representatives from each party, and Ono is responsible for all research costs incurred under the Research Plan.

Pursuant to the Ono Agreement, we granted Ono an exclusive option (the “Option”) to obtain an exclusive, sublicensable license to further research, develop, manufacture and commercialize products containing these specified bifunctional fusion proteins in any therapeutic area worldwide. The option period will extend from the effective date of the Ono Agreement until 90 days after we deliver our final report pursuant to the Research Plan. If Ono exercises the Option, we may receive licensing, clinical and regulatory, and commercial milestone payments of up to $217.5 million upon the exercise of the option, and the achievement of certain specified clinical, regulatory and commercial milestones, as well as tiered royalty payments on commercial sales ranging from mid-single digit to low-double digit percentages. Royalties are payable by Ono on a licensed product-by-licensed product and country-by-country basis during the product’s royalty term, defined as the period beginning on the first commercial sale of a product and ending on the later of (i) the expiration of the last-to-expire composition of matter claim within applicable product patent rights covering such product in such country, (ii) the expiration of regulatory exclusivity for such product in such country, and (iii) the tenth (10th) anniversary of such first commercial sale of a product in such country.

Under the terms of the Ono Agreement, we will receive an initial non-refundable payment of $5.4 million, consisting of a $2.0 million payment for the Option and an initial research funding payment of revenue, beginning in 2023 and continuing into or through 2024.

We $3.4 million to cover the expected cost of the first six months of planned activities under the Research Plan. At the conclusion of the first six months, Ono may continue to explore other potential collaborations reimburse nonclinical research activities under the Research Plan, and expect that collaboration revenue we may generate, receive up to $7.0 million payable upon the achievement of certain milestones specified in the Research Plan. The Research Plan, which began in March 2024, is currently expected to take up to 18 months to complete, subject to the achievement of research milestones and Ono's decision to continue reimbursement of our research activities.

The Ono Agreement may be terminated by mutual agreement of both parties or by either party upon an uncured material breach of the Ono Agreement or the insolvency of the other party. Ono may terminate the Ono Agreement at any time upon 90 days' written notice to us. If Ono exercises such termination right, Ono will pay all of our costs up through the date of termination. In addition, after the conditions to exercise the Option have been met, we may terminate the Ono Agreement if any, will fluctuate from period to period. Ono discontinues its development or commercialization efforts and other conditions are met.

Operating Expense

Research and Development Expense

Our research and development expenses consist primarily of costs incurred in connection with the discovery and development of our current and potential future product candidates. These expenses include:

- expenses incurred to conduct our nonclinical studies clinical trials, including SL-172154 and clinical trials; any potential product candidates we may advance in the future;
- costs of manufacturing nonclinical study and clinical trial materials, including the costs of raw materials required for manufacturing;
- process development activities to optimize manufacturing processes; processes, including the development and validation of Phase 3 and commercial manufacturing processes and analytical methods;
- expenses incurred to conduct our nonclinical studies, including research conducted on our wholly-owned compounds and those subject to the Ono Agreement;
- employee-related expenses, including salaries, benefits, and stock-based compensation;
- laboratory materials and supplies used to support our research activities;
- fees paid to third parties who assist with research and development activities;
- expenses relating to regulatory activities, including filing fees paid to regulatory agencies; and
- allocated expenses for facility-related costs. costs

The following table summarizes our research and development expenses by product candidate: candidate (in thousands):

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
	(unaudited)		(unaudited)	

	Three Months Ended March 31,				Three Months Ended March 31,	
	2024				2024	2023
	(unaudited)					(unaudited)
SL-172154	SL-172154	$10,596	$ 7,338	$22,929	$27,080	
Other pipeline compounds	Other pipeline compounds	6,075	4,062	14,359	13,710	
Internal costs, including personnel related benefits, facilities and depreciation	Internal costs, including personnel related benefits, facilities and depreciation	7,540	7,462	21,795	20,222	
		$24,211	$18,862	$59,083	$61,012	
	$					

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, including increased demand for clinical trial material. We expect to incur significant research and development expenses throughout 2023. 2024, including expenses associated with the conduct of the Research Plan pursuant to the Ono Agreement. While it is difficult for us to predict with certainty, we expect increasing year-over-year operating expense over the next several years in the event that we conduct additional nonclinical studies and clinical trials, (beyond which may include a material expansion of our currently existing clinical trials or the initiation of planned, clinical trials),

including later-stage clinical trials for our current and and/or future product candidates, pursue regulatory approval of our product candidates, or advance additional product candidates from our preclinical pipeline. In addition, we have several early-stage research and development initiatives, including, but not limited to, an anti-TNFRSF25 antibody, and the mRNA delivery of certain fusion proteins (for potential evaluation in oncology, autoimmune, or cardiometabolic indications.) Should any of these programs advance into clinical development, we expect our operating expense, and capital requirements, to increase.

The process of conducting the necessary nonclinical and clinical research to obtain regulatory approval is costly and time consuming. The actual probability of success for our product candidates may be affected by a variety of factors including:

- the safety and efficacy of our product candidates;
- early clinical data for our product candidates;
- investment in our clinical programs;
- competition;
- manufacturing capability; and
- commercial viability.

We may never succeed in achieving regulatory approval for any of our product candidates due to the uncertainties discussed above. We are unable to determine the duration and completion costs of our research and development projects or when and to what extent we will generate revenue from the commercialization and sale of our product candidates, if ever.

General and Administrative Expense

General and administrative expense consists primarily of personnel expenses, including salaries, benefits, and stock-based compensation expense, for employees and consultants in executive, finance, accounting, legal, information technology, business development and human resource functions. General and administrative expense also includes corporate facility costs, including rent, utilities, depreciation, and maintenance, not otherwise included in research and development expense, as well as legal fees related to intellectual property, corporate, and litigation matters and fees for accounting and tax services.

We expect that our general and administrative expense may increase in the future to support our ongoing research and development activities and as a result of the costs of operating as a public company. These increases may include increased costs related to the retention of personnel and fees paid to outside consultants, lawyers, and accountants, among other expenses. Additionally, we anticipate that 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 Securities and Exchange Commission, or SEC, insurance, and investor relations costs. If any of our current or future product candidates advances to later-stage clinical development or obtains regulatory approval, we expect that we would incur significantly increased expenses associated with building the appropriate general and administrative support for our increased research and development activities, or building a sales and marketing team, respectively.

Other Income

Other income consists of interest earned on our cash, cash equivalents and investments, which consists of amounts held in a money market fund and at various times in government and corporate obligations as well as investment fees and realized gain or losses on investments (if any).

Income Taxes

Since our inception, we have not recorded any income tax benefits for the net operating losses, or NOLs, ("NOLs"), we have incurred or for our research and development tax credits, as we believe, based upon the weight of available evidence, that it is more likely than not that all of our NOLs and tax credits will not be realized. Our NOLs and tax credit carryforwards will begin to expire in 2024. We have recorded a full valuation allowance against our deferred tax assets at each balance sheet date.

Results of Operations

Comparison of the Three Months Ended September 30, 2023 March 31, 2024 and 2022 2023

The following table sets forth our results of operations for the three months ended September 30, 2023 March 31, 2024 and 2022. 2023 (in thousands):

(in thousands)	Three Months Ended September 30,		Change	
	2023	2022	Dollar	Percentage
	(unaudited)			

	Three Months Ended March 31,				Three Months Ended March 31,		
	2024				2024	2023	Dollar
	(unaudited)						
Collaboration revenue							
Collaboration revenue							
Collaboration revenue	Collaboration revenue	$ 686	$ 212	$ 474	223.6 %	$ 1,115	$ 57	$ 1,058	1,856.1
Operating expenses:	Operating expenses:								
Research and development	Research and development	24,211	18,862	5,349	28.4 %				
Research and development									

Research and development								16,264			16,667			(403)	
General and administrative	General and administrative	5,073	6,579	(1,506)	(22.9)	%	General and administrative	4,895	5,051		5,051	(156)		(156)	(3.1)
Loss from operations	Loss from operations	(28,598)	(25,229)	(3,369)	13.4	%	Loss from operations	(20,044)	(21,661)		(21,661)	1,617		1,617	7.5
Other income		1,057	594	463	77.9	%									
Other income (expense):															
Other															
Other															
Other								1,540			937			603	
Net loss	Net loss	$(27,541)	$(24,635)	$(2,906)	11.8	%	Net loss	$(18,504)	$		$(20,724)	$		$2,220	10.7

Collaboration Revenue

Collaboration revenue increased by $0.5 million, $1.1 million, or 223.6% 1,856.1%, to $0.7 $1.1 million for the three months ended September 30, 2023 March 31, 2024 from $0.2 $0.1 million for the three months ended September 30, 2022 March 31, 2023. The increase in revenue was primarily attributable to an increase in clinical activity associated with our clinical trial collaboration agreement with ImmunoGen. revenue

Research and Development Expense

Research and development expenses increased by $5.3 million, or 28.4%, to $24.2 million for the three months ended September 30, 2023 from $18.9 million for the three months ended September 30, 2022. The increase in research and development cost was primarily a result of an increase in expense associated with supply chain and manufacturing activities, including the good manufacturing practice, or GMP, manufacture of clinical trial material of $3.7 million, an increase in clinical trial cost of $1.1 million as a result of increased activity in our ongoing clinical trials for SL-172154 and an increase in costs related to our pipeline candidates of $0.3 million.

General and Administrative Expense

General and administrative expenses decreased by $1.5 million, or (22.9)%, to $5.1 million the three months ended September 30, 2023 from $6.6 million for the three months ended September 30, 2022. The decrease was primarily related to recognition of the litigation settlement of $1.4 million in the third quarter of 2022.

Results of Operations

Comparison of the Nine Months Ended September 30, 2023 and 2022

The following table sets forth our results of operations for the nine months ended September 30, 2023 and 2022.

(in thousands)	Nine Months Ended September 30,		Change	
	2023	2022	Dollar	Percentage
	(unaudited)			
Collaboration revenue	$ 943	$ 262	$ 681	259.9 %
Operating expenses:				
Research and development	59,083	61,012	(1,929)	(3.2)%
General and administrative	14,866	16,303	(1,437)	(8.8)%
Loss from operations	(73,006)	(77,053)	4,047	(5.3)%
Other income	3,395	519	2,876	(554.1)%
Net loss	$ (69,611)	$ (76,534)	$ 6,923	(9.0)%

Collaboration Revenue

Collaboration revenue increased by $0.7 million, or 259.9%, to $0.9 million for the nine months ended September 30, 2023 from $0.3 for the nine months ended September 30, 2022. The increase in revenue was attributable to an increase in research activities associated with the Ono Agreement and continued clinical activity associated with our clinical trial collaboration agreement with ImmunoGen. the ImmunoGen Agreement.

Research and Development Expense

Research and development expenses decreased by $1.9 million, $0.4 million, or (3.2)% 2.4%, to $59.1 $16.3 million for the nine three months ended September 30, 2023 March 31, 2024 from $61.0 $16.7 million for the nine three months ended September 30, 2022 March 31, 2023. The decrease in research and development cost was primarily a result of a decrease in the GMP current Good Manufacturing Practice manufacture of clinical trial material of $8.7 million and a decrease in materials consumed in our lab of $0.5 million, $0.8 million partially offset by increases in costs associated with the conduct of clinical trials for SL-172154 of $3.8 million, employee compensation and benefits of $1.5 million, costs related to other pipeline candidates of $1.2 million, and an increase in depreciation of fixed assets of $1.0 million related to the expansion of our in-house manufacturing and development capabilities $0.4 million.

General and Administrative Expense

General and administrative expenses decreased $1.4 million by $0.2 million, or 3.1%, or (8.8)% to $14.9 million $4.9 million for the nine three months ended September 30, 2023 March 31, 2024 from $16.3 million $5.1 million for the nine three months ended September 30, 2022. The decrease was March 31, 2023 as a result of recognizing the litigation settlement of $1.4 million during the nine months ended September 30, 2022. lower insurance costs.

Liquidity and Capital Resources

Since our inception, our primary sources of liquidity have been generated by sales of our common stock, pre-funded warrants, convertible preferred stock, and common stock, including our IPO, convertible notes and through our collaboration agreements.As of March 31, 2024, we had an accumulated deficit of $324.8 million and research agreements with various third parties.

$114.6 million of cash and cash equivalents and investments.

In July 2022, we entered into a sales agreement, or the Sales Agreement, with Leerink Partners LLC, (formerly known as SVB Securities LLC) (the "Sales Agent"), or the Sales Agent, pursuant to which we may offer and sell up to $75.0 million of shares of our common stock from time to time in the at-the-market facility, or ATM Facility. "at-the-market" offerings (the "ATM Facility"). The Sales Agent is generally entitled to compensation at a commission equal to 3.0% of the aggregate gross sales price per share sold under the Sales Agreement. As of September 30, 2023 March 31, 2024, there were no sales pursuant to the ATM Facility.

Capital Resources and Funding Requirements

Our primary uses of cash and cash equivalents and investments are to fund our operations, which consist primarily of research and development expenditures related to our programs, product development costs, research expenses, administrative support, capital expenditures related to bringing in-house certain process development and manufacturing capabilities, and working capital requirements. We anticipate incurring continuing to incur additional net losses and negative cash flows from operations in the near future until such time, if ever, that we can generate significant sales of our product candidates currently in development. Our future funding requirements will depend on many factors, including:

- the scope, timing, progress and results of discovery, nonclinical development, laboratory testing, and clinical trials for our product candidates;
- the costs of process development and scale up of a commercially ready manufacturing process to support registrational clinical trials;
- the costs of manufacturing our product candidates for clinical trials and in preparation for marketing approval and commercialization;
- the extent to which we enter into collaborations or other arrangements with additional third parties in order to further develop our product candidates;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending other intellectual property-related claims;
- the costs and fees associated with the discovery, acquisition or in-license of additional product candidates or technologies;
- the costs of future commercialization activities, if any, including establishing sales, marketing, manufacturing, distribution and storage capabilities, for any of our product candidates for which we receive marketing approval; and
- revenue, if any, received from commercial sales of our product candidates, should any of our product candidates receive marketing approval.

Until we obtain regulatory approval to market our product candidates, if ever, we cannot generate revenues from sales of our products. Even if we are able to sell our products, we may not generate a sufficient amount of product revenues to finance our cash requirements. Accordingly, it will be necessary for us to seek to raise additional capital through equity offerings and/or debt financings or from other potential sources of liquidity, which may include new collaborations, licensing or other commercial agreements for one or more of our development programs or patent portfolios. There can be no assurance that such funding may be available to us on acceptable terms, or at all. The issuance of equity securities may result in dilution to stockholders and the issuance of debt securities may have rights, preferences and privileges senior to those of our common stock and the terms of any such debt securities could impose significant restrictions on our operations. The failure to raise funds as and when needed could have a negative impact on our financial condition and ability to pursue our business strategies. Additionally, if additional funding is not secured when required, we may need to delay or curtail our operations until such funding is received, which would have a material and adverse impact on our business prospects and results of operations.

We believe that our cash and cash equivalents and investments as of September 30, 2023 March 31, 2024 are sufficient to fund projected operations through year-end 2024.

into 2026.

Cash Flows

The following table shows a summary of our cash flows for the periods indicated: indicated (in thousands):

(in thousands)	Nine Months Ended September 30,	
	2023	2022
	(unaudited)	
Net cash used in operating activities	$ (61,809)	$ (70,657)
Net cash provided by investing activities	55,008	17,976
Net cash provided by financing activities	54	171
Net decrease in cash and cash equivalents	$ (6,747)	$ (52,510)

	Three Months Ended March 31,	
	2024	2023
	(unaudited)	
Net cash used in operating activities	$ (16,161)	$ (26,461)
Net cash (used in) provided by investing activities	(33,276)	45,125
Net cash (used in) provided by financing activities	(184)	—
Net (decrease) increase in cash and cash equivalents	$ (49,621)	$ 18,664

Net Cash Used in Operating Activities

During the nine three months ended September 30, 2023 March 31, 2024, net cash used in operating activities was $61.8 $16.2 million and primarily reflected our net loss of $69.6 $18.5 million and an $0.8 million net change in our operating assets and liabilities, $0.4 million of amortization of investments offset by noncash charges of $5.3 $2.5 million in stock-based compensation and $2.3 $1.1 million in depreciation expense accretion of investments and non-cash operating lease expense. We expect to continue to use cash in our operating activities as we conduct our clinical trials and nonclinical studies, incur costs of manufacturing clinical trial and nonclinical study materials and continue process development activities to optimize our manufacturing processes.

During the nine three months ended September 30, 2022 March 31, 2023, net cash used in operating activities was $70.7 $26.5 million and primarily reflected our net loss of $76.5 million $20.7 million and a $3.5 an $8.3 million net change in our operating assets and liabilities, offset by noncash charges of $4.8 million $1.7 million in stock-based compensation $3.7 million and $1.0 million in depreciation expense, amortization of investments and non-cash operating lease expense and $0.8 million in impairment loss. expense.

Net Cash (Used in) Provided by Investing Activities

During the nine three months ended September 30, 2023 March 31, 2024, net cash used in investing activities was $33.3 million, and is the net change in investments.

During the three months ended March 31, 2023, net cash provided by investing activities was $55.0 $45.1 million, of which $55.4 million represents and is primarily due to the net change in investments and $0.4 million was used to purchase property and equipment. investments.

During the nine months ended September 30, 2022, net cash used in investing activities was $18.0 million, of which $28.9 million represents the net change in investments and $10.9 million was used to purchase property and equipment, primarily attributable to our continued efforts to bring in-house certain process development, manufacturing and laboratory capabilities.

Net Cash (Used In) Provided by Financing Activities

During the nine three months ended September 30, 2023 March 31, 2024, net cash provided by financing activities was $0.1 million and was primarily from the exercise of stock options and purchases pursuant to our employee stock purchase plan.

During the nine months ended September 30, 2022, net cash provided by used in financing activities was $0.2 million and was primarily from the exercise of stock options and purchases pursuant to our employee stock purchase plan. plan offset by $0.4 million of offering cost accrued in 2023 and paid in 2024.

Contractual Obligations and Other Commitments

See Note 5 to our financial statements found elsewhere in this Quarterly Report on Form 10-Q for additional disclosures. There have been no other material changes from the Contractual Obligations and Other Commitments disclosed in Note 6 and 7 of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023.

Critical Accounting Policies

Our management's discussion and analysis of our financial condition and results of operations are based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP. America. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities and expenses and the disclosure of contingent assets and liabilities in our financial statements. On an ongoing basis, we evaluate our estimates and judgments, including those related to revenue recognition, the accrual for research and development expenses, and the valuation of stock-based awards. We base our estimates on historical experience, known trends and events, and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Our critical accounting policies are those policies which require the most significant judgments and estimates in the preparation of our financial statements. We believe that the assumptions and estimates associated with our most critical accounting policies are those relating to revenue, accrued research and development costs and stock-based compensation.

There have been no material changes in our critical accounting policies and estimates as compared to the critical accounting policies and estimates disclosed in 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, 2022 December 31, 2023.

Recent Accounting Pronouncements

See Note 2 to our financial statements found elsewhere in this Quarterly Report on Form 10-Q for a description of recent accounting pronouncements applicable to our financial statements.

Emerging Growth Company and Smaller Reporting Company Status

We are an emerging growth company as defined in the JOBS Act. Under the JOBS Act, an emerging growth company can take advantage of the extended transition period for complying with new or revised accounting standards and 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.

We have evaluated the benefits of relying on other exemptions and reduced reporting requirements under the JOBS Act. Subject to certain conditions, as an emerging growth company, we may rely on certain of these exemptions, including without limitation exemptions to the requirements for (1) providing an auditor's attestation report on our system of internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act and (2) complying with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements, known as the auditor discussion and analysis. We will remain an emerging growth company until the earlier of (a) the last day of the fiscal year (i) following the fifth anniversary of the completion of our IPO, (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 the market value of our common stock that is held by non-affiliates exceeds $700.0 million as of the prior June 30th, or (b) 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" as defined under the Securities and Exchange Act of 1934, as amended or the Exchange Act. (the "Exchange Act"). We may will continue to be a smaller reporting company if either so long as (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 by Rule 12b-2 under the Exchange Act and in Item 10(f)(1) of Regulation S-K, and are not required to provide the information under this item.

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. Based on this evaluation of our disclosure controls and procedures as of September 30, 2023 March 31, 2024, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures as of such date are effective at the reasonable assurance level. 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 are 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 us in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and our management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the third first quarter of the year ending December 31, 2023 December 31, 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

Except as discussed in Note 5 to our financial statements found elsewhere in this Quarterly Report on Form 10-Q, we We are not presently a party to any other legal proceedings that, in the opinion of our management and if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, financial condition or cash flows.

Item 1A. Risk Factors

Our business is subject to various risks, including those described in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022 December 31, 2023. There have been no material changes from the risk factors disclosed in Item 1A of our Annual Report on Form 10-K.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None. (c) Director and Section 16 Officer Rule 10b5-1 Trading Arrangements

On March 5, 2024, Helen Boudreau, a member of the Company's Board of Directors, entered into a Rule 10b5-1 trading arrangement (as defined in Item 408 of Regulation S-K). Ms. Boudreau's plan provides for the potential sale of up to 60,000 shares of the Company's common stock issuable upon the exercise of options. The plan terminates on the earlier of (i) September 30, 2024, (ii) the first date on which all trades have been executed or all trading orders relating to such trades set forth in the plan have expired or (iii) such time as the plan is otherwise terminated according to its terms.

On March 6, 2024, Casi DeYoung, the Company's Chief Business Officer, entered into a Rule 10b5-1 trading arrangement. Ms. DeYoung's plan provides for the potential sale of up to (i) 32,082 shares of the Company's common stock, (ii) 3,500 shares of restricted common stock issuable upon the vesting of such shares and (iii) 30,000 shares of the Company's common stock issuable upon the exercise of options. The plan terminates on the earlier of (i) March 1, 2025, (ii) the first date on which all trades have been executed or all trading orders relating to such trades set forth in the plan have expired or (iii) such time as the plan is otherwise terminated according to its terms.

On March 12, 2024, Lini Pandite, the Company's Chief Medical Officer, modified an existing Rule 10b5-1 trading arrangement, originally adopted on April 3, 2023, to modify (i) the sale periods, (ii) the minimum prices at which sales may be made and (iii) the termination date under the plan. The original plan provided for the potential sale of up to 83,514 shares of the Company's common stock. Prior to its modification, no shares of common stock were sold pursuant to the original plan. The modified plan provides for the potential sale of up to 83,514 shares of the Company's common stock and terminates on the earlier of (A) May 30, 2025, (B) the completion of the sale of the maximum number of shares under the plan or (C) such time as the plan is otherwise terminated according to its terms.

Item 6. Exhibits

The exhibits filed or furnished as part of this Quarterly Report on Form 10-Q are set forth below.

Exhibit Number	Description of Exhibit
3.1	Amended and Restated Certificate of Incorporation of Shattuck Labs, Inc. (incorporated by reference from Exhibit 3.1 to Shattuck's Current Report on Form 8-K filed on October 14, 2020 (Commission File No. 001-39593))
3.2	Amended and Restated Bylaws of Shattuck Labs, Inc. (incorporated by reference from Exhibit 3.2 to Shattuck's Current Report on Form 8-K filed on October 14, 2020 (Commission File No. 001-39593))
4.1	Form of common stock certificate of Shattuck (incorporated by reference from Exhibit 4.1 of Shattuck's Amendment No. 2 to Registration Statement on Form S-1 filed on October 8, 2020 (Commission File No. 333-248918))
4.2	Second Amended and Restated Investors' Rights Agreement, dated as of June 12, 2020, by and among Shattuck Labs, Inc. and certain of its stockholders (incorporated by reference from Exhibit 4.2 of Shattuck's Amendment No. 2 to Registration Statement on Form S-1 filed on October 8, 2020 (Commission File No. 333-248918))
10.1+	Collaboration and License Agreement, dated February 13, 2024, by and between Shattuck Labs, Inc. and Ono Pharmaceuticals Co., Ltd.
31.1*	Certification of the principal executive officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934
31.2*	Certification of the principal financial officer pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934
32.1* (1)	Certification of the principal executive officer and principal financial officer pursuant to 18 U.S.C. Section 1350 and Rule 13a-14(b) under the Securities Exchange Act of 1934
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	The cover page for this report, formatted in Inline XBRL (included in Exhibit 101)

* Filed herewith

+Certain confidential portions of this exhibit were omitted by means of marking such portions with asterisks because the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.

(1) The certifications on Exhibit 32 hereto are deemed not "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that Section. Such certifications will not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

SIGNATURES

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

Shattuck Labs, Inc.

Date: November 9, 2023 May 2, 2024

By: /s/ Dr. Taylor Schreiber

Dr. Taylor Schreiber
Chief Executive Officer
(principal executive officer)

Date: November 9, 2023 May 2, 2024

By: /s/ Andrew R. Neill

Andrew R. Neill
Chief Financial Officer
(principal financial and accounting officer)

COLLABORATION AND LICENSE AGREEMENT

This Collaboration and License Agreement (this "**Agreement**"), effective this thirteenth day of February, 2024 (the "**Effective Date**"), is between Ono Pharmaceutical Co., Ltd., a Japanese corporation having its principal place of business at 8- 2 Kyutaromachi 1-chome, Chuo-ku, Osaka-shi, Osaka 541-8564, Japan ("**Ono**"), and Shattuck Labs, Inc., a Delaware corporation having its principal place of business at 500 W. 5th Street, Suite 1200, Austin, TX 78703 ("**Shattuck**"). Ono and Shattuck are each sometimes referred to herein as a "**Party**" and collectively as the "**Parties**."

WHEREAS:

(A) Shattuck has developed a platform to create bi-functional [***] fusion proteins;

(B) Ono has expertise in developing, marketing and selling pharmaceutical products; and

(C) Shattuck and Ono wish to pursue a nonclinical research collaboration to develop certain biologic molecules, and Shattuck wishes to grant to Ono a time-limited option to enter into an exclusive license to further develop, manufacture and sell products containing such biologic molecules pursuant to the terms and subject to the conditions set out in this Agreement.

WITNESSES THAT, in consideration of the premises and the mutual covenants contained herein, Shattuck and Ono agree as follows:

ARTICLE 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions. The definitions are set forth in Schedule A.

1.2 Interpretation

(a) Headings in this Agreement are solely for the convenience of reference and will not be used for purposes of interpreting or construing the provisions hereof.

(b) All references in this Agreement to a designated "Article", "Section", or other subdivision or to a "Schedule" are to the designated Article, Section, or other subdivision of, or Schedule to, this Agreement.

(c) The words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section, or other subdivision or Schedule.

(d) The word "including", when following any general statement, term or matter, is not to be construed to limit such general statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but

rather is to be construed to refer to all other items or matters that could reasonably fall within the broadest possible scope of such general statement, term or matter.

(e) Any reference to a statute includes and is a reference to such statute and to the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulations that may be passed which has the effect of supplementing or superseding such statute or such regulations.

(f) The use of any gender herein will be deemed to encompass references to any other gender, and the use of the singular will be deemed to include the plural (and vice versa).

ARTICLE 2 NONCLINICAL WORKPLAN

1.1 Nonclinical Workplan to Research Development Compounds

(a) During the Research Term, each Party will use Commercially Reasonable Efforts to conduct the activities set forth in the Nonclinical Workplan and in accordance with and subject to the terms and conditions of this Agreement. Each Party will conduct the Nonclinical Workplan in a manner consistent with industry standards and good scientific practices.

(b) The initial Nonclinical Workplan and associated Budget are set forth in Schedule B. The Parties understand that the Nonclinical Workplan may need to be revised from time to time. The Parties agree to work in good faith to accommodate each Party's requests and understand all revisions to the Nonclinical Workplan may require a revision to the Budget. The Parties agree to revise the Nonclinical Workplan in accordance with Section 3.3, and all such revisions will be in writing and executed by both Parties; provided, however, that in the case of minor revisions, such minor revisions may be effective upon unanimous approval by the JRC and confirmed in the JRC minutes. In the event of a conflict between the terms of this Agreement and the Nonclinical Workplan or Budget, the terms of this Agreement will govern.

(c) During the Research Term, each Party hereby grants to the other Party a non- exclusive, sublicensable only to the other Party's Affiliates and Permitted Subcontractors engaged by the other Party for activities set forth in the Nonclinical Workplan, license in and to all Intellectual Property rights Controlled by each such Party or its Affiliates for the sole purpose of conducting the activities under the Nonclinical Workplan.

1.2 Subcontracting

Each Party will have the right to reasonably subcontract performance of its activities under the Nonclinical Workplan to its Affiliates or Third Party contract research organizations (each such Third Party contract research organization, a "**Permitted Subcontractor**"), provided that such Party will (a) enter into a written agreement including terms commensurate with those herein

with Affiliates or Permitted Subcontractors and ensure that all of its Affiliates or Permitted Subcontractors operate in a manner consistent with the terms of this Agreement, (b) be responsible for the performance of its Affiliates or Permitted Subcontractors, and (c) remain at all times fully liable for its responsibilities under this Agreement. If Permitted Subcontractors of Shattuck require any consideration other than fees for service or materials, including royalties or milestone payments for the use of the results of contracted services, Shattuck will promptly so notify in writing and discuss with Ono in good faith actions to be taken. If and when either Party decides to engage a Permitted Subcontractor, such Party will, in advance of such engagement, notify the other Party of such Permitted Subcontractor's name and address of the principal place of business and facility where activities under the Nonclinical Workplan will be actually performed.

1.3 Reporting

Each Party will keep the other Party reasonably informed as to the progress and results of its activities under the Nonclinical Workplan, in each case through meetings of the JRC occurring at least [***] and as otherwise agreed from time to time, except for day-to-day communication with respect to implementation, progress or results of such activities. In the event a Party reasonably anticipates the delay of its completion of [***] under the Nonclinical Workplan, respectively, such Party will promptly inform the other Party of such anticipated delay,

and the Parties will discuss in good faith how to mitigate such delay. Upon completion of all activities conducted by Shattuck as set forth in the Nonclinical Workplan, Shattuck will prepare and provide to Ono a final report detailing the results of all such activities (the "**Final Report**").

1.4 Nonclinical Workplan Funding

During the Research Term, Ono will be responsible for its costs and expenses and will pay Shattuck amounts equal to all costs and expenses incurred by Shattuck related to performance of all activities required to complete the Nonclinical Workplan (the "**Research Funding**" and each payment is a "**Research Funding Payment**"), including the costs and expenses related to any and all amendments or revisions to the Nonclinical Workplan. The Parties have agreed upon an estimated budget for the activities contemplated under the Nonclinical Workplan (the "**Budget**"), which amounts they anticipate are sufficient to complete the Nonclinical Workplan.

(a) **Initial Research Funding Payment.** Within [***] of Ono's receipt of an invoice issued by Shattuck after the Effective Date, Ono will make an initial Research Funding Payment to Shattuck in the amount of Three Million, Three Hundred Seventy-Eight Thousand, Three Hundred and Five Dollars ($3,378,305), which amount consists of (i) [***] and (ii) [***], for each of (i) and (ii) as set forth in the Budget (the "**Initial Research Funding Payment**").

(b) **Quarterly Research Funding Payments.** For Research Funding which is not included in the Initial Research Funding Payment, Shattuck will provide to Ono an updated forecast of quarterly Research Funding for [***] at each JRC meeting. Such forecast will include the summary of each of the total FTE Costs and total Non-Labor Costs estimated for such [***].

(c) **Quarterly Invoices.** Each Quarterly Invoice will be provided at least [***] prior to the start of each Quarter, and Ono will make each Research Funding Payment [***]. Each Quarterly Invoice will include a statement confirming the activities completed by Shattuck in the most recent full Quarter.

(d) **Budget Notifications.** In addition to the provision of quarterly forecasts of Research Funding in accordance with Section 2.4(b), Shattuck will provide prompt notification to Ono if activities under the Nonclinical Workplan are anticipated to exceed the total Budget by more than [***], and the Parties will work together in good faith to revise the Budget as needed.

(e) In the event the Parties agree to revise and amend the Nonclinical Workplan and Budget to add different or additional activities in the Nonclinical Workplan, as provided in Section 2.1(b), the Parties will work together to reach mutual agreement on such revisions as quickly as possible. Shattuck will work in good faith to continue to allocate resources to ensure continued availability to complete the Nonclinical Workplan, [***].

(f) If there is an overpayment or shortage for the FTE Costs in a quarterly Research Funding Payment, such difference will be reconciled in the next quarterly Research Funding Payment, provided that if no further payments are due, (i) Shattuck will notify Ono in writing at the end of such Quarter and such overpayment amount will be refunded to Ono by Shattuck within [***] of the end of such Quarter, and (ii) such shortage amount will be invoiced by Shattuck promptly and Ono will pay such invoiced amount within [***] from the receipt of such invoice. If this Agreement is early terminated in accordance with Sections 10.2 or 10.3, Section10.5(b) will prevail over this Section 2.4(f).

1.5 Exclusive Option to Research, Develop, Manufacture, Commercialize and Exploit Development Compounds

(a) In consideration for the Exclusive Option rights described in Section 2.5(b), Ono will, within **[***]** after Ono's receipt of an invoice issued by Shattuck and taxation documents specified in Section 7.3, pay to Shattuck an amount equal to Two Million Dollars ($2,000,000) (the "**Upfront Fee**").

(b) Subject to and contingent upon Ono's payment of the Upfront Fee set forth in Section 2.5(a) and all other payments due under this Agreement during the Research Term (*i.e.*, Ono's timely payment of Research Funding Payments as set forth in Section 2.4 and any Research Milestone Payments that have been already achieved in accordance with Section 7.1(a)), Shattuck hereby grants to Ono a time-limited exclusive option to enter into the exclusive license set forth in Article4 (the "**Exclusive Option**").

(c) The Exclusive Option may be exercised at any time, in Ono's sole discretion, by fulfilling all conditions set forth in (i) and (ii) below prior to the expiration of the Research Term: Ono (i) provides to Shattuck a written notice of its desire to

exercise the Exclusive Option and (ii) completes payment of any Research Milestone Payments which have been achieved in accordance with Section 7.1(a) (the forgoing conditions set forth in subsections (i) and (ii) are referred to as the "**License Conditions**"). Following Ono's timely fulfillment of the License Conditions, Shattuck will issue to Ono an invoice for **[***]** (the "**License Fee**"), which Ono will promptly pay, and in any event within **[***]** of its receipt of such invoice and taxation documents specified in Section 7.3. For clarity, from and following Ono's timely fulfillment of the License Conditions, the licenses and other rights granted to Ono as set forth in Article 4 will be effective.

ARTICLE 3
JOINT RESEARCH COMMITTEE

1.1 Joint Research Committee

(a) Within [***] following the Effective Date, the Parties will establish and have the first meeting of a Joint Research Committee ("**Joint Research Committee**" or "**JRC**"), which will have responsibility to manage and oversee the activities set out in the Nonclinical Workplan, and the following:

(i) provide a forum to facilitate communication between the Parties;

(ii) make development decisions contemplated in the Nonclinical Workplan, including amendments to the Nonclinical Workplan and Budget (including an update of quarterly Research Funding forecast in the next [***]; and

(iii) carry out such other duties as are specifically assigned to the JRC under this Agreement, or as agreed by the Parties in writing from time to time.

(b) The JRC will be comprised of an equal number of representatives of each Party, with each Party having three (3) representatives on the JRC at all times. Each representative (or any alternate to such representative) will be a director, officer, employee or consultant of the applicable Party or one of its Affiliates having expertise appropriate for the function and purpose of the JRC and to address all strategic questions which the JRC is reasonably expected to address in accordance with this Agreement. The initial representatives of Shattuck and Ono on the JRC are listed in Schedule D attached hereto. Each Party may replace its representatives on the JRC from time to time in its discretion with prior written notice to the other Party. All members of the JRC will be subject to written confidentiality obligations commensurate in scope to the provisions of Article 9. Non-voting observers who are subject to written confidentiality obligations commensurate in scope to the provisions of Article 9 may be invited to the JRC meetings, as mutually agreed by the Parties' JRC representatives.

(c) The chair of the JRC (the "**JRC Chair**") will change each meeting and be alternately appointed by Shattuck and Ono, beginning with a Shattuck appointee

for the first meeting of the JRC. The JRC Chair will be responsible for coordinating meetings of the JRC and preparing an agenda for each such meeting. The JRC Chair will have no greater authority on the JRC than any other representative.

(d)The JRC will oversee execution of the Nonclinical Workplan. The JRC will be dissolved upon expiration of the Research Term.

(e)From time to time, the JRC may establish and delegate duties to other committees, sub-committees or directed teams (each, a "**Working Group**") on an "as-needed" basis to oversee particular projects or activities (*e.g.*, an Intellectual Property Working Group, CMC Working Group, etc.). A Working Group may be established on an *ad hoc* basis for the purpose of overseeing a specific project. Each Working Group and its activities will be subject to the oversight, review and approval of, and will report to, the JRC. In no event will the authority of a Working Group exceed that of the JRC.

1.2 Governance of JRC

(a)The JRC meetings may be held in-person (at least once per Calendar Year), by audio or by video conference. The JRC will meet at least once [***] (or with such other frequency as the Parties mutually agree). The location of an initial in-person meeting will be agreed by the Parties' JRC representatives. Unless otherwise agreed by the Parties, all in-person meetings of the JRC will be held on an alternating basis between Shattuck's facilities and Ono's facilities.

(b)Each Party will use all reasonable efforts to cause its JRC representatives to attend the meetings, and if a Party's representative is unable to attend a meeting, such Party will designate an alternate representative to attend in place of the absent representative by prior written notice to the other Party.

(c)Each Party will be responsible for all of its own expenses of participating in the JRC, including all costs of travel, food and lodging for a Party's representatives attending an in-person meeting.

(d)The JRC Chair will be responsible for calling meetings (including as reasonably requested by Ono or Shattuck), providing notice of all meetings to the members of the JRC, leading the meetings, and (unless the Parties' representatives on the JRC agree upon a person to act as secretary of the meeting of the JRC) appointing a representative of the JRC to act as secretary of each meeting.

(e)A quorum for a meeting of the JRC will be one (1) representative of each Party.

(f)The JRC Chair will appoint a secretary for each meeting who will prepare, and the JRC Chair will distribute to all members of the JRC for reviewing, minutes of each JRC meeting within [***] following the date of the meeting.

Such minutes will provide a description in reasonable detail of the discussions held at the meeting and a list of any actions, decisions or determinations approved by the JRC. Such minutes will be deemed approved if no representative of the JRC disputes the accuracy of such minutes within [***] of their circulation.

1.3 Decision Making

(a)At all times, the representatives of each Party on the JRC will take into consideration the view of the representatives of the other Party regarding the matters under consideration by the JRC, and the objective of the JRC will be to reach agreement by unanimous consensus on matters after reasonable and open discussion.

(b)The Nonclinical Workplan contemplates certain decisions to be made at certain times (referred to in the Nonclinical Workplan as "**Ono Decision Point(s)**)." At Ono Decision Points, the Parties will promptly schedule a JRC meeting to discuss the relevant data and results at such JRC meeting.

(c)If the JRC is unable to reach a decision by unanimous consensus pursuant to Section 3.3(a), Ono will have final decision-making authority with respect to all decisions, including revision or amendment of the Nonclinical Workplan or Budget and decisions identified in the relevant Ono Decision Point in order to move forward with the Nonclinical Workplan as promptly as possible, [***]. For clarity, Ono may not exercise such final decision-making authority in a manner that (i) is inconsistent with the terms of

this Agreement (including in a manner that excuses Ono from any of its obligations, or expands any rights granted to Ono, under this Agreement); [***].

1.4 Responsibilities

Notwithstanding anything to the contrary in this Article 3, each Party will have and retain the rights, powers and discretion granted to it under this Agreement, and the JRC will not be vested with any right, power or discretion except as expressly provided in this Agreement and will not have the power to amend or modify this Agreement, which may only be amended or modified as provided in Section 13.16.

ARTICLE 4 LICENSE GRANT

1.1 License to Ono to Research, Develop, Manufacture, Commercialize, and Exploit Products

(a) Subject to Ono's timely fulfillment of the License Conditions, Shattuck and its Affiliates will grant and do hereby grant to Ono and its Affiliates an exclusive, even as to Shattuck and its Affiliates (subject to Shattuck's rights and obligations under this Agreement, including activities under the Nonclinical Workplan), with the right to sublicense through multiple tiers subject to this Section 4.1 (c) and Sections 4.3 and 4.4, non-transferable (except as set forth under this Agreement),

royalty-bearing right and license to and under any of Shattuck's rights to the Product IP for the limited purpose of Researching, Developing, Commercializing, Manufacturing and otherwise Exploiting Products within the Field in the Territory during the License Term.

(b) For clarity, the license granted in this Section 4.1 is exclusive to Ono and its Affiliates as to the Product IP only for the Research, Development, Commercialization, Manufacture and other Exploitation of Products in the Field in the Territory during the License Term, and for no other purpose.

(c) The license under Sections 4.1(a) and (d) will be sublicensable to Sublicensees and Permitted Third Party Services Providers as permitted by Sections 4.3 and 4.4.

(d) Subject to Ono's timely fulfillment of the License Conditions, Shattuck and its Affiliates will grant and do hereby grant to Ono and its Affiliates, without requiring Ono to make any additional payments to Shattuck other than those payments required by Article 7, a non-exclusive license, with the right to grant sublicenses through multiple tiers subject to this Section 4.1 (c) and Sections 4.3 and 4.4, under Patent Rights, Know-How, Proprietary Materials, Confidential Information or any other Intellectual Property rights Controlled by Shattuck or its Affiliates during the License Term that are necessary or useful to Research, Develop, Manufacture, Commercialize or otherwise Exploit the Products in the Territory in the Field during the License Term in accordance with the terms of this Agreement solely for the limited purpose of Researching, Developing, Commercializing, Manufacturing and otherwise Exploiting Products within the Field in the Territory during the License Term.

1.2 Shattuck Reservation of Rights

Subject to the terms and conditions of this Agreement, the Parties agree that Shattuck and its Affiliates will retain all rights to the Product IP Controlled by Shattuck or its Affiliates for all purposes other than Researching, Developing, Commercializing, Manufacturing and otherwise Exploiting Products in the Field in the Territory during the License Term, including the right to grant licenses to Third Parties to do the same; provided, however, that Shattuck's rights under this Section 4.2 will be always subject to its obligations under Section 4.6 hereof, and Shattuck will not disclose non-public Product Know-How to any Third Party except in accordance with Article 9.

1.3 Sublicensing Rights

Following the License Effective Date and subject to Section 4.1, Ono and its Affiliates will have the right to grant sublicenses under the license rights granted in Section 4.1 to Third Parties ("**Sublicensees**") without Shattuck's permission or consent but subject to the conditions set forth herein, provided that in each case:

(a) Ono will notify and provide a copy of the relevant sublicense agreement to Shattuck within [***] after granting a sublicense under the rights granted in Section 4.1 to any Person other than an Affiliate of Ono; provided, however, that such copy may be redacted to remove provisions which are not necessary to monitor compliance with this Agreement, including financial information;

(b) Ono will at all times remain obligated for all of its obligations (including any obligations delegated to such Sublicensee) under this Agreement, including the payment of any Milestone Payments, Royalties and other payments described in Article 7;

(c) as between the Parties, Ono will remain liable for all acts and omissions of its Sublicensees; and

(d) any such sublicense will be consistent with the terms and conditions of this Agreement, and Ono will require such Sublicensee to comply with all applicable terms of this Agreement.

For clarity, the requirements of this Section 4.3 will not apply to Permitted Third Party Service Providers as described in Section 4.4.

1.4 Permitted Third Party Service Providers

Following the License Effective Date and notwithstanding Section 4.3, Ono and its Affiliates will have the right, without Shattuck's permission or consent but subject to the conditions set forth herein, to engage one or more Third Parties ("**Permitted Third Party Service Providers**") as subcontractors to perform designated functions on a fee-for-service basis (such as contract research organizations and contract manufacturing organizations) in connection with its activities under this Agreement (including transferring or disclosing Product IP and Technical Transfer Materials as may be necessary for such Permitted Third Party Service Provider to perform such designated functions); provided that (a) Ono will remain responsible for the conduct of all such activities in accordance with the terms and conditions of this Agreement and (b) Ono will use Commercially Reasonable Efforts to cause each such Permitted Third Party Service Provider to assign or license to Ono all Intellectual Property necessary or useful for Research, Development, Commercialization, Manufacture and other Exploitation of Products conceived or first reduced to practice in the performance of services for Ono under this Agreement; provided that the obligations of Ono set forth in clause (b) will not apply to improvements to such Permitted Third Party Service Provider's existing technology. For purposes of Section 4.4, the actions of a Permitted Third Party Service Provider will be deemed to be the actions of Ono.

1.5 No Other Licenses or Rights

Ono covenants that it will not use or practice any Patent Rights, Know-How, Proprietary Materials or Confidential Information licensed, sublicensed, disclosed or otherwise made available to it by Shattuck or its Affiliates under this Agreement except for the purposes expressly permitted in an applicable license grant to Ono. Except as may be otherwise explicitly set forth in this Agreement, Shattuck grants no license, express or implied, under any Patent

Rights, Know-How, Proprietary Materials, Confidential Information or any other Intellectual Property rights of Shattuck or its Affiliates, whether by implication, estoppel or otherwise.

1.6 Competitive Activities

During the Research Term and the License Term, neither Party will, outside of this Agreement, conduct nor support, directly or indirectly, whether by itself or with, through or on behalf of any Person, any Commercialization in the Field in the Territory with respect to any compound, molecule or product having the Collaboration Mechanism of Action ("**Competing Product**"); provided, however, that the covenant contained in this Section 4.6 will not apply to a Third Party Acquirer if either Party undergoes a Change of Control Event so long as (i) no Confidential Information of the other Party, no non-public Product Know-How or no Confidential Information developed under this Agreement are used by, or disclosed in any material manner to such Third Party Acquirer, for use with a Competing Product(s); (ii) such Party and such Third Party Acquirer establish reasonable technical and administrative procedures to ensure that the requirements set forth in the foregoing sub-clause (i) are met, including by creating "firewalls" which prevent the personnel working for a Competing Product(s) from accessing Confidential Information of the other Party, non-public Product Know-How or Confidential Information developed under this Agreement; and (iii) such Third Party Acquirer segregates such acquired Party's personnel and activities with respect to Development Compounds and Products from all programs of such Third Party Acquirer directed to the Research, Development, Manufacturing, Commercialization and/or Exploitation of a Competing Product(s) until [***].

ARTICLE 5
DEVELOPMENT AND COMMERCIALIZATION OF PRODUCTS

1.1 Development and Commercialization

(a)**Responsibility and Authority.** From and after the License Effective Date, as between the Parties, Ono will have sole authority and responsibility for all Research, Development, Manufacture, Commercialization and other Exploitation of the Products in the Field in the Territory, including, without limitation: (i) the conduct of all research and pre-clinical and non-clinical activities (including, without limitation, the assessment of alternative designs for the Products, the selection of the Products to be Developed, Commercialized or otherwise Exploited, all non-clinical, pre-clinical and IND-enabling studies (including toxicology testing), any pharmaceutical development work on formulations and process development relating to any such Products); (ii) all activities related to Clinical Trials; (iii) all activities relating to the Manufacture of Products (including, without limitation, all required process development and scale up work with respect thereto); and (iv) all Commercialization activities relating to any Product (including, without limitation, marketing, promotion, sales, distribution, import and export activities and any post-marketing trials and safety surveillance), provided, however, notwithstanding the foregoing, if Ono exercises Exclusive Option before the completion of all activities under the Nonclinical Workplan, Shattuck will continue to perform the activities for which Shattuck is

responsible under the Nonclinical Workplan after Ono's exercise of the Exclusive Option in accordance with the terms of this Agreement that are applicable to the Nonclinical Workplan, including the Research Funding Payments and Research Milestone Payments. Without limiting the generality of the foregoing, as between the Parties, Ono will have full control and authority and sole responsibility for (x) making all Regulatory Filings for Products and filing all Drug Approval Applications and otherwise seeking all Regulatory Approvals regarding such matters and (y) reporting of all adverse events to Regulatory Authorities if and to the extent required by Applicable Laws. All activities relating to Research, Development, Manufacture, Commercialization or other Exploitation of Products under this Agreement will be undertaken at Ono's sole cost and expense.

(b)**Due Diligence.** From and after the License Effective Date, Ono and its Affiliates and Sublicensees will use Commercially Reasonable Efforts (i) to Develop at least one (1) Product and to undertake investigations and actions required to obtain appropriate Regulatory Approvals necessary to market Product(s) in the Field in the Territory, and (ii) for each country in which Regulatory Approval is obtained, to Commercialize and otherwise Exploit such Products in such country.

1.2 Reports; Product Recalls

(a) **Reports.** From and after the License Effective Date, within [***] after the end of each Ono Fiscal Year during the License Term, Ono will provide to Shattuck a written report that provides an annual summary of Ono's (and its Affiliates' and Sublicensees') significant activities relating to Research, Development, Manufacture, Commercialization, and other Exploitation of each Product, including the status of Clinical Trials and regulatory activities, including status of applications for Regulatory Approval

necessary for marketing of such Products. In addition, if, after the License Effective Date, Ono decides not to continue Research, Development, Manufacture, Commercialization or other Exploitation related to both Development Compounds and any and all related Products thereof by it or through its Affiliates or Sublicensees anywhere in the world (a "**Discontinuation Decision**"), Ono will provide written notification to Shattuck of such Discontinuation Decision ("**Discontinuation Notice**") without delay. In this case, Ono will, within [***] following such Discontinuation Notice, provide Shattuck with [***] (each "**Ono Decision Notice"**).

(b)All reports, updates, product complaints and other information provided by the Disclosing Party to the Receiving Party under this Agreement (including under this Section 5.2(a)) will be considered Confidential Information of the Disclosing Party, subject to the terms of Article 9.

ARTICLE 6 MANUFACTURING OBLIGATIONS

1.1 Manufacturing; Technical Transfer Materials

Following the License Effective Date, Ono will be responsible, at its sole cost and expense, for Manufacturing or having Manufactured, all materials to enable it to Research, Develop, Commercialize, and otherwise Exploit Products (including as required for any pre-clinical, non-clinical, clinical and commercial use of Products, and including process development and scale- up). In the event Ono elects to Manufacture or have a Permitted Third Party Service Provider Manufacture Development Compounds and/or Products, the Parties will negotiate an appropriate technology transfer agreement whereby Shattuck will (a) provide the (i) Technical Transfer Materials developed pursuant to the Nonclinical Workplan to Ono or its Permitted Third Party Service Provider (to the extent such Technical Transfer Materials exist for a given Development Compound or Product) without any additional costs and (ii) [***], Technical Transfer Materials made at Shattuck's own expenses, for the purpose of enabling Ono to exercise its rights under this Agreement with respect to the Development Compounds and Products, and (b) [***], use Commercially Reasonable Efforts to provide Ono or such Permitted Third Party Service Provider with technical advice and assistance in its use of such Technical Transfer Materials or otherwise in connection with the Manufacture of Development Compounds and Products by Ono or such Permitted Third Party Service Provider. In the event Ono desires to have Shattuck Manufacture Development Compounds or Products for Research, Development, Commercialization or Exploitation of Development Compounds or Products, the Parties will negotiate in good faith a Manufacturing service agreement.

ARTICLE 7
MILESTONE PAYMENTS AND ROYALTIES

1.1 Milestone Payments

Ono will make the following payments to Shattuck (each, a "**Milestone Payment**"), in accordance with Section 7.1(d), following achievement of each of the research, clinical, regulatory, and/or commercial milestone events set forth in the tables below (each, a "**Milestone Event**").

(a) **Research Milestone Payments.**

No.	Milestone Event	Research Milestone Payment
1.	[***]	[***]
2.	[***]	[***]
3.	[***]	[***]

The Milestone Payments set forth in this Section 7.1(a) (referred to herein as the "**Research Milestone Payments**") will be paid only once regardless of the

number of times achieved by one or more Development Compounds. If Ono decides to exercise the Exclusive Option before the achievement of one or more of the research Milestone Events described in this Section 7.1(a), each such unpaid Research Milestone Payment will be paid upon its achievement in accordance with Section 7.1(d)(i). If Ono exercises the Exclusive Option before the achievement of one or more of the research Milestone Events and Ono conducts the activities that trigger the achievement of such research Milestone Event(s), Ono will provide Shattuck with prompt written notice of the occurrence of such event giving rise to such Research Milestone Payment, which will be no later than [***] after the occurrence of such event.

(b) **Clinical and Regulatory Milestone Payments.**

No.	Milestone Event	Milestone Payment
1.	[***]	[***]
2.	[***]	[***]
3.	[***]	[***]
4.	[***]	[***]
5.	[***]	[***]
6.	[***]	[***]
7.	[***]	[***]
8.	[***]	[***]
9.	[***]	[***]

(i) The Milestone Payments set forth in this Section 7.1(b) will be paid only once, regardless of the number of times each Milestone Event is met for one or more Products. For clarity, Ono will pay Milestone Payments for Milestone Events regardless of whether such Milestone Events are achieved by Ono, its Affiliates or its Sublicensees.

(ii) In the event that Milestone Event No. 3 in the foregoing table is achieved before Milestone Event No. 2 (*e.g.*, [***]), then Ono will make the Milestone Payment associated with Milestone Event No. 2 concurrently with payment of the Milestone Payment associated with Milestone Event No. 3, and no Milestone Payment will be payable with respect to [***]. For clarity, if [***], then the Milestone Payment for [***] will be made upon [***] and the Milestone Payment for [***] will be made upon [***]. Further, if [***], then the Milestone Payment for [***] will be made upon

[***] and the Milestone Payment for [***] will be made upon the completion of [***].

(iii) In the event a subsequent Milestone Event is achieved before a prior Milestone Event is achieved, then such prior Milestone Payment(s) otherwise payable upon achievement of such prior Milestone Event, to the extent not already paid, will become due and payable at the same time as the Milestone Payment associated with such subsequent Milestone, and no Milestone Payment will be payable with respect to any such prior Milestone Event, as applicable, for a Product. For example, if Milestone Event No. 4 above is achieved but Milestone Event No. 3 has not been achieved yet, then Milestone Payment with respect to Milestone Events No. 3 and No. 4 will be payable (to the extent not already paid) upon the achievement of such Milestone Event No. 4. For clarity, it is agreed by the Parties that each of Milestone Events 4

through 9 is independent and is not necessarily sequential and that this Section 7.1(b)(iii) will not be applicable to Milestone Events 4 through 9.

(c)**Commercial Milestone Payments.** For purposes of the commercial Milestone Events set forth in the table below (the "**Commercial Milestone Event**"), an "[***] **Product**" is a Product of which [***], and an "[***] **Product**" is a Product of which [***]. Each Milestone Payment associated with a Commercial Milestone Event may be paid up to twice, once for any [***] Product and once for any [***] Product, provided that the second time a Milestone Payment is triggered, the amount paid will be [***] of the amount paid for the first such Milestone Payment (as depicted below in the fourth column of the table).

No.	Milestone Event	[***] Milestone Payment	[***] Milestone Payment
1.	[***]	[***]	[***]
2.	[***]	[***]	[***]
3.	[***]	[***]	[***]

The Milestone Payments set forth in this Section 7.1(c) will be paid only once, regardless of the number of times each Milestone Event is met for one or more Products within [***] Product and [***] Product, respectively. For example, in the event the [***] Product first launched in the Territory achieves Commercial Milestone Event No. 1 and another [***] Product subsequently launched in the Territory also achieves Commercial Milestone Event No. 1, then only Commercial Milestone Payment for the first achievement of Commercial Milestone Event No. 1 by first launched [***] Product is payable, and no Commercial Milestone Payment for the achievement of Commercial Milestone Event No. 1 by the subsequently launched [***] Product is payable. For clarity, Ono will pay Milestone Payments for Milestone Events regardless of whether such Milestone Events are achieved by Ono, its Affiliates or its Sublicensees.

(d) **Milestone Payments Generally.**

(i) With respect to Research Milestone Payments, Shattuck will promptly provide an invoice and taxation documents specified in Section 7.3 for the payment of each Research Milestone Payment following (x) the achievement of the relevant Milestone Event by Shattuck or (y) the receipt of notice from Ono that Ono has achieved a research Milestone Event as specified in Section 7.1(a), and the relevant Research Milestone Payment(s) will be made by Ono to Shattuck within [***] following Ono's receipt of such invoice issued by Shattuck and taxation documents specified in Section 7.3.

(ii) With respect to Milestone Events set forth in Sections 7.1(b), Ono will provide Shattuck with prompt written notice of the occurrence of any event giving rise to a Milestone Payment, which will be no later than [***] after the occurrence of such event. Thereafter, the relevant Milestone Payment will be made by Ono to Shattuck within [***] following Ono's receipt of an invoice issued by Shattuck and the taxation documents specified in Section 7.3.

(iii) With respect to Milestone Events set forth in Section 7.1(c), Ono will provide Shattuck with a written notice of the occurrence of any event giving rise to a Milestone Payment within [***] following the end of the Quarter during which a Milestone Event has first occurred. Thereafter, the relevant Milestone Payment will be made by Ono to Shattuck within [***] following Ono's receipt of an invoice issued by Shattuck and the taxation documents specified in Section 7.3.

(iv) In the case of the Commercial Milestone Payments, if multiple Net Sales thresholds are first reached in the same Ono Fiscal Year, the corresponding Milestone Payments will be made with respect to such Ono Fiscal Year.

1.2 Royalties

(a)**Royalty Payments.** For each Product, commencing on the date of First Commercial Sale of such Product in any country or jurisdiction in the Territory, Ono will pay to Shattuck the following royalties based on Net Sales of such Products sold by Ono, its

Affiliates and its Sublicensees, on an incremental basis in each Ono Fiscal Year during the Royalty Term, at the following rates ("**Royalties**"):

For Annual Worldwide Net Sales of a Product by Ono, its Affiliates, and/or Sublicensees in Ono Fiscal Year	Royalty Rate (Percentage of Annual Net Sales in Ono Fiscal Year)
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]

(b)**No Valid Claim.** Subject to Section 7.2(d), during the Royalty Term, on a country-by-country and Product-by-Product basis, when the Product or its manufacture, use, sale, offer for sale or importation is no longer Covered by a Composition of Matter Claim within the Product Patent Rights in such country or jurisdiction, the Royalties payable with respect to Net Sales of such Product sold by Ono, its Affiliates and its Sublicensees in such country or jurisdiction will be reduced by [***] of the Royalties otherwise owed to Shattuck pursuant to this Section 7.2 (such [***] will be referred to as the "**Know-How Royalty**"). The Parties hereby acknowledge and agree that the Know-How Royalty will be in consideration of the commercial advantage, Know-How and background information gained from the unpatented Product Know-How, including, without limitation, Shattuck's Confidential Information and Proprietary Materials and be payable during the Royalty Term.

(c)**Loss of Market Exclusivity.** Subject to Section 7.2(d), upon a Biosimilar Product entry in a Quarter in a country or jurisdiction in the Territory, then the Royalties otherwise payable by Ono to Shattuck with respect to such country or jurisdiction pursuant to Section 7.2(a) will be reduced by [***] of the Royalties otherwise owed to Shattuck pursuant to this Section 7.2. For clarity, the reduction to Royalties pursuant to this Section 7.2(c) will continue to apply after a Biosimilar Product is no longer being sold in such country or jurisdiction, other than as a result of a successful infringement suit brought by Ono, its Affiliates or Sublicensees, or by Shattuck or its Affiliates.

(d)**Minimum Royalty Rate.** Anything contained in this Agreement to the contrary notwithstanding, none of the reductions to Royalties provided in Sections7.2(b) or (c), or (e) will, individually or in the aggregate, reduce the Royalties payable with respect to Net Sales of any Product sold by Ono, its Affiliates and its Sublicensees in any country or jurisdiction during the License Term by more than [***] of the Royalties otherwise owed to Shattuck pursuant to Section 7.2(a).

(e)**Third Party Licenses.** Subject to Section 7.2(d), if, after the Effective Date, Ono acquires or obtains a license to any Third Party Patent Right which contains [***] that would be infringed by Research, Development,

Commercialization or other Exploitation of a Product or is required by order or judgment of a court in any jurisdiction, then, Ono will have the right to deduct from the Royalties due to Shattuck hereunder with respect to such Product in such country or jurisdiction, an amount equal to [***] of royalties and/or other payments that are attributable to such Product and paid by Ono to such Third Party in such country or jurisdiction in a particular Quarter; provided that, Ono may carry over such payments which are incurred or accrued and are not deducted from Royalties payable to Shattuck in such Quarter, and deduct it from any Royalties that would be payable to Shattuck in any of the [***] subsequent Quarters. For the avoidance of doubt, [***].

(f)**Payments and Royalty Reports.** Within [***] following the end of each Quarter commencing with the initial Quarter following the First Commercial Sale of a Product, Ono will furnish to Shattuck a reasonably detailed report ("**Royalty Reports**") showing the following information, on a country-by-country and Product-by-Product basis: (A) the gross invoiced amount for each Product during the reporting period sold by Ono or its Affiliates or Sublicensees to the first unrelated Third Party; (B) the deductions taken in calculating Net Sales for each Product during such reporting period and the Net Sales for each such Product; (C) the exchange rates used, if any, in determining the amount due or performing any necessary currency conversion; (D) the Royalties payable with respect to such Net Sales; and (E) any withholding taxes required by Applicable Laws to be paid from such Royalties. Shattuck will issue an invoice for Royalties upon receipt of such Royalty Report, and Ono will pay to Shattuck the Royalties due under this Section 7.2 within [***] following its receipt of such invoice issued by Shattuck and the taxation documents specified in Section 7.3.

(g)**Exchange Rates.** For the purpose of calculating Net Sales, Ono will convert any amount expressed in a foreign currency into JPY using its standard conversion methodology consistent with International Financial Reporting Standards. If any currency conversion will be required in connection with Royalties or other reimbursable amounts under this Agreement, such conversion will be calculated using whichever of the following exchange rates (TTS rates) for conversion of JPY into Dollars results in the higher payment to Shattuck: (i) the exchange rate posted by MUFG Bank, Ltd. or (ii) the corporate exchange rate provided by MUFG Bank, Ltd to Ono, in each case (i) and (ii), on the date on which Ono will make the applicable payment. For clarity, Royalties to be paid by Ono to Shattuck will be computed in JPY and will be converted to Dollars in accordance with this Section 7.2(g).

1.3 Tax Matters

Any withholding or other taxes that a paying Party is required by law to pay or withhold from Royalties or other payments payable to a receiving Party under this Agreement will be deducted from the amount of such Royalties or other payments due, and promptly paid or remitted as appropriate, by the paying Party. Shattuck will provide to Ono any taxation documents and other forms, including taxation documents (Form 3 and Form 17) and the Residency Certificate of

Shattuck issued by the U.S. Internal Revenue Service, that may be reasonably necessary from time to time in order for Ono not to withhold tax or to withhold tax at a reduced rate under an applicable bilateral income tax treaty. Each Party will cooperate and otherwise take commercially reasonable efforts to obtain any exemptions for or refunds of such withholdings taxes and to minimize any such taxes or withholdings.

1.4 Late Payments

Any payments that are not paid on or before the date such payments are due under this Agreement will bear interest from the due date until paid in full at a rate per annum equal to the lesser of (a) [***], as reported by THE WALL STREET JOURNAL, or (b) the highest rate of interest permitted by Applicable Law, and calculated on the number of days such payments are paid after the date such payments are due. Interest will not be compounded. With respect to any payments that are disputed in good faith, no interest will accrue until such dispute is resolved.

1.5 Bank Account

All payments required to be made to Shattuck under this Agreement will be made in Dollars by bank wire transfer in immediately available funds to the account listed in Schedule C (or such other account as Shattuck will from time to time advise Ono in writing before such payment is due).

1.6 Records

Shattuck and Ono will keep, and require its Affiliates and Sublicensees (in the case of Ono) to keep, complete and accurate books of accounts and records for the purpose of determining the amounts, including Research Funding, payable to Shattuck pursuant to this Agreement. Such books and records will be kept for such period of time required by Applicable Laws, but no less than [***] following the end of the Quarter to which they pertain. Such records will be subject to inspection in accordance with Section 7.7.

1.7 Audits

At the request of either Shattuck or Ono ("**Auditing Party**"), and upon at least [***] prior written notice from Auditing Party, but not more than once per Calendar Year, the other Party ("**Audited Party**") will permit an independent, reputable, certified public accountant of internationally recognized standing selected by Auditing Party and reasonably acceptable to Audited Party ("**Auditor**"), at Auditing Party's sole cost and expense (except as provided in this Section 7.7) during normal business hours, at such place or places where such records are customarily kept, to audit or inspect those books or records required to be kept by Audited Party pursuant to Section 7.6. At Auditing Party's request, and to the extent not previously reviewed, the Auditor will be entitled to audit the then-preceding [***] of Audited Party's records solely for purposes of verifying the accuracy of the items contained in the Royalty Reports and Research Funding invoiced by Shattuck. Before beginning the audit, the Auditor will enter into a confidentiality agreement with both Parties containing terms substantially similar to those contained in Article 9. The Auditor will provide a written report to both Shattuck and Ono (at the same time) that will disclose only whether the Royalty payments or Research Funding invoiced by Shattuck were correct and the specific details concerning any discrepancies. The report will

disclose no other information arising from such audit. Inspections conducted under this Section 7.7 will be at the expense of the Auditing Party, unless the audit report discloses that the Royalties payable by Ono or Research Funding invoiced by Shattuck for the audited period were more than [***] of the amount actually paid by Ono as Royalties payment or actual amount of Research Funding Ono owed for such period, in which case Audited Party will pay the reasonable costs and expenses charged by the Auditor. Within [***] following its receipt of the audit report, Ono will pay to Shattuck any underpayment discovered in such audit, together with interest accrued in accordance with Section 7.4. If the Auditor concludes that the Royalties paid or Research Funding invoiced by Shattuck were more than what was owed during the audited period, Ono may deduct the amount of such overpayment from Royalty payments or Research Funding Payments due to be paid to Shattuck in the next Quarter(s) under Article 7, or, if no Royalty payments or Research Funding Payments will be made by Ono for such next Quarter, Ono may invoice Shattuck for such overpayment, and Shattuck will pay such invoice within [***] from the date of its receipt of such invoice. The Auditing Party's right to audit pursuant to this Section 7.7 will survive for [***] after the effective date of the expiration or termination of this Agreement.

ARTICLE 8 INTELLECTUAL PROPERTY

1.1 Disclosure of Inventions

Each Party will, during the Research Term, promptly disclose to the other Party the making, conception or reduction to practice of any and all Product IP within [***] after such Party receives such disclosure from its director, officers, employees or others obligated to assign inventions to such Party or any Affiliate of such Party.

1.2 Ownership of Intellectual Property

(a) **In General.** Except as otherwise expressly provided herein, as between the Parties, each Party will own and retain all right, title and interest in and to any and all (i) Know-How, Inventions, Patent Rights and other Intellectual Property rights Controlled by such Party or any of its Affiliates or its or their Sublicensees on the Effective Date, and (ii) Know-How, and other Inventions that

are conceived, discovered, developed or otherwise made by or on behalf of such Party (other than by the other Party or its Affiliates) under or in connection with this Agreement, whether or not patented or patentable, and any and all Patent Rights and other Intellectual Property rights with respect thereto.

(b) **Joint Inventions.** As between the Parties, the Parties will each own an equal, undivided interest in any and all Joint Inventions. Each Party will have the right to Exploit the Joint Inventions, Joint Know-How and practice any Joint Patents without a duty of seeking consent of or accounting to the other Party; provided, however, that each Party may not grant licenses under its interest in Joint Inventions, Joint Know-How and Joint Patents to any Third Party to Research, Develop, Manufacture, Commercialize or otherwise Exploit any Competing Product without obtaining prior written consent of the other Party, provided,

further, that during the License Term, Shattuck may not Exploit the Joint Inventions, Joint Know-How and practice or license any Joint Patents for Researching, Developing, Commercializing, Manufacturing and otherwise Exploiting Products within the Field in the Territory.

(c) **U.S. Law.** The determination of whether Inventions are conceived, discovered, developed or otherwise made by a Party for the purpose of allocating proprietary rights (including Patent Rights, copyright or other Intellectual Property rights) therein will, for purposes of this Agreement, be made in accordance with Applicable Law in the U.S. as such law exists as of the Effective Date, irrespective of where or when such conception, discovery, development or making occurs.

1.3 Patent Prosecution and Patent Term Extension of Product Patent Rights

(a) **Prosecuting Party.** Each Party will have the first right and authority, but not the obligation, at its sole cost and expense as otherwise specified herein, and in its sole discretion, to Prosecute the Product Patent Rights which are Controlled (except by virtue of the licenses granted in this Agreement) by that Party, on a worldwide basis with patent counsel of its choice (such Party will be referred to as the "**Prosecuting Party**"). Beginning on the Effective Date, the Prosecuting Party will keep the other Party reasonably informed of all material matters with regard to Prosecution of the Product Patent Rights. The Prosecuting Party will have final authority over all decisions relating to Prosecution of Product Patent Rights which it Controls, but will consider any comments received from the other Party in good faith; provided, however, that, (i) both Parties will discuss in good faith filing strategy and timing with respect to any Product Patent Rights Covering Inventions made, conceived or first reduced to practice in the course of activities under the Nonclinical Workplan ("**Research Term Product Patent Rights**"), (ii) [***] will have a final decision-making right to such filing strategy of such Research Term Product Patent Rights in the event the Parties fail to reach agreement to such filing strategy, and (iii) [***] will be solely responsible for the costs and expenses, related to the Prosecution of such Research Term Product Patent Rights and will reimburse [***] reasonable costs and expenses, including lawyer fees, related to all Research Term Product Patent Rights. For clarity, [***] will be responsible for the costs and expenses required to Prosecute the Product Patent Rights Controlled by [***] as of the Effective Date, including the matters addressed in Schedule F.

(b) **Abandonment.** Beginning on the Effective Date, in the event either Party decides to abandon or allow to lapse, or otherwise determines not to Prosecute any of the Product Patent Rights which are Controlled by such Party in any country or region in the Territory (including the cancellation or abandonment of any claim(s) without retaining the right to pursue such subject matter in a separate application, or the failure to file or perfect the filing any claim(s) in any country or region), the first Party will provide reasonable prior written notice to the other Party of such intention (which notice will, to the extent possible, be given no later than [***] prior to the next deadline for any action that must be taken to avoid abandonment

with respect to any such Patent Right) so as to provide the other Party a reasonable amount of time to meet any applicable deadline to establish or preserve such Product Patent Rights in such country or region. In such case, upon written notice to the first Party, the other Party will have the right to assume responsibility for continuing Prosecution of such Product Patent Rights in such country or region at the other Party's sole expense. The other Party will not become an assignee of the first Party's interest in such Product Patent Rights as a result of its assumption of such responsibility; provided, however, that in the event Shattuck abandons or allows to lapse, or otherwise does not Prosecute Product Patent Rights which include a Composition of Matter Claim(s) in such country or region and there is no valid Composition of Matter Claim of which Shattuck assumes responsibility for continuing Prosecution in such country or region, Royalties with respect to such country or region will be reduced by [***] in accordance with Section 7.2(b). Upon transfer of the first Party's responsibility for Prosecuting such Product Patent Rights, the first Party will promptly deliver to the other Party copies of all necessary files related to such Product Patent Rights with respect to which responsibility has been transferred and will take all actions and execute all documents reasonably necessary for the other Party to assume such Prosecution.

(c) **Joint Patents.** The rights and responsibility for Prosecution of Patent Rights Covering Joint Inventions ("**Joint Patents**") will be determined in good faith by the Parties at the time such Joint Invention is developed.

(d) **Cooperation in Prosecution.** Each Party will provide the other Party all reasonable assistance and cooperation in the Prosecution efforts provided above in this Section 8.3, including providing any necessary powers of attorney and executing any other required documents or instruments for such Prosecution, as well as the further actions as set forth below.

(e) **Patent Term Extension.** The Parties will each cooperate with one another and will use Commercially Reasonable Efforts to obtain Patent Term Extensions in any country and region with respect to the Patent Rights covering a Product. Each Party will Prosecute Patent Term Extensions with respect to such Patent Rights which it Controls and [***] will Prosecute Patent Term Extensions with respect to Joint Patents and Patent Rights which [***] Controls. [***] will have the final decision-making rights to elect to seek Patent Term Extensions in any country and region with respect to Product Patent Rights and Joint Patents after considering [***] reasonable requests and suggestions with respect to such election. [***] will promptly deliver to [***] copies of all documents necessary for Patent Term Extensions which [***] Prosecutes.

1.4 Enforcement of Patent Rights

(a)**Notification of Infringement.** In the event that either Shattuck or Ono becomes aware that a Third Party is, or may be, infringing any Product Patent Rights, including submission by any Third Party of an application under

Subsection (k) of Section 351 of the PHSA, with respect to a product the manufacture, use, offer for sale, sale or import of which infringes any Product Patent Rights (an "**Infringement**"), that Party will promptly notify the other Party in writing to that effect (each, an "**Infringement Notice**"). Any Infringement Notice will include all relevant details, facts and circumstances related to such alleged or threatened Infringement that are known to the reporting Party. In the event the Infringement involves such Third Party's application under Subsection
(k) of Section 351 of the PHSA, the Parties will act in accordance with Section
8.5. Notwithstanding the foregoing, nothing in this Section 8.4(a) will require Shattuck or Ono to violate any agreements with or confidentiality obligations owed to any Third Party.

(b)**Product Patent Rights.** As between the Parties, during the License Term, [***] will have the first right, but not the obligation, to determine the appropriate course of action to enforce the Product Patent Rights or otherwise abate the Infringement thereof, to take (or refrain from taking) appropriate action to enforce the Product Patent Rights, to control any litigation or other enforcement action and to enter into or permit the settlement of any such litigation or other enforcement action with respect to Product Patent Rights. [***] will in good faith consider the interests of [***] in conducting the foregoing activities. [***] will prosecute such action at its own expense and by counsel of its own choice. [***] will render, at [***] expense, all reasonable

assistance as requested by [***] in connection with any such action initiated, conducted or prosecuted by [***] , including [***] right to join [***] as plaintiff as necessary for [***] to bring and conduct such action or proceeding and, in case of joining, [***] agrees to give [***] reasonable assistance and authority to file and to prosecute the same. [***] will have the right, at [***] expense, to be represented in any such action by counsel of its own choice, provided that [***] will at all times retain control of such action or proceeding, and [***] and its counsel will reasonably cooperate with [***] and its counsel, if applicable, in strategizing, preparing and presenting any such action or proceeding. If [***] fails to bring an action or proceeding with respect to infringement of any Product Patent Rights as set forth in this Section8.4(b) within the sooner to occur of (i) [***] following Infringement Notice or (ii) [***] before the time limit, if any, set forth in Applicable Laws for the filing of such actions, [***] will have the right, but not the obligation (*i.e.*, it has the right to indulge such infringement) to bring and control any such action at its own expense and using counsel of its own choice. Upon [***] request, [***] will, at [***] expense, timely join as party-plaintiff in any such litigation and reasonably cooperate with [***] in connection with such infringement action and have the right, at [***] expense, to be represented in any such action by counsel of its own choice, including timely filing such action in [***] name if required. Except as otherwise agreed to by the Parties as part of a cost-sharing arrangement, any recovery or damages realized as a result of such action or proceeding, whether by way of settlement or otherwise, will be used first to reimburse the Parties' documented out-of-pocket costs and expenses relating to the action or proceeding, and, with respect to any remaining damages relating to the Product (including lost sales or lost profits with respect to the Product), regardless of the Party bringing

suit, such remaining damages will be retained by [***] and deemed Net Sales subject to applicable Milestone Payments set forth in Section 7.1(c) and Royalties payable under Sections 7.2.

(c)**Joint Patents.** The rights and responsibility for determining the appropriate course of action to enforce any Joint Patent which does not constitute Product Patent Rights ("**Non-Product Specific Joint Patent**") or otherwise abate the Infringement thereof, to take (or refrain from taking) appropriate action to enforce any Non-Product Specific Joint Patent, and to control any litigation or other enforcement action will be determined in good faith by the Parties on a case-by-case basis at the time of such Infringement. The non-controlling Party will reasonably cooperate with the controlling Party in joining as party-plaintiff in any such litigation and provide reasonable assistance as requested by the controlling Party in connection with any such action initiated, conducted or prosecuted by the controlling Party and have the right to be represented in any such action by counsel of its own choice at its own expense. Unless otherwise agreed to by the Parties in writing, all costs and expenses related to such action or proceeding will be shared equally by the Parties. Unless otherwise agreed to by the Parties in writing, all monies recovered upon the final judgment or settlement of any such suit to enforce any such Non-Product Specific Joint Patent will be allocated to compensate each Party for their costs and expenses relating to the action or proceeding, and any remaining amounts will be equally distributed between the Parties.

(d)**Settlement.** Neither Party will enter into any settlement or compromise of any action under this Section 8.4 which would in any manner alter, diminish, or be in derogation of the other Party's rights, including rendering a claim in a Product Patent Right or Non-Product Specific Joint Patent to be invalid or unenforceable under this Agreement without the prior written consent of such other Party, which will not be unreasonably withheld, delayed or conditioned.

1.5 Response to Biosimilar Applicants

(a)**Notice.** In the event that either Party (i) receives a copy of an application submitted to the FDA under Subsection (k) of Section 351 of the PHSA (a "**Biosimilar Application**") for which a Product is a "reference product," whether or not such notice or copy is provided under any Applicable Law (including under the BPCIA, the United States Patient Protection and Affordable Care Act or implementing FDA regulations and guidance) applicable to the approval or manufacture of any biosimilar or interchangeable biological product (a "**Proposed Biosimilar Product**") in the U.S. or (ii) otherwise becomes aware that such a Biosimilar Application has been filed (such as in an instance described in Section 351(l)(9)(C) of the PHSA) in the U.S., then such Party will promptly provide the other Party with written notice thereof. The terms "reference product" and "biosimilar or interchangeable biological product" will have the respective meanings given to those terms in the BPCIA.

(b)**Access to Confidential Information.** Upon written request from [***] and to the extent permitted by Applicable Law, [***] will provide [***] with confidential access to the Biosimilar Application in the U.S. and such other information that describes the process used to manufacture the Proposed Biosimilar Product, in each case, to the extent provided to [***] by the Third Party that submitted the Biosimilar Application (the "**Applicant**"); provided, however, that prior to receiving the Biosimilar Application and such confidential information, [***] will provide notice to [***] and the Applicant confirming its agreement to be subject to the confidentiality provisions in Section 351(l)(1)(B)(iii) of the PHSA.

1.6 Product Branding

As between the Parties, [***] will select and own trademark registrations (to the extent applicable) for all generic names, brand names, logos, trade names and domain names for, or associated with, each Product in the Territory; provided that [***] will not select generic names, brand names, logos, trade names or domain names that are similar to, or confusingly similar to, [***] trademarks (including "Shattuck" and "ARC") without [***] prior written consent and Shattuck will not select nor register any brand names, logos, trade names or domain names that are the same as, or confusingly similar to, any those selected by [***] for each Product for use with any products of [***]. If requested by [***], the Parties will discuss in good faith the inclusion of a [***] trademark on or in the packaging or labeling of Products. [***] will control the preparation, prosecution and maintenance of trademark applications related to all such generic names, brand names, logos, trade names and domain names in the Territory, at its sole cost and expense and at its sole discretion. As between the Parties, all of the costs, expenses and legal fees in bringing, maintaining and prosecuting any action to maintain, protect or defend any trademark owned by [***] or its Affiliate or Sublicensee hereunder, and any damages or other recovery, will be [***] sole responsibility, and will be taken in its sole discretion.

ARTICLE 9 CONFIDENTIALITY

1.1 Confidential Information

Each Party agrees that, during the Term of this Agreement and for a period of [***] thereafter, or with respect to Confidential Information which is a Trade Secret, for so long as such information is maintained by the disclosing Party as a trade secret, a Party (the "**Receiving Party**") receiving Confidential Information of the other Party ("**Disclosing Party**") (or that has received any such Confidential Information from the other Party prior to the Effective Date under the Confidential Disclosure Agreement [***] between Shattuck and Ono (collectively as the "**Prior CDA**")) will
(a) maintain in confidence such Confidential Information using not less than the efforts such Receiving Party uses to maintain in confidence its own proprietary industrial information of similar kind and value, but in no event less than a reasonable degree of efforts, (b) not disclose such Confidential Information to any Third Party without the prior written consent of the Disclosing Party, except for disclosures expressly permitted in Section 9.2, and (c) not use such Confidential Information for any purpose except to perform its obligations or exercise its rights under this Agreement.

1.2 Authorized Disclosures of Confidential Information

(a)The provisions of Section 9.1 will not preclude the Receiving Party from disclosing Confidential Information of the Disclosing Party to the extent (and only to the extent) such disclosure is reasonably necessary in the following instances:

(i) to the extent disclosure of such Confidential Information is reasonably necessary to Prosecute Product Patent Rights and Non-Product Specific Joint Patents, or to file, prosecute or defend litigation relating to Product Patent Rights and Non-

Product Specific Joint Patents;

(ii) disclosure to the Regulatory Authorities or other Governmental Entities to the extent that such disclosure is reasonably necessary to obtain Regulatory Approvals, including but not limited to, authorizations to conduct the Clinical Trials with, and to commercially market the Product;

(iii) disclosure to the Receiving Party's Affiliates and Receiving Party's or its Affiliates' respective directors, officers, employees, agents, consultants, attorneys, accountants and potential or actual Sublicensees and Permitted Subcontractors, Permitted Third Party Service Providers or clinical investigators, who need to know the Confidential Information to enable the Receiving Party to exercise its rights or to carry out its obligations under this Agreement (provided that such disclosure will be made only to persons who are bound by confidentiality obligations as least as stringent as those described in this Article 9; provided further that, regarding consultants, Permitted Subcontractors, Permitted Third Party Service Providers and clinical investigators, the duration of their confidentiality and non-use obligation specified in the agreements between them and the Receiving Party may be less than the duration for confidentiality and non- use obligation in this Agreement so long as such agreements specify a duration for confidentiality and non-use obligation at least [***] from the expiration or termination of such agreements;

(iv) disclosure by Shattuck to Third Parties of Intellectual Property rights developed under this Agreement and that solely relate to Shattuck's background technology generally (provided that such disclosure will be made only to persons who are bound by confidentiality obligations as least as stringent as those described in this Article 9);

(v) if required to be disclosed by Applicable Law or court order or arbitral tribunal order, provided that (a) notice is promptly delivered to the Disclosing Party to the extent practicable, in order to provide the Disclosing Party with an opportunity to challenge or limit the disclosure obligations, (b) the Receiving Party only discloses minimum Confidential Information of the Disclosing Party required to be disclosed in order to comply and (c) the Receiving Party uses reasonable endeavors to assist the

Disclosing Party to secure confidential treatment of the Confidential Information to be disclosed; or

(vi) disclosures expressly permitted by this Agreement.

1.3 Press Release and Public Statement

(a)Following execution of this Agreement, the Parties may issue a press release announcing the existence of this Agreement, and the content and timing of such press release will be subject to the written approval of both Parties. Subject to Section 9.3(b), (c) and (d), each Party agrees not to issue any other press release or other public statement disclosing additional information with respect to this Agreement, or use the name or trademark of the other Party or any of its directors, officers and employees, in either case, without the prior written consent of the other Party. Each Party will be entitled to include the name, logo and picture of the other Party within a list of collaborators with consent of the other Party. Once a Party obtains such consent from the other Party, such Party may use the name, logo and picture of such other Party in a Party's annual report, company brochure or website and so on, and such Party may continue to use them in the same during the Term.

(b)After the initial press release under Section 9.3(a), in the event that either Party desires to issue a press release or other public statement relating to this Agreement, the Parties will discuss in good faith and agree upon the contents and timing of such press release or public statement; provided, however, that a Party may, once a press release or other public statement has been made by a Party in accordance with this Agreement, make subsequent public disclosure of any of the information contained in such press release or other public statement, without the approval of the other Party. Notwithstanding the foregoing, after the License Effective Date, Ono may, upon prior written notice to Shattuck, issue a press release or make a public statement relating to Ono's Research, Development, Manufacture, Commercialization or other Exploitation of the Products in accordance with this Agreement, provided that such press release or public statement does not disclose any Confidential Information of

Shattuck. Ono will provide Shattuck with the draft of such press release or public statement reasonably in advance of such press release or public statement for Shattuck's review. Shattuck will have the right to propose modifications to such press release or public statement for patent reasons or Trade Secret reasons, and Ono will remove all Confidential Information of Shattuck if requested by Shattuck. Either Party may issue a full translation of a press release or public statement to be issued by the other Party.

(c)Notwithstanding Section 9.3(b), each Party may issue such press release or make such a public statement without obtaining the prior written consent from or prior written notice to the other Party if, in the reasonable judgment of the first Party, such press release or public statement without obtaining the other Party's consent or prior notice to the other Party is required by Applicable Laws,

provided that the first Party will immediately notify the other Party of its intention to make a press release or public statement when it becomes aware of the necessity of such disclosure under Applicable Laws and provide the other Party with a copy of such press release or other public statement no later than when it is issued or released.

(d)Without limiting the generality of Section 9.3(a), if either Party proposes to file with the SEC or the securities regulators of any state or other jurisdiction a registration statement or any other disclosure document that describes or refers to the terms and conditions of this Agreement under the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, or any other applicable securities law, such Party will notify the other Party of such intention and will provide such other Party with a copy of relevant portions of the proposed filing within a reasonable time (but at least [***]) prior to such filing (and any material revisions to such portions of the proposed filing within a reasonable time (but at least [***]) prior to the filing thereof), including any exhibits thereto disclosing terms or conditions of this Agreement, and will use reasonable and diligent efforts to obtain confidential treatment of the terms and conditions of this Agreement that such other Party requests be kept confidential, and will only disclose such terms and conditions of this Agreement that it is advised by counsel are legally required to be disclosed. No such notice will be required under this Section 9.3(d) if the description of or reference to this Agreement contained in the proposed filing has been included in any previous filing made by the other Party hereunder or otherwise approved by the other Party.

1.4 Certain Authorized Disclosure of Terms and Conditions of This Agreement

(a)A Party may disclose this Agreement and the terms hereof to its existing directors, officers, employees, and Affiliates, provided that such Persons agree to be bound by written confidentiality agreements at least as restrictive as those set forth in this Article 9, and the Party who makes such disclosure to them will be responsible for the breach of such confidentiality obligation by them.

(b)Ono may disclose this Agreement and the terms hereof to potential or actual Sublicensees and Permitted Third Party Service Providers.

(c) Subject to compliance with the terms and procedures set forth in this Section9.4(c), a Party may disclose this Agreement and the terms hereof to bona fide prospective investors, grant-making institutions, merger partners, strategic partners or acquirers and their respective professional advisors (collectively, "**Prospective Investors**") in connection with the negotiation, entry into and/or performance of a business transaction between such parties, including the conduct of due diligence involved in such transaction, provided that in each case such Prospective Investors agree to be bound by (i) written confidentiality agreements at least as restrictive as those set forth in this Article 9, or (ii) with respect to attorneys, applicable ethical obligations. With respect to Prospective Investors that are engaged in due diligence prior to such Prospective Investors reaching

mutual agreement with the disclosing Party on all material terms of a transaction in a term sheet or letter of intent, the disclosing Party may disclose to the Prospective Investor a redacted version of this Agreement, which the Parties will agree to in good faith within **[***]** following the Effective Date; provided that such redacted version of this Agreement will not divulge or otherwise make available: (x) the identity of the non-disclosing Party or any of its Affiliates or (y) any of the specific financial terms hereof, except, in each case, to the extent such information has been previously publicly disclosed or the non-disclosing Party consents in writing to such disclosure. With respect to Prospective Investors that are reaching mutual agreement with the disclosing Party on all material terms of a transaction in a term sheet or letter of intent and involved in final due diligence at a status in the negotiations at which the disclosing Party reasonably believes, acting in good faith, that the signing of a definitive agreement governing the transaction is reasonably likely to occur within **[***]** of such disclosure, the disclosing Party may disclose an unredacted version of this Agreement to such Prospective Investor.

1.5 Publications and Presentations

The Parties acknowledge that while scientific publications and presentations regarding results of Research, Development and Exploitation of Products by a Party is beneficial to both Parties, such scientific publications and presentations must be strictly monitored to prevent any adverse effect from premature publication or dissemination of results of the activities hereunder. Each Party agrees that, except as required by Applicable Law, it will not publish or present, or permit to be published or presented, the Confidential Information of the other Party, without the prior written approval of the other Party. Subject to the foregoing, each Party will provide the other Party with the opportunity to review each of the submitting Party's proposed abstracts, manuscripts or presentations (including information to be presented verbally) that relate to the subject Confidential Information at least [***] prior to its intended presentation or submission for publication, and such submitting Party agrees, upon written request from the other Party given within such [***] period, not to submit such abstract or manuscript for publication or to make such presentation until the other Party is given up to [***] (or such other period as the Parties may mutually agree) from the date of such written request to seek appropriate patent protection for any unpatented technology disclosed in such publication or presentation that it reasonably believes may be patentable. The publishing Party will take into account the reasonable comments or changes proposed by the other Party on any publication or presentation. Once such abstracts, manuscripts or presentations have been reviewed and, where applicable, approved by each Party, the same abstracts, manuscripts or presentations do not have to be provided again to the other Party for review for a later submission for publication. Each Party also will have the right to require that any of its Confidential Information that is disclosed in any such proposed publication or presentation be deleted prior to such publication or presentation. In any permitted publication or presentation by a Party, the other Party's contribution will be duly recognized, and co-authorship will be determined in accordance with customary industry standards. Notwithstanding the foregoing, during the Research Term, neither Party will publish nor present, nor permit to be published or presented, results of the Nonclinical Workplan, including the Product IP.

1.6 Injunction

The Receiving Party hereby agrees that the unauthorized disclosure of the Confidential Information by the Receiving Party may cause irreparable harm to the Disclosing Party, and that any breach hereof by the Receiving Party may entitle the Disclosing Party to injunctive or equitable relief, in addition to any other legal remedies available to any of them, in any competent jurisdiction.

1.7 Integration

As to the subject matter of this Agreement, this Article 9 supersedes the Prior CDA. Any confidential information of a Party disclosed under the Prior CDA will be treated as Confidential Information of such Party hereunder, subject to the terms of this Article 9.

ARTICLE 10
TERM AND TERMINATION

1.1 Term

The term of this Agreement commences on the Effective Date and, unless earlier terminated pursuant to the provisions of this Article 10, will expire on the last day of the Research Term; provided, however, that if Ono exercises the Exclusive Option provided the License Conditions are timely fulfilled in accordance with Section 2.5(c), then the term will continue until the expiration of the License Term on any Product-by-Product and country-by-county basis (collectively, the "**Term**"). After the expiration of this Agreement on any Product-by-Product and country-by-country basis, in the Territory, the licenses granted under Article 4 hereof will become a fully paid-up, non-exclusive, perpetual, irrevocable license, with the right to grant and authorize sublicenses without restriction, with respect to such Product in the Field in such country.

1.2 Termination

This Agreement may be terminated on a Product-by-Product and country-by-country basis or in its entirety prior to the expiration of the Term by either Party in the event of (a), (b) or (c) below, by Shattuck in the event of (d) below, or by Ono in the event of (e) below:

(a) an unremedied material breach by the other Party or the other Party's Affiliates, in accordance with the provisions of Section 10.3;

(b) a mutual written agreement between the Parties;

(c) upon the bankruptcy or insolvency of, or the filing of an action to commence insolvency proceedings against, the other Party, or the making or seeking to make or arrange an assignment for the benefit of creditors of the other Party, or the initiation of proceedings in voluntary or involuntary bankruptcy, or the appointment of a receiver or trustee of the other Party's property, in each case that is not discharged within **[***]**;

(d) after the License Effective Date, if Shattuck provides **[***]** prior written notice to Ono of its decision to terminate this Agreement in its entirety when Ono does not provide Shattuck Ono Decision Notice within the specified period set forth in Section 5.2(a); or

(e) at any time, if Ono provides **[***]** prior written notice to Shattuck of its decision to terminate this Agreement in its entirety.

1.3 Termination for Breach

(a) Upon a material breach of a representation, warranty, or a material obligation of this Agreement by a Party or its Affiliates (in such capacity, the "**Breaching Party**"), the other Party (in such capacity, the "**Non-Breaching Party**") may provide written notice (a "**Breach Notice**") to the Breaching Party specifying the material breach in sufficient detail to put the Breaching Party on notice and clearly state the Non-Breaching Party's intent to terminate this Agreement if such material breach is not cured.

(b) If the Breaching Party fails to cure such material breach during the [***] period following the date on which the Non-Breaching Party receives the Breach Notice, then this Agreement will terminate on a Product-by-Product and country-by- country basis. In the case a Party who is asserted to have breached a material obligation hereunder, objects to such material breach and initiates dispute resolution pursuant to Section 13.4, whereupon the [***] cure period will be tolled until the dispute is resolved. With respect to Ono's material payment obligations, including payment for the License Fee under Section 2.5(c), the [***] cure period is replaced to [***], provided, however, that in any event if the License Fee is not paid within [***] following Ono's receipt of the invoice for the License Fee and the relevant taxation documents required in Section 7.3, Shattuck will have the right to terminate this Agreement and such [***] will not be tolled

for dispute resolution. In the case that (i) the material breach in question takes place with respect only to a certain country within the Territory or a certain Product and (ii) such material breach does not jeopardize or adversely affect Non- Breaching Party's rights and benefits in and to other country(ies) and other Product, Non-Breaching Party's right to terminate this Agreement will be limited to such Product in such country.

1.4 License Survival upon Insolvency

All licenses (and to the extent applicable, rights) granted under or pursuant to this Agreement are, and will otherwise be deemed to be, for purposes of Section 365(n) of 11 U.S.C. Section 101, et. seq. ("**Bankruptcy Code**"), licenses of rights to "intellectual property" as defined under the Paragraph 101(35A) of the U.S. Bankruptcy Code. The Parties agree that the non-bankrupt Party will retain and may fully exercise all of its rights and elections under Applicable Law. The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against a bankrupt Party, the other Party will be entitled to a complete duplicate of (or complete access to, as appropriate) any Intellectual Property Controlled by the bankrupt Party which at that date is known to be useful or necessary for the Research, Development, Manufacture, Commercialization or other Exploitation of Products throughout the Territory and all embodiments of such Intellectual Property; and the same, if not already in the other Party's possession, will be promptly delivered to the other Party (a) upon any such commencement of a bankruptcy proceeding, upon the other Party's written request therefor, unless the bankrupt Party (or trustee on behalf of the bankrupt Party) elects within [***] to continue to perform all of its obligations under this Agreement or, (b) if not delivered under Section 10.4 above, upon rejection of this Agreement by or on behalf of the bankrupt Party, upon written request therefor by the other Party.

1.5 Consequences of Termination by Shattuck under Section 10.2(a), (c), or (d) or by Ono under Section10.2(e), or Termination by either Party under Section 10.2(b)

(a) If this Agreement is terminated by Shattuck under Section 10.2(a), (c), or (d), or by Ono under Section 10.2(e), or terminated by either Party under Section10.2(b), then without limiting any other rights of the Parties, on a country-by country and Product-by-Product basis or in its entirety, as applicable:

(i) the rights and privileges granted to Ono under Articles 2, 3, 4, and 8 and Sections 5.1 and 5.2, including the Exclusive Option and the license rights described in Article 4, will immediately terminate as of the effective date of the termination with respect to a terminated Product in a terminated country or in its entirety;

(ii) when this Agreement is terminated entirely, Ono will promptly return or destroy all Confidential Information and Proprietary Materials of Shattuck; provided, however, that Ono may retain, subject to Article 9, (a) one (1) copy of the Confidential Information of Shattuck in its archives solely for the purpose of establishing the contents thereof and ensuring compliance with its obligations hereunder, (b) any Confidential

Information of Shattuck contained in its laboratory notebooks or databases and (c) any computer records or files containing such Confidential Information that have been created solely by its automatic archiving and back-up procedures, to the extent created and retained in a manner consistent with its standard archiving and back-up procedures, but not for any other uses or purposes;

(iii) when this Agreement is terminated entirely, upon such termination in case of termination by Shattuck under Section 10.2(a), (c), or (d), or upon the provision of a termination notice by Ono in the case of termination by Ono under Sections 10.2(e), or termination under Section 10.2(b), the Parties will, at Shattuck's option and to the extent permitted by Applicable Law, either wind-down any ongoing Clinical Trials relating to the Products or transition responsibility for such ongoing Clinical Trials to Shattuck, each in an orderly fashion (which will include transferring to Shattuck all Product Manufactured for clinical supply at (i) Ono's cost of manufacturing for such Product or (ii) actual price paid by Ono to its Third Party manufacturer for such supply, as applicable) and with due regard for patient safety and the rights of any patients that are participants in such Clinical Trials, and each Party will take all actions it deems reasonably necessary or

appropriate to avoid any human health or safety problems, in compliance with all Applicable Laws in a timely manner, and all costs and expenses incurred from the effective date of the termination notice during the period within which activities are being transitioned or wound down will be borne by Ono;

(iv) if the termination of this Agreement for an entire Product on a worldwide basis occurs after the first Commercial Sale of the applicable Product, Ono will, upon Shattuck's written request, transfer to Shattuck any inventory of the Product owned or controlled by Ono or its Affiliates as of the termination date at (i) Ono's cost of manufacturing for such Product or (ii) the actual price paid by Ono to its Third Party manufacturer for such supply, as applicable. If Shattuck does not require Ono to transfer such inventory, Ono will have the right to continue to sell such Product in the Territory for [***] from the termination date of this Agreement;

(v) Ono and its Affiliates will, to the extent permitted by Applicable Law and only with respect to the terminated Product and terminated country(ies), promptly (a) transfer and assign to Shattuck or its designee any and all Regulatory Filings (including Regulatory Approvals) and all trademarks solely related to the Products, and (b) provide to Shattuck the Technical Transfer Materials. To the extent required to enable Shattuck to Research, Develop, Manufacture, Commercialize and otherwise Exploit the Products, Ono will, at Shattuck's cost for any reasonable and verifiable time (at a mutually agreeable rate) and expense, provide such technical assistance as Shattuck may reasonably request for [***] from the effective date of termination;

(vi) Shattuck will have a fully paid up, non-exclusive, royalty free, irrevocable, sublicensable right and license to all of Ono's interest in any and all Product Know-How and Product Patent Rights in the terminated Territory for the purpose of Researching, Developing, Manufacturing, Commercializing and otherwise Exploiting Products. If Shattuck desires to have an exclusive license to any of Ono's interest in any Product Know- How or Product Patent Rights, the Parties will negotiate the terms of such license in good faith. Shattuck will solely control Prosecution and enforcement of all Product Patent Rights, and the Parties will work together in good faith to transfer responsibility for and control of all Prosecution and enforcement activities related to Product Patent Rights to Shattuck, taking into account upcoming deadlines within such Prosecution or enforcement activities. Upon transfer of Ono's responsibility for Prosecuting such Product Patent Rights, Ono will promptly deliver to Shattuck copies of all necessary files related to such Product Patent Rights with respect to which responsibility has been transferred and will take all actions and execute all documents reasonably necessary for Shattuck to assume such Prosecution;

(vii) the Parties will negotiate in good faith the terms of a non-exclusive, worldwide, royalty-bearing, sublicensable license under any Intellectual Property Controlled by Ono or its Affiliates (which is not included in the Product Know-How or Product Patent Rights) that is necessary or useful for the Research, Development, Manufacture, Commercialization or other Exploitation of the Products but not solely related to the Products and utilized by Ono with respect to the Research, Development, Manufacture, Commercialization, and Exploitation activities related to the Products prior to termination of this Agreement, in each case for the limited purpose of Researching, Developing, Manufacturing, Commercializing and otherwise Exploiting Products.

(b) If, during the Research Term, Shattuck terminates this Agreement pursuant to Section 10.2(a), the Parties terminate this Agreement pursuant to Section 10.2(b), or Ono terminates this Agreement pursuant to Section 10.2(e), (i) Ono will pay Shattuck for all FTE Costs and Non-Labor Costs incurred by Shattuck up to the effective date of termination and non-cancelable Non-Labor Costs incurred by Shattuck outstanding as of the effective date of termination, and
(ii) Shattuck will refund the unexpended FTE Costs to Ono.

(c) Notwithstanding the foregoing or anything in this Agreement to the contrary, unless Shattuck specifies in writing to the contrary, no such termination of this Agreement will be construed as a termination of any valid sublicense to any Sublicensee, and thereafter each such Sublicensee will be considered a direct licensee of Shattuck, provided that such Sublicensee is then in full

compliance with all terms and conditions of its sublicense and such Sublicensee agrees no later than [***] after the effective date of such termination to assume all obligations of Ono under this Agreement and the sublicense with such

Sublicensee related only to a sublicense under the rights granted under this Agreement and not to any other products, programs or activities of Ono.

1.6 Consequences of Termination by Ono under Section 10.2(a) or (c)

(a)If this Agreement is terminated by Ono under Section 10.2(a) or (c), then without limiting any other rights of Ono, on a country-by country and Product-by- Product basis or in its entirety, as applicable:

(i) the rights and privileges granted to Shattuck under Articles 2, 3 and 8 will immediately terminate as of the effective date of the termination;

(ii) the license granted by Shattuck to Ono and its Affiliates pursuant to Section 4.1 will survive, subject to Ono's continued payment of all Milestone Payments, Royalties and other payments under and in accordance with this Agreement with respect to each Product, provided that, in the event that this Agreement is terminated by Ono under Section10.2(a) or (c), Ono will only be obligated to pay to Shattuck [***] of each Milestone Payment and Royalty payment otherwise due from and after the date of termination. For clarity, this reduction is not the sole remedy under this Agreement and all other remedies will remain available to Ono; and

(iii) when this Agreement is terminated entirely, Shattuck will promptly return or destroy all Confidential Information and Proprietary Materials of Ono, provided that Shattuck may retain, subject to Article 9 hereof, (a) one (1) copy of the Confidential Information of Ono in its archives for the purpose of establishing the contents thereof and ensuring compliance with its obligations hereunder, (b) any Confidential Information of Ono contained in its laboratory notebooks or databases, and (c) any computer records or files containing such Confidential Information that have been created solely by its automatic archiving and back-up procedures, to the extent created and maintained in a manner consistent with its standard archiving and back-up procedures, but not for any other uses or purposes.

(iv) Notwithstanding the foregoing and subject to Article 9 hereof, Ono may retain and use Shattuck's Confidential Information and Proprietary Materials for the limited purpose of Researching, Developing, Manufacturing, Commercializing and otherwise Exploiting Products in connection with the exercise of its rights set forth in Section 10.6(a)(ii).

1.7 Survival

Expiration or termination of this Agreement will not relieve the Parties of any rights or obligations accruing prior to such expiration or termination. In addition, upon expiration or termination of this Agreement, all rights and obligations of the Parties under this Agreement will terminate, except those described in the following Articles and Sections: Articles 1, 7, 8 (to the extent intended to survive the expiration or termination by its nature), 9, 10, 12, and 13 and Sections 2.4(f) and 11.5.

ARTICLE 11 REPRESENTATIONS AND WARRANTIES

1.1 Mutual Representations and Warranties

(a)Each Party represents and warrants to the other, as of the Effective Date, and covenants (as applicable), that:

(i) it is duly incorporated and organized, validly existing and in good standing under the laws of its jurisdiction of incorporation, and has full corporate power and authority and the legal right to own and operate its property and assets and to carry on its business as it is now being conducted and as contemplated in this Agreement, including the right to grant the licenses granted by it hereunder;

(ii) it has full right, corporate power and authority to enter into this Agreement and to perform its obligations under this Agreement;

(iii) this Agreement has been duly executed and delivered by such Party and constitutes a legal, valid and binding obligation of such Party, enforceable in accordance with the terms hereof;

(iv) the execution, delivery and performance of this Agreement by such Party has been duly authorized by all necessary corporate action of such Party and does not: (a) violate any Applicable Law; nor (b) conflict with or constitute a default under any agreement, instrument or understanding, oral or written, to which it or any of its Affiliates is a party or by which it or such Affiliates may be bound; nor (c) conflict with or violate such Party's corporate charter and bylaws;

(v) no consents, approvals or authorizations under Applicable Law or from Third Parties (including Governmental Entities) (except for any Intellectual Property rights, INDs, Regulatory Approvals, Manufacturing- related approvals or similar approvals necessary for Manufacture or having Manufactured in the Field for the Territory, or Research, Development, Commercialization or other Exploitation in the Field in the Territory, of Development Compound and the Product as set forth herein) are required to be obtained in connection with the execution, delivery and performance of this Agreement;

(vi) Neither Party nor any of its Affiliates has been debarred or is subject to debarment and, neither Party nor any of its Affiliates is aware of any Person involved in the Research or Development of the Development Compound or Product that has been debarred pursuant to Section 306 of the FDCA, as amended, or any comparable law in any country, or that is the subject of a conviction described in such section or any comparable law in any country; and

(vii) each Party's (and each Party's Affiliates') employees, directors and officers have assigned, or will assign, to such Party all of their right, title, and interest in any Intellectual Property arising from the performance of obligations under this Agreement.

1.2 Additional Representations and Warranties of Shattuck

(a)Shattuck hereby represents and warrants to Ono, as of the Effective Date and covenants (as applicable) that:

(i) Shattuck has the rights and authority to grant all rights and licenses it purports to grant to Ono under this Agreement;

(ii) Product IP Controlled by Shattuck as of the Effective Date is free and clear of any liens, charges and encumbrances;

(iii) there are no agreements, instruments or understandings, whether written or oral, by and between Shattuck and any Third Party under which Shattuck has been assigned the ownership or obtains a license or right from such Third Party constituting the Product IP (the "**Upstream Agreement**" in the context of this Section) as of the Effective Date, and should the Upstream Agreement exists as of the Effective Date, Shattuck will be responsible for any royalty payments and other payments under such Upstream Agreement and Ono will not be responsible for any royalty payments and other payments under such Upstream Agreement;

(iv) Shattuck has disclosed to Ono all material scientific and technical information known to Shattuck relating to the data and information of the Development Compounds and the Products and other information which Shattuck reasonably

considers necessary for Ono to file an IND with the Regulatory Authority. All data, information and materials provided or disclosed to Ono by Shattuck prior to the Effective Date relating to Product IP accurately represent the raw data, information and materials;

(v) Schedule E is a complete and accurate listing of all Patent Rights Controlled by Shattuck Covering Development Compounds as of the Effective Date that Shattuck reasonably believes are necessary or useful to Research, Develop, Manufacture, Commercialize or otherwise Exploit the Products in the Field in the Territory;

(vi) there is no pending or, to the best knowledge of Shattuck, threatened Action that alleges that the Product IP is invalid or unenforceable or that, if adversely determined, would have a material effect on the ability of Shattuck to fulfill its obligations pursuant to the terms of this Agreement; Ono's and its Affiliates' Research, Development, Manufacturing, Commercialization or other Exploitation of Development Compounds and Products will not, to the best knowledge of Shattuck, misappropriate or infringe any Intellectual Property rights of any Third Party;

(vii) to the best knowledge of Shattuck, Shattuck has not misappropriated any Intellectual Property of a Third Party in connection with development the Development Compounds;

(viii) to the best knowledge of Shattuck, there are no activities by Third Parties anywhere in the Territory that would constitute misappropriation or infringement of Product IP;

(ix) to the best knowledge of Shattuck, Shattuck has complied in all material respects with all Applicable Law with respect to the Prosecution of the Product Patent Rights owned by Shattuck or otherwise of which Shattuck has control of such Prosecution;

(x) Shattuck has paid all maintenance and annuity fees with respect to the Product Patent Rights owned by Shattuck or otherwise of which Shattuck has control of such filing Prosecution and Shattuck will continue to pay all maintenance and annuity fees with respect to the Product Patent Rights owned by Shattuck or otherwise of which Shattuck has control of such filing Prosecution during the Research Term;

(xi) to the best knowledge of Shattuck, no dispute regarding inventorship has been alleged or threatened with respect to the Product Patent Rights owned by Shattuck or otherwise of which Shattuck has control of such filing Prosecution.

(xii) all of its directors, employees, officers, contractors and consultants have executed agreements requiring assignment to Shattuck of all Inventions, whether or not patentable, made during the course of and as a result of their association with Shattuck; and

(xiii) Shattuck, together with its Affiliates and Permitted Subcontractors, have sufficient resources to conduct the activities set forth in the Nonclinical Workplan.

(xiv) Shattuck and its Affiliates have taken all commercially reasonable steps to protect, preserve and maintain the confidentiality of all confidential or non-public information included in the Product Know-How, including by disclosing such confidential or non-public information included in the Product Know-How to Third Parties only under terms of confidentiality. To the best knowledge of Shattuck, no breach of such confidentiality obligations has been committed by any Third Party.

1.3 Additional Representations and Warranties of Ono

(a) Ono hereby represents, warrants, and covenants (as applicable) to Shattuck, as of the Effective Date:

(i) Ono, together with its Affiliates, Subcontractors and Permitted Third Party Service Providers, have sufficient resources to Research, Develop, Manufacture, Commercialize and otherwise Exploit Products in the Territory;

(ii) all of its directors, employees, officers, contractors and consultants have executed agreements requiring assignment to Ono of all Inventions, whether or not patentable, made during the course of and as their association with Ono with respect to Development Compounds; and

(iii) Ono and its Affiliates will take all commercially reasonable steps to protect, preserve and maintain the confidentiality of all confidential or non-public information included in the Product Know-How, including by disclosing such confidential or non-public information included Product Know-How to Third Parties only under terms of confidentiality. To the best knowledge of Ono, no breach of such confidentiality obligations has been committed by any Third Party.

1.4 Additional Covenants of the Parties

(a) Each Party hereby covenants to the other Party that it and its Affiliates will perform its obligations and exercise its rights pursuant to this Agreement in compliance in all material respects with all Applicable Law.

(b) During the Term, neither Party nor any of its Affiliates will:

(i) knowingly misappropriate any valid and enforceable Intellectual Property rights of a Third Party in connection with the Research, Development, Manufacture, Commercialization, or other Exploitation of Products;

(ii) subject to Article 4 and Article 8, enter into any agreement, whether written or oral, with respect to, or otherwise assign, transfer, license, convey or otherwise encumber (including by granting any covenant not to sue with respect to) any Product IP that would breach its obligations under this Agreement; or

(iii) use in any capacity, in connection with the performance of its obligations hereunder, any Person who has been debarred pursuant to Section 306 of the FDCA or who is the subject of a conviction described in such Section, or any comparable law in any country, or that is the subject of a conviction described in such section or any comparable law in any country. Each Party agrees to inform the other Party in writing promptly if it or any such Person who is performing any of its obligations hereunder is debarred or is

the subject of a conviction described in Section 306 of the FDCA or any comparable law in any country or if any action, suit, claim, investigation or legal or administrative proceeding is pending or threatened, related to the debarment or conviction of it or any such Person performing any of its obligations hereunder.

1.5 Disclaimer of Warranty

EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, EACH PARTY EXPRESSLY DISCLAIMS, WAIVES, RELEASES, AND RENOUNCES ANY WARRANTY, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING ANY WARRANTY OF MERCHANTABILITY, DURABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OR VALIDITY OF ANY PATENTS ISSUED OR PENDING, AND WARRANTIES ARISING FROM USAGE OF TRADE OR COURSE OF DEALING, RELATING TO ANY MOLECULE, DATA, RESULTS, OR OTHER MATERIALS OR INFORMATION, OR ANY SERVICE PROVIDED BY EITHER PARTY TO THE OTHER HEREUNDER.

ARTICLE 12 INDEMNIFICATION

1.1 Indemnity by Ono

(a) Ono agrees to defend Shattuck and its Affiliates and its and its Affiliates' directors, officers, employees and agents (collectively, the "**Shattuck Indemnified Parties**"), at Ono's cost and expense, and will indemnify and hold the Shattuck Indemnified Parties harmless from and against any liabilities, losses, costs, damages, fees or expenses (including reasonable legal fees and disbursements) (collectively, "**Losses**") arising out of any and all suits, proceedings, claims or demands from or of Third Parties (collectively, "**Third Party Claims**"), to the extent arising out of or relating to, directly or indirectly:

(i) any breach by Ono Indemnified Parties of any of its representations, warranties, covenants or obligations set forth in this Agreement;

(ii) the fraud, negligence, recklessness, or willful misconduct of Ono Indemnified Parties;

(iii) violation of Applicable Law by Ono Indemnified Parties in connection with this Agreement or the performance of its obligations hereunder; or

(iv) the Research, Development, Manufacture, Commercialization or other Exploitation of Products, by Ono, its Affiliates or Sublicensees, including its or their performance of any activities under the Nonclinical Workplan;

except in any case under clauses (i) through (iv) to the extent that Shattuck is obliged to provide indemnification for such Losses pursuant to Section 12.2.

(b) In the event of any Third Party Claim against the Shattuck Indemnified Parties, Shattuck will promptly notify Ono in writing of the claim (it being understood and agreed that the failure by Shattuck to give such notice will not relieve Ono of its indemnification obligations under this Agreement except and only to the extent that Ono is actually prejudiced as a result of the failure to give notice), and Ono will manage and control, at its sole expense, the defense of the claim and its settlement, keeping Shattuck reasonably advised of the status of the defense and/or settlement. No settlement will be finalized without obtaining Shattuck's prior written consent, which will not be unreasonably withheld, delayed or conditioned, except that, in the case of a settlement that does not require an admission or impose any obligation on the part of a Shattuck Indemnified Party or otherwise have an adverse effect on rights or interests of a Shattuck Indemnified Party, Shattuck's consent will not be required so long as all Shattuck Indemnified Parties involved in the claim are unconditionally released from all liability in such settlement. The Shattuck Indemnified Parties will reasonably cooperate with Ono and may, at their option and expense, be represented by their own separate counsel in any such action or proceeding; provided that if, based upon a written opinion from outside legal counsel, representation of the Shattuck Indemnified Parties by the counsel retained by Ono would be inappropriate due to actual or potential conflict of interests between the Shattuck Indemnified Parties and Ono, the Shattuck Indemnified Parties will have the right to retain their own counsel with the fees and expenses of such counsel to be paid by Ono; provided further that Ono will not be obligated to pay the fees and expenses of more than one counsel retained by all Shattuck Indemnified Parties. Ono will not otherwise be liable for any litigation costs or expenses incurred by the Shattuck Indemnified Parties without Ono's prior written authorization, unless Ono is in breach of any of its obligations pursuant to this Section 12.1. In connection with the defense of a Third Party Claim, the Shattuck Indemnified Parties will reasonably cooperate with Ono at Ono's reasonable request and expense and will make available to Ono all pertinent information under the control of the Shattuck Indemnified Parties, which information will be subject to Article 9.

1.2 Indemnity by Shattuck

(a) Shattuck agrees to defend Ono and its Affiliates and its and its Affiliates', directors, officers, employees and agents (collectively, the "**Ono Indemnified Parties**") at Shattuck's cost and expense, and will indemnify and hold the Ono Indemnified Parties

harmless from and against any Losses arising out of any and all Third Party Claims, to the extent arising out of or relating to, directly or indirectly:

(i) any breach by Shattuck Indemnified Parties of any of its representations, warranties, covenants or obligations set forth in this Agreement;

(ii) the fraud, negligence, recklessness or willful misconduct of Shattuck Indemnified Parties;

(iii) violation of Applicable Law by Shattuck Indemnified Parties in connection with this Agreement or the performance of its obligations hereunder; or

(iv) the performance of the Nonclinical Workplan, by Shattuck or its Affiliates;

except in any case under clauses (i) through (iv) to the extent that Ono is obliged to provide indemnification for such Losses pursuant to Section 12.1.

(b) In the event of any Third Party Claim against the Ono Indemnified Parties, Ono will promptly notify Shattuck in writing of the claim (it being understood and agreed that the failure by Ono to give such notice will not relieve Shattuck of its indemnification obligations under this Agreement except and only to the extent that Shattuck is actually prejudiced as a result of the failure to give notice), and Shattuck will manage and control, at its sole expense, the defense of the claim and its settlement, keeping Ono reasonably advised of the status of the defense and/or settlement. No settlement will be finalized without obtaining Ono's prior written consent, which will not be unreasonably withheld, delayed or conditioned, except that in the case of a settlement that does not require an admission or impose any obligation on the part of an Ono Indemnified Party or otherwise have an adverse effect on rights or interests of a Ono Indemnified Party, Ono's consent will not be required so long as all Ono Indemnified Parties involved in the claim are unconditionally released from all liability in such settlement. The Ono Indemnified Parties will reasonably cooperate with Shattuck and may, at their option and expense, be represented by their own separate counsel in any such action or proceeding; provided that if, based upon a written opinion from outside legal counsel, representation of the Ono Indemnified Parties by the counsel retained by Shattuck would be inappropriate due to actual or potential conflict of interests between the Ono Indemnified Parties and Shattuck, the Ono Indemnified Parties will have the right to retain their own counsel with the fees and expenses of such counsel to be paid by Shattuck; provided further that Shattuck will not be obligated to pay the fees and expenses of more than one counsel retained by all Ono Indemnified Parties. Shattuck will not otherwise be liable for any litigation costs or expenses incurred by the Ono Indemnified Parties without Shattuck's prior written authorization, unless Shattuck is in breach of any of its obligations pursuant to this Section 12.2. In connection with the defense of a Third Party Claim, the Ono Indemnified Parties will reasonably cooperate with Shattuck at Shattuck's reasonable request and expense and will make available to Shattuck all pertinent information under the control of the Ono Indemnified Parties, which information will be subject to Article 9.

1.3 Insurance

During the Term and thereafter for the period of time required below, each Party will maintain, at its expense, insurance coverage consistent with normal business practices and adequate to cover the risks associated with its performance of any activities hereunder and any other

insurance required by Applicable Law. All of such insurance coverage may be maintained through a self-insurance plan that substantially complies with the foregoing limits and requirements. Thereafter, each Party will maintain such insurance coverage without interruption during the Term and for a period of at least [***] thereafter. Each Party will use commercially reasonable efforts to provide the other Party at least [***] prior written notice of any cancellation to or material change in its insurance coverage below the amounts and types described above.

1.4 Limitation of Liability

(a) EXCEPT FOR FRAUD, GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT, AND EITHER PARTY'S BREACH OF ARTICLES 8 OR 9 OR SECTION 4.6 HEREOF, IN NO EVENT WILL EITHER PARTY (OR ANY OF ITS AFFILIATES) BE LIABLE TO THE OTHER OR ANY OF ITS AFFILIATES FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, PUNITIVE, AGGRAVATED OR EXEMPLARY DAMAGES (INCLUDING LOST PROFITS, BUSINESS OR GOODWILL) SUFFERED OR INCURRED BY SUCH OTHER PARTY OR ITS AFFILIATES, WHETHER BASED UPON A CLAIM OR ACTION OF CONTRACT, WARRANTY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT, OR OTHERWISE, ARISING OUT OF THIS AGREEMENT. THE FOREGOING SENTENCE WILL NOT LIMIT THE OBLIGATIONS OF EITHER PARTY TO INDEMNIFY AN INDEMNIFIED PARTY FROM AND AGAINST THIRD PARTY CLAIMS UNDER THIS ARTICLE 12.

(b) For the avoidance of doubt, a Party's monetary liability under a Third Party Claim for such Third Party's consequential, incidental, indirect, special, punitive, aggravated or exemplary damages (including lost profits, business or goodwill) payable to such Third Party in connection with such Third Party Claim, will be deemed to be the direct damages of such Party for purposes of this Section 12.4.

ARTICLE 13 GENERAL

1.1 Assignment and Change of Control

This Agreement will not be assignable or otherwise transferred, nor may any rights or obligations hereunder be assigned or transferred, by either Party to any Third Party without the prior written consent of the other Party; except that either Party may assign or otherwise transfer this Agreement without the consent of the other Party to (a) any of its Affiliates, provided that the assigning Party notifies the other Party in writing within [***] after such assignment and the assignee agrees in writing to assume all responsibility for and be bound by all of the terms of this Agreement in addition to the assigning Party (which will continue to be bound by such terms); or
(b) a Person that acquires all or substantially all of the business or assets of the assigning Party relating to the subject matter of this Agreement, whether by merger, acquisition or otherwise (such Person, a "**Third Party Acquirer**" and such event, a "**Change of Control Event**"), provided that the Third Party Acquirer agrees in writing to assume all responsibility for and to be bound by all of the terms of this Agreement, and that the Party undergoing a Change of Control

Event will promptly provide written notice to the other Party after the completion of such Change of Control Event or the public announcement of such Change of Control Event by such Party, whichever occurs earlier. Notwithstanding the foregoing, in any Change of Control Event entered into by either Party, the Third Party Acquirer will not be deemed an Affiliate of the acquired Party for the purpose of Section 4.6 hereof. Any assignment or transfer not in accordance with this Section 13.1 will be null and void.

1.2 Governing Law

This Agreement and all questions regarding the existence, validity, interpretation, breach or performance of this Agreement, will be governed by, and construed and enforced in accordance with, the laws of the State of New York, United States, without reference to its conflicts of law principles.

1.3 Referral of Disputes to Senior Executives

The Parties will attempt initially to resolve any dispute, claim or controversy arising under, out of or in connection with this Agreement (a "**Dispute**") by conducting good faith negotiations. Any Dispute which cannot be resolved by good faith negotiation will be referred, by written

notice from either Party to the other, to the Senior Executives of the Parties. Such Senior Executives will endeavor to resolve such Dispute through good faith negotiations for a period of [***] following such written notice.

1.4 Arbitration

Subject to Section 9.6, all Disputes which are not resolved between the Senior Executives within such [***] period under Section 13.3 will be finally settled by arbitration under the Rules of Arbitration of the International Chamber of Commerce by three (3) arbitrators appointed in accordance with the said Rules. The place of arbitration will be New York City, New York, United States, if arbitration is demanded by Ono, and will be Osaka, Japan, if demanded by Shattuck. The language of the arbitration will be English. Each Party will nominate one arbitrator, and the two arbitrators so nominated will nominate a third arbitrator, who will act as the chairperson. If the tribunal orders production of documents, the tribunal will take guidance from the IBA Rules on the Taking of Evidence in International Arbitration as current on the date of the commencement of the arbitration. The existence and content of the arbitral proceedings, any information exchanged between Parties during the arbitral proceedings and any rulings or awards will be kept confidential by the Parties and members of the tribunal except (a) to the extent that disclosure may be required by a Party to fulfill a legal duty, protect or pursue a legal right, or enforce or challenge an award in bona fide legal proceedings before a court or other judicial authority, (b) with the consent of both Parties, (c) where needed for the preparation or presentation of a claim or defense in this arbitration, (d) where such information is already in the public domain other than as a result of a breach of this clause, or (e) by order of the tribunal upon application of a Party. The costs and expenses of translation of relevant documents and translators relating to the arbitration will be deemed as the costs and expenses of the arbitration and may be allocated to any Party in the award by the tribunal. The tribunal may include in its award an allocation to any Party of costs and expenses relating to the arbitration, excluding lawyers' fees, as the tribunal deems reasonable. Each Party will bear its own costs and expenses

for its own lawyers. The award rendered by the tribunal will be final and binding upon the Parties and may be entered in any court of appropriate jurisdiction. The Emergency Arbitrator Provisions and the Expedited Procedure Provisions will not apply.

1.5 Business Day

In the event that an obligation to be performed under this Agreement falls due on a day that is not a Business Day of the Party who owes such obligation, the obligation will be deemed due on the next Business Day of such Party thereafter.

1.6 Notices

Any consent, notice and communication required or permitted to be given or made hereunder by either Party to the other Party will be in writing and in English. Any such consent, notice and communication hereunder will be deemed made and given (a) when delivered to the Party personally, (b) five (5) Business Days after sending if sent by registered or certified envelope, return receipt requested, postage prepaid, and (c) three (3) Business Days after sending if sent by internationally recognized courier, and addressed to the Party to receive such consent, notice or communication at the address given below, or such other address as may hereafter be designated by notice in writing by one Party to the other Party from time to time:

To Shattuck: Shattuck Labs, Inc.
500 W. 5th St., Suite 1200
Austin, Texas 78701 Attention: CEO

To Ono: Ono Pharmaceutical Co., Ltd. 3-1-1 Sakurai, Shimamoto-cho
Mishima-gun, Osaka 618-8585 Attention: [***]

Notwithstanding set forth in this Section 13.6, it is understood and agreed between the Parties that this Section 13.6 is not intended to govern the day-to-day communications, including invoicing, necessary between the Parties in performing their duties, in due course, under the terms and conditions hereof, and Parties may use other ways to contact the other Party in relation to day-to-day operations.

1.7 Force Majeure

No failure or omission by either Party in the performance of any obligation of this Agreement will be deemed a breach of this Agreement or create any liability if the same arises from any cause or causes beyond the reasonable control of such Party, including the following: acts of God, fire, storm, flood, earthquake, tsunami, typhoon, explosion, pandemic or other health emergency, acts of war (whether declared or not), rebellion, insurrection, riot, terrorism and civil unrest, and embargoes, power shortage or failure, strikes, lockouts or other labor disturbances, or nonfeasance, omissions, delays or changes in acting by any Governmental Entity or equivalent

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(including but not limited to nonfeasance or delays in governmental approval or changes in rules, beyond the reasonable control of the affected Party); provided that the affected Party promptly

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notifies the other Party in writing and further provided that the affected Party will use its Commercially Reasonable Efforts (as applicable) to avoid or remove such causes of non- performance and to mitigate the effect of such occurrence, and will continue performance with the utmost dispatch whenever such causes are removed.

1.8 Independent Contractors

It is understood and agreed that the relationship between the Parties is that of independent contractors, that the relationship between the Parties will not constitute a partnership, joint venture, employment or agency, and that nothing in this Agreement will be construed as authorization for either Shattuck or Ono to act as agent for the other. Neither Party will have any express or implied right or authority to assume or create any obligations on behalf of, or in the name of, the other Party, or to bind the other Party to any contract, agreement or undertaking with any Third Party.

1.9 No Strict Construction

This Agreement has been prepared jointly and will not be strictly construed against either Party.

1.10 No Implied Waivers

No failure on the part of Shattuck or Ono to exercise, and no delay in exercising, any right, power, remedy or privilege under this Agreement, or provided by statute or at law or in equity or otherwise, will impair, prejudice or constitute a waiver of any such right, power, remedy or privilege or be construed as a waiver of any breach of this Agreement or as an acquiescence therein, nor will any single or partial exercise of any such right, power, remedy or privilege preclude any other or further exercise thereof or the exercise of any other right, power, remedy or privilege. No consent or waiver, expressed or implied, by a Party to the performance by the other Party or of any breach or default by the other Party of its obligations hereunder will be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other Party of the same or any other obligations of such other Party hereunder. In any event no waiver will be effective for any purpose hereunder unless such waiver is made in writing and signed by duly authorized signatories of the Party granting such waiver.

1.11 Severability

If any one or more of the provisions of this Agreement is held to be invalid, illegal or unenforceable, the provision will be considered severed from this Agreement and will not serve to invalidate any remaining provisions hereof, unless the invalid, illegal or unenforceable provision is of such essential importance to this Agreement that it is to be reasonably assumed that the Parties would not have entered into this Agreement

without the invalid, illegal or unenforceable provision. The Parties will make a good faith effort to replace any invalid, illegal or unenforceable provision with a valid, legal and enforceable one such that the objectives contemplated by the Parties when entering this Agreement may be realized.

1.12 Execution in Counterparts

This Agreement and any amendment hereto may be executed in counterparts, each of which counterparts, when so executed and delivered, will be deemed to be an original, and all of which counterparts, taken together, will constitute one and the same instrument. For purposes of execution, a copy of this Agreement or any amendment hereto will be deemed an original (including a printed copy of a PDF file delivered via email).

1.13 No Third-Party Beneficiaries or Obligors

As of the Effective Date, this Agreement will be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns. Except as set forth in Article 12, no Person other than Ono, Shattuck and their respective permitted successors and assigns hereunder will be deemed an intended beneficiary hereunder, nor have any right to enforce any obligation of any Party to this Agreement, nor will any Person other than Ono and Shattuck and their respective permitted successors and assigns have any obligations to any Party under this Agreement.

1.14 Entire Agreement

This Agreement, along with all Schedules attached hereto and incorporated, constitutes the entire agreement of the Parties with respect to the matters referred to herein and supersede and merge all prior and contemporaneous negotiations, representations and understandings regarding the same.

1.15 Further Assurances

Each Party will execute, acknowledge and deliver such further instruments, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

1.16 Amendment

This Agreement, including the Schedules, may only be amended by a written document duly executed by authorized signatories of each of the Parties.

1.17 Compliance

The Parties will comply fully with all Applicable Law in connection with their respective activities under this Agreement.

1.18 Anti-Bribery

Each Party acknowledges and agrees that there are anti-bribery and anti-corruption laws, including, but not limited to, US Foreign Corrupt Practices Act, the UK Bribery Act 2010, and Japan Unfair Competition Prevention Act ("**Anti-Corruption Laws**"), that prohibit the payment, offering, and/or receiving, as the case may be, of anything of value to or from, a government employee, official, or private individual, for the purpose of (a) inducing or influencing any

governmental act, or decision affecting the Party, (b) helping the Party obtain or retain any business, or (c) otherwise improperly benefitting the Party's business activities, and such laws prohibit the Party from being involved with clients, contractors, agents, consultants, advisors or other Third Parties involved in such activity. Each Party will agree to refrain from any activity that would constitute a violation of such Anti-Corruption Laws as applicable to it in connection with this Agreement. Each Party will further ensure that its and its Affiliates' directors, officers, employees and personnel will follow and observe all relevant obligations and responsibilities in compliance with Anti-Corruption Laws as applicable to it by a due diligence or an equivalent action by the Party during the Term. Each Party will indemnify the other Party and its directors, officers, employees and personnel against any and all liabilities, losses and expenses, including any civil or criminal fines imposed by any relevant Governmental Entity or Regulatory Authority and any legal fees, costs and expenses, which the other Party and its directors, officers, employees and personnel may incur as a result of such Party's breach of this Section 13.18.

[*Remainder of page intentionally left blank.*]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

SHATTUCK LABS, INC.

By: /s/ Taylor Schreiber Name: Taylor Schreiber
Title: Chief Executive Officer

ONO PHARMACEUTICAL CO., LTD.

By: /s/ Gyo Sagara Name: Gyo Sagara
Title: President, Representative Director, and Chief Executive Officer

Signature Page To
Collaboration and License Agreement

Schedule A Definitions

"**Action**" means any civil, criminal, administrative or regulatory claim, action, cause of action, suit, litigation, controversy, arbitration, investigation, hearing, charge, complaint, or proceeding to, from, by or before any Governmental Entity.

"**Affiliate**" means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with such Person. For purposes of this definition only, "controls" and, with correlative meanings, the terms "controlled by" and "under common control with" another Person means:

(a) direct or indirect ownership of more than fifty percent (50%) of the outstanding voting securities or other voting interest of the other Person;

(b) direct or indirect possession of the power to elect or appoint more than fifty percent (50%) of the members of the governing body of the other Person; or

(c) direct or indirect possession of the power to direct the management or policies of the other Person through ownership of the outstanding voting securities or by contract or otherwise relating to voting interests or corporate governance;

provided that in the case of jurisdictions in which the maximum percentage ownership permitted by law for a foreign investor is less than fifty percent (50%), such lower percentage will be substituted in clause (a) of the preceding sentence. Neither of the Parties to this Agreement will be deemed to be an "Affiliate" of the other solely as a result of their entering into this Agreement.

"**Agreement**" has the meaning set out in the Preamble to this Agreement. "**Aim 0**" has the meaning set forth in the Nonclinical Workplan.
"**Aim 1**" has the meaning set forth in the Nonclinical Workplan. "**Anti-Corruption Laws**" has the meaning set forth in Section 13.18.
"**Applicable Law**" means all applicable laws, rules, regulations, guidelines and policies that apply to the performance of either Party's obligations relating to this Agreement that may be in effect from time to time (including disclosure obligations as required by any stock exchange or securities commission having authority over a Party, and any applicable laws, rules, regulations, guidelines, policies or other requirements of a Regulatory Authority) to the extent applicable to such Party.

"**Applicant**" has the meaning set out in Section 8.5(b). "**Audited Party**" has the meaning set out in Section 7.7.

"**Auditing Party**" has the meaning set out in Section 7.7. "**Auditor**" has the meaning set out in Section 7.7.
"**Bankruptcy Code**" has the meaning set out in Section 10.4.
"**Biosimilar Application**" has the meaning set out in Section 8.5(a).

"**Biosimilar Product**" means, with respect to a Product in a country, any generic, biosimilar or interchangeable product sold by a Third Party that (a) has been licensed as (i) a biosimilar (as defined in Section 351(i)(2) of the PHSA) or interchangeable (as defined in Section 351(i)(3) of the PHSA) biological product by the FDA pursuant to Section 351(a) or 351(k) of the PHSA or
(ii) a generic product under Section 505(b)(2) or 505(j) of the FDCA or any subsequent or superseding law, statute or regulation, (b) has been licensed as a similar biological medicinal product by EMA pursuant to Directive 2001/83/EC, as it may be amended, or any subsequent or superseding law, statute or regulation or (c) has otherwise received Regulatory Approval as a generic, biosimilar or interchangeable product from another applicable Regulatory Authority in such country, where in the case of each of clauses (a), (b) or (c) above, such Product is the reference product for purposes of determining biosimilarity or interchangeability of the Third Party product.

"**BLA**" means a Biologics License Application or Supplemental Biologics License Application as defined in the PHSA, or any corresponding foreign application in the Territory.

"**BPCIA**" means the U.S. Biologics Price Competition and Innovation Act of 2009. "**Breach Notice**" has the meaning set out in Section 10.3(a).
"**Breaching Party**" has the meaning set out in Section 10.3(a).

"**Budget**" has the meaning set forth in Section 2.4. The Budget is set forth in Schedule B.

"**Business Day**" means any day other than a Saturday or Sunday or a banking holiday in New York, NY or Tokyo, Japan or a day within Shattuck's corporate holidays (for Shattuck's obligations) or Ono's corporate holidays (for Ono's obligations). Shattuck will timely provide to Ono its corporate calendar in advance of the next Calendar Year and Ono will timely provide to Shattuck its corporate calendar in advance of the next Ono Fiscal Year.

"**Calendar Year**" means the period of twelve (12) consecutive calendar months beginning on January 1 and ending on (and including) December 31; provided, however, that (a) the first Calendar Year during the term will begin on the Effective Date and end on December 31 of the calendar year within which the Effective Date falls, and (b) the last Calendar Year during the Term will end upon expiration of the Term.

"**Change of Control Event**" has the meaning set out in Section 13.1.

"**Clinical Trial**" means any clinical study involving the administration of a product to a human subject for the purpose of evaluating the safety, efficacy, performance or other characteristic of such product.

"**Collaboration Mechanism of Action**" means, with respect to any compound, molecule or product, one of which the primary mechanism of action is [***].

"**Combination Product**" means a product that includes at least one Development Compound and at least one additional active ingredient (whether co-formulated or co-packaged) that is not a Development Compound. For clarity, the pharmaceutical dosage form vehicles, adjuvants, and excipients will not be deemed to be "active ingredients."

"**Commercial Milestone Event**" has the meaning set out in Section 7.1(c).

"**Commercialize**" or "**Commercialization**" means, with respect to a given product, any and all activities with respect to such product relating to commercialization in the Field in the Territory, including pre-launch and launch activities, pricing and reimbursement activities, marketing, promoting, detailing, distributing, offering for sale and selling such product, importing or exporting such product for sale, conducting post-marketing Clinical Trials, reporting of adverse events in patients and interacting with Regulatory Authorities regarding any of the foregoing. When used as a verb, "Commercialize" means to engage in Commercialization and "Commercialized" has a corresponding meaning.

"**Commercially Reasonable Efforts**" means efforts of a Party to carry out its applicable obligations or tasks under this Agreement in a diligent and sustained manner using such efforts and employing such resources normally used by a Party for a product owned by it or to which it has exclusive rights, which is of similar market potential at a similar stage in its development or product life, taking into account issues of safety and efficacy, product profile, the competitiveness of the marketplace, the proprietary position of the compound or product, the regulatory and reimbursement structure involved, the profitability of the applicable products, and other relevant factors.

"**Competing Product**" has the meaning set out in Section 4.6.

"**Composition of Matter Claim**" means a Valid Claim that is directed to a protein or polypeptide, including an amino acid sequence comprising, or a nucleic acid sequence encoding, part of the protein or polypeptide.

"**Confidential Information**" means (a) all non-public proprietary Intellectual Property Controlled by a Party or its Affiliates or (b) other non-public information (whether or not patentable) regarding a Party's or its Affiliates' activities and such Party's and its Affiliates' technology, products, business information and objectives that is disclosed by a Party to the other Party or that the other Party obtains by access to or inspection of such Party's operations, facilities, materials or other items of a Party that are available to such other Party, in each case in the course of performing its obligations or exercising its rights under this Agreement, and that are marked as "confidential" or with a similar marking by the disclosing Party prior to or at the time of such disclosure. Notwithstanding the foregoing, Intellectual Property or other non-public information that is orally, electronically or visually disclosed by a Party without a written

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designation of confidentiality will constitute Confidential Information of a Party if the disclosing Party, within [***] after such disclosure, delivers to the receiving Party a written document summarizing the Intellectual Property or other information, designating the same as confidential. The terms of this Agreement will constitute Confidential Information of both Parties. "**Confidential Information**" does not include information that (i) was known or used by the Receiving Party prior to its date of disclosure to the Receiving Party, as demonstrated by competent and contemporaneous written records; (ii) either before or after the date of the disclosure to the Receiving Party is lawfully disclosed to the Receiving Party by sources (other than the Disclosing Party) rightfully in possession of the Confidential Information and not bound by confidentiality obligations to the Disclosing Party; (iii) either before or after the date of the disclosure to the Receiving Party becomes published or generally known to the public through no fault or omission on the part of the Receiving Party; or (iv) is independently developed by or for the Receiving Party without access to, reference to or reliance upon the Confidential Information, as demonstrated by competent and contemporaneous written records. For clarity, specific information will not be deemed to be within any of the foregoing exceptions merely because it is embraced by more general information falling within these exceptions. No combination of Confidential Information will be deemed to be within the foregoing exceptions merely because individual elements of such Confidential Information are within the foregoing exceptions unless the combination and its principles are within the foregoing exceptions.

"**Control**" or "**Controlled**" means, when used in reference to a Party and an item, Intellectual Property rights or proprietary or trade secret information, the legal authority or right of such Party or its Affiliates (whether by ownership or license, other than pursuant to a license under this Agreement) to grant the right to use such item or a license or sublicense of such Intellectual Property rights to the other Party, or to otherwise disclose such proprietary or trade secret information to such other Party, without (a) breaching the terms of any agreement with a Third Party pursuant to which such rights, item or information were acquired or generated or (b) misappropriating the proprietary or trade secret information or Know-How of a Third Party. Notwithstanding anything to the contrary under this Agreement, in the event a Party is acquired by a Third Party Acquirer after the Effective Date, no Intellectual Property that was (A) Controlled by such Third Party Acquirer prior to the acquisition, or (B) is acquired by such Third Party Acquirer after the acquisition of such Party but independent of the activities conducted pursuant to this Agreement and without reference to the Confidential Information of the other Party, will be included in the options, licenses, or other rights granted hereunder by virtue of such Third Party Acquirer becoming an Affiliate of such Party; provided that, for the avoidance of doubt, this sentence will not apply to any Third Parties that are acquired by a Party after the Effective Date (and following such acquisition the Intellectual Property of such acquired Third Parties will be included in the options, licenses and other rights granted hereunder by virtue of such Third Party becoming an Affiliate of such Party).

"**Covers**" or "**Covered**," means, (a) with respect to a Patent Right in a country, that the Research, Development, Manufacture, Commercialization or other Exploitation of a composition of matter, product, process or method in such country would, but for ownership or the grant of a license to such Patent Right, infringe a Valid Claim of such Patent Right; and (b) with respect to Know-How in a country, that such Know-How is useful or necessary for the Research, Development, Manufacture, Commercialization or other Exploitation of a composition of matter, product, process or method in such country.

"**Development**" or "**Develop**" means, with respect to a given product, the conduct of all clinical development activities including conduct of Clinical Trials, regulatory affairs (*e.g.*, preparing, filing, and obtaining regulatory applications), product approval and registration activities, necessary, desirable, or reasonably useful or otherwise requested or required by a Regulatory Authority as a condition or in support of obtaining and maintaining Regulatory Approval (other than to obtain any pricing or reimbursement approvals) to market and sell such product in any particular country or jurisdiction in the Territory.

"**Development Compound**" means, individually, [***], and "**Development Compounds**" means, collectively, [***].

"**Disclosing Party**" has the meaning set out in Section 9.1. "**Discontinuation Decision**" has the meaning set out in Section 5.2(a). "**Discontinuation Notice**" has the meaning set out in Section 5.2(a). "**Dispute**" has the meaning set out in Section 13.3.
"**Dollars**" or the symbol "**$**" means dollars of the U.S.

"**Drug Approval Application**" means, with respect to a Product in a particular country or region within the Territory, an application for Regulatory Approval to market and sell such Product in such country or region including, without limitation: (i) an NDA or supplemental NDA; (ii) a BLA or supplemental BLA; (iii) a counterpart of an NDA, supplemental NDA, BLA or supplemental BLA, including any MAA, in any country or region in the Territory outside the U.S.; and (iv) all supplements and amendments to any of the foregoing.

"**Effective Date**" has the meaning set out in the Preamble to this Agreement.
"**EMA**" means the European Medicines Agency and any successor agency or authority thereto. "**Exclusive Option**" has the meaning set forth in Section 2.5(b).

"**Exploit**" means with respect to a given product, to make, have made, import, use, sell or offer for sale, including to Research, Develop, Commercialize, register, modify, enhance, improve, Manufacture, have Manufactured, hold or keep (whether for disposal or otherwise), have used, export, transport, distribute, promote, market or have sold or otherwise dispose of such product.

"**Exploitation**" means the act of Exploiting a compound, product or process. "**[***]**" means [***]
"**FDA**" means the U.S. Food and Drug Administration and any successor agency or authority thereto.

"**FDCA**" means the U.S. Food, Drug and Cosmetic Act and the rules and regulations promulgated thereunder (including all additions, supplements, extensions, and modifications thereto).

"**Field**" means [***].

"**Final Report**" has the meaning set out in Section 2.3.

"**First Commercial Sale**" means the first sale for use or consumption of any Product in a country [***] after all required Regulatory Approvals for commercial sale of such Product have been obtained in such country. For clarity, the sales for test marketing, sampling and promotional uses, Clinical Trial purposes or compassionate or similar use will not be considered to constitute a First Commercial Sale.

"**FTE**" means the equivalent of a full-time employee's working days over a twelve (12) month period (taking account of normal vacations, sick days and holidays not being considered working days), which equates to a total of one thousand eight hundred (1,800) hours per twelve (12) month period of work performed by a fully qualified Shattuck employee in the Nonclinical Workplan. To provide an FTE over a given period that is less than a year means to provide the proportionate share (corresponding to the proportion that such period bears to a full year) during such period of a full year's FTE.

"**FTE Cost**" means, for any period, the costs which are attributable to labor expenses and will be calculated by multiplying the FTE Rate by the number of allocated FTEs in such period.

"**FTE Rate**" means a rate of [***] per FTE per annum for personnel of Shattuck engaged in activities of Research under the Nonclinical Workplan, which amount will be adjusted effective as of the first day of the same month of the Effective Date beginning in 2025, by an amount equal to the increase or decrease in the average of Consumer Price Index in the consecutive twelve (12) months beginning the same month of the Effective Date. As used in this definition, "**Consumer Price Index**" means the consumer price index as reported by the United States Bureau of Labor Statistics on a monthly basis, or any successor thereto.

"**Governmental Entity**" means any instrumentality, subdivision, court, administrative agency, commission or other similar authority of any country, state, province, prefect, municipality, locality, multinational organization or other government or political subdivision thereof, or any quasi-governmental, private body or arbitral body exercising any executive, legislative, judicial, quasi-judicial, regulatory, taxing, importing, administrative or other governmental or quasi- governmental authority.

"**[***]**" means [***].

"**[***]**" has the meaning set out in Section 7.1(c).

"**[***]**" has the meaning set out in Section 7.1(c). "**[***]**" means [***].
"**IND**" means an Investigational New Drug application, as described in 21 CFR § 312.23, filed for purposes of conducting Clinical Trials on a product in accordance with the requirements of the FDCA, and any analogous application and process required by a Regulatory Authority in a country or regulatory jurisdiction elsewhere in the Territory in order to conduct Clinical Trials on a Product in such country.

"**Infringement**" has the meaning set out in Section 8.4(a). "**Infringement Notice**" has the meaning set out in Section 8.4(a).

"**Initial Research Funding Payment**" has the meaning set forth in Section 2.4(a).

"**Initiation**" means, with respect to a Clinical Trial, the first dosing of the first patient with a Product pursuant to the clinical protocol for the specified Clinical Trial.

"**Intellectual Property**" means Patent Rights, Know-How, Trade Secret, trade names, trademarks, copyright, trade dress, industrial and other designs, and all other forms of intellectual property, all whether or not registered, capable of registration, published or unpublished, and all applications, registrations, and other rights of exclusion associated with the foregoing.

"**Inventions**" means any and all inventions, discoveries, improvements, processes, know-how and techniques discovered, conceived or reduced to practice in the course of or as a result of activities under this Agreement, whether or not patentable or included in any Patent Rights, together with all Intellectual Property rights therein.

"**Joint Inventions**" means any and all Inventions discovered, conceived or reduced to practice, as a result each Party's obligations under this Agreement, jointly by or on behalf of Shattuck or its Affiliates, on the one hand, and by or on behalf of Ono or its Affiliates, on the other hand.

"**Joint Know-How**" means any and all Know-How obtained or made, as a result of each Party's obligations under this Agreement jointly by or on behalf of Shattuck or its Affiliates, on the one hand, and by or on behalf of Ono or its Affiliates, on the other hand.

"**Joint Patent**" has the meaning set out in Section 8.3(c).

"**Joint Research Committee**" or "**JRC**" has the meaning set out in Section 3.1(a). "**JRC Chair**" has the meaning set out in Section 3.1(c).
"**JPY**" or the symbol "**¥**" means the Japanese yen, or any successor official currency of Japan.

"**Know-How**" means any and all proprietary know-how, Inventions, trade secrets, information, data and materials including ideas, concepts, formulas, methods, assays, practices, processes, software, devices, techniques, procedures, designs, compositions, constructs, compounds, plans, applications, research, preclinical, non-clinical and clinical data, regulatory information, manufacturing process, scale-up and other technical data, reports, documentation and samples, including: biological, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, pre-clinical, non-clinical, clinical, safety, manufacturing and quality control data and information, including study designs and protocols; assays and biological methodology, in each case whether or not patentable and that is not generally known. Know-How excludes Patent Right(s).

"**Know-How Royalty**" has the meaning set out in Section 7.2(b). "**License Conditions**" has the meaning set out in Section 2.5(c).
"**License Effective Date**" means the date that the License Conditions are met in accordance with Section 2.5(c).

"**License Fee**" has the meaning set forth in Section 2.5(c).

"**License Term**" means the period of time beginning on License Effective Date and ending on the last-to-expire Royalty Term.

"**Losses**" has the meaning set out in Section 12.1(a).

"**MAA**" means an application filed with the relevant Regulatory Authorities in Europe seeking Regulatory Approval to market and sell any Product in Europe or any country or territory therein in the Field.

"**Major EU Country**" means each of [***].

"**Manufacture**" and "**Manufacturing**" means, with respect to a given product, all activities related to the production, manufacture, processing, filling, finishing, packaging, labeling, shipping and holding of such product or any intermediate thereof, including process development, formulation development, process qualification and validation, scale up, pre- clinical, non-clinical, clinical and commercial manufacture and analytic development, product characterization, stability testing, quality assurance and quality control.

"**MHLW**" means the Ministry of Health, Labor and Welfare in Japan, or any successor agency or authority thereto.

"**MHRA**" means the Medicines and Healthcare product Regulatory Agency in the United Kingdom, or any successor agency or authority thereto.

"**Milestone Event**" has the meaning set out in Section 7.1. "**Milestone Payment**" has the meaning set out in Section 7.1.
"**Mono Product**" has the meaning set out in the definition of "**Net Sales**."

"**NDA**" means a new drug application (as defined in Title 21 of the U.S. Code of Federal Regulations ("**CFR**") filed with the FDA seeking Regulatory Approval to market and sell any Product in the U.S. within the Field.

"**Net Sales**" means [***].

For purposes of determining Net Sales, a "sale" will not include transfers or dispositions, at no cost or below cost, of Products for charitable, humanitarian, compassionate, indigent patient, pre- clinical, non-clinical, clinical or regulatory purposes or for promotional samples or free goods. Amounts invoiced by Ono or its Affiliates or its Sublicensees for the sale of Products to or among such Affiliates or Sublicensees for resale will not be included in the computation of Net Sales hereunder. All the foregoing elements of Net Sales calculations will be determined from the books and records of Ono, its Affiliates and Sublicensees, maintained, in the case of Ono and its Affiliates, in accordance with the International Financial Reporting Standards or, in the case of Sublicensees, similar accounting principles, consistently applied.

If a Product is sold as part of a Combination Product, the Net Sales for such Product will be determined on a country-by-country basis for a given accounting period by [***].

"**Non-Breaching Party**" has the meaning set out in Section 10.3(a).

"**Nonclinical Workplan**" means the nonclinical workplan detailing the research activities to be conducted by Shattuck or Ono for the nonclinical research of each Development Compound. The initial Nonclinical Workplan is set forth in Schedule B.

"**Non-Labor Costs**" means the costs and expenses incurred by Shattuck in conducting activities under the Nonclinical Workplan which are not attributable to labor expenses, including costs related to the purchase of raw materials and supplies, equipment, and outsourced expenses. Non- Labor Costs will include the actual cost of such expenses [***].

"**Non-Product Specific Joint Patent**" has the meaning set out in Section 8.4(c). "**Ono**" has the meaning set out in the Preamble to this Agreement.
"**Ono Decision Notice**" has the meaning set out in Section 5.2(a). "**Ono Decision Point(s)**" has the meaning set out in Section 3.3(b).
"**Ono Fiscal Year**" means each of the twelve (12) month periods starting from April 1 and ending on March 31; provided that: (a) the first Ono Fiscal Year of the Term will extend from the Effective Date to March 31 of the year in which the Effective Date occurs; and (b) the last Ono Fiscal Year will extend from the beginning of the Ono Fiscal Year in which this Agreement expires or terminates until the effective date of such expiration or termination.

"**Ono Indemnified Parties**" has the meaning set out in Section 12.2(a).

"**Party**" and/or "**Parties**" has the meaning set out in the Preamble to this Agreement.

"**Patent Rights**" means (a) any national, regional and international issued patents and pending patent applications, including provisional patent applications, (b) any patent applications filed either from the foregoing or from an application claiming priority to the foregoing, including all provisional applications, converted provisionals, substitutions, continuations, continuations-in- part, divisionals, renewals and continued prosecution applications, and all patents granted thereon (c) patents of addition, revalidations, reissues, reexamination and extensions or restorations by existing or future extensions or restoration mechanisms, including patent term adjustments and Patent Term Extensions, (d) inventor's certificates, utility models, and design patents, (e) other forms of government-issued rights comparable in scope to any of the foregoing, and (f) U.S. and foreign counterparts of any of the foregoing.

"**Patent Term Extension**" means any patent term extension under 35 U.S.C. §156 or any non-U.S. counterpart or equivalent of the foregoing, including supplemental protection certificates and any other extensions that are now available or become available in the future.

"**Permitted Subcontractor**" has the meaning set out in Section 2.2.

"**Permitted Third Party Service Providers**" has the meaning set out in Section 4.4.

"**Person**" means any individual, sole proprietorship, partnership, corporation, limited liability company, joint stock company, unincorporated association, trust or any other entity that has legal capacity to own property in their own name or to sue or be sued, including a government or political subdivision, department or agency of a government.

"**Phase I Clinical Trial**" means a Clinical Trial of one or more products that is designed to be conducted by or on behalf of a Party, its Affiliates, licensees or sublicensees on a sufficient number of subjects for, and that generally provides for the first introduction into humans of such product(s) with, the primary purpose of assessing metabolism and pharmacologic actions of the product in humans and the side effects associated with increasing doses, in a manner that is generally consistent with 21 C.F.R. § 312.21(a), as amended (or its successor regulation),) or a similar Clinical Trial prescribed by the applicable Regulatory Authority(ies) in a country outside the U.S., excluding for clarity any investigator initiated Clinical Trials.

"**Phase II Clinical Trial**" means a Clinical Trial of one or more product(s) that is designed to be conducted on a sufficient number of subjects for making (and the principal purpose of which is to make) a preliminary determination as to whether such product is safe for its intended use and obtaining (and to obtain) sufficient information about such product's efficacy, in a manner that is generally consistent with 21 C.F.R. § 312.21(b), as amended (or its successor regulation), or a similar Clinical Trial prescribed by the applicable Regulatory Authority(ies) in a country outside the U.S., to permit the design of further Clinical Trials of such product, excluding for clarity any investigator initiated Clinical Trials.

"**Phase III Clinical Trial**" means, with respect to a product, a pivotal, registration-enabling, randomized and controlled Clinical Trial of such product with a defined dose or a set of defined doses of such product and designed to be conducted on a sufficient number of subjects for ascertaining the efficacy and safety of the intended use of such product and determining (and to determine) warnings, precautions and adverse reactions that are associated with such product in the dosage range to be prescribed, in a manner that is generally consistent with 21 C.F.R. § 312.21(c), or a similar Clinical Trial prescribed by the applicable Regulatory Authority(ies) in a country outside the U.S., which Clinical Trial is sufficient to support Regulatory Approval of such product, excluding for clarity any investigator initiated Clinical Trials.

"**PHSA**" means the U.S. Public Health Service Act and the rules and regulations promulgated thereunder (including all additions, supplements, extensions, and modifications thereto).

"**Prior CDA**" has the meaning set forth in Section 9.1.

"**Product**" means (a) a pharmaceutical composition containing a Development Compound, or (b) any other pharmaceutical composition that (i) the manufacture, use, sale, offer for sale or import of which would infringe a Valid Claim of a Product Patent Right if not for the licenses granted in this Agreement or (ii) which otherwise utilizes, incorporates, derives from, relates to, is made using or are based on Product Know-How and in each case (a) and (b) such pharmaceutical composition of which the primary mechanism of action(s) is [***]. For clarity, (i) pharmaceutical compositions containing the same Development Compound, but which comprise different amino acid sequences will be treated as different Products, and (ii) multiple pharmaceutical compositions containing the same Development Compound with the same amino acid sequence will be considered one Product regardless of the number of approved indications, number of countries in which marketing authorization is obtained, or number of approved formulations, routes of administration, strength or brand names, or whether a Mono Product or a Combination Product.

"**Product IP**" means the Product Know-How and Product Patent Rights.

"**Product Know-How**" means any and all Know-How which:

(a) (i) is Controlled by Shattuck or its Affiliates on the Effective Date, or (ii) is invented, conceived, or developed by or on behalf of either or both Party(ies) or their respective Affiliate(s) during the Research Term, and

(b) Covers a Product or the Research, Development, Manufacture, Commercialization or other Exploitation of a Product. For clarity, Product Know- How includes Joint Know-How and Joint Inventions which satisfy the conditions of subsections (a) and (b) above.

"**Product Patent Rights**" means any Patent Rights that include one or more claims Covering Product Know-How. For clarity, Product Patent Rights include Research Term Product Patent Rights.

"**Proposed Biosimilar Product**" has the meaning set out in Section 8.5(a).

"**Proprietary Materials**" means any tangible chemical, biological or other research materials that are furnished by or on behalf of one Party to the other Party in connection with this Agreement, regardless of whether such materials are specifically designated as proprietary by the transferring Party. Any mutant, derivative, progeny or improvement made to or from a Party's Proprietary Materials will be considered to be that Party's Proprietary Materials.

"**Prosecuting Party**" has the meaning set out in Section 8.3(a).

"**Prosecution**" means the filing, preparation, prosecution (including any interferences, reissue proceedings, reexaminations, oppositions and similar proceedings), post-grant reviews, requests for patent term adjustments, and maintenance of Patent Rights. For the avoidance of doubt, Prosecution excludes any applications or requests for Patent Term Extension. When used as a verb, "Prosecute" means to engage in Prosecution.

"**Prospective Investors**" has the meaning set out in Section 9.4(c).

"**Quarter**" means, with respect to the first calendar quarter during the Term, the period beginning on the Effective Date and ending on the last day of the calendar quarter within which the Effective Date falls, and thereafter each successive period of three calendar months ending on (and including) each of March 31, June 30, September 30, and December 31; except that the last calendar quarter during the Term will end upon the expiration of the Term.

"**Quarterly Invoice**" has the meaning set out in Section 2.4(b). "**Receiving Party**" has the meaning set out in Section 9.1.

"**Regulatory Approval**" means, with respect to a country or extra-national territory, any and all approvals (including BLAs), licenses, registrations or authorizations of any Regulatory Authority necessary in order to Develop, Manufacture, Commercialize and/or otherwise Exploit a Product in such country or some or all of such extra-national territory, including pricing and reimbursement approval.

"**Regulatory Authority**" means any federal, national, multinational, regional, state, provincial or local regulatory agency, department, bureau, commission, council or other governmental or quasi-governmental entity with authority over the testing, manufacture, use, storage, import, promotion, marketing, pricing and reimbursement approval, or sale of a product in a country or territory, including the FDA, EMA, MHLW, MHRA and any corresponding national or regional regulatory authorities.

"**Regulatory Exclusivity**" means any exclusive marketing rights or data exclusivity rights conferred by any Regulatory Authority with respect to a Product in a country or jurisdiction in the Territory, other than a Patent Rights, including exclusivity for an approved BLA, new clinical data exclusivity, orphan drug exclusivity, pediatric exclusivity, or rights similar thereto in the U.S. or other countries or jurisdictions, which prevent the Commercialization of any Biosimilar Product in any form, formulation (regardless of Mono Product or Combination Product), strength, route of administration or indication in such country.

"**Regulatory Filing**" means, collectively: (a) all INDs, NDAs, BLAs, establishment license applications, drug master files, applications for designation as an "Orphan Product" under the Orphan Drug Act, for "Fast Track" status under Section 506 of the FDCA (21 U.S.C. § 356) or for a Special Protocol Assessment under Section 505(b)(5)(B) and (C) of the FDCA (21 U.S.C. § 355(b)(5)(B) and (C)) or all other similar filings (including MAAs and counterparts to any of the foregoing in any country or region in the Territory) as may be required by any Regulatory Authority for the Development, Manufacture, Commercialization or other Exploitation of a Product in the Territory; (b) all supplements and amendments to any of the foregoing; and (c) all data and other information contained in, and correspondence relating to, any of the foregoing.

"**Research**" means, with respect to a given product, all activities relating to research, preparing and conducting pre-clinical studies, non-clinical studies that are necessary or useful to obtain, support, or maintain Regulatory Approval (other than to obtain any pricing or reimbursement approvals) of such product in any particular country or jurisdiction in the Territory.

"**Research Funding**" has the meaning set out in Section 2.4. "**Research Funding Payment**" has the meaning set out in Section 2.4.

"**Research Milestone Payment**" has the meaning set out in Section 7.1(a).

"**Research Term**" means the period of time beginning on the Effective Date and ending on the ninetieth (90th) day following Ono's receipt of the Final Report delivered by Shattuck detailing the results of the Nonclinical Workplan.

"**Research Term Product Patent Rights**" has the meaning set out in Section 8.3(a). "**Royalties**" has the meaning set out in Section 7.2(a).

"**Royalty Reports**" has the meaning set out in Section 7.2(f).

"**Royalty Term**" means, in respect of each Product, unless earlier terminated pursuant to the provisions of Article 10, on a country-by-country basis within the Territory, the period commencing on the date of the First Commercial Sale of the Product in that country and ending on the

later of:

(a) the expiration of the last to expire of the Composition of Matter Claim within applicable Product Patent Rights Covering such Product in such country;

(b) the expiration of Regulatory Exclusivity for such Product in such country; or

(c) the tenth (10th) anniversary of such First Commercial Sale of a Product in such country.

"**SEC**" means the U.S. Securities Exchange Commission.

"**Senior Executives**" means, with respect to Shattuck, the Chief Executive Officer of Shattuck (or an authorized representative designated by such Chief Executive Officer), and, with respect to Ono, the Chief Executive Officer of Ono (or an authorized representative designated by such Chief Executive Officer).

"**Shattuck**" has the meaning set out in the Preamble to this Agreement. "**Shattuck Indemnified Parties**" has the meaning set out in Section 12.1(a). "**Sublicensees**" has the meaning set out in Section 4.3.

"**Technical Transfer Materials**" means information (including, without limitation, technical transfer reports), cell lines and materials and (a) with respect to Shattuck, Know-How and Patent Rights Controlled by Shattuck or its Affiliates necessary or useful for performing process development, and manufacturing activities with respect to Products, and (b) with respect to Ono, which are used by or on behalf of Ono or its Affiliates and necessary or useful for performing process development, and manufacturing activities with respect to the Product, including in each of (a) and (b): (i) nomenclature, structure and general properties; (ii) an example of a manufacturing process, including materials, steps, intermediates and equipment; (iii) an example test panel for controls and characterization and description of methods; (iv) information on reference standards and materials; (v) an example of stability data; (vi) technical reports based on research data; (vii) a list of raw materials; and (viii) any and all relevant Chemistry, Manufacturing and Controls (CMC) data and information, including, without limitation, quality test results and manufacturing processes and specifications.

"**Term**" has the meaning set forth in Section 10.1. "**Territory**" means all countries and jurisdictions in the world.

"**Third Party**" means any Person other than Shattuck, Ono, and their respective Affiliates. "**Third Party Acquirer**" has the meaning set out in Section 13.1.

"**Third Party Claim(s)**" has the meaning set out in Section 12.1(a).

"**Trade Secret**" means information of either Party or its Affiliates that is designated as a "trade secret."

"**UniProt**" means a freely accessible database of protein sequence and functional information via the Internet (https://www.uniprot.org/).

"**Upfront Fee**" has the meaning set forth in Section 2.5(a).

"**Upstream Agreement"** has the meaning set out in Section 11.2(a)(iii).

"**U.S.**" means the United States of America (including all possessions and territories thereof, including Puerto Rico).

"**Valid Claim**" means a claim of any (a) issued Patent Right that has not (i) expired, been abandoned, revoked, dedicated to the public or disclaimed or (ii) been found to be unpatentable, invalid or unenforceable by a court, national or regional patent office or other appropriate body that has competent jurisdiction in the subject country, from which decision no appeal is taken or can be taken; or (b) pending application for a Patent Right that has been pending for less than seven (7) years and is being prosecuted in good faith and has not been abandoned or finally disallowed without the possibility of appeal.

"**Working Group"** has the meaning set forth in Section 3.1(e)

Schedule B

Nonclinical Workplan and Budget

[***]

Schedule C

Shattuck Bank Account Information

[***]

Schedule D

Initial JRC Representatives

Shattuck:

[***]

Ono:

[***]

Schedule E

Patent Rights for Development Compounds

[***]

Schedule F

[***]

Exhibit 31.1

CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Taylor Schreiber, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Shattuck Labs, 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 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: November 9, 2023 May 2, 2024

By: /s/ Dr. Taylor Schreiber

Dr. Taylor Schreiber
Chief Executive Officer
(principal executive officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES

EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Andrew R. Neill, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Shattuck Labs, 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 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: November 9, 2023 May 2, 2024

By: /s/ Andrew R. Neill

Andrew R. Neill
Chief Financial Officer
(principal financial and accounting officer)

Exhibit 32.1

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

In connection with the Quarterly Report on Form 10-Q of Shattuck Labs, Inc. (the "Company") for the period ended September 30, 2023 March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

Date: November 9, 2023 May 2, 2024

By: /s/ Dr. Taylor Schreiber
Dr. Taylor Schreiber
Chief Executive Officer
(principal executive officer)

Date: November 9, 2023 May 2, 2024

By: /s/ Andrew R. Neill
Andrew R. Neill
Chief Financial Officer
(principal financial and accounting officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. §1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Note: A signed original of this written statement required by §906 has been provided to Shattuck Labs, Inc. and will be retained by Shattuck Labs, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

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.

REFINITIV