UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): December 22, 2022

Catalyst Biosciences, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware	**000-51173**	**56-2020050**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

611 Gateway Blvd **Suite 120** **South San Francisco, CA**	**94080**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: **(650) 871-0761**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	CBIO	Nasdaq

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 1.01 Entry into a Material Definitive Agreement.

F351 Asset Purchase Agreement

On December 26, 2022, Catalyst Biosciences, Inc., a Delaware corporation ("Catalyst"), acquired the F351 Assets (as defined below) from GNI Group Ltd., a company incorporated under the laws of Japan with limited liability ("GNI Japan"), and GNI Hong Kong Limited, a company incorporated under the laws of Hong Kong with limited liability ("GNI Hong Kong" and, together with GNI Japan, the "Sellers"), pursuant to that certain Asset Purchase Agreement, dated December 26 2022 (the "F351 Agreement"), by and among Catalyst and the Sellers. Pursuant to the F351 Agreement, Catalyst acquired all of the assets and intellectual property rights primarily related to the Sellers' proprietary Hydronidone compound (collectively, the "F351 Assets"), other than such assets and intellectual property rights located in the People's Republic of China. The F351 Assets include 15 issued or pending patents and patent applications outside of the People's Republic of China, with the last acquired issued patent expected to expire in August 2037.

Under the terms of the F351 Agreement and upon the effective time of the transactions contemplated by the F351 Agreement (the "F351 Effective Time"), Catalyst paid the Sellers $35,000,000 in the form of: 6,266,521 shares of Catalyst common stock, par value $0.001 per share (the "Catalyst Common Stock"); and 12,340 shares of Catalyst Series X Convertible Preferred Stock, par value $0.001 per share (the "Catalyst Convertible Preferred Stock" and collectively with the Catalyst Common Stock issued pursuant to the F351 Agreement, the "Catalyst F351 Securities").

Each of Catalyst and the Sellers has agreed to customary representations, warranties and covenants in the F351 Agreement, including, among others, covenants relating to (1) Catalyst filing with the U.S. Securities and Exchange Commission (the "SEC") and causing to become effective a registration statement (the "Registration Statement") to register (a) the shares of Catalyst Common Stock issued pursuant to the F351 Agreement, and (b) the shares of Catalyst Common Stock reserved for issuance upon conversion of the Catalyst Convertible Preferred Stock, (2) Catalyst using reasonable best efforts to maintain the existing listing of the Catalyst Common Stock on The Nasdaq Stock Market LLC ("Nasdaq") and Catalyst causing the (a) shares of Catalyst Common Stock issued in connection with the F351 Agreement and (b) the shares of Catalyst Common Stock reserved for issuance upon conversion of the Catalyst Convertible Preferred Stock, to be approved for listing on Nasdaq, and (3) the Sellers assuming and paying, discharging, performing or otherwise satisfying the liabilities and obligations of any kind and nature relating to the Purchased Contracts (as defined in the F351 Agreement).

The foregoing description of the F351 Agreement does not purport to be complete and is qualified in its entirety by reference to the F351 Agreement, which is filed as Exhibit 2.1 to this Current Report on Form 8-K and is incorporated herein by reference.

The F351 Agreement has been included to provide investors and security holders with information regarding its terms. It is not intended to provide any other factual information about Catalyst or the Sellers. The F351 Agreement contains representations, warranties and covenants that Catalyst and the Sellers made to each other as of specific dates. The assertions embodied in those representations, warranties and covenants were made solely for purposes of the F351 Agreement between Catalyst and the Sellers and may be subject to important qualifications and limitations agreed to by Catalyst and the Sellers in connection with negotiating its terms, including being qualified by confidential disclosures exchanged between the parties in connection with the execution of the F351 Agreement. The representations and warranties may be subject to a contractual standard of materiality that may be different from what may be viewed as material to investors or securityholders or may have been used for the purpose of allocating risk between Catalyst and the Sellers rather than establishing matters as facts. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the F351 Agreement, which subsequent information may or may not be fully reflected in Catalyst's public disclosures. For the foregoing reasons, no person should rely on the representations and warranties as statements of factual information at the time they were made or otherwise.

Business Combination Agreement

On December 26, 2022, Catalyst, GNI USA, Inc., a Delaware corporation ("GNI USA"), GNI Japan, GNI Hong Kong, Shanghai Genomics, Inc., a company organized under the laws of the People's Republic of China ("SG", and collectively with GNI USA, GNI Japan and GNI HK, "Contributors," and each a "Contributor"), the individuals (each, a "Minority Holder" and collectively, the "Minority Holders") listed on Annex A to that certain Business Combination Agreement (the "Business Combination Agreement"), and Continent Pharmaceuticals Inc., a Cayman Islands company limited by shares ("CPI"), entered into the Business Combination Agreement, pursuant to which, among other matters, and subject to the satisfaction or waiver of the conditions set forth in the Business Combination Agreement, Catalyst will acquire an indirect controlling interest in Beijing Continent Pharmaceuticals Co., Ltd, a company organized under the laws of the People's Republic of China ("BC"), pursuant to the following transactions: (a) GNI USA will contribute all of its ordinary shares in the capital of CPI, par value $0.0001 per share (each a "CPI Ordinary Share") to Catalyst (the "CPI Contribution"), (b) GNI USA will contribute its interest in Further Challenger International Limited, a company incorporated and existing under the laws of the British Virgin Islands with company number 1982271 ("Further Challenger"), to Catalyst (the "FC Contribution") and (c) each Minority Holder will contribute 100% of the interest he or she holds in his or her respective Entity (as defined in the Business Combination Agreement) to Catalyst (the "Minority Holder Contributions" and together with the CPI Contribution and the FC Contribution, the "Contributions"). The Contributions are intended to qualify as exchanges governed by Section 351 of the Internal Revenue Code of 1986, as amended (the "Code"), for U.S. federal income tax purposes.

Subject to the terms and conditions of the Business Combination Agreement, at the effective time of the Contributions (the "Effective Time"), (a) GNI USA will contribute all of the CPI Ordinary Shares it holds immediately prior to the Effective Time to Catalyst in exchange for 688,850,101 shares of Catalyst Common Stock, (b) GNI USA will contribute all of the ordinary shares of Further Challenger it holds immediately prior to the Effective Time to Catalyst in exchange for 264,971,695 shares of Catalyst Common Stock and (c) each Minority Holder will contribute 100% of the interest he or she holds in his or her respective Entity to Catalyst in exchange for an aggregate of 156,954,428 shares of Catalyst Common Stock in the amounts set forth on Annex A to the Business Combination Agreement. At the election GNI USA or any Minority Holder, GNI USA or such Minority Holder shall be issued shares of Catalyst Convertible Preferred Stock in lieu of some or all of the shares of Catalyst Common Stock GNI USA or such Minority Holder is entitled to receive. In addition, at the Effective Time, each option (a "BC Option") to purchase common shares (the "BC Common Shares") of BC, granted under any employee or director stock option, stock purchase or equity compensation plan, arrangement or agreement of BC, that is (i) outstanding immediately prior to the Effective Time, and (ii) held by a United States taxpayer, will be converted into an option to purchase shares of Catalyst Common Stock with the exercise price, the number of shares of Catalyst Common Stock subject to such option and the terms and conditions of exercise of such option to be determined in a manner consistent with the requirements of Section 409A of the Code in order to avoid the imposition of any additional taxes thereunder. BC Options that are held by non-United States taxpayers will remain outstanding and, at the time that any such BC Option becomes exercisable, the holder thereof shall have the option to receive, in lieu of BC Common Shares, a number of shares of Catalyst Common Stock equal to the intrinsic value of such BC Option on the exercise date.

At the Effective Time, pre-Contributions Catalyst stockholders are expected to own approximately 2.5% of the voting power of the combined company, GNI USA is expected to own approximately 97.5% of the voting power of the combined company, and the combined company will own the F351 Assets and an approximately 65% indirect controlling interest in BC.

In connection with the Contributions, Catalyst will seek the approval of its stockholders for, among other things, (a) the issuance of the shares of Catalyst Common Stock issuable in connection with the Contributions under Nasdaq rules pursuant to the terms of the Business Combination Agreement (the "Business Combination Proposal"), (b) the conversion of the shares of Catalyst Convertible Preferred Stock issued pursuant to the F351 Agreement into shares of Catalyst Common Stock in accordance with Nasdaq rules (the "Conversion Proposal"), (c) if deemed necessary or appropriate by Catalyst or as otherwise required by applicable law or contract, authorization of sufficient Catalyst Common Stock in Catalyst's certificate of incorporation (the "Certificate of Incorporation") for the conversion of the shares of Catalyst Convertible Preferred Stock issued pursuant to the F351 Agreement, a reverse stock split and/or the creation of non-voting common stock of Catalyst (the "Charter Amendment Proposal"), and (d) if deemed necessary or appropriate by the parties to the Business Combination Agreement or as otherwise required by applicable law or contract, an increase in the share reserve under Catalyst's 2018 Omnibus Incentive Plan (the "Incentive Plan Proposal" and, together with the Business Combination, the Conversion Proposal and the Charter Amendment Proposal, the "Meeting Proposals").

Each of Catalyst and the Contributors has agreed to customary representations, warranties and covenants in the Business Combination Agreement, including, among others, covenants relating to (1) the conduct of their respective businesses during the period between the date of signing the Business Combination Agreement and the closing of the Contributions, (2) the non-solicitation of alternative acquisition proposals by Catalyst, (3) Catalyst filing the Registration Statement with the SEC and causing the Registration Statement to become effective to register (a) the shares of Catalyst Common Stock issued pursuant to the Business Combination Agreement and (b) the shares of Catalyst Common Stock reserved for issuance upon conversion of the Catalyst Convertible Preferred Stock, (4) Catalyst using reasonable best efforts to maintain the existing listing of the Catalyst Common Stock on Nasdaq and Catalyst causing the shares of Catalyst Common Stock to be issued in connection with the Contributions to be approved for listing on Nasdaq prior to the closing of the Contributions, and (5) Catalyst using reasonable best efforts to obtain the requisite approvals of its stockholders.

Consummation of the Contributions is subject to certain closing conditions, including, among other things, (1) approval by the holders of at least a majority of the outstanding shares of Catalyst Common Stock in accordance with the requirements of applicable law and Nasdaq rules and regulations, (2) Nasdaq's approval of the listing of the shares of Catalyst Common Stock to be issued in connection with the Contributions, (3) the absence of any injunction or legal restraint which has the effect of prohibiting the consummation of the Contributions or making the Contributions illegal and (4) the effectiveness of the Registration Statement. Each party's obligation to consummate the Contributions is also subject to other specified customary conditions, including the representations and warranties of the other party being true and correct as of the date of the Business Combination Agreement and as of the closing date of the Contributions, generally subject to an overall material adverse effect qualification, and the performance in all material respects by the other party of its obligations under the Business Combination Agreement required to be performed on or prior to the date of the closing of the Contributions.

The Business Combination Agreement contains certain termination rights of each of Catalyst and the Contributors, including, subject to compliance with the applicable terms of the Business Combination Agreement, the right of Catalyst to terminate the Business Combination Agreement to enter into a definitive agreement for a superior proposal. Upon termination of the Business Combination Agreement under specified circumstances, Catalyst may be required to pay the Contributors a termination fee of $2,000,000 and the Contributors or Catalyst, as the case may be, may be required to reimburse the other parties for reasonable out-of-pocket fees and expenses incurred by such party in connection with the transactions contemplated by the Business Combination Agreement, up to a maximum amount of $2,000,000.

The foregoing description of the Contributions and the Business Combination Agreement does not purport to be complete and is qualified in its entirety by reference to the Business Combination Agreement, which is filed as Exhibit 2.2 to this Current Report on Form 8-K and is incorporated herein by reference.

The Business Combination Agreement has been included to provide investors and security holders with information regarding its terms. It is not intended to provide any other factual information about Catalyst, the Contributors, the Minority Holders, the Entities, CPI, or BC. The Business Combination Agreement contains representations, warranties and covenants that Catalyst, the Contributors, the Minority Holders and CPI made to each other as of specific dates. The assertions embodied in those representations, warranties and covenants were made solely for purposes of the Business Combination Agreement between Catalyst, the Contributors, the Minority Holders and CPI and may be subject to important qualifications and limitations agreed to by Catalyst, the Contributors, the Minority Holders and CPI in connection with negotiating its terms, including being qualified by confidential disclosures exchanged between the parties in connection with the execution of the Business Combination Agreement. The representations and warranties may be subject to a contractual standard of materiality that may be different from what may be viewed as material to investors or securityholders, or may have been used for the purpose of allocating risk between Catalyst, the Contributors, the Minority Holders and CPI rather than establishing matters as facts. Moreover, information concerning the subject matter of the representations and warranties may change after the date of the Business Combination Agreement, which subsequent information may or may not be fully reflected in Catalyst's public disclosures. For the foregoing reasons, no person should rely on the representations and warranties as statements of factual information at the time they were made or otherwise.

Contingent Value Rights Agreement

The Business Combination Agreement contemplates that concurrently with the signing of the Business Combination Agreement, Catalyst and the Rights Agent (as defined therein) will execute and deliver a contingent value rights agreement (the "CVR Agreement"), pursuant to which each holder of Catalyst Common Stock as of January 5, 2023 (the "Record Date") shall be entitled to one contractual contingent value right issued by Catalyst, subject to and in accordance with the terms and conditions of the CVR Agreement, for each share of Catalyst Common Stock held by such holder at the Record Date. Each contingent value right shall entitle the holder thereof to receive (i) certain cash payments from the net proceeds, if any, related to the disposition of Catalyst's legacy assets within three years following the Closing (as defined in the CVR Agreement), (ii) 100% of the excess cash (net of all current or contingent liabilities, including transaction-related expenses) retained by Catalyst in excess of $1,000,000 as of the Closing and (iii) 100% of the amount actually received (net of indemnity claims, if any) by Catalyst pursuant to the Asset Purchase Agreement, dated as of May 19, 2022, by and between Catalyst and Vertex Pharmaceuticals Incorporated. The contingent value rights are not transferable, except in certain limited circumstances as will be provided in the CVR Agreement, will not be certificated or evidenced by any instrument and will not be registered with the SEC or listed for trading on any exchange.

The foregoing description of the CVR Agreement does not purport to be complete and is qualified in its entirety by reference to the form of the CVR Agreement, which is provided as Exhibit A to the Business Combination Agreement, which is filed as Exhibit 2.2 to this Current Report on Form 8-K and incorporated herein by reference.

Item 2.01 Completion of Acquisition or Disposition of Assets.

On December 26, 2022, Catalyst completed its acquisition of the F351 Assets. The information contained in Item 1.01 of this Current Report on Form 8-K regarding the acquisition of the F351 Assets is incorporated by reference into this Item 2.01.

Item 3.02 Unregistered Sales of Equity Securities.

The information contained under "*F351 Asset Purchase Agreement*" in Item 1.01 of this Current Report on Form 8-K is incorporated by reference into this Item 3.02. The Catalyst F351 Securities were offered and sold in transactions exempt from registration under the Securities Act of 1933, as amended (the "Securities Act"), in reliance on Section 4(a)(2) thereof and/or Regulation D thereunder, in each case as transactions by an issuer not involving a public offering. Each of the Sellers is an "accredited investor," as defined in Regulation D, and is acquiring the Catalyst F351 Securities for investment only and not with a view towards, or for resale in connection with, the public sale or distribution thereof, and appropriate legends have been affixed to the Catalyst F351 Securities.

The Catalyst F351 Securities have not been registered under the Securities Act and such Catalyst F351 Securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act and any applicable state securities laws. Neither this Current Report on Form 8-K nor any of the exhibits attached hereto is an offer to sell or the solicitation of an offer to buy shares of Catalyst Common Stock or any other securities of Catalyst.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Resignation of Directors

On December 26, 2022, immediately prior to the F351 Effective Time, Errol B. De Souza, Ph.D., Jeanne Jew, Geoffrey Ling, M.D./Ph.D., Sharon Tetlow and Eddie Williams voluntarily resigned from Catalyst's Board of Directors (the "Board"). The resignations were made in connection with the consummation of the transactions contemplated by the F351 Agreement and were not due to any disagreement or dispute relating to Catalyst's operations, policies or practices.

Appointment of Directors

In accordance with the F351 Agreement, on December 26, 2022, effective as of the F351 Effective Time, the Board appointed Ying Luo, Ph.D. and Mr. Thomas Eastling to the Board as directors. Dr. Luo will serve as a Class I director with a term expiring at Catalyst's 2025 annual meeting of the stockholders and until such time as his successor is duly elected and qualified, or until his earlier death, resignation or removal. Mr. Eastling will serve as a Class III director with a term expiring at Catalyst's 2024 annual meeting of the stockholders and until such time as his successor is duly elected and qualified, or until his earlier death, resignation or removal.

The Board also appointed Ms. Andrea Hunt to serve as a Class II director with a term expiring at Catalyst's 2023 annual meeting of the stockholders and until such time as her successor is duly elected and qualified, or until her earlier death, resignation or removal. The Board appointed Nassim Usman, Ph.D. to serve as a Class III director with a term expiring at Catalyst's 2024 annual meeting of the stockholders and until such time as his successor is duly elected and qualified, or until his earlier death, resignation or removal. The Board appointed Mr. Augustine Lawlor to serve as a Class I director with a term expiring at Catalyst's 2025 annual meeting of the stockholders and until such time as his successor is duly elected and qualified, or until his earlier death, resignation or removal. The Board appointed immediately upon the closing of the F351 Asset Purchase Agreement, (i) Ms. Andrea Hunt as Chair and Mr. Augustine Lawlor and Dr. Ying Luo as members of the Governance and Nominating Committee of the Board, (ii) Mr. Augustine Lawlor as Chair and Ms. Andrea Hunt and Mr. Thomas Eastling as members of the Compensation Committee of the Board, and (iii) Mr. Augustine Lawlor as Chair and Ms. Andrea Hunt and Mr. Thomas Eastling as members of the Audit Committee of the Board.

Ying Luo, Ph.D. (Age 57). Dr. Luo has served as a director, representative executive officer, president and chief executive officer of GNI Japan since 2007, Chief Executive Officer of SG from 2001 to 2021, chairman of the board of BC since 2011, a director of the board of GNI Hong Kong since 2013, and chairman of the board and Chief Executive Officer of Cullgen, Inc. since 2018. Dr. Luo has also served as a director of board and President of GNI USA since 2015, a director of Berkeley Advanced Biomaterials LLC since 2017. Dr. Luo had been a postdoctoral fellow at the University of California at San Francisco studying HIV gene regulation from 1991 to 1992, a scientist at Aviron Company from 1992 to 1993, a scientist at Clontech Laboratories from 1993 to 1997 and senior scientist/director/senior director of genomics and target discovery of Rigel Inc. from 1997 to 2000, led research in the field of protein-protein interactions in cancer and inflammation signaling pathways. In his career, Dr. Luo has authored more than 37 research publications. Dr. Luo did his undergraduate education at Peking Union Medical College (Peking University's Premedicine) from 1982 to 1986 and received his doctorate in biomedical sciences from the University of Connecticut Health Center in 1991.

Thomas Eastling (Age 63). Mr. Eastling has served as a board member and Chief Financial Officer of Cullgen Inc. ("Cullgen"), a privately-held biotech firm in San Diego, since February 2018 and as an outside member of GNI Japan since April 2013 and executive committee member of GNI Japan since September 2013. He previously served as Chief Financial Officer of GNI Japan from 2013 to 2021. Mr. Eastling has more than nine years of experience serving as a public company board member, as well as positions on numerous private company boards. His career covers 35 years of experience in executive management, global finance, and mergers and acquisitions, with senior postings in New York, London, Tokyo and Hong Kong. Mr. Eastling started his career on Wall Street at Nikko Securities Co. International, Inc., where he worked from June 1983 to November 1999, rising to the position of Senior Vice President & General Manager of the Investment Banking and Syndicate Divisions. Mr. Eastling was the Company Representative in Japan for Duff & Phelps Credit Rating Co., which was acquired by Fitch Ratings, Inc. in 2021, from May 2000 to June 2001 and subsequently worked as Managing Director for Softbank Corp. from July 2001 to July 2003. In 2009 he relocated to Hong Kong with American Appraisal where he served as Director of the firm's Transaction Advisory Services in Asia from April 2008 to August 2013. He returned to Japan in 2013 to assume the position of Chief Financial Officer and Representative Executive Officer for GNI Japan from 2013 to 2021, relocating in 2021 to Cullgen's San Diego headquarters. Mr. Eastling has a bachelor's degree from the University of Southern California and a master's degree from the American Graduate School of International Management. He graduated from the Board Director Training Institute of Japan and is a member of the National Association of Corporate Directors.

Indemnification Agreements

In connection with their appointment as directors, each of Ying Luo, Ph.D. and Thomas Eastling entered into Catalyst's standard form of indemnification agreement, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Compensatory Arrangements of Certain Officers

As a result of Catalyst's previous sale of its complement-related assets to Vertex Pharmaceuticals for up to $60 million and the subsequent distribution of approximately $45 million to Catalyst stockholders in a special dividend, the Catalyst Compensation Committee has approved special bonuses to Nassim Usman, Catalyst's President and Chief Executive Officer, Seline Miller, Catalyst's interim Chief Financial Officer and Grant Blouse, Catalyst's Chief Scientific Officer, in the amounts of $861,750, $277,763 and $429,187, respectively. In addition, upon the distribution to Catalyst stockholders of additional cash and/or other consideration with an aggregate value of at least $10 million, as determined by the Compensation Committee, Dr. Usman, Ms. Miller, and Dr. Blouse will be eligible to receive additional cash bonus payments of $287,250, $92,588, and $143,062, respectively. These bonus payments are dependent only on the events noted in this paragraph and the applicable executive officer's service through January 15, 2023 or termination without cause prior to the applicable milestone date, whether or not any other transactions described in this Form 8-K are completed, and independent of any such transactions, or any other transactions or events. As a condition to receiving such bonuses, each of Dr. Usman, Ms. Miller and Dr. Blouse (i) must forego amounts they would be entitled to receive in connection with any severance related to a "change in control" and the value of any options granted in 2022 or that are unvested as of the payment date of the respective bonuses and (ii) execute a general release of claims. Such bonuses are expected to be paid in the first quarter of 2023.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Certificate of Designation

On December 27, 2022, Catalyst filed a Certificate of Designation of Preferences, Rights and Limitations of the Series X Catalyst Convertible Preferred Stock with the Secretary of State of the State of Delaware (the "Certificate of Designation") in connection with the F351 Agreement. The Certificate of Designation establishes the rights of the shares of Catalyst Convertible Preferred Stock, which is intended to have economic rights equivalent to the Catalyst Common Stock, but only limited voting rights.

Holders of Catalyst Convertible Preferred Stock are entitled to receive when, as and if dividends are declared and paid on the Catalyst Common Stock, an equivalent dividend (with the same dividend declaration date and payment date), calculated on an as-converted basis without regard to the Beneficial Ownership Limitation (as defined in the Certificate of Designation). Subject to stockholder approval of the Conversion Proposal, the Catalyst Convertible Preferred Stock is convertible into Catalyst Common Stock at a rate equal to $10,000 per share divided by the $1.00 (the "Conversion Ratio"). Except as otherwise required by the Delaware General Corporation Law or as provided below, the Catalyst Convertible Preferred Stock does not have voting rights. As long as any shares of Catalyst Convertible Preferred Stock are outstanding, in addition to any other requirement of the Delaware General Corporation Law, Catalyst will not, without the affirmative vote of the holders of a majority of the then outstanding shares of the Catalyst Convertible Preferred Stock, (i) alter or change adversely the powers, preferences or rights given to the Catalyst Convertible Preferred Stock or alter or amend the Certificate of Designation, amend or repeal any provision of or add any provision to, the Certificate of Incorporation or bylaws of Catalyst, or file any articles of amendment, certificate of designations, preferences, limitations and relative rights of any series of preferred stock of Catalyst, if such action would adversely alter or change the preferences, rights, privileges or powers of, or restrictions provided for the benefit of, the Catalyst Convertible Preferred Stock, regardless of whether any of the foregoing actions shall be by means of amendment to the Certificate of Incorporation or by merger, consolidation or otherwise, (ii) issue further shares of Catalyst Convertible Preferred Stock or increase or decrease (other than by conversion) the number of authorized shares of Catalyst Convertible Preferred Stock, or (iii) enter into any agreement with respect to any of the foregoing. Additionally, the approval of the holders of a majority of the Catalyst Convertible Preferred Stock is required for certain change of control transactions; provided, that this approval right will terminate upon stockholder approval of the Conversion Proposal or in the event that less than 30% of the originally issued Catalyst Convertible Preferred Stock remains issued and outstanding. The Catalyst Convertible Preferred Stock does not have a preference upon any liquidation, dissolution or winding-up of Catalyst.

If, at any time after the earlier of receipt of stockholder approval of the Conversion Proposal or six months after the initial issuance of the Catalyst Convertible Preferred Stock, the Company fails to deliver to a holder shares of Catalyst Common Stock on or prior to the third (3rd) Trading Day after the date applicable to such conversion, then, the Company shall pay an amount equal to the Fair Value (as defined in the Certificate of Designation) of such undelivered shares of Catalyst Common Stock.

Following stockholder approval of the Conversion Proposal, at any time and from time to time after 5:00 p.m. (New York City time) on the second business day after the date on which such stockholder approval is received, each holder of Catalyst Convertible Preferred Stock, each holder of Catalyst Convertible Preferred Stock may, at its option, effect conversions of shares of Catalyst Convertible Preferred Stock into a number of shares of Catalyst Common Stock equal to the Conversion Ratio, subject to certain beneficial ownership limitations, including that a holder of Catalyst Convertible Preferred Stock is prohibited from converting shares of Catalyst Convertible Preferred Stock into shares of Catalyst Common Stock if, as a result of such conversion, such holder, together with its affiliates, would beneficially own more than a specified percentage (to be initially set at 9.99% and thereafter adjusted by the holder to a number between 4.99% and 19.99%) of the total number of shares of Catalyst Common Stock issued and outstanding immediately after giving effect to such conversion.

The foregoing description of the Catalyst Convertible Preferred Stock does not purport to be complete and is qualified in its entirety by reference to the Certificate of Designation, a copy of which is filed as Exhibit 3.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Bylaw Amendment

On December 22, 2022, the Board approved an amendment to the Company's Amended and Restated Bylaws (the "Bylaws"), effective immediately. The amendment modified the provisions for determining the presence of a quorum at all meetings of stockholders to provide that the presence, in person or by proxy, of the holders of at least one-third of all issued and outstanding shares of common stock entitled to vote at the meeting will constitute a quorum at all meetings of the stockholders for the transaction of business. Prior to the amendment, the presence, in person or by proxy, of the holders of a majority of the outstanding shares of stock entitled to vote would constitute a quorum for the transaction of business.

The foregoing brief description of the Company's amended Bylaws is qualified in its entirety by the full text of the Bylaws, as amended, filed as Exhibit 3.2 hereto and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On December 27, 2022, Catalyst issued a press release announcing, among other things, the Contributions and the transactions effectuated by the F351 Agreement and Catalyst made available a presentation to investors discussing the Contributions. Copies of the press release and the presentation are furnished as Exhibit 99.1 and Exhibit 99.2 to this Current Report on Form 8-K.

The information in Item 7.01 of this Current Report on Form 8-K, including the information in the press release and the presentation attached as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K, is furnished pursuant to Item 7.01 of Form 8-K and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section. Furthermore, the information in Item 7.01 of this Current Report on Form 8-K, including the information in the press release and presentation attached as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report on Form 8-K, shall not be deemed to be incorporated by reference in the filings of Catalyst under the Securities Act.

Item 8.01 Other Events

On December 27, 2022, Catalyst announced in a press release that the Board has approved the payment of a special dividend to its stockholders. The dividend of $0.24 per share of common stock, or approximately $7.5 million in the aggregate, will be paid on January 12, 2023 to stockholders of record on the close of business on the Record Date. Future regular or special dividends will be subject to Board approval. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K.

Forward-Looking Statements

This Current Report on Form 8-K and the exhibits furnished herewith contain forward-looking statements based upon Catalyst's current expectations. Forward-looking statements involve risks and uncertainties and include, but are not limited to, statements about the structure, timing and completion of the Contributions; the listing of the combined company on Nasdaq after the closing of the proposed Contributions; expectations regarding the ownership structure of the combined company after the closing of the proposed Contributions; the expected executive officers and directors of the combined company; and other statements that are not historical facts. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation: (i) the risk that the conditions to the closing of the Contributions are not satisfied, including the failure to timely obtain stockholder approval for the transactions contemplated by the Business Combination Agreement, if at all, and Nasdaq's approval of the listing of the shares of Catalyst Common Stock to be issued in connection with the Contributions; (ii) uncertainties as to the timing of the consummation of the proposed transactions contemplated by the Business Combination Agreement and the ability of each of Catalyst, the Contributors, the Minority Holders and CPI to consummate the proposed Contributions, as applicable; (iii) risks related to Catalyst's ability to manage its operating expenses and expenses associated with the proposed transactions contemplated by the Business Combination Agreement; (iv) risks related to the failure or delay in obtaining required approvals from any governmental or quasi-governmental entity necessary to consummate the proposed transactions contemplated by the Business Combination Agreement; (v) unexpected costs, charges or expenses resulting from the purchase of the F351 Assets or the Contributions; (vi) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the Contributions or the purchase of the F351 Assets; (vii) risks related to the inability of the combined company to obtain sufficient additional capital to continue to advance the product candidates and preclinical programs of Catalyst; and (viii) risks associated with the possible failure to realize certain anticipated benefits of the Contributions or the purchase of the F351 Assets, including with respect to future financial and operating results. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties. These and other risks and uncertainties are more fully described in periodic filings with the SEC, including the factors described in the section titled "Risk Factors" in Catalyst's Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 filed with the SEC, and in other filings that Catalyst makes and will make with the SEC in connection with the F351 Agreement and the proposed transactions contemplated by the Business Combination Agreement, including the proxy statement/prospectus described below under "Important Additional Information Will be Filed with the SEC." You should not place undue reliance on these forward-looking statements, which are made only as of the date hereof or as of the dates indicated in the forward-looking statements. Except as required by law, Catalyst expressly disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based.

No Offer or Solicitation

This Current Report on Form 8-K is not intended to be, and does not constitute, an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote in any jurisdiction pursuant to the proposed transactions or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, the public offer will not be made directly or indirectly, in or into any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, facsimile transmission, telephone and the internet) of interstate or foreign commerce, or any facility of a national securities exchange, of any such jurisdiction.

Important Additional Information Will be Filed with the SEC

In connection with the proposed transactions between Catalyst, the Contributors, the Minority Holders and CPI, Catalyst intends to file relevant materials with the SEC, including a registration statement on Form S-4 that will contain a proxy statement/prospectus. CATALYST URGES ITS INVESTORS AND STOCKHOLDERS TO READ THESE MATERIALS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT CATALYST, CPI, THE PROPOSED TRANSACTIONS AND RELATED MATTERS. Investors and stockholders will be able to obtain free copies of the proxy statement/prospectus and other documents filed by Catalyst with the SEC (when they become available) through the website maintained by the SEC at www.sec.gov. In addition, investors and stockholders will be able to obtain free copies of the proxy statement/prospectus and other documents filed by Catalyst with the SEC by contacting Catalyst Biosciences, Inc. at 611 Gateway Blvd. Suite 120, South San Francisco, California 94080. Investors and stockholders are urged to read the proxy statement/prospectus and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed transactions.

Participants in the Solicitation

Catalyst, the Contributors, the Minority Holders, the Entities, and CPI, and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in connection with the proposed transactions. Information about Catalyst's directors and executive officers is included in Catalyst's most recent Annual Report on Form 10-K, including any information incorporated therein by reference, as filed with the SEC, and the proxy statement for Catalyst's 2022 annual meeting of stockholders, filed with the SEC on July 19, 2022. Additional information regarding the persons who may be deemed participants in the solicitation of proxies will be included in the proxy statement/prospectus relating to the proposed transactions when it is filed with the SEC. These documents can be obtained free of charge from the sources indicated above.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit Number	Description
2.1* +	Asset Purchase Agreement, dated December 26, 2022, by and among Catalyst Biosciences, Inc., GNI Group Ltd., and GNI Hong Kong Limited
2.2*	Business Combination Agreement, dated December 26, 2022, by and among Catalyst Biosciences, Inc., GNI USA, Inc., GNI Group Ltd., GNI Hong Kong Limited, Shanghai Genomics, Inc., the individuals listed on Annex A thereto and Continent Pharmaceuticals Inc.
3.1	Certificate of Designation of Series X Convertible Preferred Stock
3.2	Amended and Restated Bylaws of Catalyst Biosciences, Inc.
10.1	Catalyst Biosciences, Inc. Form of Director Indemnification Agreement
99.1	Press Release of Catalyst Biosciences, Inc., dated December 27, 2022
99.2	Presentation for investor conference call held by Catalyst Biosciences, Inc. on December 27, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Exhibits and/or schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. Catalyst hereby undertakes to supplementally furnish copies of any of the omitted exhibits and schedules upon request by the SEC; provided, however, that Catalyst may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act for any exhibits or schedules so furnished.

(+) Certain portions of this exhibit (indicated by "[***]") have been omitted because they are both (i) not material and (ii) would be competitively harmful if publicly disclosed.

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 hereunto duly authorized.

CATALYST BIOSCIENCES, INC.

Date: December 27, 2022

By: /s/ Nassim Usman, PhD.
Nassim Usman, Ph.D.
President and Chief Executive Officer

Exhibit 2.1

Certain information identified by bracketed asterisks ([***]) has been omitted from this exhibit because it is both not material and would be competitively harmful if publicly disclosed.

ASSET PURCHASE AGREEMENT

by and among

CATALYST BIOSCIENCES, INC.,

as the Buyer,

and

GNI GROUP LTD.,

and

GNI HONG KONG LIMITED,

as the Sellers

Dated as of December 26, 2022

This document is not intended to create, nor will it be deemed to create, a legally binding or enforceable offer or agreement, acceptance of an offer or agreement of any type or nature, unless and until agreed to and executed by all parties hereto.

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement"), dated as of December 26, 2022, is by and among CATALYST BIOSCIENCES, INC., a Delaware corporation ("Buyer"), and GNI GROUP LTD., a company incorporated under the laws of Japan with limited liability, and GNI HONG KONG LIMITED, a company incorporated under the laws of Hong Kong with limited liability (each a "Seller" and together, the "Sellers").

RECITALS

WHEREAS, the Sellers own the Purchased Assets (defined below);

WHEREAS, the Sellers wish to sell to Buyer, and Buyer wishes to purchase from the Seller, the Purchased Assets, and in connection therewith Buyer is willing to assume certain liabilities and obligations of the Sellers relating thereto, all upon the terms and subject to the conditions set forth herein;

WHEREAS, substantially concurrently with the execution of this Agreement, the Buyer is entering into the BC Agreement;

WHEREAS, the board of directors of Buyer (the "Buyer Board") has (i) unanimously approved this Agreement and determined that the transactions contemplated hereby are advisable and in the best interests of the stockholders of Buyer and (ii) resolved to recommend that the stockholders of Buyer approve (A) the transactions contemplated by the BC Agreement (the "BC Transactions Proposal"), (B) the conversion of the Buyer Convertible Preferred Stock into shares of Buyer Common Stock in accordance with Nasdaq Listing Rule 5635 (the "Conversion Proposal"), and (C) if deemed necessary or appropriate by Buyer or as otherwise required by applicable Law or Contract, to authorize sufficient Buyer Common Stock in Buyer's certificate of incorporation for the conversion of the Buyer Convertible Preferred Stock and/or to effectuate a reverse stock split (collectively, the "Charter Amendment Proposal"), and (D) if deemed necessary or appropriate by the parties in order to effectuate the treatment of the Operating Company Options (as defined in the BC Agreement) as set forth in Section 1.5 of the BC Agreement or as otherwise required by applicable Law or Contract, an increase in the share reserve under Buyer's 2018 Omnibus Incentive Plan (the "Incentive Plan Proposal" and, together with the BC Transactions Proposal, the Conversion Proposal and the Charter Amendment Proposal, the "Buyer Stockholder Matters"); and

WHEREAS, Buyer and the Sellers each desire to make certain representations, warranties, covenants and agreements as specified herein.

AGREEMENT

NOW, THEREFORE, in consideration of the premises, and of the representations, warranties, covenants and agreements contained herein, and intending to be legally bound hereby, Buyer and the Sellers hereby agree as follows:

ARTICLE I
PURCHASE AND SALE

Section 1.1 Purchase and Sale of Assets. Upon the terms and subject to the conditions of this Agreement, at the Closing, the Sellers shall sell, assign, transfer, convey and deliver, or cause to be sold, assigned, transferred, conveyed and delivered, to Buyer, and Buyer, in reliance on the representations, warranties and covenants of the Sellers contained herein, shall purchase from the Sellers, all of the Sellers' right, title and interest, direct or indirect, in and to all assets, properties and rights of every nature, kind and description, whether tangible or intangible, real, personal or mixed, accrued or contingent (including goodwill) primarily related to the Compound or the Product, as the same shall exist on the Closing Date, other than the Excluded Assets (collectively, the "Purchased Assets"), in each case free and clear of any Encumbrances other than Permitted Encumbrances, including all of the Sellers' right, title and interest in and to the following:

(a) (i) all Patents that are owned by the Sellers as of the Effective Time that disclose or claim the composition of matter, manufacture or use of, or are otherwise related to (A) the Compound, (B) any compound that is structurally similar to, or is a derivative or analog of, the Compound, (C) any compound that is an agonist of the Compound, (D) [***] of any compound described in clause (A), (B) or (C), or (E) a pharmaceutical product containing or comprising any of the foregoing, including the Patents set forth on Schedule 1.1(a) and all Patent Families of such Patents (collectively, "Purchased Patents"); (ii) all legal rights entitled by the Sellers to collect royalties under such Purchased Patents, to prosecute all existing Purchased Patents worldwide, to apply for additional Purchased Patents worldwide and to have Purchased Patents assigned and issued in the name of Buyer; and (iii) all right, title and interest the Sellers have to sue for past, present and future infringement of the Purchased Patents, including without limitation all right, title and interest the Sellers have in and to all causes of action and enforcement rights, whether known, unknown, currently pending, filed, or otherwise, in respect of the Purchased Patents, and all rights to pursue damages, injunctive relief and other remedies for past, current and future infringement of the Purchased Patents;

(b) all Trade Secrets that are primarily related to the Compound or the Product ("Purchased Trade Secrets");

(c) all Regulatory Materials forth on Schedule 1.1(c);

(d) a copy of all Patent Files and all other technical books and records (including laboratory notebooks and electronic records) that are primarily related to the Purchased Patents, Purchased Trade Secrets, or Regulatory Materials; and

(e) the Contracts set forth on Schedule 1.1(e) (collectively, the "Purchased Contracts").

Section 1.2 Excluded Assets. The Sellers are not selling, and Buyer is not purchasing, any of the following assets of the Sellers, all of which shall be retained by the Sellers (collectively, the "Excluded Assets"):

(a) all assets of the Sellers or any of their Affiliates that are not Purchased Assets (including, for the avoidance of doubt, all Tax assets), including overpayments of Taxes, claims for refunds, prepaid amounts or credits of the Sellers or any of their Affiliates related to the Purchased Assets for any taxable period (or portion thereof) ending on or prior to the Closing Date, and any other Tax assets of the Sellers and their Affiliates for any taxable period;

(b) all rights of the Sellers under this Agreement and the Ancillary Agreements; and

(c) all Patents (and any associated rights, titles or interests), Trade Secrets, Regulatory Materials, Inventory, Patent Files and Contracts existing or held for use in the People's Republic of China.

Section 1.3 Assumed Liabilities. In connection with the purchase and sale of the Purchased Assets pursuant to this Agreement, subject to Section 4.2, at the Closing, Buyer shall assume and pay, discharge, perform or otherwise satisfy all liabilities accruing, arising out of or relating to ownership or use of the Purchased Assets from and after the Closing Date, whether known or unknown, express or implied, primarily or secondary, direct or indirect, absolute, accrued, contingent or otherwise and whether due or to become due, of Sellers arising out of, relating to or otherwise in respect of the Purchased Assets (the "Assumed Liabilities").

Section 1.4 Excluded Liabilities. Notwithstanding any other provision of this Agreement to the contrary, Buyer is not assuming and Sellers shall pay, perform or otherwise satisfy, all liabilities other than the Assumed Liabilities (the "Excluded Liabilities"), including any liability or obligation relating to an Excluded Asset.

Section 1.5 Consents and Waivers; Further Assurances.

(a) Nothing in this Agreement or the Ancillary Agreements shall be construed as an agreement to assign any Seller Contract, Permit, Right or other Purchased Asset that by its terms or pursuant to applicable Law is not capable of being sold, assigned, transferred or delivered without the consent or waiver of a third party or Governmental Authority unless and until such consent or waiver shall be given. The Sellers shall use their reasonable best efforts, and Buyer shall cooperate reasonably with the Sellers, to obtain such consents and waivers and to resolve the impediments to the sale, assignment, transfer or delivery contemplated by this Agreement or the Ancillary Agreements and to obtain any other consents and waivers necessary to convey to Buyer all of the Purchased Assets. If and when any such consents will be obtained after the consummation of the Closing, the Sellers will promptly assign their rights thereunder to Buyer without payment of consideration and Buyer will, without payment of any additional consideration, assume from and after the date of such assignment the obligations thereunder (but only the obligations of the Sellers thereunder arising exclusively from, and accruing exclusively with respect to, the period after the date of such assignment (other than obligations thereunder arising as a result of the breach thereof at or prior to such assignment)). In the event any such consents or waivers are not obtained prior to the Closing Date, the Sellers shall continue to use their reasonable best efforts to obtain the relevant consents or waivers until such consents or waivers are obtained, and the Sellers will cooperate with Buyer in any lawful and economically feasible arrangement to provide that Buyer shall receive the interest of the Sellers in the benefits under any such Seller Contract, Permit, Right or other Purchased Asset, including performance by the Sellers, if economically feasible, as agent; provided, that Buyer shall undertake to pay or satisfy the corresponding liabilities for the enjoyment of such benefit to the extent Buyer would have been responsible therefor hereunder if such consents or waivers had been obtained.

(b) From time to time, whether before, at or following the Closing, the Sellers and Buyer shall execute, acknowledge and deliver all such further conveyances, notices, assumptions and releases and such other instruments, and shall take such further actions, as may be necessary or appropriate to assure fully to Buyer all of the properties, rights, titles, interests, estates, remedies, powers and privileges intended to be conveyed to Buyer under this Agreement and the Ancillary Agreements and to assure fully to the Sellers the assumption of the liabilities and obligations intended to be assumed by Buyer pursuant to this Agreement and the Ancillary Agreements, and to otherwise make effective as promptly as practicable the transactions contemplated hereby and thereby.

Section 1.6 Consideration. In full consideration for the sale, assignment, transfer, conveyance and delivery of the Purchased Assets to Buyer, at the Closing, Buyer shall (a) pay to the Sellers an aggregate payment of $35,000,000 (the "Purchase Price") through the issuance of Buyer Common Stock and Buyer Convertible Preferred Stock to the Sellers as set forth below and (b) assume the Assumed Liabilities. No later than 21 days after the Closing Date, Buyer shall issue (or cause to be issued) an aggregate number of book-entry shares (or certificates, if requested) to the Sellers (as allocated between the Sellers on Schedule 1.6) as follows:

(a) 6,266,521 shares of common stock, par value $0.001 per share, of Buyer (the "Buyer Common Stock"); and

(b) 12,340 shares of Series X Convertible Preferred Stock, par value $0.001 per share, of Buyer (the "Buyer Convertible Preferred Stock").

Section 1.7 Closing.

(a) The sale and purchase of the Purchased Assets and the assumption of the Assumed Liabilities contemplated by this Agreement shall take place at a closing (the "Closing") on the date of this Agreement, or at such other date, time or place as agreed to in writing by Buyer and the Sellers, at the offices of Gibson, Dunn & Crutcher LLP, 555 Mission Street, San Francisco, CA 94105; provided, that the Closing may occur remotely via electronic exchange of required Closing documentation in lieu of an in-person Closing, and the parties shall cooperate in connection therewith. The date on which the Closing occurs is referred to in this Agreement as the "Closing Date." All transactions contemplated herein to occur on and as of the Closing Date shall be deemed to have occurred simultaneously and to be effective as of 12:01 a.m. on the Closing Date (the "Effective Time").

(b) At the Closing, the Sellers shall deliver or cause to be delivered to Buyer the following documents:

(i) a bill of sale for the Purchased Assets, in the form of Exhibit A (the "Bill of Sale"), duly executed by the Sellers;

(ii) an instrument of assignment of Purchased Intellectual Property, in the form of Exhibit B (the "Assignment of Intellectual Property"), duly executed by the Sellers;

(iii) certified resolutions of the Board of Directors of the Sellers authorizing the transactions contemplated by this Agreement and the Ancillary Agreements;

(iv) the Regulatory Materials;

(v) evidence, reasonably satisfactory to Buyer, as to the third party consents and waivers referred to in Schedule 1.7(b)(v); and

(vi) such other bills of sale, assignments and other instruments of assignment, transfer or conveyance, in form and substance reasonably satisfactory to Buyer, as Buyer may reasonably request or as may be otherwise necessary or desirable to evidence and effect the sale, assignment, transfer, conveyance and delivery of the Purchased Assets to Buyer and to put Buyer in actual possession or control of the Purchased Assets, duly executed by the Sellers.

(c) At the Closing, Buyer shall deliver or cause to be delivered to the Sellers the following documents:

(i) evidence that the shares of Buyer Common Stock issuable to the Sellers as provided for in this Article I shall have been approved for listing on the Nasdaq, subject to official notice of issuance and Section 1.6; and

(ii) certified resolutions of the Board of Directors of the Buyer authorizing the transactions contemplated by this Agreement and the Ancillary Agreements.

Section 1.8 Buyer Directors. The parties shall take all action necessary (including, to the extent necessary, procuring the resignation or removal of any directors on the Buyer Board immediately prior to the Effective Time) so that, as of immediately after the Effective Time, the number of directors that comprise the full Buyer Board shall be five (5), and such Board of Directors shall immediately after the Effective Time initially consist of the individuals listed in Schedule 1.8, who shall serve in such capacity in accordance with the terms of the governing documents of Buyer following the Closing.

Section 1.9 Withholding Rights. Buyer shall be entitled to deduct and withhold, or cause to be deducted and withheld, from any amount payable to the Sellers such amounts that are required to be deducted or withheld therefrom in respect of any U.S. federal, state, or local or non-U.S. tax Law; provided, however, that (i) Buyer shall not, absent a change in Law after the date hereof, deduct or withhold from any amount payable to Sellers in respect of any non-U.S. Tax Law and (ii) Buyer shall give notice to the applicable payee before effecting any such Tax withholding, and cooperate with the applicable payee to minimize any required deduction and withholding. To the extent such amounts are so deducted or withheld and remitted to the applicable Governmental Entity, such amounts shall be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid.

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF THE SELLERS

Except as set forth in the corresponding section or subsection of the disclosure letter delivered by the Sellers to Buyer immediately prior to the execution of this Agreement (the "Sellers Disclosure Letter") (it being agreed that the disclosure of any information in a particular section or subsection of the Sellers Disclosure Letter shall be deemed disclosure of such information with respect to any other section or subsection of this Agreement to which the relevance of such information is reasonably apparent), each Seller represents and warrants to Buyer as follows:

Section 2.1 Organization, Standing and Power. The Seller (i) is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization, (ii) has all requisite power and authority to own, lease and operate the Purchased Assets as now being conducted and (iii) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of the Purchased Assets makes such qualification or licensing necessary, except in the case of clause (iii), where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Seller Material Adverse Effect. For purposes of this Agreement, "Seller Material Adverse Effect" means any event, change, circumstance, occurrence, effect or state of facts that (A) is or would reasonably be expected to be materially adverse to the Purchased Assets, taken as a whole or (B) materially impairs the ability of the Seller to consummate any of the transactions contemplated by this Agreement and each Ancillary Agreements to which it will be a party; provided, however, that in the case of clause (A) only, Seller Material Adverse Effect shall not include any event, change, circumstance, occurrence, effect or state of facts to the extent resulting from (1) changes or conditions generally affecting the biopharmaceutical, or the economy or the financial, debt, banking, capital, credit or securities markets, in the United States, including effects on such industries, economy or markets resulting from any regulatory and political conditions or developments in general, (2) the outbreak or escalation of war or acts of terrorism or any natural disasters, acts of God or comparable events, epidemic, pandemic or disease outbreak (including the COVID-19 virus) or any worsening of the foregoing or any declaration of martial law, quarantine or similar directive, policy or guidance or Law or other action by any Governmental Entity in response thereto, (3) changes in Law (as defined below) or generally accepted accounting principles in the United States ("GAAP"), or the interpretation or enforcement thereof, (4) the public announcement of this Agreement, or (5) any specific action taken (or omitted to be taken) by the Seller at or with the express written consent of Buyer; provided, that, with respect to clauses (1), (2) and (3), the impact of such event, change, circumstance, occurrence, effect or state of facts is not disproportionately adverse to the Purchased Assets, taken as a whole, as compared to similarly-situated companies or businesses.

Section 2.2 Authority. The Seller has all necessary power and authority to execute, deliver and perform its obligations under this Agreement and each Ancillary Agreements to which it will be a party and to consummate the transactions contemplated hereby and thereby. The execution, delivery and performance by the Seller of this Agreement and each Ancillary Agreements to which it will be a party and the consummation by the Seller of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Seller and no other proceedings on the part of the Seller are necessary to approve this Agreement and each Ancillary Agreements to which it will be a party or to consummate the transactions contemplated hereby and thereby. This Agreement has been, and upon their execution each Ancillary Agreements to which the Seller will be a party have been, duly executed and delivered by the Seller and, assuming the due authorization, execution and delivery by each of the other parties hereto and thereto, this Agreement constitutes, and upon their execution each Ancillary Agreements to which the Seller is a party will constitute, valid and binding obligations of the Seller, enforceable against the Seller in accordance with their respective terms (except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity).

Section 2.3 No Conflict; Consents and Approvals.

(a) The execution, delivery and performance by the Seller of this Agreement and each Ancillary Agreements to which it will be a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not:

(i) conflict with or violate the certificate of incorporation or bylaws or equivalent organizational documents of the Seller;

(ii) conflict with or violate any federal, state, local or foreign law (including common law), statute, ordinance, rule, code, regulation, order, judgment, injunction, decree or other legally enforceable requirement ("Law") applicable to the Seller or any of the Purchased Assets or by which the Seller or any of the Purchased Assets may be bound or affected; or

(iii) result in any breach of, constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, require any consent of or notice to any Person pursuant to, give to others any right of termination, amendment, modification, acceleration or cancellation of, allow the imposition of any fees or penalties, require the offering or making of any payment or redemption, give rise to any increased, guaranteed, accelerated or additional rights or entitlements of any Person or otherwise adversely affect any rights of the Seller under, or result in the creation of any Encumbrance on any of the Purchased Assets pursuant to, any material bond, debenture, note, mortgage, indenture, guarantee, license, lease, purchase or sale order or other contract, commitment, agreement, instrument, obligation, arrangement, understanding, undertaking, Permit, concession or franchise, whether oral or written (each, including all amendments thereto, a "Contract") to which the Seller is a party or by which the Seller or the Purchased Assets may be bound or affected.

(b) No consent, approval, order or authorization of, or registration, declaration, filing with or notice to, any federal, state, local or foreign government or subdivision thereof or any other governmental, administrative, judicial, arbitral, legislative, executive, regulatory or self-regulatory authority, instrumentality, agency, commission or body (each, a "Governmental Entity") is required by or with respect to the Seller in connection with the execution, delivery and performance by the Seller of this Agreement and each Ancillary Agreements to which it will be a party or the consummation by the Seller of the transactions contemplated hereby or thereby or compliance with the provisions hereof or in order to prevent the termination of any right, privilege, license or qualification of or affecting the Purchased Assets, except for (i) the filing with the SEC of such reports under Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as may be required in connection with this Agreement and the transactions contemplated hereby, (ii) such other filings and reports as may be required pursuant to the applicable requirements of the Securities Act of 1933, as amended (the "Securities Act"), the Exchange Act and any other applicable state or federal securities, takeover and "blue sky" laws, and (iii) such other consents, approvals, orders, authorizations, registrations, declarations, filings or notices the failure of which to be obtained or made would not be material to the Seller.

Section 2.4 Purchased Assets.

(a) The Seller has good, valid, and marketable title to or a valid leasehold interest in the Purchased Assets it holds, free and clear of any Encumbrance, other than Permitted Encumbrances.

(b) The Purchased Assets constitute all of the assets of the Seller and of its Affiliates primarily related to the Compound and the Products, with the exception of those assets existing or held for use in the People's Republic of China.

(c) The delivery to the Buyer of the Bill of Sale and other instruments of assignment, conveyance and transfer pursuant to this Agreement and the Ancillary Agreements will transfer to the Buyer good, valid and marketable title to or a valid leasehold interest in all of the Purchased Assets, free and clear of any Encumbrance other than Permitted Encumbrances.

(d) The Seller has not marketed, commercialized, distributed, or sold any of the Products at any time prior to the Closing Date.

Section 2.5 Absence of Certain Changes or Events. During the past twelve (12) months and at the Closing Date: (a) there has not been any change, event or development or prospective change, event or development that, individually or in the aggregate, has had or is reasonably likely to have a Seller Material Adverse Effect on the Purchased Assets and (b) the Purchased Assets have not suffered any loss, damage, destruction or other casualty affecting any material properties or assets thereof or included therein, whether or not covered by insurance.

Section 2.6 Litigation. There is no action, suit, claim, arbitration, investigation, inquiry, grievance or other proceeding (each, an "Action") (or basis therefor) pending or, to the knowledge of the Seller, threatened in connection with the Purchased Assets or the Seller's ownership or operation thereof. There is no Action pending or, to the knowledge of the Seller, threatened seeking to prevent, hinder, modify, delay or challenge the transactions contemplated by this Agreement or the Ancillary Agreements. There is no outstanding order, writ, judgment, injunction, decree, determination or award of, or pending or, to the knowledge of the Seller, threatened investigation by any Governmental Authority relating to the Purchased Assets, the Seller's ownership or operation thereof or the transactions contemplated by this Agreement or the Ancillary Agreements. There is no Action by the Seller pending, or which the Seller has commenced preparations to initiate, against any other Person in connection with the Purchased Assets.

Section 2.7 Compliance with Laws; Permits.

(a) The Seller is and has been in compliance in all material respects with all Laws applicable to the Seller in connection with the ownership or use of the Purchased Assets. The Seller has not received during the past three (3) years a notice or other written communication from any Governmental Authority or any other Person that the Seller is not in compliance in all material respects with any such Laws.

(b) The Seller has in effect all material permits, licenses, variances, exemptions, applications, approvals, clearances, authorizations, registrations, formulary listings, consents, operating certificates, franchises, orders and approvals (collectively, "Permits") of all Governmental Entities necessary or advisable for it to own, lease or operate the Purchased Assets in all material respects as now conducted. The Seller is and has been in compliance in all material respects with all such Permits. No suspension, cancellation, modification, revocation or nonrenewal of any Permit is pending or, to the knowledge of the Seller, threatened. All Permits may be transferred in accordance with applicable Law and assigned to Buyer.

Section 2.8 Health Care Regulatory Matters.

(a) The Seller, and to the knowledge of the Seller, each of its directors, officers, management employees, agents (while acting in such capacity), contract manufacturers, suppliers, and distributors are, and at all times prior hereto were, in material compliance with all Health Care Laws to the extent applicable to the Seller or any of its products or activities, including, but not limited to, the following: the Federal Food, Drug & Cosmetic Act ("FDCA"); the Public Health Service Act (42 U.S.C. § 201 et seq.), including the Clinical Laboratory Improvement Amendments of 1988 (42 U.S.C. § 263a); the Federal Trade Commission Act (15 U.S.C. § 41 et seq.); the Controlled Substances Act (21 U.S.C. § 801 et seq.); the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)); the civil monetary penalties law (42 U.S.C. § 1320a-7a); the civil False Claims Act (31 U.S.C. § 3729 et seq.); the administrative False Claims Law (42 U.S.C. § 1320a-7b(a)); the Stark law (42 U.S.C. § 1395nn); the Criminal Health Care Fraud Statute (18 U.S.C. § 1347); the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.), as amended by the Health Information Technology for Economic and Clinical Health Act (42 U.S.C. § 17921 et seq.); the exclusion laws (42 U.S.C. § 1320a-7); Medicare (Title XVIII of the Social Security Act); Medicaid (Title XIX of the Social Security Act); and the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010 (42 U.S.C. § 18001 et seq.); any regulations promulgated pursuant to such Laws; and any other state, federal or ex-U.S. Laws, accreditation standards, or regulations governing the manufacturing, development, testing, labeling, advertising, marketing or distribution of biological or drug products, kickbacks, patient or program charges, record-keeping, claims process, documentation requirements, medical necessity, referrals, the hiring of employees or acquisition of services or supplies from those who have been excluded from government health care programs, quality, safety, privacy, security, licensure, accreditation or any other aspect of providing health care, clinical laboratory or diagnostic products or services ("Health Care Laws"). To the knowledge of the Seller, there are no facts or circumstances that reasonably would be expected to give rise to any material liability under any Health Care Laws.

(b) The Seller is not party to any corporate integrity agreements, monitoring agreements, consent decrees, settlement orders, or similar agreements with or imposed by any Governmental Entity.

(c) All applications, notifications, submissions, information, claims, reports and statistical analyses, and other data and conclusions derived therefrom, utilized as the basis for or submitted in connection with any and all requests for a Permit from the U.S. Food and Drug Administration ("FDA") or other Governmental Entity relating to products that are regulated as drugs, medical devices, or other healthcare products under Health Care Laws, including biological and drug candidates, compounds or products being researched, tested, stored, developed, labeled, manufactured, packed and/or distributed by the Seller ("Seller Products"), including, without limitation, INDs, when submitted to the FDA or other Governmental Entity were true, complete and correct in all material respects as of the date of submission and any necessary or required updates, changes, corrections or modification to such applications, submissions, information and data have been submitted to the FDA or other Governmental Entity. The Seller does not have knowledge of any facts or circumstances that would be reasonably likely to lead to the revocation, suspension, limitation, or cancellation of a Permit required under Health Care Laws.

(d) All preclinical studies and clinical trials conducted by or, to the knowledge of the Seller, on behalf of the Seller have been, and if still pending are being, conducted in material compliance with research protocols and all applicable Health Care Laws, including, but not limited to, the FDCA and its applicable implementing regulations at 21 C.F.R. Parts 50, 54, 56, 58, 312 and 314. No clinical trial conducted by or on behalf of the Seller has been conducted using any clinical investigators who have been disqualified, debarred or excluded from healthcare programs. No clinical trial conducted by or on behalf of the Seller has been terminated or suspended prior to completion, and no clinical investigator who has participated or is participating in, or institutional review board that has or has had jurisdiction over, a clinical trial conducted by or on behalf of the Seller has placed a partial or full clinical hold order on, or otherwise terminated, delayed or suspended, such a clinical trial at a clinical research site based on an actual or alleged lack of safety or efficacy of any Seller Product or a failure to conduct such clinical trial in compliance with applicable Health Care Laws, their implementing regulations and good clinical practices. The Seller has not identified or received notice of instances or allegations of research misconduct (defined as falsification or fabrication of data, or plagiarism, as those terms are defined in 42 C.F.R. Part 93) involving research conducted by, or on behalf of the Seller, that could compromise or affect the integrity, reliability, completeness, or accuracy of the data collected in such research, or the rights, safety, or welfare of the research subjects.

(e) All manufacturing operations conducted by or, to the knowledge of the Seller, for the benefit of the Seller have been and are being conducted in material compliance with all Permits under applicable Health Care Laws, all applicable provisions of the FDA's current good manufacturing practice (cGMP) regulations for biological products at 21 C.F.R. Parts 600 and 610 and for drug products at 21 C.F.R. Parts 210-212 and all comparable foreign regulatory requirements of any Governmental Entity.

(f) The Seller has not received any written communication that relates to an alleged violation or noncompliance with any Health Care Laws, including any notification of any pending or threatened claim, suit, proceeding, hearing, enforcement, investigation, arbitration, import detention or refusal, FDA Warning Letter or Untitled Letter, or any action by a Governmental Entity relating to any Health Care Laws. All Warning Letters, Form-483 observations, or comparable findings from other Governmental Entities listed in Section 2.8 of the Seller Disclosure Letter have been resolved and closed out to the satisfaction of the applicable Governmental Entity.

(g) There have been no seizures, withdrawals, recalls, detentions, or suspensions of manufacturing, testing, or distribution relating to the Seller Products required or requested by a Governmental Entity, or other notice of action relating to an alleged lack of safety, efficacy, or regulatory compliance of the Seller Products, or any adverse experiences relating to the Seller Products that have been reported to FDA or other Governmental Entity ("Seller Safety Notices"), and, to the knowledge of the Seller, there are no facts or circumstances that reasonably would be expected to give rise to a Seller Safety Notice.

(h) There are no unresolved Seller Safety Notices, and to the knowledge of the Seller, there are no facts that would be reasonably likely to result in a material Seller Safety Notice or a termination or suspension of developing and testing of any of the Seller Products.

(i) Neither the Seller, nor, to the knowledge of the Seller, any officer, employee, agent, or distributor of the Seller has made an untrue statement of a material fact or fraudulent or misleading statement to a Governmental Entity, failed to disclose a material fact required to be disclosed to a Governmental Entity, or committed an act, made a statement, or failed to make a statement that would reasonably be expected to provide a basis for the FDA to invoke its policy respecting the "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" Final Policy set forth in 56 Fed. Reg. 46191 (September 10, 1991) and any amendments thereto (the "FDA Ethics Policy"). To the knowledge of the Seller, none of the aforementioned is or has been under investigation resulting from any allegedly untrue, fraudulent, misleading, or false statement or omission, including data fraud, or had any action pending or threatened relating to the FDA Ethics Policy.

(j) All reports, documents, claims, Permits and notices required to be filed, maintained or furnished to the FDA or any Governmental Entity by the Seller have been so filed, maintained or furnished, except where failure to file, maintain or furnish such reports, documents, claims, Permits or notices has not had and would not reasonably be expected to have, individually or in the aggregate, a Seller Material Adverse Effect. All such reports, documents, claims, Permits and notices were true and complete in all material respects on the date filed (or were corrected in or supplemented by a subsequent filing).

(k) Neither the Seller nor, to the knowledge of the Seller, any officer, employee, agent, or distributor of the Seller has committed any act, made any statement or failed to make any statement that violates the Federal Anti-Kickback Statute, 28 U.S.C. § 1320a-7b, the Federal False Claims Act, 31 U.S.C. § 3729, other drug or Health Care Laws, or any other similar federal, state, or ex-U.S. Law applicable in the jurisdictions in which the Seller Products are sold or intended to be sold.

(l) Neither the Seller nor, to the knowledge of the Seller, any officer, employee, agent, or distributor of the Seller has been convicted of any crime or engaged in any conduct that has resulted, or would reasonably be expected to result, in debarment under applicable Law, including, without limitation, 21 U.S.C. § 335a, or exclusion under 42 U.S.C. § 1320a-7, or any other statutory provision or similar law applicable in other jurisdictions in which the Seller Products are sold or intended to be sold. Neither the Seller nor, to the knowledge of the Seller, any officer, employee, agent or distributor of the Seller, has been excluded from participation in any federal health care program or convicted of any crime or engaged in any conduct for which such Person could be excluded from participating in any federal health care program under Section 1128 of the Social Security Act of 1935, as amended, or any similar Health Care Law or program.

Section 2.9 Taxes.

(a) The Seller has timely filed all Tax Returns required to be filed with respect to the Purchased Assets it holds (taking into account any extension of time to file), and each such Tax Return has been prepared in compliance with all applicable Laws and regulations and is true, correct and complete in all material respects.

(b) All material Taxes due and payable with respect to the Purchased Assets (in each case whether or not shown on any Tax Return) have been timely paid in full.

(c) There are no Encumbrances for Taxes on any of the Purchased Assets, other than Permitted Encumbrances.

(d) No Action, suit, proceeding or audit or any notice of inquiry of any of the foregoing is pending against or with respect to the Purchased Assets regarding Taxes, and, to the knowledge of the Seller, no action, suit, proceeding or audit has been threatened against or with respect to the Purchased Assets regarding Taxes.

(e) The Seller has not executed any waiver of any statute of limitations on, or extended the period for the assessment or collection of, any Taxes on or with respect to the Purchased Assets.

(f) No deficiencies for a material amount of Taxes have been claimed, proposed, assessed or asserted in writing with respect to the Purchased Assets by a Governmental Entity, other than any such claim, proposal, assessment, or assertion that has been satisfied by payment in full, settled or withdrawn.

(g) No private-letter rulings, technical advice memoranda, or similar material written agreements with, or rulings from, a taxing authority have been requested in writing, entered into, or issued by any taxing authority specifically with respect to the taxation of the Purchased Assets which rulings will remain in effect after the Closing.

(h) The Seller has not made an election on IRS Form 8832 to be treated as other than a C corporation for U.S. federal income tax purposes.

Section 2.10 Contracts.

(a) As of the date of this Agreement, no Purchased Contracts would constitute a “material contract” (as such term is defined in Item 601(b)(10) of Regulation S-K under the Securities Act) of Buyer.

(b) (i) Each Purchased Contract is valid and binding on the Seller and to the knowledge of the Seller, each other party thereto, and is in full force and effect and enforceable in accordance with its terms; (ii) the Seller, and, to the knowledge of the Seller, each other party thereto, has performed all material obligations required to be performed by it under each Purchased Contract; and (iii) there is no material default under any Purchased Contract by the Seller or, to the knowledge of the Seller, any other party thereto, and no event or condition has occurred that constitutes, or, after notice or lapse of time or both, would constitute, a material default on the part of the Seller or, to the knowledge of the Seller, any other party thereto under any such Purchased Contract, nor has the Seller received any notice of any such material default, event or condition. The Seller has made available to Buyer true and complete copies of all Purchased Contracts, including all amendments thereto.

Section 2.11 Intellectual Property.

(a) Section 2.11 of the Sellers Disclosure Letter sets forth a true and complete list of all registered Marks, Patents and registered Copyrights included in the Purchased Intellectual Property (the "Seller Registered IP"). Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Seller Material Adverse Effect, (i) all of the Seller Registered IP is subsisting and, in the case of any Seller Registered IP that is registered or issued and to the knowledge of the Seller, valid and enforceable and (i) no Seller Registered IP is involved in any interference, reissue, derivation, reexamination, opposition, cancellation, or similar proceeding and, to the knowledge of the Seller, no such action is threatened with respect to any of the Seller Registered IP.

(b) Except as would not be material, the Seller owns, licenses or otherwise has the right to use, free and clear of all Encumbrances except for Permitted Encumbrances, all of the Purchased Intellectual Property.

(c) The Seller has not received any notice or claim challenging its ownership of any of the material Purchased Intellectual Property, nor to the knowledge of the Seller is there a reasonable basis for any claim that it does not so own any of such Purchased Intellectual Property.

(d) The Seller has taken commercially reasonable steps to protect its rights in the material Purchased Trade Secrets and to protect and maintain the confidentiality thereof. No present or former employee, consultant or contractor of the Seller owns any right, title or interest in or to any material Purchased Intellectual Property.

(e) Except as would not be material, all registered Marks, issued Patents and registered Copyrights identified on Section 2.11 of the Sellers Disclosure Letter ("Purchased Registered IP") are valid and subsisting and, to the knowledge of the Seller, enforceable, and the Seller has not received any written notice or claim challenging the validity or enforceability of any Purchased Registered IP or alleging any misuse of such Purchased Registered IP.

(f) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Seller Material Adverse Effect, (i) to the knowledge of the Seller, the manufacture, marketing, offering for sale, sale, importation, use or intended use or other disposal of any Product, has not infringed, misappropriated or diluted, and does not infringe, misappropriate or dilute, any Intellectual Property of any Person, (ii) the Seller has not in the past three (3) years received any written notice or claim asserting or suggesting that any such infringement, misappropriation, or dilution is or may be occurring or has or may have occurred, and (iii) to the knowledge of the Seller, no Person is infringing, misappropriating, or diluting in any material respect any Company Registered IP.

(g) The Seller has not transferred ownership of, or granted any exclusive license with respect to, any material Purchased Intellectual Property. Upon the consummation of the Closing, the Buyer shall succeed to all of the Seller's rights and interest in or under all material Purchased Intellectual Property.

(h) Except as would not be material, the Seller (i) takes reasonable measures, directly or indirectly, designed to ensure the confidentiality, privacy and security of customer, employee and other confidential information in connection with the Purchased Assets and (ii) complies and has complied in all material respects with applicable data protection, privacy and similar Laws, directives and codes of practice in any jurisdiction relating to any data processed by the Seller.

Section 2.12 Brokers. No broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Sellers or any of their Affiliates.

Section 2.13 No Other Representations or Warranties. Except for the representations and warranties contained in Article III, the Seller acknowledges and agrees that none of Buyer or any other Person on behalf of Buyer makes any other express or implied representation or warranty whatsoever, and specifically (but without limiting the generality of the foregoing) that none of Buyer, its Subsidiaries or any other Person on behalf of Buyer makes any representation or warranty with respect to any projections or forecasts delivered or made available to the Seller or any of its Representatives of future revenues, results of operations (or any component thereof), cash flows or financial condition (or any component thereof) of Buyer (including any such projections or forecasts made available to the Seller and Representatives in certain "data rooms" or management presentations in expectation of the transactions contemplated by this Agreement and the Ancillary Agreements), and the Seller has not relied on any such information or any representation or warranty not set forth in Article III.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF BUYER

Except (a) as disclosed in the Buyer SEC Documents at least two (2) Business Days prior to the date of this Agreement and that is reasonably apparent on the face of such disclosure to be applicable to the representation and warranty set forth herein (other than any disclosures contained or referenced therein under the captions "Risk Factors," "Forward-Looking Statements," "Quantitative and Qualitative Disclosures About Market Risk," and any other disclosures contained or referenced therein of information, factors, or risks that are predictive, cautionary, or forward-looking in nature); or (b) as set forth in the corresponding section or subsection of the disclosure letter delivered by Buyer to the Sellers immediately prior to the execution of this Agreement (the "Buyer Disclosure Letter") (it being agreed that the disclosure of any information in a particular section or subsection of the Buyer Disclosure Letter shall be deemed disclosure of such information with respect to any other section or subsection of this Agreement to which the relevance of such information is readily apparent on its face), Buyer represents and warrants to the Sellers as follows:

Section 3.1 Organization, Standing and Power.

(a) Buyer is a corporation duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation. Buyer (i) has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted and (ii) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties makes such qualification or licensing necessary, except in the case of clause (ii), where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Buyer Material Adverse Effect. For purposes of this Agreement, "Buyer Material Adverse Effect" means any event, change, circumstance, occurrence, effect or state of facts that (A) is or would reasonably be expected to be materially adverse to the business, assets, liabilities, financial condition, or results of operations of Buyer and its Subsidiaries, taken as a whole, or (B) materially impairs the ability of Buyer to consummate the transactions contemplated by this Agreement and each Ancillary Agreements to which it will be a party; provided, however, that in the case of clause (A) only, Buyer Material Adverse Effect shall not include any event, change, circumstance, occurrence, effect or state of facts to the extent resulting from (1) changes or conditions generally affecting the industries in which Buyer and its Subsidiaries operate, or the economy or the financial, debt, banking, capital, credit or securities markets, in the United States, including effects on such industries, economy or markets resulting from any regulatory and political conditions or developments in general, (2) the outbreak or escalation of war or acts of terrorism or any natural disasters, acts of God or comparable events, epidemic, pandemic or disease outbreak (including the COVID-19 virus) or any worsening of the foregoing or any declaration of martial law, quarantine or similar directive, policy or guidance or Law or other action by any Governmental Entity in response thereto, (3) changes in Law or GAAP, or the interpretation or enforcement thereof, (4) the public announcement of this Agreement, or (5) any specific action taken (or omitted to be taken) by Buyer at or with the express written consent of the Sellers; provided, that, with respect to clauses (1), (2) and (3), the impact of such event, change, circumstance, occurrence, effect or state of facts is not disproportionately adverse to Buyer and its Subsidiaries, taken as a whole, as compared to other participants in the industries in which Buyer and its Subsidiaries operate.

(b) Buyer has previously made available to the Sellers true and complete copies of its certificate of incorporation and bylaws, and the certificate of incorporation and bylaws (or comparable organizational documents) of each Subsidiary of Buyer, in each case, as amended to the date of this Agreement, and each as so delivered is in full force and effect. Buyer is not in violation of any provision of its certificate of incorporation or bylaws. Except with respect to the extent relating to the transactions contemplated by this Agreement and the Ancillary Agreements or in draft form and except as may be redacted to preserve a privilege (including attorney-client privilege), Buyer has made available to the Sellers true and complete copies of the minutes of all meetings (including any actions taken by written consent) of Buyer's stockholders, the Buyer Board and each committee of the Buyer Board held since January 1, 2020.

Section 3.2 Capital Stock.

(a) The authorized capital stock of Buyer consists of 100,000,000 shares of Buyer Common Stock and 5,000,000 shares of Buyer Convertible Preferred Stock. As of the close of business on September 30, 2022 (the "Measurement Date"), (i) 31,490,053 shares of Buyer Common Stock (excluding treasury shares) were issued and outstanding, (ii) no shares of Buyer Common Stock were held by Buyer in its treasury, (iii) no shares of Buyer Convertible Preferred Stock were issued and outstanding, (iv) no shares of Buyer Convertible Preferred Stock were held by Buyer in its treasury, (v) 21,172,695 shares of Buyer Common Stock were reserved for issuance pursuant to Buyer's 2018 Omnibus Incentive Plan, the Catalyst 2004 Plan Residual, the Catalyst 2015 Stock Incentive Plan and the Targacept 2006 Plan (of which 8,906,711 shares were subject to outstanding options to purchase shares of Buyer Common Stock (the "Buyer Options")), (vi) 359,545 shares of Buyer Common Stock were reserved for issuance pursuant to Buyer's 2018 Employee Stock Purchase Plan and (vii) no shares of Buyer Common Stock were reserved for issuance upon the exercise or conversion of warrants. Except as set forth above in this Section 3.2(a), neither Buyer nor any of its Subsidiaries has outstanding any bonds, debentures, notes or other obligations having the right to vote (or convertible into, or exchangeable or exercisable for, securities having the right to vote) with the stockholders of Buyer or such Subsidiary on any matter. Except as set forth above in this Section 3.2(a) and except for changes since the close of business on the Measurement Date resulting from the exercise of any Buyer Options as described above, as of the Measurement Date, there are no outstanding (A) shares of capital stock or other voting securities or equity interests of Buyer, (B) securities of Buyer or any of its Subsidiaries convertible into or exchangeable or exercisable for shares of capital stock of Buyer or other voting securities or equity interests of Buyer or its Subsidiaries, (C) stock appreciation rights, "phantom" stock rights, performance units, interests in or rights to the ownership or earnings of Buyer or its Subsidiaries or other equity-equivalent or equity-based awards or rights, (D) subscriptions, options, warrants, calls, commitments, Contracts or other rights to acquire from Buyer or its Subsidiaries, or obligations of Buyer or any of its Subsidiaries to issue, any shares of capital stock of Buyer or any of its Subsidiaries, voting securities, equity interests or securities convertible into or exchangeable or exercisable for capital stock or other voting securities or equity interests of Buyer or its Subsidiaries or rights or interests described in the preceding clause (C), or (E) obligations of Buyer or any of its Subsidiaries to repurchase, redeem or otherwise acquire any such securities or to issue, grant, deliver or sell, or cause to be issued, granted, delivered or sold, any such securities.

(b) Section 3.2(b) of the Buyer Disclosure Letter sets forth a true and complete list of all holders of rights to purchase or receive shares of Buyer Common Stock or similar rights (collectively, "Buyer Stock Awards"), indicating as applicable, with respect to each Buyer Stock Award then outstanding, the type of award, the number of shares of Buyer Common Stock subject to such Buyer Stock Award, the name of the plan under which such Buyer Stock Award was granted, the date of grant, exercise or purchase price, vesting schedule, payment schedule (if different from the vesting schedule) and expiration thereof, and whether (and to what extent) the vesting of such Buyer Stock Award will be accelerated or otherwise adjusted in any way or any other terms will be triggered or otherwise adjusted in any way by the consummation of the transactions contemplated by this Agreement and the Ancillary Agreements or by the termination of employment or engagement or change in position of any holder thereof following or in connection with the transactions contemplated by this Agreement and the Ancillary Agreements. Each Buyer Option was granted with a per share exercise price that is no less than the fair market value of a share of Buyer Common Stock on the date such Buyer Option was granted and is exempt from the requirements of Section 409A of the Code. Buyer has made available to the Sellers a true and complete copy of the forms of all award agreements evidencing outstanding Buyer Stock Awards.

(c) The shares of Buyer Capital Stock to be issued pursuant to this Agreement will be duly authorized, validly issued, fully paid and nonassessable and not subject to any preemptive rights.

(d) To the knowledge of Buyer as of the date of this Agreement and as of the Closing, no "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Securities Act (a "Disqualifying Event") is applicable to Buyer or, to Buyer's knowledge, any Covered Person, except for a Disqualifying Event as to which Rule 506(d)(2)(ii-iv) or (d)(3) of the Securities Act is applicable. "Covered Person" means, with respect to Buyer as an "issuer" for purposes of Rule 506 promulgated under the Securities Act, any person listed in the first paragraph of Rule 506(d)(1).

Section 3.3 Subsidiaries. Section 3.3 of the Buyer Disclosure Letter sets forth a true and complete list of each Subsidiary of Buyer, including its jurisdiction of incorporation or formation. Each of Buyer's Subsidiaries (i) is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization, (ii) has all requisite corporate or similar power and authority to own, lease and operate its properties and to carry on its business as now being conducted and (iii) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties makes such qualification or licensing necessary, except in the case of clause (iii), where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Buyer Material Adverse Effect. All outstanding shares of capital stock and other voting securities or equity interests of each such Subsidiary are owned, directly or indirectly, by Buyer, free and clear of all Encumbrances other than Permitted Encumbrances. Except for the capital stock of, or other equity or voting interests in, its Subsidiaries, Buyer does not own, directly or indirectly, any equity, membership interest, partnership interest, joint venture interest, or other equity or voting interest in, or any interest convertible into, exercisable or exchangeable for any of the foregoing, nor is it under any current or prospective obligation to form or participate in, provide funds to, make any loan, capital contribution, guarantee, credit enhancement or other investment in, or assume any liability or obligation of, any Person.

Section 3.4 Authority.

(a) Buyer has all necessary power and authority to execute, deliver and perform its obligations under this Agreement and each Ancillary Agreements to which it will be a party and to consummate the transactions contemplated hereby and thereby, including the issuance of the shares of Buyer Capital Stock to the Sellers in satisfaction of the Purchase Price (the "Buyer Capital Stock Issuance"). The execution, delivery and performance of this Agreement and each Ancillary Agreements to which it will be a party by Buyer and the consummation by Buyer of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of Buyer and no other corporate proceedings on the part of Buyer are necessary to approve this Agreement and the Ancillary Agreements or to consummate the transactions contemplated hereby and thereby, subject, in the case of the Buyer Stockholder Matters, to the approval by the holders of Buyer Common Stock in accordance with requirements of applicable Law and Nasdaq rules and regulations (the "Buyer Stockholder Approval"). This Agreement has been, and the Ancillary Agreements to which Buyer will be a party will have been, duly executed and delivered by Buyer and, assuming the due authorization, execution and delivery by each of the other parties hereto and thereto, constitutes, and upon their execution each Ancillary Agreements to which Buyer will be a party will constitute, a valid and binding obligation of Buyer, enforceable against Buyer in accordance with their respective terms (except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity).

(b) The Buyer Board, at a meeting duly called and held at which all directors of Buyer were present, duly adopted resolutions (i) determining that the terms of this Agreement, the Ancillary Agreements to which Buyer will be a party, and the transactions contemplated hereby and thereby are fair to and in the best interests of Buyer and its stockholders, and (ii) approving and declaring advisable this Agreement, the Ancillary Agreements to which Buyer will be a party and the transactions contemplated hereby and thereby, which resolutions have not been subsequently rescinded, modified or withdrawn in any way.

(c) The Buyer Stockholder Approval is the only vote of the holders of any class or series of the Buyer Capital Stock or other securities required in connection with the consummation of the transactions contemplated hereby, including the Buyer Capital Stock Issuance. Other than the Buyer Stockholder Approval, no vote of the holders of any class or series of the Buyer's Capital Stock or other securities is required in connection with the consummation of any of the transactions contemplated hereby to be consummated by Buyer.

Section 3.5 No Conflict; Consents and Approvals.

(a) The execution, delivery and performance by Buyer of this Agreement and each Ancillary Agreements to which Buyer will be a party does not, and the consummation of the transactions contemplated hereby and thereby and compliance by Buyer with the provisions hereof and thereof will not, conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, cancellation, modification or acceleration of any obligation or to the loss of a benefit under, or result in the creation of any Encumbrance in or upon any of the properties, assets or rights of Buyer under, or give rise to any increased, additional, accelerated or guaranteed rights or entitlements under, or require any consent, waiver or approval of any Person pursuant to, any provision of (i) the certificate of incorporation or bylaws of Buyer, (ii) any material Contract to which Buyer is a party by which Buyer or any of its properties or assets may be bound, or (iii) subject to the governmental filings and other matters referred to in Section 2.3, any material Law or any rule or regulation of Nasdaq applicable to Buyer or by which Buyer or any of its properties or assets may be bound, except, in the case of clauses (ii) and (iii), as individually or in the aggregate, has not had and would not reasonably be expected to have a Buyer Material Adverse Effect.

(b) No consent, approval, order or authorization of, or registration, declaration, filing with or notice to, any Governmental Entity is required by or with respect to Buyer in connection with the execution, delivery and performance by Buyer of this Agreement and the Ancillary Agreements to which Buyer will be a party or the consummation by Buyer of the transactions contemplated hereby and thereby or compliance with the provisions hereof and thereof, except for (i) the filing with the SEC of such reports under Section 13(a) or 15(d) of the Exchange Act, as may be required in connection with this Agreement and the Ancillary Agreements and the transactions contemplated hereby and thereby, (ii) such other filings and reports as may be required pursuant to the applicable requirements of the Securities Act, the Exchange Act and any other applicable state or federal securities, takeover and "blue sky" laws, and (iii) such other consents, approvals, orders, authorizations, registrations, declarations, filings or notices, the failure of which to be obtained or made would not be material to Buyer.

Section 3.6 SEC Reports; Financial Statements.

(a) Buyer has filed with or furnished to the SEC on a timely basis true and complete copies of all forms, reports, schedules, statements and other documents required to be filed with or furnished to the SEC by Buyer since January 1, 2021 (all such documents, together with all exhibits and schedules to the foregoing materials and all information incorporated therein by reference, the "Buyer SEC Documents"). As of their respective filing dates (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing), the Buyer SEC Documents complied in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), as the case may be, including, in each case, the rules and regulations promulgated thereunder, and none of the Buyer SEC Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(b) The financial statements (including the related notes and schedules thereto) included (or incorporated by reference) in the Buyer SEC Documents (i) have been prepared in a manner consistent with the books and records of Buyer and its Subsidiaries, (ii) have been prepared in accordance with GAAP (except, in the case of unaudited statements, as permitted by Form 10-Q of the SEC) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto), (iii) comply as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto and (iv) fairly present in all material respects the consolidated financial position of Buyer and its Subsidiaries as of the dates thereof and their respective consolidated results of operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal and recurring year-end audit adjustments that were not, or are not expected to be, material in amount), all in accordance with GAAP and the applicable rules and regulations promulgated by the SEC. Since January 1, 2021, Buyer has not made any change in the accounting practices or policies applied in the preparation of its financial statements, except as required by GAAP, SEC rule or policy or applicable Law. The books and records of Buyer and its Subsidiaries have been, and are being, maintained in all material respects in accordance with GAAP (to the extent applicable) and any other applicable legal and accounting requirements and reflect only actual transactions.

(c) Buyer has established and maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Such disclosure controls and procedures are designed to ensure that information relating to Buyer, including its consolidated Subsidiaries, required to be disclosed in Buyer's periodic and current reports under the Exchange Act, is made known to Buyer's chief executive officer and its chief financial officer by others within those entities to allow timely decisions regarding required disclosures as required under the Exchange Act. The chief executive officer and chief financial officer of Buyer have evaluated the effectiveness of Buyer's disclosure controls and procedures and, to the extent required by applicable Law, presented in any applicable Buyer SEC Document that is a report on Form 10-K or Form 10-Q, or any amendment thereto, its conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by such report or amendment based on such evaluation.

(d) Buyer and its Subsidiaries have established and maintain a system of internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) which is effective in providing reasonable assurance regarding the reliability of Buyer's financial reporting and the preparation of Buyer's financial statements for external purposes in accordance with GAAP. Buyer has disclosed, based on its most recent evaluation of Buyer's internal control over financial reporting prior to the date hereof, to Buyer's auditors and audit committee (i) any significant deficiencies and material weaknesses in the design or operation of Buyer's internal control over financial reporting which are reasonably likely to adversely affect Buyer's ability to record, process, summarize and report financial information and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in Buyer's internal control over financial reporting. A true, correct and complete summary of any such disclosures made by management to Buyer's auditors and audit committee is set forth as Section 3.6(d) of the Buyer Disclosure Letter.

(e) Since January 1, 2021, (i) neither Buyer nor any of its Subsidiaries nor, to the knowledge of Buyer, any director, officer, employee, auditor, accountant or Representative of Buyer or any of its Subsidiaries has received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of Buyer or any of its Subsidiaries or their respective internal accounting controls, including any material complaint, allegation, assertion or claim that Buyer or any of its Subsidiaries has engaged in questionable accounting or auditing practices and (ii) no attorney representing Buyer or any of its Subsidiaries, whether or not employed by Buyer or any of its Subsidiaries, has reported evidence of a material violation of securities Laws, breach of fiduciary duty or similar violation by Buyer or any of its Subsidiaries or any of their respective officers, directors, employees or agents to the Buyer Board or any committee thereof or to any director or officer of Buyer or any of its Subsidiaries.

(f) As of the date of this Agreement, there are no outstanding or unresolved comments in the comment letters received from the SEC staff with respect to the Buyer SEC Documents. To the knowledge of Buyer, none of the Buyer SEC Documents is subject to ongoing review or outstanding SEC comment or investigation.

(g) Neither Buyer nor any of its Subsidiaries is a party to, or has any commitment to become a party to, any joint venture, off-balance sheet partnership or any similar Contract (including any Contract or arrangement relating to any transaction or relationship between or among Buyer and any of its Subsidiaries, on the one hand, and any unconsolidated Affiliate, including any structured finance, special-purpose or limited-purpose entity or Person, on the other hand, or any "off balance sheet arrangements" (as defined in Item 303(a) of Regulation S-K under the Securities Act)), where the result, purpose or intended effect of such Contract is to avoid disclosure of any material transaction involving, or material liabilities of, Buyer or any of its Subsidiaries in Buyer's or such Subsidiary's published financial statements or other Buyer SEC Documents.

(h) Buyer is in compliance in all material respects with (i) the provisions of the Sarbanes-Oxley Act and (ii) the rules and regulations of Nasdaq, in each case, that are applicable to Buyer.

(i) No Subsidiary of Buyer is required to file any form, report, schedule, statement or other document with the SEC.

(j) Buyer has not been and is not currently a "shell company" as defined under Section 12b-2 of the Exchange Act.

(k) Buyer is, and since its first date of listing on Nasdaq has been, in compliance in all material respects with the applicable current listing and governance rules and regulations of Nasdaq.

Section 3.7 No Undisclosed Liabilities. Neither Buyer nor any of its Subsidiaries has any liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, known or unknown, whether due or to become due and whether or not required to be recorded or reflected on a balance sheet under GAAP, except (a) to the extent accrued or reserved against in the audited consolidated balance sheet of Buyer and its Subsidiaries as at December 31, 2021 included in the Annual Report on Form 10-K filed by Buyer with the SEC on March 31, 2022 (without giving effect to any amendment thereto filed on or after the date hereof) and (b) for liabilities and obligations incurred in the ordinary course of business consistent with past practice since December 31, 2021 that are not material to Buyer and its Subsidiaries, taken as a whole. Buyer has not applied for or received any funds or incurred any indebtedness pursuant to the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136), enacted March 27, 2020 or any other economic relief or stimulus legislation or program, or otherwise received any funds or incurred any indebtedness from any Governmental Entity.

Section 3.8 Absence of Certain Changes or Events. Since December 31, 2021, except in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby, (x) Buyer and its Subsidiaries have conducted their business only in the ordinary course of business consistent with past practice; (y) there has not been any change, event or development or prospective change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a Buyer Material Adverse Effect; and (z) neither Buyer nor any of its Subsidiaries have:

(a) (i) declared, set aside or paid any dividends on, or made any other distributions (whether in cash, stock or property) in respect of, any of its capital stock or other equity interests, except for dividends by a wholly-owned Subsidiary of Buyer to its parent, (ii) purchased, redeemed or otherwise acquired shares of capital stock or other equity interests of Buyer or its Subsidiaries or any options, warrants, or rights to acquire any such shares or other equity interests, or (iii) split, combined, reclassified or otherwise amended the terms of any of its capital stock or other equity interests or issued or authorized the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock or other equity interests;

(b) amended or otherwise changed, or authorized or proposed to amend or otherwise change, its certificate of incorporation or bylaws (or similar organizational documents);

(c) adopted or entered into a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or reorganization; or

(d) changed its financial or Tax accounting methods, principles or practices, except insofar as may have been required by a change in GAAP or applicable Law, or revalued any of its material assets.

Section 3.9 Litigation. There is no Action (or basis therefor) pending or, to the knowledge of Buyer, threatened against or affecting Buyer or any of its Subsidiaries, any of their respective properties or assets, or any present or former officer, director or employee of Buyer or any of its Subsidiaries in such individual's capacity as such, other than any Action that (a) does not involve an amount in controversy in excess of $100,000 and (b) does not seek material injunctive or other nonmonetary relief. Neither Buyer nor any of its Subsidiaries nor any of their respective properties or assets is subject to any outstanding judgment, order, injunction, rule or decree of any Governmental Entity. There is no Action pending or, to the knowledge of Buyer, threatened seeking to prevent, hinder, modify, delay or challenge the transactions contemplated by this Agreement or the Ancillary Agreements.

Section 3.10 Compliance with Laws. Buyer and each of its Subsidiaries are and have been in compliance in all material respects with all Laws applicable to their businesses, operations, properties or assets. None of Buyer or any of its Subsidiaries has received, since January 1, 2020, a notice or other written communication alleging or relating to a possible material violation of any Law applicable to their businesses, operations, properties, assets or Buyer Products. Buyer and each of its Subsidiaries have in effect all material Permits of all Governmental Entities necessary or advisable for them to own, lease or operate their properties and assets and to carry on their businesses and operations as now conducted, and there has occurred no violation of, default (with or without notice or lapse of time or both) under or event giving to others any right of revocation, nonrenewal, adverse modification or cancellation of, with or without notice or lapse of time or both, any such Permit, nor would any such revocation, nonrenewal, adverse modification or cancellation result from the consummation of the transactions contemplated hereby.

Section 3.11 Health Care Regulatory Matters.

(a) Buyer and, to the knowledge of Buyer, each of its directors, officers, management employees, agents (while acting in such capacity), contract manufacturers, suppliers, and distributors are, and at all times prior hereto were, in material compliance with all Health Care Laws to the extent applicable to Buyer or any of its products or activities. To the knowledge of Buyer, there are no facts or circumstances that reasonably would be expected to give rise to any material liability under any Health Care Laws.

(b) Buyer is not party to any corporate integrity agreements, monitoring agreements, consent decrees, settlement orders, or similar agreements with or imposed by any Governmental Entity.

(c) All applications, notifications, submissions, information, claims, reports and statistical analyses, and other data and conclusions derived therefrom, utilized as the basis for or submitted in connection with any and all requests for a Permit from the FDA or other Governmental Entity relating to products that are regulated as drugs, medical devices, or other healthcare products under Health Care Laws, including biological and drug candidates, compounds or products being researched, tested, stored, developed, labeled, manufactured, packed and/or distributed by Buyer or any of its Subsidiaries ("Buyer Products"), including, without limitation, investigational new drug applications, when submitted to the FDA or other Governmental Entity were true, complete and correct in all material respects as of the date of submission and any necessary or required updates, changes, corrections or modification to such applications, submissions, information and data have been submitted to the FDA or other Governmental Entity. Buyer does not have knowledge of any facts or circumstances that would be reasonably likely to lead to the revocation, suspension, limitation, or cancellation of a Permit required under Health Care Laws.

(d) All preclinical studies and clinical trials conducted by or, to the knowledge of Buyer, on behalf of Buyer have been, and if still pending are being, conducted in material compliance with research protocols and all applicable Health Care Laws, including, but not limited to, the FDCA and its applicable implementing regulations at 21 C.F.R. Parts 50, 54, 56, 58, 312 and 313. No clinical trial conducted by or on behalf of Buyer has been conducted using any clinical investigators who have been disqualified, debarred or excluded from healthcare programs. No clinical trial conducted by or on behalf of Buyer has been terminated or suspended prior to completion, and no clinical investigator who has participated or is participating in, or institutional review board that has or has had jurisdiction over, a clinical trial conducted by or on behalf of Buyer has placed a partial or full clinical hold order on, or otherwise terminated, delayed or suspended, such a clinical trial at a clinical research site based on an actual or alleged lack of safety or efficacy of any Buyer Product or a failure to conduct such clinical trial in compliance with applicable Health Care Laws, their implementing regulations and good clinical practices. Buyer has not identified or received notice of instances or allegations of research misconduct (defined as falsification or fabrication of data, or plagiarism, as those terms are defined in 42 C.F.R. Part 93) involving research conducted by, or on behalf of Buyer, that could compromise or affect the integrity, reliability, completeness or accuracy of the data collected in such research, or the rights, safety or welfare of the research subjects.

(e) All manufacturing operations conducted by or, to the knowledge of Buyer, for the benefit of Buyer have been and are being conducted in material compliance with all Permits under applicable Health Care Laws, all applicable provisions of the FDA's current Good Manufacturing Practice (cGMP) regulations at 21 C.F.R. Parts 210-212, 600 and 610, and FDA's Quality System (QS) regulations at 21 C.F.R. Part 820, and all comparable foreign regulatory requirements of any Governmental Entity.

(f) Buyer has not received any written communication that relates to an alleged violation or noncompliance with any Health Care Laws, including any notification of any pending or threatened claim, suit, proceeding, hearing, enforcement, investigation, arbitration, import detention or refusal, FDA Warning Letter or Untitled Letter, or any action by a Governmental Entity relating to any Health Care Laws. All Warning Letters, Form-483 observations, or comparable findings from other Governmental Entities listed in Section 3.11(f) of the Buyer Disclosure Letter have been resolved and closed out to the satisfaction of the applicable Governmental Entity.

(g) There have been no seizures, withdrawals, recalls, detentions, or suspensions of manufacturing, testing, or distribution relating to the Buyer Products required or requested by a Governmental Entity, or other notice of action relating to an alleged lack of safety, efficacy, or regulatory compliance of the Buyer Products, or any adverse experiences relating to the Buyer Products that have been reported to the FDA or any other Governmental Entity ("Buyer Safety Notices"), and, to the knowledge of Buyer, there are no facts or circumstances that reasonably would be expected to give rise to a Buyer Safety Notice. All Buyer Safety Notices listed in Section 3.11(g) of the Buyer Disclosure Letter have been resolved to the satisfaction of the applicable Governmental Entity.

(h) There are no unresolved Buyer Safety Notices, and to the knowledge of Buyer, there are no facts that would be reasonably likely to result in a material Buyer Safety Notice or a termination or suspension of developing and testing of any of the Buyer Products.

(i) Neither Buyer, nor, to the knowledge of Buyer, any officer, employee, agent, or distributor of Buyer has made an untrue statement of a material fact or fraudulent or misleading statement to a Governmental Entity, failed to disclose a material fact required to be disclosed to a Governmental Entity, or committed an act, made a statement, or failed to make a statement that would reasonably be expected to provide a basis for the FDA to invoke its FDA Ethics Policy. To the knowledge of Buyer, none of the aforementioned is or has been under investigation resulting from any allegedly untrue, fraudulent, misleading, or false statement or omission, including data fraud, or had any action pending or threatened relating to the FDA Ethics Policy.

(j) All reports, documents, claims, Permits and notices required to be filed, maintained or furnished to the FDA or any Governmental Entity by Buyer have been so filed, maintained or furnished, except where failure to file, maintain or furnish such reports, documents, claims, Permits or notices has not had and would not reasonably be expected to have, individually or in the aggregate, a Buyer Material Adverse Effect. All such reports, documents, claims, Permits and notices were true and complete in all material respects on the date filed (or were corrected in or supplemented by a subsequent filing).

(k) Neither Buyer nor, to the knowledge of Buyer, any officer, employee, agent, or distributor of Buyer has committed any act, made any statement or failed to make any statement that violates the Federal Anti-Kickback Statute, 28 U.S.C. § 1320a-7b, the Federal False Claims Act, 31 U.S.C. § 3729, other drug or Health Care Laws, or any other similar federal, state, or ex-U.S. Law applicable in the jurisdictions in which the Buyer Products are sold or intended to be sold.

(l) Neither Buyer nor, to the knowledge of Buyer, any officer, employee, agent, or distributor of Buyer has been convicted of any crime or engaged in any conduct that has resulted, or would reasonably be expected to result, in debarment under applicable Law, including, without limitation, 21 U.S.C. § 335a, or exclusion under 42 U.S.C. § 1320a-7, or any other statutory provision or similar law applicable in other jurisdictions in which the Buyer Products are sold or intended to be sold. Neither Buyer nor, to the knowledge of Buyer, any officer, employee, agent or distributor of Buyer, has been excluded from participation in any federal health care program or convicted of any crime or engaged in any conduct for which such Person could be excluded from participating in any federal health care program under Section 1128 of the Social Security Act of 1935, as amended, or any similar Health Care Law or program.

Section 3.12 Benefit Plans.

(a) Section 3.12(a) of the Buyer Disclosure Letter contains a true and complete list of each "employee benefit plan" (within the meaning of section 3(3) of ERISA, whether or not subject to ERISA), and all stock purchase, stock option, phantom stock or other equity-based plan, severance, employment, collective bargaining, change-in-control, fringe benefit, bonus, incentive, deferred compensation, supplemental retirement, health, life, or disability insurance, dependent care and all other employee benefit and compensation plans, agreements, programs, policies or other arrangements, in each case, whether written or oral, under which any current or former employee, director or consultant of Buyer or its Subsidiaries (or any of their dependents) has any present or future right to compensation or benefits or Buyer or any of its Subsidiaries sponsors or maintains, is making contributions to or has any present or future liability or obligation (contingent or otherwise). All such plans, agreements, programs, policies and arrangements shall be collectively referred to as the "Buyer Plans." Buyer has provided or made available to the Sellers a current, accurate and complete copy of each Buyer Plan, or if such Buyer Plan is not in written form, a written summary of all of the material terms of such Buyer Plan. With respect to each Buyer Plan, Buyer has furnished or made available to the Sellers a current, accurate and complete copy of, to the extent applicable: (i) any related trust agreement or other funding instrument, (ii) the most recent determination letter of the IRS, (iii) any summary plan description or summary of material modifications, and (iv) for the most recent year and as applicable (A) the Form 5500 and attached schedules, (B) audited financial statements and (C) actuarial valuation reports.

(b) Neither Buyer, its Subsidiaries or any member of their Controlled Group (defined as any organization which is a member of a controlled, affiliated or otherwise related group of entities within the meaning of Code Section 414(b), (c), (m) or (o)) has, in the past six (6) years, sponsored, maintained, contributed to or been required to contribute to or incurred any liability (contingent or otherwise) with respect to: (i) a "multiemployer plan" (within the meaning of ERISA section 3(37)), (ii) a Pension Plan that is subject to Title IV of ERISA or Section 412 of the Code, (iii) a Pension Plan which is a "multiple employer plan" as defined in Section 413 of the Code, or (iv) a "funded welfare plan" within the meaning of Section 419 of the Code.

(c) With respect to the Buyer Plans:

(i) each Buyer Plan complies in all material respects with its terms and materially complies in form and in operation with the applicable provisions of ERISA and the Code and all other applicable legal requirements;

(ii) each Buyer Plan intended to be qualified under Section 401(a) of the Code has received a favorable determination, advisory and/or opinion letter, as applicable, from the IRS that it is so qualified and nothing has occurred to the knowledge of Buyer since the date of such letter that would reasonably be expected to cause the loss of the sponsor's ability to rely upon such letter, and nothing has occurred to the knowledge of Buyer that would reasonably be expected to result in the loss of the qualified status of such Buyer Plan;

(iii) there is no material Action (including any investigation, audit or other administrative proceeding) by the Department of Labor, the PBGC, the IRS or any other Governmental Entity or by any plan participant or beneficiary pending, or to the knowledge of Buyer, threatened, relating to the Buyer Plans, any fiduciaries thereof with respect to their duties to Buyer Plans or the assets of any of the trusts under any of the Buyer Plans (other than routine claims for benefits);

(iv) none of the Buyer Plans currently provides, or reflects or represents any liability to provide post-termination or retiree welfare benefits to any person for any reason, except as may be required by COBRA, and none of Buyer, its Subsidiaries or any members of their Controlled Group has any liability to provide post-termination or retiree welfare benefits to any person, except to the extent required by statute or except with respect to a contractual obligation to reimburse any premiums such Person may pay in order to obtain health coverage under COBRA;

(v) each Buyer Plan is subject exclusively to U.S. Law; and

(vi) the execution and delivery of this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby, either alone or in combination with any other event, (A) entitle any current or former employee, officer, director or consultant of Buyer or any Subsidiary to severance pay, unemployment compensation or any other similar termination payment, or any other compensatory payment, including any bonus, retention, retirement or other benefit, (B) accelerate the time of payment or vesting, or increase the amount of or otherwise enhance any benefit due to any such employee, officer, director or consultant, or (C) result in the payment of any "excess parachute payment" within the meaning of Section 280G of the Code.

(d) Each Buyer Plan that is a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code (or any comparable or similar provision of state, local, or foreign Law) materially complies in both form and operation in all material respects with the requirements of Section 409A of the Code (or any comparable or similar provision of state, local, or foreign Law) and all applicable IRS guidance issued with respect thereto. There is no agreement, plan or other arrangement to which any of Buyer or any Subsidiary is a party or by which any of them is otherwise bound to compensate any person in respect of any excise or other Taxes or other liabilities (including interest and penalties) incurred with respect to Section 409A or 4999 of the Code.

Section 3.13 Labor and Employment Matters.

(a) Buyer and its Subsidiaries are and since January 1, 2020 have been in compliance in all material respects with all applicable Laws relating to labor and employment, including those relating to employment practices, terms and conditions of employment, collective bargaining, disability, immigration, health and safety, wages, hours and benefits, non-discrimination in employment, workers' compensation, the collection and payment of withholding and/or payroll Taxes and similar Taxes, unemployment compensation, equal employment opportunity, discrimination, harassment, employee and contractor classification, information privacy and security, and continuation coverage with respect to group health plans. During the preceding three (3) years, there has not been, and as of the date of this Agreement there is not pending or, to the knowledge of Buyer, threatened, any labor dispute, work stoppage, labor strike or lockout against Buyer or any of its Subsidiaries by employees.

(b) No employee of Buyer or any of its Subsidiaries is covered by an effective or pending collective bargaining agreement or similar labor agreement. To the knowledge of Buyer, since January 1, 2020, there has not been any activity on behalf of any labor union, labor organization or similar employee group to organize any employees of Buyer or any of its Subsidiaries, and there are no representation claims or petitions pending before the National Labor Relations Board or any other labor relations tribunal or authority. There are no (i) material unfair labor practice charges or complaints against Buyer or any of its Subsidiaries pending before the National Labor Relations Board or any other labor relations tribunal or authority and to the knowledge of Buyer no such representations, claims or petitions are threatened, or (ii) grievances or pending arbitration proceedings against Buyer or any of its Subsidiaries that arose out of or under any collective bargaining agreement. Neither the consent or consultation of, nor the formal rendering of advice by, any labor union, labor organization or similar employee group is required for Buyer to enter into this Agreement or the Ancillary Agreements or to consummate the transactions contemplated hereby and thereby.

(c) To the knowledge of Buyer, no current key employee or officer of Buyer or any of its Subsidiaries intends, or is expected, to terminate his or her employment relationship with such entity in connection with or as a result of the transactions contemplated hereby or otherwise within one (1) year of the Closing Date.

(d) During the preceding three (3) years, (i) neither Buyer nor any Subsidiary has effectuated a "plant closing" (as defined in the WARN Act) affecting any site of employment or one or more facilities or operating units within any site of employment or facility, (ii) there has not occurred a "mass layoff" (as defined in the WARN Act) in connection with Buyer or any Subsidiary affecting any site of employment or one or more facilities or operating units within any site of employment or facility and (iii) neither Buyer nor any Subsidiary has engaged in layoffs or employment terminations sufficient in number to trigger application of any similar state, local or foreign Law. Buyer and its Subsidiaries currently properly classify and for the past three (3) years have properly classified its and their employees as exempt or nonexempt in accordance with applicable overtime Laws, and no Person treated as an independent contractor or consultant by Buyer or any Subsidiary within the past three (3) years should have been properly classified as an employee under applicable Law, in each case, except as would not, individually or in the aggregate, result in Buyer incurring a material liability.

(e) With respect to any current or former employee, officer, consultant or other service provider of Buyer, there are no Actions against Buyer or any of its Subsidiaries pending, or to Buyer's knowledge, threatened to be brought or filed, in connection with the employment or engagement of any current or former employee, officer, consultant or other service provider of Buyer, including, without limitation, any claim relating to employment discrimination, harassment, retaliation, equal pay, employment classification or any other employment-related matter arising under applicable Laws, except where such action would not, individually or in the aggregate, result in Buyer incurring a material liability.

(f) Since January 1, 2020, (i) no allegations of workplace sexual harassment, discrimination or other misconduct have been made, initiated, filed or, to the knowledge of Buyer, threatened against Buyer, any of its Subsidiaries or any of their respective current or former directors, officers or senior-level management employees in their capacities as such, (ii) to the knowledge of Buyer, no incidents of any such workplace sexual harassment, discrimination or other misconduct have occurred, and (iii) Buyer has not entered into any settlement agreement related to allegations of sexual harassment, discrimination or other misconduct by any of its directors, officers or employees described in clause (i) hereof or any independent contractor.

(g) Buyer and its Subsidiaries are and have at all relevant times been in compliance in all material respects with (i) COVID-19-related Laws, standards, regulations, orders and guidance (including without limitation relating to business reopening), including those issued and enforced by the Occupational Safety and Health Administration, the Centers for Disease Control, the Equal Employment Opportunity Commission, and any other Governmental Entity; and (ii) the Families First Coronavirus Response Act and any other applicable COVID-19-related leave Law, whether state, local or otherwise.

Section 3.14 Environmental Matters.

(a) Except as would not be material to Buyer, (i) Buyer and each of its Subsidiaries have conducted their respective businesses in compliance with all, and have not violated any, applicable Environmental Laws; (ii) Buyer and its Subsidiaries have obtained all Permits of all Governmental Entities and any other Person that are required under any Environmental Law; (iii) there has been no release of any Hazardous Substance by Buyer or any of its Subsidiaries or any other Person in any manner that has given or would reasonably be expected to give rise to any remedial or investigative obligation, corrective action requirement or liability of Buyer or any of its Subsidiaries under applicable Environmental Laws; (iv) neither Buyer nor any of its Subsidiaries has received any claims, notices, demand letters or requests for information (except for such claims, notices, demand letters or requests for information the subject matter of which has been resolved prior to the date of this Agreement) from any federal, state, local, foreign or provincial Governmental Entity or any other Person asserting that Buyer or any of its Subsidiaries is in violation of, or liable under, any Environmental Law; (v) no Hazardous Substance has been disposed of, arranged to be disposed of, released or transported in violation of any applicable Environmental Law, or in a manner that has given rise to, or that would reasonably be expected to give rise to, any liability under any Environmental Law, in each case, on, at, under or from any current or former properties or facilities owned or operated by Buyer or any of its Subsidiaries or as a result of any operations or activities of Buyer or any of its Subsidiaries at any location and, to the knowledge of Buyer, Hazardous Substances are not otherwise present at or about any such properties or facilities in amount or condition that has resulted in or would reasonably be expected to result in liability to Buyer or any of its Subsidiaries under any Environmental Law; and (vi) neither Buyer, its Subsidiaries nor any of their respective properties or facilities are subject to, or are threatened to become subject to, any liabilities relating to any suit, settlement, court order, administrative order, regulatory requirement, judgment or claim asserted or arising under any Environmental Law or any agreement relating to environmental liabilities.

(b) As used herein, "Environmental Law" means any Law relating to (i) the protection, preservation or restoration of the environment (including air, surface water, groundwater, drinking water supply, surface and subsurface soils and strata, wetlands, plant and animal life or any other natural resource) or (ii) the exposure to, or the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, production, release or disposal of Hazardous Substances.

(c) As used herein, "Hazardous Substance" means any substance listed, defined, designated, classified or regulated as a waste, pollutant or contaminant or as hazardous, toxic, radioactive or dangerous or any other term of similar import under any Environmental Law, including, but not limited to, petroleum.

Section 3.15 Taxes.

(a) Buyer and each of its Subsidiaries have (i) filed all income Tax Returns and other material Tax Returns required to be filed by or on behalf of themselves (taking into account any applicable extensions thereof) and all such Tax Returns are true, accurate and complete in all material respects; and (ii) paid in full (or caused to be timely paid in full) all income and other material Taxes that are required to be paid by it, whether or not such Taxes were shown as due on such Tax Returns.

(b) All material Taxes not yet due and payable by Buyer or any of its Subsidiaries as of the date of the Buyer Balance Sheet have been, in all respects, properly accrued in accordance with GAAP on the financial statements (including the related notes and schedules thereto) included (or incorporated by reference) in the Buyer SEC Documents, and such financial statements (including the related notes and schedules thereto) included (or incorporated by reference) in the Buyer SEC Documents reflect an adequate reserve (in accordance with GAAP) for all material Taxes accrued but unpaid by Buyer and each of its Subsidiaries through the date of such financial statements. Since the date of the Buyer Balance Sheet, neither Buyer nor any of its Subsidiaries has incurred, individually or in the aggregate, any liability for Taxes outside the ordinary course of business.

(c) Neither Buyer nor any of its Subsidiaries has executed any waiver of any statute of limitations on, or extended the period for the assessment or collection of, any material amount of Tax, in each case that has not since expired.

(d) No material Tax Actions with respect to Taxes or any Tax Return of Buyer or any of its Subsidiaries are presently in progress or have been asserted, threatened or proposed in writing. No deficiencies for a material amount of Taxes have been claimed, proposed, assessed or asserted in writing against Buyer or any of its Subsidiaries by a Governmental Entity, other than any such claim, proposal, assessment or assertion that has been satisfied by payment in full, settled or withdrawn.

(e) Buyer and each of its Subsidiaries have timely withheld all material amounts of Taxes required to have been withheld from payments made (or deemed made) to their employees, independent contractors, creditors, shareholders and other third parties and, to the extent required, such Taxes have been timely paid to the relevant Governmental Entity.

(f) Neither Buyer nor any of its Subsidiaries has engaged in a "reportable transaction" as set forth in Treasury Regulations § 1.6011-4(b).

(g) Neither Buyer nor any of its Subsidiaries (i) is a party to or bound by, or has any liability pursuant to, any Tax sharing, allocation, indemnification or similar agreement or obligation; (ii) is or has ever been a member of a group (other than a group the common parent of which is Buyer) filing a consolidated, combined, affiliated, unitary or similar income Tax Return; (iii) has any liability for the Taxes of any Person (other than Buyer) pursuant to Treasury Regulations § 1.1502-6 (or any similar provision of state, local or non-U.S. Law) as a transferee or successor, by Contract, or otherwise by operation of Law; and (iv) is or has ever been treated as a resident for any income Tax purpose, or as subject to Tax by virtue of having a permanent establishment, an office or fixed place of business, in any country other than the country in which it was or is organized.

(h) No private-letter rulings, technical advice memoranda, or similar material written agreements with, or rulings from, a taxing authority have been requested in writing, entered into or issued by any taxing authority with respect to Buyer or any of its Subsidiaries which rulings will remain in effect after the Closing.

(i) Neither Buyer nor any of its Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of (i) a change in, or use of improper, method of accounting requested or initiated on or prior to the Closing Date, (ii) a "closing agreement" as described in Section 7121 of the Code (or any similar provision of Law) executed on or prior to the Closing Date, (iii) an installment sale or open-transaction disposition made on or prior to the Closing Date, or (iv) any deferred intercompany gain or excess-loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law).

(j) There are no Encumbrances for Taxes upon any of the assets of Buyer or any of its Subsidiaries other than Encumbrances described in clause (i) of the definition of Permitted Encumbrances.

(k) Neither Buyer nor any of its Subsidiaries has distributed stock of another Person or has had its stock distributed by another Person, in a transaction (or series of transactions) that was purported or intended to be governed in whole or in part by Section 355 or 361 of the Code.

(l) Neither Buyer nor any of its Subsidiaries has been a United States real property holding corporation, as defined in Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(m) No material claim has been made in writing by any Governmental Entity in a jurisdiction where Buyer or any of its Subsidiaries does not currently file or has not filed a Tax Return that Buyer or any of its Subsidiaries is or may be subject to taxation by such jurisdiction.

(n) Section 3.15(n) of the Buyer Disclosure Letter sets forth the entity classification of Buyer and each of its Subsidiaries for U.S. federal income tax purposes. Neither Buyer nor any of its Subsidiaries has made an election or taken any other action to change its federal and state income tax classification from such classification.

Section 3.16 Contracts.

(a) Except as set forth in the Buyer SEC Documents publicly available prior to the date of this Agreement, neither Buyer nor any of its Subsidiaries is a party to or is bound by any "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K under the Securities Act, excluding, however, any Buyer Plans) (all such Contracts "Buyer Material Contracts").

(b) (i) Each Buyer Material Contract is valid and binding on Buyer and any of its Subsidiaries to the extent such Subsidiary is a party thereto, as applicable, and to the knowledge of Buyer, each other party thereto, and is in full force and effect and enforceable in accordance with its terms; (ii) Buyer and each of its Subsidiaries, and, to the knowledge of Buyer, each other party thereto, have performed all material obligations required to be performed by themselves under each Buyer Material Contract; and (iii) there is no material default under any Buyer Material Contract by Buyer or any of its Subsidiaries or, to the knowledge of Buyer, any other party thereto, and no event or condition has occurred that constitutes, or, after notice or lapse of time or both, would constitute, a material default on the part of Buyer or any of its Subsidiaries or, to the knowledge of Buyer, any other party thereto under any such Buyer Material Contract, nor has Buyer or any of its Subsidiaries received any notice of any such material default, event or condition. Buyer has made available to the Sellers true and complete copies of all Buyer Material Contracts, including all amendments thereto.

Section 3.17 Insurance. Each of Buyer and its Subsidiaries is covered by valid and currently-effective insurance policies issued in favor of Buyer or one or more of its Subsidiaries that are customary and adequate for companies of similar size in the industries and locations in which Buyer operates. Section 3.17 of the Buyer Disclosure Letter sets forth, as of the date hereof, a true and complete list of all material insurance policies issued in favor of Buyer or any of its Subsidiaries, or pursuant to which Buyer or any of its Subsidiaries is a named insured or otherwise a beneficiary, as well as any historic incurrence-based policies still in force. With respect to each such insurance policy, (a) such policy is in full force and effect and all premiums due thereon have been paid, (b) neither Buyer nor any of its Subsidiaries is in breach or default, and has not taken any action or failed to take any action which (with or without notice or lapse of time, or both) would constitute such a breach or default, or would permit termination or modification of, any such policy and (c) to the knowledge of Buyer, no insurer issuing any such policy has been declared insolvent or placed in receivership, conservatorship or liquidation. No notice of cancellation or termination has been received with respect to any such policy, nor will any such cancellation or termination result from the consummation of the transactions contemplated hereby. The transactions contemplated in this Agreement are not deemed to be a change of control under Buyer's existing directors' and officers' liability insurance policy.

Section 3.18 Properties.

(a) Buyer or one of its Subsidiaries has good and valid title to, or in the case of leased property and leased tangible assets, a valid leasehold interest in, all of its real properties and tangible assets that are necessary for Buyer and its Subsidiaries to conduct their respective businesses as currently conducted, free and clear of all Encumbrances (other than Permitted Encumbrances). Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Buyer Material Adverse Effect, the tangible personal property currently used in the operation of the business of Buyer and its Subsidiaries is in good working order (reasonable wear and tear excepted).

(b) Each of Buyer and its Subsidiaries has complied with the terms of all leases to which it is a party, and all such leases are in full force and effect, except for any such noncompliance or failure to be in full force and effect that, individually or in the aggregate, has not had and would not reasonably be expected to have a Buyer Material Adverse Effect. Each of Buyer and its Subsidiaries enjoys peaceful and undisturbed possession under all such leases, except for any such failure to do so that, individually or in the aggregate, has not had and would not reasonably be expected to have a Buyer Material Adverse Effect.

(c) Section 3.18(c) of the Buyer Disclosure Letter sets forth a true and complete list of (i) all real property owned by Buyer or any of its Subsidiaries and (ii) all real property leased for the benefit of Buyer or any of its Subsidiaries.

(d) This Section 3.18 does not relate to Intellectual Property, which is the subject of Section 3.19.

Section 3.19 Intellectual Property.

(a) Section 3.19(a) of the Buyer Disclosure Letter sets forth a true and complete list of all (i) Patents; (ii) material trademark registrations and applications; and (iii) material copyright registrations and applications (collectively, "Buyer Registered IP"), in each case owned by Buyer and its Subsidiaries, and a true and complete list of all domain names owned or exclusively licensed by Buyer and its Subsidiaries. Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Buyer Material Adverse Effect (A) all of the Buyer Registered IP is subsisting and, in the case of any Buyer Registered IP that is registered or issued and to the knowledge of Buyer, valid and enforceable, (B) no Buyer Registered IP is involved in any interference, reissue, derivation, reexamination, opposition, cancellation or similar proceeding and, to the knowledge of Buyer, no such action is threatened with respect to any of the Buyer Registered IP and (C) Buyer or its Subsidiaries own exclusively, free and clear of any and all Encumbrances (other than Permitted Encumbrances), all Buyer Owned IP, including all Intellectual Property created on behalf of Buyer or its Subsidiaries by employees or independent contractors.

(b) Section 3.19(b) of the Buyer Disclosure Letter accurately identifies (i) all Contracts pursuant to which any Buyer Registered IP is licensed to Buyer or its Subsidiaries (other than (A) any non-customized software that (1) is so licensed solely in executable or object code form pursuant to a nonexclusive, internal-use software license and other Intellectual Property associated with such software and (2) is not incorporated into, or material to the development, manufacturing, or distribution of, any of Buyer's or its Subsidiaries' products or services, (B) any Intellectual Property licensed on a nonexclusive basis ancillary to the purchase or use of equipment, reagents or other materials, (C) any confidential information provided under confidentiality agreements and (D) agreements between Buyer and any of its Subsidiaries and their employees in Buyer's standard form thereof), (ii) the corresponding Buyer Contract pursuant to which such Buyer Registered IP is licensed to Buyer or any of its Subsidiaries and (iii) whether the license or licenses granted to Buyer or its Subsidiaries are exclusive or nonexclusive.

(c) Section 3.19(c) of the Buyer Disclosure Letter accurately identifies each Buyer Contract pursuant to which any Person has been granted any license or covenant not to sue under, or otherwise has received or acquired any right (whether or not currently exercisable) or interest in, any Buyer Registered IP (other than (i) any confidential information provided under confidentiality agreements and (ii) any Buyer Registered IP nonexclusively licensed to academic collaborators, suppliers or service providers for the sole purpose of enabling such academic collaborator, supplier or service providers to provide services for Buyer's benefit).

(d) Buyer and its Subsidiaries have taken commercially reasonable measures to maintain the confidentiality of all information that constitutes or constituted a material Trade Secret of Buyer or its Subsidiaries, including requiring all Persons having access thereto to execute written nondisclosure agreements or other binding obligations to maintain confidentiality of such information.

(e) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Buyer Material Adverse Effect, (i) to the knowledge of Buyer, the conduct of the businesses of Buyer and its Subsidiaries, including the manufacture, marketing, offering for sale, sale, importation, use or intended use or other disposal of any product as currently sold or under development by Buyer or its Subsidiaries, has not infringed, misappropriated or diluted, and does not infringe, misappropriate or dilute, any Intellectual Property of any Person, (ii) neither Buyer nor any of its Subsidiaries has received any written notice or claim asserting or suggesting that any such infringement, misappropriation, or dilution is or may be occurring or has or may have occurred and (iii) to the knowledge of Buyer, no Person is infringing, misappropriating, or diluting in any material respect any Buyer Registered IP.

(f) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Buyer Material Adverse Effect, (i) Buyer and its Subsidiaries have taken commercially reasonable steps to protect the confidentiality and security of the computer and information technology systems used by Buyer and its Subsidiaries (the "Buyer IT Systems") and the information and transactions stored or contained therein or transmitted thereby, (ii) to the knowledge of Buyer, during the past two (2) years, there has been no unauthorized or improper use, loss, access, transmittal, modification or corruption of any such information or data, and (iii) during the past two (2) years, there have been no material failures, crashes, viruses, or security breaches (including any unauthorized access to any personally identifiable information) affecting the Buyer IT Systems.

(g) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Buyer Material Adverse Effect, (i) to the knowledge of Buyer, Buyer and its Subsidiaries have at all times complied in all material respects with all applicable privacy Laws, (ii) during the past two (2) years, no claims have been asserted or, to the knowledge of Buyer, threatened in writing against Buyer alleging a violation of any Person's privacy or Personal Information, (iii) neither this Agreement nor the consummation of the transactions contemplated hereby will breach or otherwise violate any applicable privacy Laws and (iv) Buyer and its Subsidiaries have taken commercially reasonable steps to protect the Personal Information collected, used or held for use by Buyer or its Subsidiaries against loss and unauthorized access, use, modification, disclosure or other misuse.

(h) To the knowledge of Buyer, no government funding, facilities or resources of a university, college, other educational institution or research center or funding from third parties was used in the development of the Buyer Owned IP, to the knowledge of Buyer, exclusively licensed to Buyer, and no Governmental Entity, university, college, other educational institution or research center has, to the knowledge of Buyer, any claim or right in or to such Intellectual Property.

(i) The execution, delivery and performance by Buyer of this Agreement and the Ancillary Agreements to which Buyer will be a party, and the consummation of the transactions contemplated hereby and thereby, will not result in the loss of, or give rise to any right of any third party to terminate or modify any of Buyer's or any Subsidiaries' rights or obligations under any agreement under which Buyer or any of its Subsidiaries grants to any Person, or any Person grants to Buyer or any of its Subsidiaries, a license or right under or with respect to any Intellectual Property that is material to any of the businesses of Buyer or any of its Subsidiaries.

Section 3.20 Related Party Transactions. Since January 1, 2021 through the date of this Agreement, there have been no transactions, agreements, arrangements or understandings between Buyer or any of its Subsidiaries, on the one hand, and the Affiliates of Buyer, on the other hand (other than Buyer's Subsidiaries), that would be required to be disclosed under Item 404 of Regulation S-K under the Securities Act and that have not been so disclosed in the Buyer SEC Documents.

Section 3.21 Certain Payments. Neither Buyer nor any of its Subsidiaries (nor, to the knowledge of Buyer, any of their respective directors, executives, Representatives, agents or employees) (a) has used or is using any corporate funds for any illegal contributions, gifts, entertainment or other unlawful expenses relating to political activity, (b) has used or is using any corporate funds for any direct or indirect unlawful payments to any foreign or domestic governmental officials or employees, (c) has violated or is violating any provision of the Foreign Corrupt Practices Act of 1977, (d) has established or maintained, or is maintaining, any unlawful fund of corporate monies or other properties or (e) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment of any nature.

Section 3.22 Brokers. No broker, investment banker, financial advisor or other Person, other than Raymond James & Associates, Inc., the fees and expenses of which will be paid by Buyer, is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Buyer. Buyer has furnished to the Sellers a true and complete copy of any Contract between Buyer and Raymond James & Associates, Inc. pursuant to which Raymond James & Associates, Inc. could be entitled to any payment from Buyer relating to the transactions contemplated hereby.

Section 3.23 No Other Representations or Warranties. Except for the representations and warranties contained in Article II, Buyer acknowledges and agrees that none of the Sellers or any other Person on behalf of the Sellers makes any other express or implied representation or warranty whatsoever, and Buyer has not relied on any such information or any representation or warranty not set forth in Article II.

ARTICLE IV
COVENANTS

Section 4.1 Preparation of Form S-4 and Proxy Statement; Stockholders' Meeting.

(a) As promptly as practicable after the date of this Agreement, Buyer shall (i) file with the SEC a proxy statement (as amended or supplemented from time to time, the "Proxy Statement") to be sent to the stockholders of Buyer relating to the special meeting of Buyer's stockholders (the "Buyer Stockholders Meeting") to be held to consider the Buyer Stockholder Matters and (ii) set a preliminary record date for the Buyer Stockholders Meeting and commence a broker search pursuant to Section 14a-13 of the Exchange Act in Connection therewith; provided, that it is understood and agreed that the Sellers shall prepare the initial draft of the Proxy Statement.

(b) Buyer covenants and agrees that the Proxy Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith) will (i) comply as to form in all material respects with the requirements of applicable U.S. federal securities laws and the DGCL, and (ii) with regard to the information provided in the Proxy Statement by Buyer, will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(c) As promptly as practicable following the date of this Agreement, Buyer shall file with the SEC a registration statement on Form S-4 (as amended or supplemented from time to time, the "Form S-4"), in which the Proxy Statement will be part of the prospectus, in connection with the registration under the Securities Act of the Buyer Common Stock to be issued pursuant to this Agreement; provided, that it is understood and agreed that the Sellers shall prepare the initial draft of the Form S-4. The Sellers covenant and agree that all information concerning the Sellers and the Purchased Assets furnished by the Sellers and included in the Proxy Statement and Form S-4 will (i) comply as to form in all material respects with the requirements of applicable U.S. federal securities laws, and (ii) will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. Buyer shall use its reasonable best efforts to have the Form S-4 declared effective by the SEC under the Securities Act as promptly as practicable after such filing and to keep the Form S-4 effective as long as is necessary to consummate the transactions contemplated hereby. Buyer shall also take any action (other than qualifying to do business in any jurisdiction in which it is not now so qualified or filing a general consent to service of process) required to be taken under any applicable state securities or "blue sky" laws in connection with the issuance of shares of Buyer Common Stock pursuant to this Agreement and the Sellers shall furnish all information concerning the Sellers as may be reasonably requested in connection with any such action. Buyer shall use its reasonable best efforts to respond promptly to any comments or requests of the SEC or its staff relating to the Proxy Statement and the Form S-4; provided, that any comments or request of the SEC or its staff which relate to disclosures contained in the Form S-4 or Proxy Statement and which are provided by the Sellers will be promptly addressed by the Sellers.

(d) Buyer shall cause the Proxy Statement to be mailed to Buyer's stockholders as promptly as practicable after the Form S-4 is declared effective by the SEC under the Securities Act. No filing of, or amendment or supplement to, the Form S-4 or the Proxy Statement will be made by Buyer without providing the Sellers a reasonable opportunity to review and comment thereon and without the Sellers' prior approval (which shall not be unreasonably withheld, conditioned, or delayed). Buyer will advise the Sellers promptly after it receives oral or written notice thereof of the time when the Form S-4 has become effective or any amendment or supplement thereto has been filed, the issuance of any stop order, the suspension of the qualification of the Buyer Common Stock issuable pursuant to this Agreement for offering or sale in any jurisdiction or any oral or written request by the SEC for amendment of the Proxy Statement or the Form S-4 or comments thereon and responses thereto or requests by the SEC for additional information, and will promptly provide the Sellers with copies of any written communication from the SEC or any state securities commission and a reasonable opportunity to participate in the responses thereto. If at any time prior to the Effective Time any information relating to the Sellers or Buyer, or any of their respective Affiliates, officers or directors, should be discovered by the Sellers or Buyer that should be set forth in an amendment or supplement to either of the Form S-4 or the Proxy Statement, so that any of such documents would not contain any misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the party that discovers such information shall promptly notify the other parties hereto and an appropriate amendment or supplement describing such information shall promptly be filed with the SEC and, to the extent required under applicable Law, disseminated to stockholders of Buyer; provided, that the delivery of such notice and the filing of any such amendment or supplement shall not affect or be deemed to modify any representation or warranty made by any party hereunder or otherwise affect the remedies available hereunder to any party.

(e) As promptly as practicable after the Form S-4 is declared effective under the Securities Act, Buyer shall duly call, give notice of, convene and hold the Buyer Stockholders Meeting to consider and vote to approve the Buyer Stockholder Matters pursuant to the terms of this Agreement and the BC Agreement (and such Buyer Stockholders Meeting shall in any event be no later than 45 calendar days after the Form S-4 is declared effective). Buyer may postpone or adjourn the Buyer Stockholders Meeting solely (i) with the consent of the Sellers; (ii) (A) due to the absence of a quorum or (B) if Buyer has not received proxies representing a sufficient number of shares for the Buyer Stockholder Approval, whether or not a quorum is present, to solicit additional proxies; or (iii) to allow reasonable additional time for the filing and mailing of any supplemental or amended disclosure which the Buyer Board has determined in good faith after consultation with outside legal counsel is necessary under applicable Law and for such supplemental or amended disclosure to be disseminated and reviewed by Buyer's stockholders prior to the Buyer Stockholders Meeting; provided, that Buyer may not postpone or adjourn the Buyer Stockholders Meeting more than a total of two times pursuant to clause (ii)(A) and/or clause (ii)(B) of this Section 4.1(e). Notwithstanding the foregoing, Buyer shall, at the request of the Sellers, to the extent permitted by Law, adjourn the Buyer Stockholders Meeting to a date specified by the Sellers for the absence of a quorum or if Buyer has not received proxies representing a sufficient number of shares for the Buyer Stockholder Approval; provided, that Buyer shall not be required to adjourn the Buyer Stockholders Meeting more than one (1) time pursuant to this sentence, and no such adjournment pursuant to this sentence shall be required to be for a period exceeding 10 Business Days. Buyer, through the Buyer Board, shall (i) recommend to its stockholders that they vote to approve the Buyer Stockholder Matters, (ii) include such recommendation in the Proxy Statement and (iii) publicly reaffirm such recommendation within 24 hours after a request to do so by the Sellers. Without limiting the generality of the foregoing, Buyer shall use its reasonable best efforts to solicit proxies to obtain the Buyer Stockholder Approval.

(f) Each Seller agrees that it shall, at the Buyer Stockholders Meeting, however called, or in connection with any written consent of the Buyer Stockholders, vote or consent (or cause to be voted or consented), in person or by proxy, all shares of Buyer Common Stock owned by such Seller (i) in favor of the approval of the Buyer Stockholder Matters and any other actions contemplated by this Agreement and the BC Agreement and any actions required in furtherance hereof and thereof, including delivering a written consent, (ii) against approval of any proposal made in opposition to, or in competition with, the Buyer Stockholder Matters, and (iii) against any other proposal, action, or transaction that would impede, frustrate, prevent or materially delay the consummation of the transactions contemplated by the BC Agreement. Each Seller agrees irreparable damage would occur in the event that such Seller does not perform the provisions of this Section 4.1(f) in accordance with its terms or otherwise breaches such provisions, and accordingly, Buyer would be entitled to the equitable remedies under Section 5.13.

Section 4.2 Information; Purchased Contracts.

(a) Information. On the Closing Date, the Sellers shall deliver or cause to be delivered to Buyer all original (and any and all copies of) agreements, documents, books and records, files and other information, and all computer disks, records, tapes and any other storage medium on which any such agreements, documents, books and records, files and other information is stored, in any such case, relating to the Purchased Assets, that are in the possession of or under the control of the Sellers. If, notwithstanding the foregoing, the Sellers discover following the Closing Date that it is in possession of or has under its control any such items, the Sellers shall (x) deliver to Buyer any such items and (y) thereafter permanently delete and erase all such information (including all copies thereof) in its possession or under its control as soon as reasonably practicable.

(b) Purchased Contracts. During the period beginning on the Closing Date and ending on the closing date of the transactions contemplated by the BC Agreement, the Sellers shall assume and pay, discharge, perform or otherwise satisfy the liabilities and obligations of any kind and nature, whether known or unknown, express or implied, primarily or secondary, direct or indirect, absolute, accrued, contingent or otherwise and whether due or to become due, arising out of, relating to, or otherwise in respect of the Purchased Contracts; and, for the avoidance of doubt, the Sellers agree that any such liabilities and obligations shall be Excluded Liabilities.

Section 4.3 Stockholder Litigation. Buyer shall give the Sellers the opportunity to participate in the defense and settlement of any stockholder litigation against Buyer and/or its officers or directors relating to the transactions contemplated by this Agreement and the Ancillary Agreements in accordance with the terms of a mutually agreed upon joint defense agreement. Buyer shall not enter into any settlement agreement in respect of any stockholder litigation against Buyer and/or its directors or officers relating to the transactions contemplated hereby or thereby without the Sellers' prior written consent (such consent not to be unreasonably withheld, conditioned or delayed).

Section 4.4 Tax Matters.

(a) Purchase Price Allocation. Promptly after the Closing Date, the Sellers shall provide the Buyer with an allocation of the Purchase Price (plus other relevant items treated as consideration for tax purposes) among the Purchased Assets (the "Allocation"). The Sellers shall permit the Buyer to review and comment on the draft Allocation and shall consider in good faith such revisions as are reasonably requested by the Buyer within twenty (20) days of receipt of the draft Allocation. The parties shall file all Tax Returns (including amended returns and claims for refund) and information reports in a manner consistent with the Allocation (as finally determined by the parties); provided, that the Sellers may thereafter revise the Allocation as necessary to reflect the fact that the amount treated as consideration for Tax purposes has changed by reason of payments of amounts between the parties subsequent to the Closing Date that were not previously reflected in the Allocation.

(b) Proration of Taxes. All real property Taxes, personal property Taxes and other similar ad valorem Taxes ("Property Taxes") relating to the any of the Purchased Assets shall be prorated as of the Closing Date for the applicable Tax period that includes the Closing Date between the Seller and the Buyer. The amount of Property Taxes allocable to the Seller shall be equal to the amount of Tax for the period multiplied by a fraction, the numerator of which shall be the number of days from the beginning of the period through the Closing Date and the denominator of which shall be the number of days in the period. The amount of Property Taxes allocable to the Buyer shall be equal to the amount of Tax or other charge for the period multiplied by a fraction, the numerator of which shall be the number of days after the Closing Date and the denominator of which shall be the number of days in the period. All other Taxes shall be allocated as of the Closing Date for the applicable Tax period that includes the Closing Date based on a closing of the books method. In the event that any party pays a Tax for which the other party is obligated in whole or in part under this Section 4.4(b), the former shall present the latter with a statement setting forth the latter's proportionate share, and the latter shall promptly pay such proportionate share to the former. For purposes of this Section 4.4(b), any exemption, deduction, credit or other item (including, without limitation, the effect of any graduated rates of Tax) that is calculated on an annual basis shall be allocated to the portion of the applicable Tax period ending on the Closing Date on a pro rata basis determined by multiplying the total amount of such item allocated to such Tax period times a fraction, the numerator of which is the number of calendar days in the portion of the Tax period ending on the Closing Date and the denominator of which is the number of calendar days in such Tax period.

(c) Transfer Taxes. The Sellers shall be responsible for all excise, sales, use, value added, transfer (including real property transfer or gains), stamp, documentary, filing, recordation and other similar Taxes ("Transfer Taxes") arising as a result of the transactions contemplated by this Agreement. The party customarily responsible under applicable Law shall file all necessary Tax Returns with respect to Transfer Taxes and the non-preparing party shall cooperate in duly and properly preparing, executing, and filing any certificates or other documents required to be filed in connection with such Transfer Taxes.

(d) Cooperation on Tax Matters. The Buyer and the Sellers shall use commercially reasonable efforts to provide to the other such cooperation and information, as and to the extent reasonably requested (and at the requesting party's expense), in connection with the filing of any Tax Return or in conducting any audit, litigation or other proceeding with respect to Taxes. Such cooperation shall include the retention and the provision of records and information that are reasonably relevant to any action and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder.

(e) Certain Tax Forms. Each of the Sellers shall deliver to Buyer on or prior to the Closing Date an accurate, executed and complete IRS Form W-8BEN-E.

Section 4.5 Stock Exchange Listing. Buyer shall use its reasonable best efforts to (a) remain listed as a public company on the Nasdaq and (b) cause the shares of Buyer Common Stock to be issued in pursuant to this Agreement, and such other shares of Buyer Common Stock to be reserved for issuance in connection with the transactions contemplated hereby (including such shares issuable upon conversion of the Buyer Convertible Preferred Stock), to be approved for listing on the Nasdaq, subject to official notice of issuance, prior to the Effective Time.

Section 4.6 Public Announcements. As promptly as practicable following the date of this Agreement (and in any event within four (4) Business Days thereafter), Buyer shall prepare and file a Current Report on Form 8-K pursuant to the Exchange Act to report the execution of this Agreement (the "Form 8-K") and the parties shall issue a mutually agreeable press release announcing the execution of this Agreement. Buyer shall provide the Sellers with a reasonable opportunity to review and comment on the Form 8-K prior to its filing and shall consider such comments in good faith.

Section 4.7 Section 16 Matters. Prior to the Closing, each of Buyer and the Sellers shall take all such steps as may be necessary or appropriate to cause the transactions contemplated by this Agreement, including acquisitions of Buyer Common Stock (including derivative securities with respect to such Buyer Common Stock) resulting from the transactions contemplated by this Agreement by each individual who will become subject to such reporting requirements with respect to Buyer to be exempt under Rule 16b-3 promulgated under the Exchange Act.

Section 4.8 Private Placement. The Sellers shall provide all documentation, including investor questionnaires, reasonably requested by Buyer to allow Buyer to issue the Buyer Capital Stock to such holders in a manner that satisfies the requirements of Rule 506 of Regulation D under the Securities Act or Rule 902 of Regulation S under the Securities Act, including certifications to Buyer that either (a)(i)(A) such holder is and will be, as of the Effective Time, an "accredited investor" (as such term is defined in Rule 501 of Regulation D under the Securities Act) and as to the basis on which such holder is an accredited investor; or (B) such holder is not and will not be, as of the Effective Time, an "accredited investor," in which case such holder either alone or with such holder's purchaser representative has such knowledge and experience in financial and business matters that such holder is capable of evaluating the merits and risks of the Buyer Capital Stock; and (ii) that the Buyer Capital Stock is being acquired for such holder's account for investment only and not with a view towards, or with any intention of, a distribution or resale thereof for at least a period of six (6) months following the Closing, or (b) such holder is not a "U.S. person" within the meaning of Rule 902 of Regulation S under the Securities Act.

Section 4.9 Refunds and Remittances.

(a) If, after the Closing, Buyer or any of its Affiliates receive any refund or other amount that is an Excluded Asset or is otherwise properly due and owing to the Sellers or any of their Affiliates in accordance with the terms of this Agreement, Buyer promptly shall remit, or shall cause to be remitted, such refund or amount to the Sellers.

(b) If, during the period beginning on the Closing Date and ending on the first anniversary of the Closing Date, Buyer or any Affiliates is found subject to an Excluded Liability, (i) Buyer will return or transfer and convey (without further cost or consideration to Buyer) to the Sellers or the appropriate Subsidiary thereof such Excluded Liability, (ii) the Sellers will, or will cause its appropriate Subsidiary to, assume (without further cost or consideration to Buyer) such Excluded Liability, and (iii) the Sellers and Buyer will, and will cause their appropriate Subsidiaries to, execute such documents or instruments of conveyance and assumption and take such further acts as are reasonably necessary or desirable to effect the transfer of such Excluded Liability back to the Sellers or its appropriate Subsidiaries such that each party is put into the same economic position with respect to such Excluded Liability as if such action had been taken on or prior to the Closing Date.

(c) If, during the period beginning on the Closing Date and ending on the first anniversary of the Closing Date, any asset held by the Sellers or its Subsidiaries is ultimately determined to be a Purchased Asset, (i) the Sellers or its Subsidiaries will return or transfer and convey (without further cost to or consideration from Buyer) to Buyer such Purchased Assets, and (ii) the Sellers and Buyer will, and will cause their appropriate Subsidiaries to, execute such documents or instruments of conveyance and assumption and take such further acts as are reasonably necessary or desirable to effect the transfer of such Purchased Assets back to Buyer such that each party is put into the same economic position with respect to such Purchased Asset as if such action had been taken on or prior to the Closing Date.

Section 4.10 Certificate of Designation. The Buyer shall promptly file the Certificate of Designation with the Secretary of State of the State of Delaware, and in any event, within one (1) Business Day after the Closing Date, and shall deliver to the Sellers a copy of the Certificate of Designation, certified by the Secretary of State of the State of Delaware within one (1) Business Day after the Closing Date.

Section 4.11 Continued Development of Purchased Assets. In the event that Buyer Stockholders approve the Conversion Proposal but do not approve the BC Transactions Proposal, Buyer and the Sellers agree to use their commercially reasonable efforts to continue the development of the Purchased Assets in the United States, including obtaining appropriate financing to support such development.

Section 4.12 Bulk Transfer Laws. The parties hereby waive compliance with the provisions of any bulk sales, bulk transfer or similar Laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Purchased Assets to Buyer.

Section 4.13 Further Assurances. Each of the parties agrees to work diligently, expeditiously and in good faith to consummate the transactions contemplated by this Agreement. From time to time after the Closing Date, the Sellers shall execute and deliver to Buyer such instruments of sale, transfer, conveyance, assignment, consent, assurance, power of attorney, and other such instruments as may be reasonably requested by Buyer in order to vest in the Buyer all right, title, and interest in and to the Purchased Assets.

ARTICLE V
GENERAL PROVISIONS

Section 5.1 Non-survival of Representations and Warranties. None of the representations, warranties, covenants or agreements in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Closing, other than those covenants or agreements of the parties which by their terms apply, or are to be performed in whole or in part, after the Closing, including, for the avoidance of doubt, all of the covenants in Article IV.

Section 5.2 Notices. All notices and other communications hereunder shall be in writing and shall be deemed duly given (a) on the date of delivery if delivered personally, or if by e-mail, upon written confirmation of receipt by e-mail or otherwise, (b) on the first (1st) Business Day following the date of dispatch if delivered utilizing a next-day service by a recognized next-day courier or (c) on the earlier of confirmed receipt or the fifth (5th) Business Day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered to the addresses set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

(i) if to Buyer, to:

Catalyst Biosciences, Inc.
611 Gateway Blvd.
Suite 120
South San Francisco, CA 94080
Attention: Nassim Usman, PhD
E-mail: nusman@catbio.com

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

Orrick, Herrington & Sutcliffe LLP
51 West 52nd Street
New York, NY 10019
Attention: Stephen Thau and David Schwartz
E-mail: sthau@orrick.com and dschwartz@orrick.com

(ii) if to the Sellers, to:

GNI Group Ltd.
GNI Hong Kong Limited

Building 6. No. 230 Chuanhong Road
Chuansha, Pudong New Area
Shanghai, P. R. China

Attention: Ying Luo
Thomas Eastling
E-mail: yluo@gnipharma.com
t-eastling@gnipharma.com

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

Gibson, Dunn & Crutcher LLP
555 Mission St., Suite 3000
San Francisco, CA 94105
Attention: Ryan A. Murr
Branden C. Berns
E-mail: RMurr@gibsondunn.com
BBerns@gibsondunn.com

Section 5.3 Certain Definitions. For purposes of this Agreement:

(a) "Affiliate" of any Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first Person.

(b) "Ancillary Agreements" means (i) the Bill of Sale, (ii) the Assignment of Intellectual Property, and (iii) each document, certificate, or other instrument required to be delivered under this Agreement or under any other Ancillary Agreement.

(c) "BC Agreement" means that certain Business Combination Agreement, dated as of the date hereof, by and among Buyer, GNI Group, GNI Hong Kong, GNI USA, Inc., Shanghai Genomics, Inc., the Minority Holders (as defined therein) and Continent Pharmaceuticals Inc.

(d) "Business Day" means any day other than a Saturday, a Sunday or a day on which banks in New York, New York are authorized or required by applicable Law to be closed.

(e) "Buyer Balance Sheet" means the audited balance sheet of Buyer as of December 31, 2021, included in Buyer's Report on Form 10-K for the year ended December 31, 2021, as filed with the SEC.

(f) "Buyer Capital Stock" means the Buyer Common Stock and Buyer Convertible Preferred Stock.

(g) "Buyer Owned IP" means all Intellectual Property owned by Buyer or any of its Subsidiaries in whole or in part.

(h) "Certificate of Designation" means a certificate of designation for the Buyer Convertible Preferred Stock in the form attached hereto as Exhibit C.

(i) "Code" means the Internal Revenue Code of 1986, as amended.

(j) "Compound" means [***].

(k) "control" (including the terms "controlled," "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

(l) "COVID-19" means SARS-CoV-2 or COVID-19, and any variants or evolutions thereof or related or associate epidemics, pandemic or disease outbreaks.

(m) "Develop" or "Development" means non-clinical, CMC, and clinical drug development activities, including: clinical trials relating to the development of pharmaceutical compounds and pharmaceutical products; regulatory affairs activities, including any written and verbal communications or interactions with, a Governmental Authority for purposes including progressing development of an investigational drug; obtaining Marketing Approval of a pharmaceutical product; and any associated CMC activities to develop analytical or manufacturing capabilities for covered products for investigational or commercial purposes. "Develop" and "Development" includes product or assay optimization, nonclinical activities, the conduct and documentation of pharmacology and safety studies, toxicology studies, studies to characterize the absorption, distribution, metabolism or excretion of covered compounds or products; CMC development activities, including, formulation, manufacturing process development and scale-up (including bulk compound production); quality assurance and quality control; or technical support.

(n) "Encumbrance" means any charge, claim, limitation, condition, equitable interest, mortgage, lien, option, pledge, security interest, easement, encroachment, right of first refusal, adverse claim or restriction of any kind, including any restriction on or transfer or other assignment, as security or otherwise, of or relating to use, quiet enjoyment, voting, transfer, receipt of income or exercise of any other attribute of ownership.

(o) "ERISA Affiliate" means any Person that is (or at any relevant time was) a member of a "controlled group of corporations" with or under "common control" with the Seller as defined in Section 414(b) or (c) of the Code or that is otherwise (or at any relevant time was) required to be treated, together with the Seller, or as the case may be, as a single employer under Sections 414(m) or (o) of the Code.

(p) "Excluded Taxes" means any Taxes (i) irrespective of when asserted, of the Sellers (or any of their Affiliates (excluding the Buyer and its Subsidiaries after the Closing Date)), (ii) arising out of or imposed on the Purchased Assets for any taxable period (or portion thereof) ending on or before the Closing Date, (iii) that arise out of the consummation of the transactions contemplated hereby, or (iv) for which Sellers are responsible pursuant to Section 4.4(c); but, in each case, excluding any Transfer Taxes for which Buyer is responsible pursuant to Section 4.4(c) and any Taxes resulting from any act taken or transaction entered into by Buyer or any of its Affiliates outside of the ordinary course of business on the Closing Date after the Closing.

(q) "FD&C Act" means the U.S. Federal Food, Drug, and Cosmetic Act, as amended.

(r) "Governmental Authority" means any United States or non-United States federal, national, supranational, state, provincial, local or similar government, governmental, regulatory or administrative authority, branch, agency or commission or any court, tribunal, or arbitral or judicial body (including any grand jury).

(s) "IND" means an Investigational New Drug Application filed with the FDA pursuant to Part 312 of Title 21 of the U.S. Code of Federal Regulations (or its successor regulation), or the equivalent application or filing filed with any equivalent agency or Governmental Authority outside the United States of America (including any supra-national agency such as the EMA).

(t) "Intellectual Property" means all intellectual property rights arising from or associated with the following, whether protected, created or arising under the laws of the United States or any other jurisdiction: (i) trade names, trademarks and service marks (registered and unregistered), domain names and other Internet addresses or identifiers, trade dress and similar rights and applications (including intent to use applications and similar reservations of marks and all goodwill associated therewith) to register any of the foregoing (collectively, "Marks"); (ii) Patents; (iii) copyrights (registered and unregistered) and applications for registration (collectively, "Copyrights"); (iv) trade secrets, know-how, inventions, methods, processes and processing instructions, technical data, specifications, research and development information, technology, product roadmaps, customer lists and any other information, in each case to the extent any of the foregoing derives economic value (actual or potential) from not being generally known to other persons who can obtain economic value from its disclosure or use, excluding any Copyrights or Patents that may cover or protect any of the foregoing (collectively, "Trade Secrets"); and (v) moral rights, publicity rights, data base rights and any other proprietary or intellectual property rights of any kind or nature that do not comprise or are not protected by Marks, Patents, Copyrights or Trade Secrets.

(u) "Inventory" means all stock of API, drug substance and/or Product that are related to the Compound, including (i) copies of all papers, records and documents (in paper or electronic format), and (ii) all technical and descriptive materials, purchasing and sales records, documentation, and related information and materials, in each case, in the possession or control of the Seller or any of its Affiliates, as of immediately prior to the Closing; provided however, that Inventory shall not include any damaged, obsolete, or expired stock (which, for the avoidance of doubt, shall be Excluded Assets).

(v) "knowledge" of any party means (i) the actual knowledge of any executive officer of such party or other officer having primary responsibility for the relevant matter or (ii) any fact or matter which any such officer of such party could be expected to discover or otherwise become aware of in the course of conducting a reasonably comprehensive investigation, consistent with such officer's title and responsibilities, concerning the existence of the relevant matter.

(w) "Marketing Approval" means, with respect to the Product in a particular country or regulatory jurisdiction, receipt of approval necessary for the commercial sale of the Product in such country or regulatory jurisdiction.

(x) "Multiemployer Plan" means any "multiemployer plan," as defined in Section 4001(a)(3) of ERISA, (i) that the Seller or any of its ERISA Affiliates maintains, administers, contributes to or is required to contribute to, or, after September 25, 1980, maintained, administered, contributed to or was required to contribute to, or under which the Seller or any of its ERISA Affiliates may incur any liability and (ii) that covers or has covered any employee or former employee of the Seller or any of its ERISA Affiliates (with respect to their relationship with such entities) or for which the Seller may be responsible.

(y) "Nasdaq" means the Nasdaq Stock Market, LLC.

(z) "NDA" means a New Drug Application, as defined in the FD&C Act, and applicable regulations promulgated thereunder by the FDA.

(aa) "Patent Files" means, with regard to the Purchased Patents, the file histories for such Patents in the possession or control of the Seller or any of its Affiliates.

(bb) "Patents" means all national, regional and international statutory invention registrations, issued patents, and patent applications of any kind, including all applications and filings made pursuant to the Patent Cooperation Treaty (PCTs), provisional applications, nonprovisional applications, converted provisional applications, requests for continued examination, continuation applications, continuation-in-part applications, divisional applications, substitutions, additions, reexaminations, reissue applications, supplemental examinations, oppositions, inter partes review, post-grant review, transitional program for covered business method patent review, interference proceedings, derivation proceedings, all rights in respect of design patents, utility models, certificates of invention, and any similar rights, including so-called pipeline protection, patent term extension, and supplemental protection certificates, all patent rights in inventions disclosed in each such registration, patent or patent application, and all rights and priorities afforded under any Law with respect to any of the foregoing in any jurisdiction, including all earlier-filed applications from which benefit or priority rights are derived, and all extensions, restorations, and renewals of any of the foregoing.

(cc) "Pension Plan" means any "employee pension benefit plan" as defined in Section 3(2) of ERISA (other than a Multiemployer Plan) (i) that the Seller or any of its ERISA Affiliates maintains, administers, contributes to or is required to contribute to, or, within the five years prior to the Closing Date, maintained, administered, contributed to or was required to contribute to, or under which any such entity may incur any liability and (ii) that covers or has covered any employee or former employee of the Seller or any of its ERISA Affiliates (with respect to their relationship with such entities) or for which the Seller may be responsible.

(dd) "Permitted Encumbrance" means any (i) statutory liens for Taxes not yet due and for which adequate reserves have been established in accordance with GAAP or International Financial Reporting Standards (as applicable), or (ii) mechanics', workmen's, repairmen's, warehousemen's and carriers' liens arising in the ordinary course of business consistent with past practice.

(ee) "Person" means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including any Governmental Entity.

(ff) "Personal Information" means any information that alone or in combination with other information can be used to identify an individual.

(gg) "Product" means any current or future pharmaceutical product containing or comprising the Compound, whether or not as the sole active ingredient, and in any dosage, form or formulation.

(hh) "Purchased Intellectual Property" means the Purchased Patents and Purchased Trade Secrets.

(ii) "Regulatory Materials" means the U.S. and foreign regulatory applications, submissions and approvals (including all INDs, NDAs and foreign counterparts thereof, and all Marketing Approvals) for any Compound or Product, and all material correspondence with the FDA and other Governmental Authorities relating to any Compound or Product or any of the foregoing regulatory applications, submissions and approvals and all clinical, regulatory and other data and information contained in the foregoing regulatory applications, submissions and approvals; whether generated, filed or held by or for the Seller or its Affiliates or by any third party on behalf of the Seller or its Affiliates, as applicable, which materials are actually delivered by the Seller to Buyer on or prior to the Closing.

(jj) "Representative" means, with respect to a party, such party's directors, officers, employees, investment bankers, financial advisors, attorneys, accountants or other advisors, agents or representatives.

(kk) "Right" means all claims, causes of action, rights of recovery and rights of set-off against any Person arising from or related to the Purchased Assets, including: (i) all rights under any Seller Contract, including all rights to receive payment for products sold and services rendered thereunder, to receive goods and services thereunder, to assert claims and to take other rightful actions in respect of breaches, defaults and other violations thereof; (ii) all rights under or in respect of any Purchased Intellectual Property, including all rights to sue and recover damages for past, present and future infringement, dilution, misappropriation, violation, unlawful imitation or breach thereof, and all rights of priority and protection of interests therein under the laws of any jurisdiction; and (iii) all rights under all guarantees, warranties, indemnities and insurance policies arising from or related to the Purchased Assets.

(ll) "SEC" means the Securities and Exchange Commission.

(mm) "Subsidiary" means, with respect to any Person, any other Person of which stock or other equity interests having ordinary voting power to elect more than 50% of the board of directors or other governing body are owned, directly or indirectly, by such first Person.

(nn) "Tax Return" means any return, declaration, report, election, claim for refund, information return, or statement filed or supplied or required to be filed or supplied to any Governmental Entity or any other Person with respect to Taxes, including any schedule, attachment or supplement thereto, and including any amendment thereof.

(oo) "Taxes" means (i) all federal, state, local, foreign and other net income, gross income, gross receipts, sales, use, stock, ad valorem, transfer, transaction, franchise, profits, gains, registration, license, wages, lease, service, service use, employee and other withholding, social security, unemployment, welfare, disability, payroll, employment, excise, severance, stamp, environmental, occupation, workers' compensation, premium, real property, personal property, windfall profits, net worth, capital, value-added, alternative or add-on minimum, customs duties, estimated and other taxes, fees, assessments, charges or levies of any kind whatsoever (whether imposed directly or through withholding and including taxes of any third party in respect of which a Person may have a duty to collect or withhold and remit and any amounts resulting from the failure to file any Tax Return), whether disputed or not, together with any interest and any penalties, additions to tax or additional amounts with respect thereto, (ii) any liability for payment of amounts described in clause (i) whether as a result of transferee liability, of being a member of an affiliated, consolidated, combined or unitary group for any period or otherwise through operation of Law, and (iii) any liability for the payment of amounts described in clauses (i) or (ii) as a result of any tax sharing, tax indemnity or tax allocation agreement or any other express or implied agreement to indemnify any other Person (other than any such agreement entered into in the ordinary course of business the primary purpose of which is not related to Taxes).

Section 5.4 Interpretation. When a reference is made in this Agreement to a Section, Article, Exhibit or Schedule such reference shall be to a Section, Article, Exhibit or Schedule of this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement or in any Exhibit or Schedule are for convenience of reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein shall have the meaning as defined in this Agreement. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth herein. The word "including" and words of similar import when used in this Agreement will mean "including, without limitation," unless otherwise specified. The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to the Agreement as a whole and not to any particular provision in this Agreement. The term "or" is not exclusive. The word "will" shall be construed to have the same meaning and effect as the word "shall." References to days mean calendar days unless otherwise specified. Each of the terms "delivered" and "made available" means, with respect to any documentation, that (i) prior to 11:59 p.m. (Pacific Time) on the date that is two Business Days prior to the date of this Agreement (A) a copy of such material has been posted to and made available by a party to the other party and its Representatives in the electronic data room maintained by such disclosing party, or (B) such material is disclosed in the Buyer SEC Documents filed with the SEC prior to the date hereof and publicly made available on the SEC's Electronic Data Gathering Analysis and Retrieval system or (ii) such documentation has been delivered by or on behalf of a party or its Representatives via electronic mail or in hard copy form prior to the execution of this Agreement. Whenever the last day for the exercise of any privilege or the discharge of any duty hereunder shall fall upon a Saturday, Sunday, or any date on which banks in New York, New York, are authorized or obligated by Law to be closed, the party having such privilege or duty may exercise such privilege or discharge such duty on the next succeeding day which is a regular Business Day.

Section 5.5 Entire Agreement. This Agreement (including the Exhibits hereto), the Sellers Disclosure Letter, the Buyer Disclosure Letter and the Confidentiality Agreements (as such term is defined in the BC Agreement) constitute the entire agreement, and supersede all prior written agreements, arrangements, communications and understandings and all prior and contemporaneous oral agreements, arrangements, communications and understandings among the parties with respect to the subject matter hereof and thereof.

Section 5.6 No Third-Party Beneficiaries.

(a) Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than the parties and their respective successors and permitted assigns any legal or equitable right, benefit or remedy of any nature under or by reason of this Agreement, except as provided in Section 4.2.

(b) The representations and warranties in this Agreement are the product of negotiations among the parties hereto and are for the sole benefit of the parties hereto. Any inaccuracies in such representations and warranties are subject to waiver by the parties hereto in accordance with Section 5.8 without notice or liability to any other Person. In some instances, the representations and warranties in this Agreement may represent an allocation among the parties hereto of risks associated with particular matters regardless of the knowledge of any of the parties hereto. Consequently, Persons other than the parties hereto may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

Section 5.7 Amendment or Supplement. This Agreement may be amended, modified or supplemented by the parties by action taken or authorized by their governing bodies at any time, whether before or after the Buyer Stockholder Approval has been obtained; provided, however, that after the Buyer Stockholder Approval has been obtained, no amendment shall be made that pursuant to applicable Law requires further approval or adoption by the Sellers or the stockholders of the Buyer, as applicable, without such further approval or adoption. This Agreement may not be amended, modified or supplemented in any manner, whether by course of conduct or otherwise, except by an instrument in writing specifically designated as an amendment hereto, signed on behalf of each of the parties in interest at the time of the amendment.

Section 5.8 Waiver. The parties may, by action taken or authorized by their respective Boards of Directors, to the extent permitted by applicable Law, waive compliance with any of the agreements or conditions of the other parties contained herein; provided, however, that after the Buyer Stockholder Approval has been obtained, no waiver may be made that pursuant to applicable Law requires further approval or adoption by the Sellers or the stockholders of the Buyer, as applicable, without such further approval or adoption. Any agreement on the part of a party to any such waiver shall be valid only if set forth in a written instrument executed and delivered by a duly authorized officer on behalf of such party. No failure or delay of any party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties hereunder are cumulative and are not exclusive of any rights or remedies which they would otherwise have hereunder.

Section 5.9 Fees and Expenses. Except as otherwise set forth in this Agreement, all fees and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such fees or expenses.

Section 5.10 Governing Law. This Agreement and all disputes or controversies arising out of or relating to this Agreement or the transactions contemplated hereby shall be governed by, and construed in accordance with, the internal Laws of the State of Delaware, without regard to the Laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of Delaware.

Section 5.11 Submission to Jurisdiction. Each of the parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement brought by any party or its Affiliates against any other party or its Affiliates shall be brought and determined in the Court of Chancery of the State of Delaware; provided, that if jurisdiction is not then available in the Court of Chancery of the State of Delaware, then any such legal action or proceeding may be brought in any federal court located in the State of Delaware or any other Delaware state court. Each of the parties hereby irrevocably submits to the jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby. Each of the parties agrees not to commence any action, suit or proceeding relating thereto except in the courts described above in Delaware, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in Delaware as described herein. Each of the parties further agrees that notice as provided herein shall constitute sufficient service of process and the parties further waive any argument that such service is insufficient. Each of the parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the courts in Delaware as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper or (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

Section 5.12 Assignment; Successors. Neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned or delegated, in whole or in part, by operation of law or otherwise, by any party without the prior written consent of the other parties, and any such assignment without such prior written consent shall be null and void; provided, however, that a Seller may assign, in its sole discretion, any or all of its rights, interests and obligations under this Agreement to (a) any of its Affiliates at any time, in which case all references herein to such Seller shall be deemed references to such other Affiliate, except that all representations and warranties made herein with respect to such Seller as of the date of this Agreement shall be deemed to be representations and warranties made with respect to such other Affiliate as of the date of such assignment or (b) after the Closing, any Person. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

Section 5.13 Specific Performance. The parties agree that irreparable damage would occur in the event that the parties hereto do not perform the provisions of this Agreement in accordance with its terms or otherwise breach such provisions. Accordingly, the parties acknowledge and agree that each party shall be entitled to an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in the Court of Chancery of the State of Delaware, provided, that if jurisdiction is not then available in the Court of Chancery of the State of Delaware, then in any federal court located in the State of Delaware or any other Delaware state court, this being in addition to any other remedy to which such party is entitled at law or in equity. Each of the parties hereby further waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any Law to post security as a prerequisite to obtaining equitable relief.

Section 5.14 Currency. All references to “dollars” or “$” or “US$” in this Agreement refer to U.S. dollars, which is the currency used for all purposes in this Agreement.

Section 5.15 Severability. Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable Law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

Section 5.16 Waiver of Jury Trial. EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 5.17 Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

Section 5.18 Facsimile or .pdf Signature. This Agreement may be executed by facsimile or .pdf signature and a facsimile or .pdf signature shall constitute an original for all purposes.

Section 5.19 No Presumption Against Drafting Party. Each of Buyer and the Sellers acknowledges that each party to this Agreement has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the drafting party has no application and is expressly waived.

[*The remainder of this page is intentionally left blank*.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

CATALYST BIOSCIENCES, INC.

By: /s/ Nassim Usman, Ph.D.
Name: Nassim Usman, Ph.D.
Title: Chief Executive Officer

GNI GROUP LTD.

By: /s/ Ying Luo
Name: Ying Luo
Title: President and Chief Executive Officer

GNI HONG KONG LIMITED

By: /s/ Ying Luo
Name: Ying Luo
Title: Director and President

Exhibit 2.2

BUSINESS COMBINATION AGREEMENT

among

CATALYST BIOSCIENCES, INC.,

GNI USA, INC.,

GNI GROUP LTD.

GNI HONG KONG LIMITED

SHANGHAI GENOMICS, INC.,

CONTINENT PHARMACEUTICALS INC.,

and

THE OTHER PARTIES THAT ARE SIGNATORIES HERETO

Dated as of December 26, 2022

This document is not intended to create, nor will it be deemed to create, a legally binding or enforceable offer or agreement, acceptance of an offer or agreement of any type or nature, unless and until agreed to and executed by all parties hereto.

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BUSINESS COMBINATION AGREEMENT

This BUSINESS COMBINATION AGREEMENT (this "Agreement"), dated as of December 26, 2022, is by and among CATALYST BIOSCIENCES, INC., a Delaware corporation ("Parent"), GNI USA, Inc., a Delaware corporation ("GNI USA"), GNI Group Ltd., a company incorporated under the laws of Japan with limited liability ("GNI Group"), GNI Hong Kong Limited, a company incorporated under the laws of Hong Kong with limited liability ("GNI HK"), Shanghai Genomics, Inc., a company organized under the laws of the People's Republic of China ("Shanghai Genomics", and collectively with GNI USA, GNI Group and GNI HK, "Contributors," and each a "Contributor"), the individuals listed on Annex A hereto (each, a "Minority Holder" and collectively, the "Minority Holders") and Continent Pharmaceuticals Inc., a Cayman Islands company limited by shares (the "Company").

RECITALS

WHEREAS, the parties intend to effect the contribution of the interests in each of the Company, Further Challenger International Limited, a company incorporated and existing under the laws of the British Virgin Islands with company number 1982271 ("Further Challenger"), and the interest in each of the entities held by the Minority Holders listed on Annex A hereto (each, an "Entity" and collectively, the "Entities"), to Parent in exchange for shares of common stock, par value $0.001 per share, of Parent (the "Parent Common Stock"), or at the election of GNI USA or the Minority Holders, shares of Parent Convertible Preferred Stock, on the terms and subject to the conditions set forth herein (collectively, the "Transactions");

WHEREAS, the parties intend that the GNI USA Contribution and Minority Holder Contribution, taken together, will qualify as a transaction governed by Section 351(a) of the Internal Revenue Code of 1986, as amended (the "Code," and such treatment, the "Intended Tax Treatment");

WHEREAS, the board of directors of Parent has (i) unanimously approved this Agreement and the Transactions in accordance with the Delaware General Corporation Law (the "DGCL") and determined that the Transactions are advisable and in the best interests of the stockholders of Parent and (ii) resolved to recommend that Parent stockholders approve (A) the consummation of the transactions contemplated hereby (the "Business Combination Proposal"), (B) the conversion of the Series X Convertible Preferred Stock, par value $0.001 per share, of Parent (the "Parent Convertible Preferred Stock") issued pursuant to the F351 Agreement into shares of Parent Common Stock in accordance with Nasdaq Listing Rule 5635 (the "Conversion Proposal"), (C) if deemed necessary or appropriate by Parent or as otherwise required by applicable Law or Contract, to authorize sufficient Parent Common Stock in Parent's certificate of incorporation for the conversion of the Parent Convertible Preferred Stock issued pursuant to the F351 Agreement and/or to effectuate a reverse stock split (collectively, the "Charter Amendment Proposal"), and (D) if deemed necessary or appropriate by the parties in order to effectuate Section 1.5 hereto or as otherwise required by applicable Law or Contract, an increase in the share reserve under Parent's 2018 Omnibus Incentive Plan (the "Incentive Plan Proposal" and, together with the Business Combination Proposal, the Conversion Proposal and the Charter Amendment Proposal, the "Parent Stockholder Matters");

WHEREAS, prior to the Closing, under Section 6.17, each of GNI Group and GNI HK shall contribute all of its ordinary shares in the capital of the Company, par value $0.0001 per share (each a "Company Ordinary Share") to GNI USA, such that immediately prior to the Closing, GNI USA shall hold 72.22% of the Company Ordinary Shares;

WHEREAS, prior to the Closing, under Section 6.17, Shanghai Genomics shall contribute all of the 50,000 no par value shares of a single class it holds in Further Challenger (each a "FC Share") to GNI USA, such that immediately prior to the Closing, GNI USA shall hold 100% of the FC Shares;

WHEREAS, the executive director of Shanghai Genomics has approved this Agreement and the Transactions, pursuant to which Shanghai Genomics shall contribute all of the FC Shares immediately prior to the Closing to GNI USA upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the board of directors of GNI Group has approved this Agreement and the Transactions, pursuant to which GNI Group shall contribute all of the Company Ordinary Shares it holds prior to the Closing to GNI USA upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the board of directors of GNI HK has approved this Agreement and the Transactions, pursuant to which GNI HK shall contribute all of the Company Ordinary Shares it holds prior to the Closing to GNI USA upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the board of directors and the sole stockholder of GNI USA has approved this Agreement and the Transactions, pursuant to which GNI USA shall contribute all of the Company Ordinary Shares and all of the FC Shares it holds immediately prior to the Closing to Parent in exchange for shares of Parent Common Stock upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the board of directors of the Company has approved this Agreement and the Transactions, pursuant to which GNI USA shall transfer all of the Company Ordinary Shares and all of the FC Shares it holds immediately prior to the Closing to Parent in exchange for shares of Parent Common Stock upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, each Minority Holder and the governing body of his or her wholly-owned respective Entity has approved this Agreement and the Transactions, pursuant to which each Minority Holder shall transfer all of his or her interests in such Entity he or she holds immediately prior to the Closing to Parent in exchange for shares of Parent Common Stock upon the terms and subject to the conditions set forth in this Agreement;

WHEREAS, the Company and the Minority Holders hold, in the aggregate, a 65.18% interest in Beijing Continent Pharmaceuticals Co., Ltd., a company organized under the laws of the People's Republic of China (the "Operating Company");

WHEREAS, substantially concurrently with the execution of this Agreement, Parent, GNI Group, and GNI HK are entering into that certain Asset Purchase Agreement dated as of the date hereof (the "F351 Agreement");

WHEREAS, prior to the Closing, GNI Group and GNI HK shall contribute the shares of Parent Common Stock and Parent Convertible Preferred Stock issued to GNI Group and GNI HK pursuant to the F351 Agreement to GNI USA; and

WHEREAS, Parent, the Contributors, the Minority Holders, and the Company desire to make certain representations, warranties, covenants and agreements in connection with the Transactions and also to prescribe certain conditions to the Transactions as specified herein.

AGREEMENT

NOW, THEREFORE, in consideration of the premises, and of the representations, warranties, covenants and agreements contained herein, and intending to be legally bound hereby, Parent, the Contributors, and the Company hereby agree as follows:

ARTICLE I
CONTRIBUTION AND EXCHANGE

Section 1.1 Contributions. Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time:

(a) GNI USA shall contribute all of the Company Ordinary Shares it holds immediately prior to the Closing to Parent in exchange for a number of shares of Parent Common Stock as set forth in Section 1.4(a)(i);

(b) GNI USA shall contribute all of the FC Shares it holds immediately prior to the Closing to Parent in exchange for a number of shares of Parent Common Stock as set forth in Section 1.4(a)(ii) (together with the contribution described in Section 1.1(a), the "GNI USA Contribution"); and

(c) following the GNI USA Contribution, each Minority Holder shall contribute 100% of the interest he or she holds immediately prior to the Closing in his or her respective Entity ("Entity Shares") to Parent in exchange for a number of shares of Parent Common Stock as set forth in Section 1.4(a)(iii) (such contributions described in this Section 1.1(c) are collectively referred to herein as the "Minority Holder Contribution", and together with the GNI USA Contribution, the "Contributions").

Following the Contributions, (i) the Company shall continue, directly and indirectly through Parent's ownership of Further Challenger, as a wholly-owned subsidiary of Parent; (ii) Further Challenger shall continue as a wholly-owned subsidiary of Parent; and (iii) each of the Entities shall continue as a wholly-owned subsidiary of Parent.

Section 1.2 Closing. The closing of the Transactions (the "Closing") shall take place at 10:00 a.m., eastern time, on the second Business Day following the satisfaction or, to the extent permitted by applicable Law, waiver of the conditions set forth in Article VII (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or, to the extent permitted by applicable Law, waiver of those conditions), at the offices of Gibson, Dunn & Crutcher LLP, 555 Mission Street, San Francisco, CA 94105, unless another date, time or place is agreed to in writing by Parent, the Contributors and the Company; provided, that the Closing may occur remotely via electronic exchange of required Closing documentation in lieu of an in-person Closing, and the parties shall cooperate in connection therewith. The date on which the Closing occurs is referred to in this Agreement as the "Closing Date."

Section 1.3 Effective Time. The Transactions contemplated herein to occur on and as of the Closing Date shall be deemed to have occurred simultaneously and to be effective as of 12:01 a.m. on the Closing Date or at such other time as Parent, the Contributors and the Company shall agree in writing (the "Effective Time").

Section 1.4 Exchange.

(a) On the Closing Date, Parent shall issue an aggregate number of book-entry shares (or certificates, if requested) to GNI USA as set forth below:

(i) 688,850,101 shares of Parent Common Stock to GNI USA in exchange for the contribution of the Company to Parent;

(ii) 264,971,695 shares of Parent Common Stock to GNI USA in exchange for the contribution of Further Challenger to Parent;

(iii) an aggregate of 156,954,428 shares of Parent Common Stock to the Minority Holders, in the amounts set forth on Annex A hereto, in exchange for the contributions of the Entities to Parent.

(b) At the election of GNI USA or any Minority Holder, in lieu of the issuance of Parent Common Stock that GNI USA or any Minority Holder is entitled to be issued pursuant to Section 1.4(a) at the Closing, GNI USA or such Minority Holder may elect to be issued a number of shares of Parent Convertible Preferred Stock determined by dividing (i) the number of shares of Parent Common Stock GNI USA or such Minority Holder elects to receive in the form of Parent Convertible Preferred Stock by (ii) 10,000. GNI USA or such Minority Holder shall deliver notice of such election to Parent two (2) Business Days prior to the Closing.

Section 1.5 Treatment of Operating Company Options. At the Effective Time, each option to purchase common shares of the Operating Company (the "Operating Company Common Shares") granted under any employee or director stock option, stock purchase or equity compensation plan, arrangement or agreement of the Operating Company (each, an "Operating Company Option"), that is outstanding immediately prior to the Effective Time and held by a United States taxpayer, will be converted into an option to purchase shares of Parent Common Stock with the exercise price, the number of shares of Parent Common Stock subject to such option and the terms and conditions of exercise of such option to be determined in a manner consistent with the requirements of Section 409A of the Code in order to avoid the imposition of any additional taxes thereunder. With respect to any Operating Company Option that is outstanding immediately prior to the Effective Time and held by an individual who is not a United States taxpayer, such Operating Company Option will remain outstanding and, at the time that any such Operating Company Option becomes exercisable, the holder thereof shall have the option to receive, in lieu of Operating Company Common Shares, a number of shares of Parent Common Stock equal to the intrinsic value of such Operating Company Option on the exercise date. Prior to the Effective Time, the Company shall take, or cause to be taken, all actions necessary or appropriate to give effect to the provisions of this Section 1.5.

Section 1.6 Contingent Value Right.

(a) On the tenth (10^{th}) day after the date of this Agreement (or if the tenth (10^{th}) calendar day after the date of this Agreement is not a Business Day, then the immediately subsequent Business Day) (the "Record Date"), the Board of Directors of Parent (the "Parent Board") shall (i) set a record date for the CVR Distribution (as defined below) to the holders of Parent Common Stock of record on the Record Date and (ii) declare a distribution (the "CVR Distribution") to the holders of Parent Common Stock of record as of the Record Date of the right to receive one contingent value right (each, a "CVR") for each outstanding share of Parent Common Stock held by such stockholder as of such date (less applicable withholding taxes), each representing the right to receive contingent payments upon the occurrence of certain events set forth in, and subject to and in accordance with the terms and conditions of, the Contingent Value Rights Agreement in the form attached hereto as Exhibit A (the "CVR Agreement"); provided, that (i) the holders of shares of Parent Common Stock that are entitled to receive such shares pursuant to this Agreement or the F351 Agreement will not receive CVRs for any such shares of Parent Common Stock held by such stockholder and (ii) such holders waive any rights to the CVRs for such shares. The CVR Distribution shall occur on the fifth (5^{th}) Business Day following the Record Date.

(b) On the date of this Agreement, the Parent shall (i) provide Nasdaq, in accordance with Nasdaq Listing Rule 5250(e)(6), written notice of the Record Date, (ii) provide public disclosure of the CVR Distribution in a manner complaint with Regulation FD and (iii) make prior notification of the public disclosure to Nasdaq MarketWatch through the Electronic Disclosure submission system.

(c) Parent shall, as promptly as practicable after the Closing Date (and in any event prior to the CVR Distribution), duly authorize, execute and deliver the CVR Agreement. Parent agrees to pay all costs and fees associated with any action contemplated by this Section 1.6.

Section 1.7 Parent Matters.

(a) Parent Certification of Incorporation. As of the Effective Time, the certificate of incorporation of Parent shall be identical to the certificate of incorporation of Parent immediately prior to the Effective Time, unless the Contributors elect to amend the certificate of incorporation prior to the Closing, until thereafter amended in accordance with its terms and as provided by applicable Law.

(b) Parent Bylaws. As of the Effective Time, the bylaws of Parent shall be identical to the bylaws of Parent immediately prior to the Effective Time, unless the Contributors elect to amend the bylaws prior to the Closing, until thereafter amended in accordance with their terms and as provided by applicable Law.

(c) Parent Directors. Subject to the Parent Stockholder Approval, the parties shall take all action necessary (including, to the extent necessary, procuring the resignation or removal of any directors on the Board of Directors of Parent immediately prior to the Effective Time) so that, as of immediately after the Effective Time, the number of directors that comprise the full Board of Directors of Parent shall be five (5), and such Board of Directors shall immediately after the Effective Time initially consist of the individuals listed in Schedule 1.7(c) unless otherwise designated by the Contributors prior to the Closing, who shall serve in such capacity in accordance with the terms of the governing documents of Parent following the Closing.

(d) Parent Officers. The parties shall take all action necessary (including, to the extent necessary, procuring the resignation or removal of any officers of Parent immediately prior to the Effective Time) so that, as of the Effective Time, the Parent officers shall initially consist of the Persons listed in Schedule 1.7(d), unless otherwise designated by the Contributors prior to the Closing.

Section 1.8 Company Matters.

(a) Company Articles. At the Effective Time, the Company Articles immediately prior to the Effective Time shall be the memorandum and articles of association of the Company until thereafter amended in accordance with its terms and as provided by applicable Law.

(b) Company Directors and Officers. At the Effective Time, the directors and officers of the Company immediately prior to the Effective Time shall be the directors and officers of the Company until the earlier of their resignation or removal or until their respective successors are duly elected and qualified.

Section 1.9 Further Challenger Matters.

(a) Further Challenger Articles. At the Effective Time, the memorandum and articles of association of Further Challenger immediately prior to the Effective Time shall be the memorandum and articles of association of Further Challenger until thereafter amended in accordance with its terms and as provided by applicable Law. (b)Further Challenger Directors and Officers. At the Effective Time, the directors and officers of Further Challenger immediately prior to the Effective Time shall be the directors and officers of Further Challenger until the earlier of their resignation or removal or until their respective successors are duly elected and qualified.

Section 1.10 Entity Matters.

(a) Entity Governing Documents. At the Effective Time, the governing documents of each Entity immediately prior to the Effective Time shall be the governing documents of each Entity, unless the Contributors elect to amend the governing documents prior to the Closing, until thereafter amended in accordance with its terms and as provided by applicable Law.

(b) Entity Directors and Officers. The parties shall take all action necessary (including, to the extent necessary, procuring the resignation or removal of any officers and directors of each Entity immediately prior to the Effective Time) so that, as of the Effective Time, each Entity's officers and directors shall consist of the Persons designated by Parent.

Section 1.11 Withholding Rights. Parent shall be entitled to deduct and withhold, or cause to be deducted and withheld, from any amount payable to the Contributors such amounts that are required to be deducted or withheld therefrom in respect of any U.S. federal, state, or local or non-U.S. tax Law; provided, however, that (i) Parent shall not, absent a change in Law after the date hereof, deduct or withhold from any amount payable to GNI USA in respect of any non-U.S. Tax Law and (ii) Parent shall give notice to the applicable payee before effecting any such Tax withholding, and cooperate with the applicable payee to minimize any required deduction and withholding. To the extent such amounts are so deducted or withheld and remitted to the applicable Governmental Entity, such amounts shall be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid.

ARTICLE II
REPRESENTATIONS AND WARRANTIES OF THE CONTRIBUTORS

Each Contributor represents and warrants to Parent, each on behalf of itself only and not on behalf of the other, as follows:

Section 2.1 Organization, Standing and Power. The Contributor is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation.

Section 2.2 Capital Stock.

(a) The authorized share capital of the Company and number of outstanding and issued Company Ordinary Shares is set forth in Section 3.2.

(b) The maximum number of shares Further Challenger is authorized to issue consists of 50,000 FC Shares. As of the date hereof, 50,000 FC Shares were issued and outstanding. All outstanding FC Shares are duly authorized, validly issued, fully paid and nonassessable and not subject to any preemptive rights. Further Challenger does not have outstanding any bonds, debentures, notes or other obligations having the right to vote (or convertible into, or exchangeable or exercisable for, interests having the right to vote) with the shareholders of Further Challenger any matter. Except as set forth above in this Section 2.2(b), there are no outstanding (A) shares or other voting or equity interests of Further Challenger, (B) securities of Further Challenger convertible into or exchangeable or exercisable for shares of Further Challenger or other voting or equity interests of Further Challenger, (C) profits or revenue-based interests or rights, including beneficial, appreciation, phantom or tracking interests in or rights to the ownership or earnings of Further Challenger or other equity equivalent or equity-based awards or rights, (D) subscriptions, options, warrants, calls, commitments, Contracts or other rights to acquire from Further Challenger, or obligations of Further Challenger to issue, any shares of Further Challenger, voting interests, equity interests or securities convertible into or exchangeable or exercisable for shares or other voting interests or equity interests of Further Challenger or rights or interests described in the preceding clause (C), or (E) obligations of Further Challenger to repurchase, redeem or otherwise acquire any such interests or to issue, grant, deliver or sell, or cause to be issued, granted, delivered or sold, any such interests. There are no shareholder agreements, voting trusts or other agreements or understandings to which Further Challenger is a party or of which Further Challenger has knowledge with respect to the holding, voting, registration, redemption, repurchase or disposition of, or that restrict the transfer of, any shares or other voting interests or equity interests of Further Challenger.

(c) Further Challenger does not have any option plan or any other plan, program, agreement or arrangement providing for an equity-based compensation for any Person.

Section 2.3 Subsidiaries.

(a) The Subsidiaries of the Company are set forth in Section 3.3.

(b) Except for the capital stock of, or other equity or voting interests in, the Company, Further Challenger does not own, directly or indirectly, any equity, membership interest, partnership interest, joint venture interest, or other equity or voting interest in, or any interest convertible into, exercisable or exchangeable for any of the foregoing, nor is it under any current or prospective obligation to form or participate in, provide funds to, make any loan, capital contribution, guarantee, credit enhancement or other investment in, or assume any liability or obligation of, any Person.

Section 2.4 Authority. The Contributor has all necessary power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement by the Contributor and the consummation by the Contributor of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Contributor and no other proceedings on the part of the Contributor are necessary to approve this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Contributor and, assuming the due authorization, execution and delivery by Parent, constitutes a valid and binding obligation of the Contributor, enforceable against the Contributor in accordance with its terms (except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity).

Section 2.5 No Conflict; Consents and Approvals.

(a) The execution, delivery and performance of this Agreement by the Contributor does not, and the consummation of the transactions contemplated hereby and compliance by the Contributor with the provisions hereof will not, conflict with, or result in any violation or breach of, any provision of, or:

(i) conflict with or violate the organizational documents of the Contributor;

(ii) conflict with or violate any federal, state, local or foreign law (including common law), statute, ordinance, rule, code, regulation, order, judgment, injunction, decree or other legally enforceable requirement ("Law"), injunction, decree or order of any Governmental Entity applicable to the Contributor or by which any property or asset of the Contributor is bound or affected; or

(iii) conflict with, result in any breach of, constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, create in any party the right to accelerate, terminate, modify or cancel, or require any consent of any Person pursuant to, any material contract or material agreement to which the Contributor is a party;

except as, in the case of clauses (ii) and (iii), as individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect.

(b) No consent, approval, order or authorization of, or registration, declaration, filing with or notice to, any federal, state, local or foreign government or subdivision thereof or any other governmental, administrative, judicial, arbitral, legislative, executive, regulatory or self-regulatory authority, instrumentality, agency, commission or body (each, a "Governmental Entity") is required by or with respect to the Contributor in connection with the execution, delivery and performance of this Agreement by the Contributor or the consummation by the Company of the Transactions and the other transactions contemplated hereby or compliance with the provisions hereof, except for (i) the filing with the SEC of such reports under Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as may be required in connection with this Agreement and the transactions contemplated hereby, (ii) such other filings and reports as may be required pursuant to the applicable requirements of the Securities Act of 1933, as amended (the "Securities Act"), the Exchange Act and any other applicable state or federal securities, takeover and "blue sky" laws and (iii) such other consents, approvals, orders, authorizations, registrations, declarations, filings or notices the failure of which to be obtained or made would not be material to the Contributor.

Section 2.6 Shares. The Contributor is the record and beneficial owner of the Company Ordinary Shares or the FC Shares, as applicable, free and clear of any encumbrance (other than restrictions on transfer that may arise under applicable securities Laws). The Contributor has the right, authority and power to assign and transfer the Company Ordinary Shares or the FC Shares, as applicable, to Parent.

Section 2.7 Brokers. No broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Company or any of its Affiliates.

Section 2.8 Accredited Investor Status. Prior to the date of this Agreement, the Contributor is an "accredited investor" within the meaning of Regulation D, Rule 501(a), promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Act or is not a "U.S. person" within the meaning of Regulation S, Rule 902, promulgated by the SEC under the Securities Act.

Section 2.9 No Other Representations or Warranties. Except for the representations and warranties contained in Article IV, the Contributor acknowledges and agrees that none of Parent or any other Person on behalf of Parent makes any other express or implied representation or warranty whatsoever, and specifically (but without limiting the generality of the foregoing) that none of Parent, its Subsidiaries or any other Person on behalf of Parent makes any representation or warranty with respect to any projections or forecasts delivered or made available to the Contributor or any of its Representatives of future revenues, results of operations (or any component thereof), cash flows or financial condition (or any component thereof) of Parent (including any such projections or forecasts made available to the Contributor and Representatives in certain "data rooms" or management presentations in expectation of the transactions contemplated by this Agreement), and the Contributor has not relied on any such information or any representation or warranty not set forth in Article IV.

Section 2.10 Exclusivity of Representations and Warranties. Neither the Contributor nor any of its Affiliates or Representatives is making any representation or warranty on behalf of the Contributor of any kind or nature whatsoever, oral or written, express or implied, except as expressly set forth in this Article II, and the Contributor hereby disclaims any such other representations or warranties.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth in the corresponding section or subsection of the disclosure letter delivered by the Company to Parent immediately prior to the execution of this Agreement (the "Company Disclosure Letter") (it being agreed that the disclosure of any information in a particular section or subsection of the Company Disclosure Letter shall be deemed disclosure of such information with respect to any other section or subsection of this Agreement to which the relevance of such information is reasonably apparent), the Company represents and warrants to Parent as follows (and any references to the Company that are made in Section 3.8 through Section 3.23 (inclusive) shall be deemed to refer to the Company and its Subsidiaries):

Section 3.1 Organization, Standing and Power.

(a) The Company (i) is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation, (ii) has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted and (iii) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties makes such qualification or licensing necessary, except in the case of clause (iii), where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect. For purposes of this Agreement, "Company Material Adverse Effect" means any event, change, circumstance, occurrence, effect or state of facts that (A) is or would reasonably be expected to be materially adverse to the business, assets, liabilities, financial condition, results of operations of the Company and its Subsidiaries, taken as a whole, or (B) materially impairs the ability of the Company to consummate the Transactions or any of the other transactions contemplated by this Agreement; provided, however, that in the case of clause (A) only, Company Material Adverse Effect shall not include any event, change, circumstance, occurrence, effect or state of facts to the extent resulting from (1) changes or conditions generally affecting the industries in which the Company or any of its Subsidiaries operates, or the economy or the financial, debt, banking, capital, credit or securities markets, in the United States, including effects on such industries, economy or markets resulting from any regulatory and political conditions or developments in general, (2) the outbreak or escalation of war or acts of terrorism or any natural disasters, acts of God or comparable events, epidemic, pandemic or disease outbreak (including the COVID-19 virus) or any worsening of the foregoing or any declaration of martial law, quarantine or similar directive, policy or guidance or Law or other action by any Governmental Entity in response thereto, (3) changes in Law or International Financial Reporting Standards (the "IFRS"), or the interpretation or enforcement thereof, (4) the public announcement of this Agreement, or (5) any specific action taken (or omitted to be taken) by the Company at or with the express written consent of Parent; provided, that, with respect to clauses (1), (2) and (3), the impact of such event, change, circumstance, occurrence, effect or state of facts is not disproportionately adverse to the Company as compared to other participants in the industries in which the Company operates.

(b) The Company has previously made available to Parent true and complete copies of the Company's certificate of incorporation (the "Company Certificate of Incorporation") and memorandum and articles of association (the "Company Articles"), in each case as amended to the date of this Agreement, and each as so delivered is in full force and effect. The Company is not in violation of any provision of the Company Articles.

(c) The Operating Company (i) is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation, (ii) has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted and (iii) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties makes such qualification or licensing necessary, except in the case of clause (iii), where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect.

(d) The Company has previously made available to Parent true and complete copies of the Operating Company's organizational documents, in each case as amended to the date of this Agreement, and each as so delivered is in full force and effect. The Company is not in violation of any provision of the Operating Company's organizational documents.

Section 3.2 Authorized Share Capital.

(a) The authorized share capital of the Company is $50,000.000 divided into 500,000,000 shares of a nominal or par value of $0.0001 each. As of the date hereof, 20,903,448 Company Ordinary Shares are issued and outstanding. All issued and outstanding Company Ordinary Shares are duly authorized, validly issued, fully paid and nonassessable and not subject to any preemptive rights. The Company does not have outstanding any bonds, debentures, notes or other obligations having the right to vote (or convertible into, or exchangeable or exercisable for, interests having the right to vote) with the members of the Company on any matter. Except as set forth above in this Section 3.2(a), there are no outstanding (A) shares or other voting or equity interests of the Company, (B) securities of the Company convertible into or exchangeable or exercisable for shares of the Company or other voting or equity interests of the Company, (C) profits or revenue-based interests or rights, including beneficial, appreciation, phantom or tracking interests in or rights to the ownership or earnings of the Company or other equity equivalent or equity-based awards or rights, (D) subscriptions, options, warrants, calls, commitments, Contracts or other rights to acquire from the Company, or obligations of the Company to issue, any shares of the Company, voting interests, equity interests or securities convertible into or exchangeable or exercisable for shares or other voting interests or equity interests of the Company or rights or interests described in the preceding clause (C), or (E) obligations of the Company to repurchase, redeem or otherwise acquire any such interests or to issue, grant, deliver or sell, or cause to be issued, granted, delivered or sold, any such interests. There are no shareholder agreements, voting trusts or other agreements or understandings to which the Company is a party or of which the Company has knowledge with respect to the holding, voting, registration, redemption, repurchase or disposition of, or that restrict the transfer of, any shares or other voting interests or equity interests of the Company.

(b) The Company does not have any option plan or any other plan, program, agreement or arrangement providing for an equity-based compensation for any Person.

Section 3.3 Subsidiaries. Section 3.3 of the Company Disclosure Letter sets forth a true and complete list of each Subsidiary of the Company, including its jurisdiction of incorporation or formation. Except for the capital stock of, or other equity or voting interests in, its Subsidiaries, the Company does not own, directly or indirectly, any equity, membership interest, partnership interest, joint venture interest, or other equity or voting interest in, or any interest convertible into, exercisable or exchangeable for any of the foregoing, nor is it under any current or prospective obligation to form or participate in, provide funds to, make any loan, capital contribution, guarantee, credit enhancement or other investment in, or assume any liability or obligation of, any Person.

Section 3.4 Authority. The Company has all necessary power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Company and no other proceedings on the part of the Company are necessary to approve this Agreement or to consummate the Transactions and the other transactions contemplated hereby. This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by Parent, constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms (except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity).

Section 3.5 No Conflict; Consents and Approvals.

(a) The execution, delivery and performance of this Agreement by the Company does not, and the consummation of the Transactions and the other transactions contemplated hereby and compliance by the Company with the provisions hereof will not, conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, cancellation, modification or acceleration of any obligation or to the loss of a benefit under, or result in the creation of any pledge, claim, lien, charge, option, right of first refusal, encumbrance or security interest of any kind or nature whatsoever (including any limitation on voting, sale, transfer or other disposition or exercise of any other attribute of ownership) (collectively, "Liens") in or upon any of the properties, assets or rights of the Company under, or give rise to any increased, additional, accelerated or guaranteed rights or entitlements under, or require any consent, waiver or approval of any Person pursuant to, any provision of (i) the Company Articles, (ii) any material bond, debenture, note, mortgage, indenture, guarantee, license, lease, purchase or sale order or other contract, commitment, agreement, instrument, obligation, arrangement, understanding, undertaking, permit, concession or franchise, whether oral or written (each, including all amendments thereto, a "Contract") to which the Company is a party or by which the Company or any of its properties or assets may be bound or (iii) subject to the governmental filings and other matters referred to in Section 3.5(b), any Law applicable to the Company or by which the Company or any of its properties or assets may be bound, except as, in the case of clauses (ii) and (iii), as individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect.

(b) No consent, approval, order or authorization of, or registration, declaration, filing with or notice to, any Governmental Entity is required by or with respect to the Company in connection with the execution, delivery and performance of this Agreement by the Company or the consummation by the Company of the Transactions and the other transactions contemplated hereby or compliance with the provisions hereof, except for (i) the filing with the SEC of such reports under Section 13(a) or 15(d) of the Exchange Act, as may be required in connection with this Agreement and the transactions contemplated hereby, (ii) such other filings and reports as may be required pursuant to the applicable requirements of the Securities Act, the Exchange Act and any other applicable state or federal securities, takeover and "blue sky" laws, and (iii) such other consents, approvals, orders, authorizations, registrations, declarations, filings or notices the failure of which to be obtained or made would not be material to the Company.

Section 3.6 Financial Statements.

(a) A true and complete copy of the balance sheet of the Operating Company for the nine months ended September 30, 2022 (the "Company Balance Sheet") is attached hereto as Section 3.6(a) of the Company Disclosure Letter. The Company Balance Sheet (i) is correct and complete in all material respects and has been prepared in accordance with the books and records of the Operating Company, (ii) has been prepared in accordance with IFRS (except that the Company Balance Sheet may not have notes thereto and other presentation items that may be required by IFRS and are subject to normal and recurring year-end adjustments that are not reasonably expected to be material in amount) and (iii) fairly presents, in all material respects, the financial position, of the Operating Company as at the date thereof.

(b) The Operating Company maintains a system of internal accounting controls consistent with the practices of similarly situated private companies designed to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of the financial statements of the Operating Company in conformity with IFRS and to maintain accountability of the Operating Company's assets, (iii) access to the Operating Company's assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for the Company's assets is compared with the existing assets at regular intervals and appropriate action is taken with respect to any differences. The Operating Company maintains internal control over financial reporting that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Section 3.7 No Undisclosed Liabilities.

(a) The Operating Company does not have any liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, known or unknown, whether due or to become due and whether or not required to be recorded or reflected on a balance sheet under IFRS, except (a) to the extent accrued or reserved against in the Company Balance Sheet and (b) for liabilities and obligations incurred in the ordinary course of business consistent with past practice since the date of the Company Balance Sheet that are not material to the Operating Company.

(b) The Company does not have any liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, known or unknown, whether due or to become due and whether or not required to be recorded or reflected on a balance sheet under IFRS, except (a) to the extent accrued or reserved against in the Company Balance Sheet and (b) for liabilities and obligations incurred in the ordinary course of business consistent with past practice since the date of the Company Balance Sheet that are not material to the Operating Company.

Section 3.8 Absence of Certain Changes or Events. Since the date of the Company Balance Sheet: (x) except in connection with execution of this Agreement and the consummation of the transactions contemplated hereby, the Company has conducted its business only in the ordinary course of business consistent with past practice; (y) there has not been any change, event or development or prospective change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a Company Material Adverse Effect; and (z) the Company has not:

(a) (i) declared, set aside or paid any dividends on, or made any other distributions (whether in cash, stock or property) in respect of, any of its shares or other equity interests, (ii) purchased, redeemed or otherwise acquired shares or other equity interests of the Company or any options, warrants, or rights to acquire any such shares or other equity interests, or (iii) split, combined, reclassified or otherwise amended the terms of any of its shares or other equity interests or issued or authorized the issuance of any other securities in respect of, in lieu of or in substitution for shares of its shares or other equity interests;

(b) amended or otherwise changed, or authorized or proposed to amend or otherwise change, the Company Certificate of Incorporation or the Company Articles (or similar organizational documents);

(c) adopted or entered into a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or reorganization; or

(d) changed its financial or Tax accounting methods, principles or practices, except insofar as may have been required by a change in IFRS or applicable Law, or revalued any of its material assets.

Section 3.9 Litigation. There is no action, suit, claim, arbitration, investigation, inquiry, grievance or other proceeding (each, an "Action") (or basis therefor) pending or, to the knowledge of the Company, threatened against or affecting the Company, its material assets, or any present or former officer, director or employee of the Company in such individual's capacity as such. Neither the Company nor any of its properties or assets is subject to any outstanding judgment, order, injunction, rule or decree of any Governmental Entity. There is no Action pending or, to the knowledge of the Company, threatened seeking to prevent, hinder, modify, delay or challenge the Transactions or any of the other transactions contemplated by this Agreement.

Section 3.10 Compliance with Laws. The Company is and has been in compliance in all material respects with all Laws applicable to its businesses, operations, properties or assets. The Company has not received, since the Company's inception, a notice or other written communication alleging or relating to a possible material violation of any Law applicable to its businesses, operations, properties, assets or Company Products (as defined below). The Company has in effect all material permits, licenses, variances, exemptions, applications, approvals, clearances, authorizations, registrations, formulary listings, consents, operating certificates, franchises, orders and approvals (collectively, "Permits") of all Governmental Entities necessary or advisable for it to own, lease or operate its properties and assets and to carry on its businesses and operations as now conducted, and there has occurred no violation of, default (with or without notice or lapse of time or both) under or event giving to others any right of revocation, non-renewal, adverse modification or cancellation of, with or without notice or lapse of time or both, any such Permit, nor would any such revocation, nonrenewal, adverse modification or cancellation result from the consummation of the transactions contemplated hereby.

Section 3.11 Health Care Regulatory Matters.

(a) The Company, and to the knowledge of the Company, each of its directors, officers, management employees, agents (while acting in such capacity), contract manufacturers, suppliers, and distributors are, and at all times prior hereto were, in material compliance with all health care laws to the extent applicable to the Company or any of its products or activities, including, but not limited to the following: the Federal Food, Drug & Cosmetic Act ("FDCA"); the Public Health Service Act (42 U.S.C. § 201 et seq.), including the Clinical Laboratory Improvement Amendments of 1988 (42 U.S.C. § 263a); the Federal Trade Commission Act (15 U.S.C. § 41 et seq.); the Controlled Substances Act (21 U.S.C. § 801 et seq.); the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b(b)); the civil monetary penalties law (42 U.S.C. § 1320a-7a); the civil False Claims Act (31 U.S.C. § 3729 et seq.); the administrative False Claims Law (42 U.S.C. § 1320a-7b(a)); the Stark law (42 U.S.C. § 1395nn); the Criminal Health Care Fraud Statute (18 U.S.C. § 1347); the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. § 1320d et seq.), as amended by the Health Information Technology for Economic and Clinical Health Act (42 U.S.C. § 17921 et seq.); the exclusion laws (42 U.S.C. § 1320a-7); Medicare (Title XVIII of the Social Security Act); Medicaid (Title XIX of the Social Security Act); and the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010 (42 U.S.C. § 18001 et seq.); any regulations promulgated pursuant to such laws; and any other state, federal or ex-U.S. laws, accreditation standards, or regulations governing the manufacturing, development, testing, labeling, advertising, marketing or distribution of biological products, kickbacks, patient or program charges, record-keeping, claims process, documentation requirements, medical necessity, referrals, the hiring of employees or acquisition of services or supplies from those who have been excluded from government health care programs, quality, safety, privacy, security, licensure, accreditation or any other aspect of providing health care, clinical laboratory or diagnostic products or services ("Health Care Laws"). To the knowledge of the Company, there are no facts or circumstances that reasonably would be expected to give rise to any material liability under any Health Care Laws.

(b) The Company is not party to any corporate integrity agreements, monitoring agreements, consent decrees, settlement orders, or similar agreements with or imposed by any Governmental Entity.

(c) All applications, notifications, submissions, information, claims, reports and statistical analyses, and other data and conclusions derived therefrom, utilized as the basis for or submitted in connection with any and all requests for a Permit from the U.S. Food and Drug Administration ("FDA") or other Governmental Entity relating to products that are regulated as drugs, medical devices, or other healthcare products under Health Care Laws, including biological and drug candidates, compounds or products being researched, tested, stored, developed, labeled, manufactured, packed and/or distributed by the Company or any of its Subsidiaries ("Company Products"), including, without limitation, investigational new drug applications, when submitted to the FDA or other Governmental Entity were true, complete and correct in all material respects as of the date of submission and any necessary or required updates, changes, corrections or modification to such applications, submissions, information and data have been submitted to the FDA or other Governmental Entity. The Company does not have knowledge of any facts or circumstances that would be reasonably likely to lead to the revocation, suspension, limitation, or cancellation of a Permit required under Health Care Laws.

(d) All preclinical studies and clinical trials conducted by or, to the knowledge of the Company, on behalf of the Company have been, and if still pending are being, conducted in material compliance with research protocols and all applicable Health Care Laws, including, but not limited to, the FDCA and its applicable implementing regulations at 21 C.F.R. Parts 50, 54, 56, 58, 312 and 314. No clinical trial conducted by or on behalf of the Company has been conducted using any clinical investigators who have been disqualified, debarred or excluded from healthcare programs. No clinical trial conducted by or on behalf of the Company has been terminated or suspended prior to completion, and no clinical investigator who has participated or is participating in, or institutional review board that has or has had jurisdiction over, a clinical trial conducted by or on behalf of the Company has placed a partial or full clinical hold order on, or otherwise terminated, delayed or suspended, such a clinical trial at a clinical research site based on an actual or alleged lack of safety or efficacy of any Company Product or a failure to conduct such clinical trial in compliance with applicable Health Care Laws, their implementing regulations and good clinical practices. The Company has not identified or received notice of instances or allegations of research misconduct (defined as falsification or fabrication of data, or plagiarism, as those terms are defined in 42 C.F.R. Part 93) involving research conducted by, or on behalf of the Company, that could compromise or affect the integrity, reliability, completeness, or accuracy of the data collected in such research, or the rights, safety, or welfare of the research subjects.

(e) All manufacturing operations conducted by or, to the knowledge of the Company, for the benefit of the Company have been and are being conducted in material compliance with all Permits under applicable Health Care Laws, all applicable provisions of the FDA's current good manufacturing practice (cGMP) regulations for biological products at 21 C.F.R. Parts 600 and 610 and all comparable foreign regulatory requirements of any Governmental Entity.

(f) The Company has not received any written communication that relates to an alleged violation or noncompliance with any Health Care Laws, including any notification of any pending or threatened claim, suit, proceeding, hearing, enforcement, investigation, arbitration, import detention or refusal, FDA Warning Letter or Untitled Letter, or any action by a Governmental Entity relating to any Health Care Laws. All Warning Letters, Form-483 observations, or comparable findings from other Governmental Entities listed in Section 3.11 of the Company Disclosure Letter have been resolved and closed out to the satisfaction of the applicable Governmental Entity.

(g) There have been no seizures, withdrawals, recalls, detentions, or suspensions of manufacturing, testing, or distribution relating to the Company Products required or requested by a Governmental Entity, or other notice of action relating to an alleged lack of safety, efficacy, or regulatory compliance of the Company Products, or any adverse experiences relating to the Company Products that have been reported to FDA or other Governmental Entity ("Company Safety Notices"), and, to the knowledge of the Company, there are no facts or circumstances that reasonably would be expected to give rise to a Company Safety Notice.

(h) There are no unresolved Company Safety Notices, and to the knowledge the Company, there are no facts that would be reasonably likely to result in a material Company Safety Notice or a termination or suspension of developing and testing of any of the Company Products.

(i) Neither the Company, nor, to the knowledge of the Company, any officer, employee, agent, or distributor of the Company has made an untrue statement of a material fact or fraudulent or misleading statement to a Governmental Entity, failed to disclose a material fact required to be disclosed to a Governmental Entity, or committed an act, made a statement, or failed to make a statement that would reasonably be expected to provide a basis for the FDA to invoke its policy respecting the "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" Final Policy set forth in 56 Fed. Reg. 46191 (September 10, 1991) and any amendments thereto (the "FDA Ethics Policy"). To the knowledge of the Company, none of the aforementioned is or has been under investigation resulting from any allegedly untrue, fraudulent, misleading, or false statement or omission, including data fraud, or had any action pending or threatened relating to the FDA Ethics Policy.

(j) All reports, documents, claims, Permits and notices required to be filed, maintained or furnished to the FDA or any Governmental Entity by the Company have been so filed, maintained or furnished, except where failure to file, maintain or furnish such reports, documents, claims, Permits or notices has not had and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. All such reports, documents, claims, Permits and notices were true and complete in all material respects on the date filed (or were corrected in or supplemented by a subsequent filing).

(k) Neither the Company nor, to the knowledge of the Company, any officer, employee, agent, or distributor of the Company has committed any act, made any statement or failed to make any statement that violates the Federal Anti-Kickback Statute, 28 U.S.C. § 1320a-7b, the Federal False Claims Act, 31 U.S.C. § 3729, other Drug or Health Care Laws, or any other similar federal, state, or ex-U.S. law applicable in the jurisdictions in which the Company Products are sold or intended to be sold.

(l) Neither the Company nor, to the knowledge of the Company, any officer, employee, agent, or distributor of the Company has been convicted of any crime or engaged in any conduct that has resulted, or would reasonably be expected to result, in debarment under applicable Law, including, without limitation, 21 U.S.C. § 335a, or exclusion under 42 U.S.C. § 1320a-7, or any other statutory provision or similar law applicable in other jurisdictions in which the Company Products are sold or intended to be sold. Neither the Company nor, to the knowledge of the Company, any officer, employee, agent or distributor of the Company, has been excluded from participation in any federal health care program or convicted of any crime or engaged in any conduct for which such Person could be excluded from participating in any federal health care program under Section 1128 of the Social Security Act of 1935, as amended, or any similar Health Care Law or program.

Section 3.12 Benefit Plans.

(a) Section 3.12(a) of the Company Disclosure Letter contains a true and complete list of each material "employee benefit plan" (within the meaning of section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), whether or not subject to ERISA), and all stock purchase, stock option, phantom stock or other equity-based plan, severance, employment, collective bargaining, change-in-control, fringe benefit, bonus, incentive, deferred compensation, supplemental retirement, health, life, or disability insurance, dependent care and all other employee benefit and compensation plans, agreements, programs, policies or other arrangements, in each case, whether written or oral, under which any current or former employee, director or consultant of the Company (or any of their dependents) has any present or future right to compensation or benefits or the Company sponsors or maintains, is making contributions to or has any present or future liability or obligation (contingent or otherwise). All such plans, agreements, programs, policies and arrangements shall be collectively referred to as the "Company Plans." The Company has provided or made available to Parent a current, accurate and complete copy of each material Company Plan, or if such Company Plan is not in written form, a written summary of all of the material terms of such Company Plan. With respect to each Company Plan, the Company has furnished or made available to Parent a current, accurate and complete copy of, to the extent applicable: (i) any related trust agreement or other funding instrument, (ii) the most recent determination letter of the Internal Revenue Service (the "IRS"), (iii) any summary plan description, or summary of material modifications, and (iv) for the most recent year and as applicable (A) the Form 5500 and attached schedules, (B) audited financial statements and (C) actuarial valuation reports.

(b) Neither the Company nor any member of its Controlled Group (defined as any organization which is a member of a controlled, affiliated or otherwise related group of entities within the meaning of Code Section 414(b), (c), (m) or (o)) has, in the past six (6) years, sponsored, maintained, contributed to or been required to contribute to or incurred any liability (contingent or otherwise) with respect to: (i) a "multiemployer plan" (within the meaning of ERISA section 3(37)), (ii) an "employee pension benefit plan," within the meaning of Section 3(2) of ERISA ("Pension Plan") that is subject to Title IV of ERISA or Section 412 of the Code, (iii) a Pension Plan which is a "multiple employer plan" as defined in Section 413 of the Code, or (iv) a "funded welfare plan" within the meaning of Section 419 of the Code.

(c) With respect to the Company Plans:

(i) each Company Plan complies in all material respects with its terms and materially complies in form and in operation with the applicable provisions of ERISA and the Code and all other applicable legal requirements;

(ii) each Company Plan intended to be qualified under Section 401(a) of the Code has received a favorable determination, advisory and/or opinion letter, as applicable, from the IRS that it is so qualified and nothing has occurred to the knowledge of the Company since the date of such letter that would reasonably be expected to cause the loss of the sponsor's ability to rely upon such letter, and nothing has occurred to the knowledge of the Company that would reasonably be expected to result in the loss of the qualified status of such Company Plan;

(iii) there is no material Action (including any investigation, audit or other administrative proceeding) by the Department of Labor, the Pension Benefit Guaranty Corporation (the "PBGC"), the IRS or any other Governmental Entity or by any plan participant or beneficiary pending, or to the knowledge of the Company, threatened, relating to the Company Plans, any fiduciaries thereof with respect to their duties to the Company Plans or the assets of any of the trusts under any of the Company Plans (other than routine claims for benefits);

(iv) none of the Company Plans currently provides, or reflects or represents any liability to provide post-termination or retiree welfare benefits to any person for any reason, except as may be required by Section 601 et seq. of ERISA and Section 4980B(b) of the Code or other applicable similar law regarding health care coverage continuation;

(v) each Company Plan is subject exclusively to United States Law; and

(vi) the execution and delivery of this Agreement and the consummation of the Transactions will not, either alone or in combination with any other event, (A) entitle any current or former employee, officer, director or consultant of the Company to severance pay, unemployment compensation or any other similar termination payment, or any other compensatory payment, including any bonus, retention, retirement or other benefit (B) accelerate the time of payment or vesting, or increase the amount of or otherwise enhance any benefit due to any such employee, officer, director or consultant, or (C) result in the payment of any "excess parachute payment" within the meaning of Section 280G of the Code.

(d) Each Company Plan that is a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code (or any comparable or similar provision of state, local, or foreign Law) complies in both form and operation in all material respects with the requirements of Section 409A of the and all applicable IRS guidance issued with respect thereto. There is no agreement, plan or other arrangement to which the Company is a party or by which the Company is otherwise bound to reimburse, indemnify or otherwise compensate any person in respect of excise or other Taxes or other liabilities (including interest and penalties) incurred with respect to Section 409A or 4999 of the Code.

Section 3.13 Labor and Employment Matters.

(a) The Company is and, since the Company's inception has been, in compliance in all material respects with all applicable Laws relating to labor and employment, including those relating to employment practices, terms and conditions of employment, collective bargaining, disability, immigration, health and safety, wages, hours and benefits, nondiscrimination in employment, workers' compensation, the collection and payment of withholding and/or payroll Taxes and similar Taxes, unemployment compensation, equal employment opportunity, discrimination, harassment, employee and contractor classification, information privacy and security, and continuation coverage with respect to group health plans. During the preceding three years, there has not been, and as of the date of this Agreement there is not pending or, to the knowledge of the Company, threatened, any labor dispute, work stoppage, labor strike or lockout against the Company by employees.

(b) No employee of the Company is covered by an effective or pending collective bargaining agreement or similar labor agreement. To the knowledge of the Company, there has not been any activity on behalf of any labor union, labor organization or similar employee group to organize any employees of the Company and there are no representation claims or petitions pending before the National Labor Relations Board or any other labor relations tribunal or authority. There are no (i) unfair labor practice charges or complaints against the Company pending before the National Labor Relations Board or any other labor relations tribunal or authority and to the knowledge of the Company no such representations, claims or petitions are threatened, or (ii) grievances or pending arbitration proceedings against the Company that arose out of or under any collective bargaining agreement, except, in each case, as would not, individually or in the aggregate, result in the Company incurring a material liability.

(c) To the knowledge of the Company, no current employee or officer of the Company intends, or is expected, to terminate his or her employment relationship with such entity in connection with or as a result of the transactions contemplated hereby or otherwise within one year of the Closing Date.

(d) During the preceding three years, (i) the Company has not effectuated a "plant closing" (as defined in the Worker Adjustment Retraining and Notification Act of 1988, as amended (the "WARN Act")) affecting any site of employment or one or more facilities or operating units within any site of employment or facility, (ii) there has not occurred a "mass layoff" (as defined in the WARN Act) in connection with the Company affecting any site of employment or one or more facilities or operating units within any site of employment or facility and (iii) the Company has not engaged in layoffs or employment terminations sufficient in number to trigger application of any similar state, local or foreign law. The Company currently properly classifies and for the past three (3) years has properly classified its employees as exempt or nonexempt in accordance with applicable overtime laws, and no person treated as an independent contractor or consultant by the Company within the past three (3) years should have been properly classified as an employee under applicable Law, in each case, except as would not, individually or in the aggregate, result in the Company incurring a material liability.

(e) With respect to any current or former employee, officer, consultant or other service provider of the Company, there are no Actions against the Company pending, or to the Company's knowledge, threatened to be brought or filed, in connection with the employment or engagement of any current or former employee, officer, consultant or other service provider of the Company, including, without limitation, any claim relating to employment discrimination, harassment, retaliation, equal pay, employment classification or any other employment-related matter arising under applicable Laws, except where such action would not, individually or in the aggregate, result in the Company incurring a material liability.

(f) Since the Company's inception, (i) no allegations of workplace sexual harassment, discrimination or other misconduct have been made, initiated, filed or, to the knowledge of the Company, threatened against the Company or any of its respective current or former directors, officers or senior-level management employees in their capacities as such, (ii) to the knowledge of the Company, no incidents of any such workplace sexual harassment, discrimination or other misconduct have occurred, and (iii) the Company has not entered into any settlement agreement related to allegations of sexual harassment, discrimination or other misconduct by any of its directors, officers or employees described in clause (i) hereof or any independent contractor.

(g) The Company is and has at all relevant times been in compliance in all material respects with (i) COVID-19-related Laws, standards, regulations, orders and guidance (including without limitation relating to business reopening), including those issued and enforced by the Occupational Safety and Health Administration, the Centers for Disease Control, the Equal Employment Opportunity Commission, and any other Governmental Entity; and (ii) the Families First Coronavirus Response Act and any other applicable COVID-19-related leave Law, whether state, local or otherwise.

Section 3.14 Environmental Matters.

(a) Except as would not be material to the Company, (i) the Company has conducted its businesses in compliance with all, and has not violated any, applicable Environmental Laws; (ii) the Company has obtained all Permits of all Governmental Entities and any other Person that are required under any Environmental Law; and (iii) the Company has not received any claims, notices, demand letters or requests for information (except for such claims, notices, demand letters or requests for information the subject matter of which has been resolved prior to the date of this Agreement) from any federal, state, local, foreign or provincial Governmental Entity or any other Person asserting that the Company is in violation of, or liable under, any Environmental Law.

(b) As used herein, "Environmental Law" means any Law relating to (i) the protection, preservation or restoration of the environment (including air, surface water, groundwater, drinking water supply, surface and subsurface soils and strata, wetlands, plant and animal life or any other natural resource) or (ii) the exposure to, or the use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, production, release or disposal of Hazardous Substances.

(c) As used herein, "Hazardous Substance" means any substance listed, defined, designated, classified or regulated as a waste, pollutant or contaminant or as hazardous, toxic, radioactive or dangerous or any other term of similar import under any Environmental Law, including but not limited to petroleum.

Section 3.15 Taxes.

(a) The Company has (i) filed all income Tax Returns and other material Tax Returns required to be filed by or on behalf of it (taking into account any applicable extensions thereof) and all such Tax Returns are true, accurate and complete in all material respects; and (ii) paid in full (or caused to be timely paid in full) all income and other material Taxes that are required to be paid by it, whether or not such Taxes were shown as due on such Tax Returns.

(b) All material Taxes not yet due and payable by the Company as of the date of the Company Balance Sheet have been, in all material respects, properly accrued in accordance with IFRS on the Company Balance Sheet, and such Company Balance Sheet reflects an adequate reserve (in accordance with IFRS) for all material Taxes accrued but unpaid by the Company through the date of such Company Balance Sheet. Since the date of the Company Balance Sheet, the Company has not incurred, individually or in the aggregate, any material amount of liability for Taxes outside the ordinary course of business.

(c) The Company has not executed any waiver of any statute of limitations on, or extended the period for the assessment or collection of, any material amount of Tax, in each case that has not since expired.

(d) No material audits or other investigations, proceedings, claims, assessments or examinations by any Governmental Entity (each, a "Tax Action") with respect to Taxes or any Tax Return of the Company are presently in progress or have been asserted, threatened or proposed in writing. No deficiencies or claims for a material amount of Taxes have been claimed, proposed, assessed or asserted in writing against the Company by a Governmental Entity, other than any such claim, proposal, assessment or assertion that has been satisfied by payment in full, settled or withdrawn.

(e) The Company has timely withheld all material amounts of Taxes required to have been withheld from payments made (or deemed made) to its employees, independent contractors, creditors, stockholders and other third parties and, to the extent required, such Taxes have been timely paid to the relevant Governmental Entity.

(f) The Company has not engaged in a "reportable transaction" as set forth in Treasury Regulations § 1.6011-4(b).

(g) The Company (i) is not a party to or bound by, or has any liability pursuant to, any Tax sharing, allocation, indemnification or similar agreement or obligation, other than any such agreement or obligation which is a customary commercial agreement or obligation entered into in the ordinary course of business with vendors, lessors, lenders or the like the primary purpose of which is unrelated to Taxes (each, an "Ordinary Course Agreement"); (ii) is not and has not been a member of a group (other than a group the common parent of which is the Company) filing a consolidated, combined, affiliated, unitary or similar income Tax Return; (iii) has no liability for the Taxes of any Person (other than its Subsidiaries) pursuant to Treasury Regulations § 1.1502-6 (or any similar provision of state, local or non-United States Law) as a transferee or successor, by Contract (other than Ordinary Course Agreements) or otherwise by operation of Law; and (iv) is not and has not been treated as a resident for any income Tax purpose, or as subject to Tax by virtue of having a permanent establishment, an office or fixed place of business, in any country other than the country in which it was or is organized.

(h) No private-letter rulings, technical advice memoranda, or similar material agreements or rulings have been requested in writing, entered into or issued by any taxing authority with respect to the Company which rulings remain in effect.

(i) The Company will not be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of (i) a change in, or use of improper, method of accounting requested or initiated on or prior to the Closing Date, (ii) a "closing agreement" as described in Section 7121 of the Code (or any similar provision of Law) executed on or prior to the Closing Date, (iii) an installment sale or open-transaction disposition made on or prior to the Closing Date, or (iv) any deferred intercompany gain or excess-loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law).

(j) There are no liens for Taxes upon any of the assets of the Company other than Liens described in clause (i) of the definition of Permitted Liens.

(k) The Company has not distributed stock of another Person or has had its shares distributed by another Person, in a transaction (or series of transactions) that was purported or intended to be governed in whole or in part by Section 355 or 361 of the Code.

(l) The Company has not been a United States real property holding corporation, as defined in Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(m) No material claim has been made in writing by any Governmental Entity in a jurisdiction where the Company has not paid a specific Tax or filed a specific Tax Return that the Company is or may be required to pay such Tax or file such Tax Return by such jurisdiction.

(n) Neither the Company nor any of its Subsidiaries has elected to be treated as other than a corporation for U.S. federal income tax purposes.

(o) Neither the Company nor any of its Subsidiaries has taken any action (or agreed to take any action prior to the Closing), nor does it know of any fact or circumstance, in each case, that it knows could reasonably be expected to prevent or impede the Transactions from qualifying for the Intended Tax Treatment.

Section 3.16 Contracts.

(a) As of the date of this Agreement, there are no Contracts that would constitute a "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K under the Securities Act), with respect to the Company (assuming the Company was subject to the requirements of the Exchange Act), other than those Contracts identified in Section 3.16(a) of the Company Disclosure Letter, which, for the avoidance of doubt, shall exclude any Company Plans (all such contracts, "Material Contracts").

(b) (i) Each Material Contract is valid and binding on the Company and to the knowledge of the Company, each other party thereto, and is in full force and effect and enforceable in accordance with its terms; (ii) the Company, and, to the knowledge of the Company, each other party thereto, has performed all material obligations required to be performed by it under each Material Contract; and (iii) there is no material default under any Material Contract by the Company or, to the knowledge of the Company, any other party thereto, and no event or condition has occurred that constitutes, or, after notice or lapse of time or both, would constitute, a material default on the part of the Company or, to the knowledge of the Company, any other party thereto under any such Material Contract, nor has the Company received any notice of any such material default, event or condition. The Company has made available to Parent true and complete copies of all Material Contracts, including all amendments thereto.

Section 3.17 Insurance. The Company is covered by valid and currently effective insurance policies issued in favor of the Company that are customary and adequate for companies of similar size in the industries and locations in which the Company operates. With respect to each such insurance policy, (a) such policy is in full force and effect and all premiums due thereon have been paid, (b) the Company is not in breach or default, and has not taken any action or failed to take any action which (with or without notice or lapse of time, or both) would constitute such a breach or default, or would permit termination or modification of, any such policy and (c) to the knowledge of the Company, no insurer issuing any such policy has been declared insolvent or placed in receivership, conservatorship or liquidation. No notice of cancellation or termination has been received with respect to any such policy, nor will any such cancellation or termination result from the consummation of the transactions contemplated hereby.

Section 3.18 Properties. The Company does not own nor has ever owned any real property. The Company does not lease nor has ever leased any real property.

Section 3.19 Intellectual Property.

(a) Section 3.19(a) of the Company Disclosure Letter sets forth a true and complete list of all (i) material patents and patent applications; (ii) material trademark registrations and applications; and (iii) material copyright registrations and applications (collectively, "Company Registered IP"), in each case owned by the Company, and a true and complete list of all domain names owned or exclusively licensed by the Company. Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect (A) all of the Company Registered IP is subsisting and, in the case of any Company Registered IP that is registered or issued and to the knowledge of the Company, valid and enforceable, (B) no Company Registered IP is involved in any interference, reissue, derivation, reexamination, opposition, cancellation or similar proceeding and, to the knowledge of the Company, no such action is threatened with respect to any of the Company Registered IP and (C) the Company owns exclusively, free and clear of any and all Liens (other than Permitted Liens), all Company Owned IP, including all Intellectual Property created on behalf of the Company by employees or independent contractors.

(b) Section 3.19(b) of the Company Disclosure Letter accurately identifies (i) all contracts pursuant to which any Company Registered IP are licensed to the Company (other than (A) any non-customized software that (1) is so licensed solely in executable or object code form pursuant to a nonexclusive, internal-use software license and other Intellectual Property associated with such software and (2) is not incorporated into, or material to the development, manufacturing, or distribution of, any of the Company's products or services, (B) any Intellectual Property licensed on a nonexclusive basis ancillary to the purchase or use of equipment, reagents or other materials, (C) any confidential information provided under confidentiality agreements and (D) agreements between Company and its employees in Company's standard form thereof), (ii) the corresponding Company contract pursuant to which such Company Registered IP is licensed to the Company and (iii) whether the license or licenses granted to the Company are exclusive or nonexclusive.

(c) Section 3.19(c) of the Company Disclosure Letter accurately identifies each Company contract pursuant to which any Person has been granted any license or covenant not to sue under, or otherwise has received or acquired any right (whether or not currently exercisable) or interest in, any Company Registered IP (other than (i) any confidential information provided under confidentiality agreements and (ii) any Company Registered IP nonexclusively licensed to academic collaborators, suppliers or service providers for the sole purpose of enabling such academic collaborator, supplier or service providers to provide services for Company's benefit).

(d) To the knowledge of Company, the Company Registered IP constitutes all Intellectual Property necessary for Company to conduct its business as currently conducted; provided, however, that the foregoing representation is not a representation with respect to non-infringement of Intellectual Property.

(e) The Company has taken commercially reasonable measures to maintain the confidentiality of all information that constitutes or constituted a material Trade Secret of the Company, including requiring all Persons having access thereto to execute written nondisclosure agreements or other binding obligations to maintain confidentiality of such information.

(f) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect, (i) to the knowledge of the Company, the conduct of the businesses of the Company, including the manufacture, marketing, offering for sale, sale, importation, use or intended use or other disposal of any product as currently sold or under development by Company, has not infringed, misappropriated or diluted, and does not infringe, misappropriate or dilute, any Intellectual Property of any Person, (ii) the Company has not received any written notice or claim asserting or suggesting that any such infringement, misappropriation, or dilution is or may be occurring or has or may have occurred and (iii) to the knowledge of the Company, no Person is infringing, misappropriating, or diluting in any material respect any Company Registered IP.

(g) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect, (i) the Company has taken commercially reasonable steps to protect the confidentiality and security of the computer and information technology systems used by the Company (the "IT Systems") and the information and transactions stored or contained therein or transmitted thereby, (ii) to the knowledge of the Company, since the Company's inception, there has been no unauthorized or improper use, loss, access, transmittal, modification or corruption of any such information or data and (iii) since the Company's inception, there have been no material failures, crashes, viruses, security breaches (including any unauthorized access to any personally identifiable information), affecting the IT Systems.

(h) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Company Material Adverse Effect, (i) to the knowledge of the Company, the Company has at all times complied in all material respects with all applicable Laws relating to privacy, data protection, and the collection, retention, protection, and use of Personal Information (collectively, "Privacy Laws") collected, used, or held for use by the Company, (ii) since the Company's inception, no claims have been asserted or, to the knowledge of the Company, threatened in writing against the Company alleging a violation of any Person's privacy or Personal Information, (iii) neither this Agreement nor the consummation of the transactions contemplated hereby will breach or otherwise violate any applicable Privacy Laws and (iv) the Company has taken commercially reasonable steps to protect the Personal Information collected, used or held for use by the Company against loss and unauthorized access, use, modification, disclosure or other misuse.

(i) To the knowledge of the Company, no government funding, facilities or resources of a university, college, other educational institution or research center or funding from third parties was used in the development of the Company Owned IP, to the knowledge of the Company, exclusively licensed to the Company, and no Governmental Entity, university, college, other educational institution or research center has, to the knowledge of the Company, any claim or right in or to such Intellectual Property.

(j) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, will not result in the loss of, or give rise to any right of any third party to terminate or modify any of the Company's rights or obligations under any agreement under which the Company grants to any Person, or any Person grants to the Company, a license or right under or with respect to any Intellectual Property that is material to any of the businesses of the Company.

Section 3.20 State Takeover Statutes. No "moratorium," "fair price," "business combination," "control share acquisition" or similar provision of any state anti-takeover Law (collectively, "Takeover Laws") or any similar anti-takeover provision in the Company Articles is, or at the Effective Time will be, applicable to this Agreement, the Transactions or any of the other transactions contemplated hereby.

Section 3.21 No Rights Plan. There is no member rights plan, "poison pill" anti-takeover plan or other similar device in effect to which the Company is a party or is otherwise bound.

Section 3.22 Related Party Transactions. Since the Company's inception through the date of this Agreement, there have been no transactions, agreements, arrangements or understandings between the Company, on the one hand, and the Affiliates of the Company, on the other hand, that would be required to be disclosed under Item 404 of Regulation S-K under the Securities Act (assuming the Company was subject to the requirements of the Exchange Act).

Section 3.23 Certain Payments. Neither the Company nor, to the knowledge of the Company, any of its respective directors, executives, representatives, agents or employees (a) has used or is using any corporate funds for any illegal contributions, gifts, entertainment or other unlawful expenses relating to political activity, (b) has used or is using any corporate funds for any direct or indirect unlawful payments to any foreign or domestic governmental officials or employees, (c) has violated or is violating any provision of the Foreign Corrupt Practices Act of 1977, (d) has established or maintained, or is maintaining, any unlawful fund of corporate monies or other properties, or (e) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment of any nature.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF PARENT

Except (a) as disclosed in the Parent SEC Documents at least two Business Days prior to the date of this Agreement and that is reasonably apparent on the face of such disclosure to be applicable to the representation and warranty set forth herein (other than any disclosures contained or referenced therein under the captions "Risk Factors," "Forward-Looking Statements," "Quantitative and Qualitative Disclosures About Market Risk," and any other disclosures contained or referenced therein of information, factors, or risks that are predictive, cautionary, or forward-looking in nature); or (b) as set forth in the corresponding section or subsection of the disclosure letter delivered by Parent to the Contributors immediately prior to the execution of this Agreement (the "Parent Disclosure Letter") (it being agreed that the disclosure of any information in a particular section or subsection of the Parent Disclosure Letter shall be deemed disclosure of such information with respect to any other section or subsection of this Agreement to which the relevance of such information is readily apparent on its face), Parent represents and warrants to the Contributors and the Minority Holders as follows:

Section 4.1 Organization, Standing and Power.

(a) Parent is a corporation duly organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation. Parent (i) has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as now being conducted and (ii) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties makes such qualification or licensing necessary, except in the case of clause (ii), where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect. For purposes of this Agreement, "Parent Material Adverse Effect" means any event, change, circumstance, occurrence, effect or state of facts that (A) is or would reasonably be expected to be materially adverse to the business, assets, liabilities, financial condition, or results of operations of Parent and its Subsidiaries, taken as a whole, or (B) materially impairs the ability of Parent to consummate the Transactions or any of the other transactions contemplated by this Agreement; provided, however, that in the case of clause (A) only, Parent Material Adverse Effect shall not include any event, change, circumstance, occurrence, effect or state of facts to the extent resulting from (1) changes or conditions generally affecting the industries in which the Parent and its Subsidiaries operate, or the economy or the financial, debt, banking, capital, credit or securities markets, in the United States, including effects on such industries, economy or markets resulting from any regulatory and political conditions or developments in general, (2) the outbreak or escalation of war or acts of terrorism or any natural disasters, acts of God or comparable events, epidemic, pandemic or disease outbreak (including the COVID-19 virus) or any worsening of the foregoing or any declaration of martial law, quarantine or similar directive, policy or guidance or Law or other action by any Governmental Entity in response thereto, (3) changes in Law or generally accepted accounting principles in the United States ("GAAP"), or the interpretation or enforcement thereof, (4) the public announcement of this Agreement, or (5) any specific action taken (or omitted to be taken) by the Parent at or with the express written consent of the Contributors; provided, that, with respect to clauses (1), (2) and (3), the impact of such event, change, circumstance, occurrence, effect or state of facts is not disproportionately adverse to Parent and its Subsidiaries, taken as a whole, as compared to other participants in the industries in which Parent and its Subsidiaries operate.

(b) Parent has previously made available to the Contributors true and complete copies of the Certificate of Incorporation and Bylaws (or comparable organizational documents) of Parent, and the Certificate of Incorporation and Bylaws (or comparable organizational documents) of each Subsidiary of Parent, in each case, as amended to the date of this Agreement, and each as so delivered is in full force and effect. Parent is not in violation of any provision of its Certificate of Incorporation or Bylaws (or comparable organizational documents). Except with respect to the extent relating to the transactions contemplated by this Agreement or in draft form and except as may be redacted to preserve a privilege (including attorney-client privilege), Parent has made available to the Contributors true and complete copies of the minutes of all meetings (including any actions taken by written consent) of Parent's stockholders, the Parent Board and each committee of the Parent Board held since January 1, 2020.

Section 4.2 Capital Stock.

(a) The authorized capital stock of Parent consists of 100,000,000 shares of Parent Common Stock and 5,000,000 shares of Parent Convertible Preferred Stock. As of the close of business on September 30, 2022, 2022 (the "Measurement Date"), (i) 31,490,053 shares of Parent Common Stock (excluding treasury shares) were issued and outstanding, (ii) no shares of Parent Common Stock were held by Parent in its treasury, (iii) no shares of Parent Convertible Preferred Stock were issued and outstanding, (iv) no shares of Parent Convertible Preferred Stock were held by Parent in its treasury, (v) 21,172,695 shares of Parent Common Stock were reserved for issuance pursuant to Parent's 2018 Omnibus Incentive Plan, the Catalyst 2004 Plan Residual, the Catalyst 2015 Stock Incentive Plan and the Targacept 2006 Plan (of which 8,906,711 shares were subject to Parent Options), (vi) 359,545 shares of Parent Common Stock were reserved for issuance pursuant to Parent's 2018 Employee Stock Purchase Plan and (vii) no shares of Parent Common Stock were reserved for issuance upon the exercise or conversion of warrants. Neither Parent nor any of its Subsidiaries has outstanding any bonds, debentures, notes or other obligations having the right to vote (or convertible into, or exchangeable or exercisable for, securities having the right to vote) with the stockholders of Parent or such Subsidiary on any matter. Except for changes since the close of business on the Measurement Date resulting from the exercise of any options as described above, as of the Measurement Date, there are no outstanding (A) shares of capital stock or other voting securities or equity interests of Parent, (B) securities of Parent or any of its Subsidiaries convertible into or exchangeable or exercisable for shares of capital stock of Parent or other voting securities or equity interests of Parent or its Subsidiaries, (C) stock appreciation rights, "phantom" stock rights, performance units, interests in or rights to the ownership or earnings of Parent or its Subsidiaries or other equity-equivalent or equity-based awards or rights, (D) subscriptions, options, warrants, calls, commitments, Contracts or other rights to acquire from Parent or its Subsidiaries, or obligations of Parent or any of its Subsidiaries to issue, any shares of capital stock of Parent or any of its Subsidiaries, voting securities, equity interests or securities convertible into or exchangeable or exercisable for capital stock or other voting securities or equity interests of Parent or its Subsidiaries or rights or interests described in the preceding clause (C), or (E) obligations of Parent or any of its Subsidiaries to repurchase, redeem or otherwise acquire any such securities or to issue, grant, deliver or sell, or cause to be issued, granted, delivered or sold, any such securities.

(b) Section 4.2(b) of the Parent Disclosure Letter sets forth a true and complete list of all holders of rights to purchase or receive shares of Parent Common Stock or similar rights (collectively, "Parent Stock Awards"), indicating as applicable, with respect to each Parent Stock Award then outstanding, the type of award, the number of shares of Parent Common Stock subject to such Parent Stock Award, the name of the plan under which such Parent Stock Award was granted, the date of grant, exercise or purchase price, vesting schedule, payment schedule (if different from the vesting schedule) and expiration thereof, and whether (and to what extent) the vesting of such Parent Stock Award will be accelerated or otherwise adjusted in any way or any other terms will be triggered or otherwise adjusted in any way by the consummation of the Transactions and the other transactions contemplated by this Agreement or by the termination of employment or engagement or change in position of any holder thereof following or in connection with the Transactions. Each Parent Option was granted with a per share exercise price that is no less than the fair market value of a share of Parent Common Stock on the date such Parent Option was granted and is exempt from the requirements of Section 409A of the Code. Parent has made available to the Contributors a true and complete copy of the forms of all award agreements evidencing outstanding Parent Stock Awards.

(c) The shares of Parent Capital Stock to be issued pursuant to the Transactions will be duly authorized, validly issued, fully paid and nonassessable and not subject to any preemptive rights.

(d) To the knowledge of Parent as of the date of this Agreement and as of the Closing, no "bad actor" disqualifying event described in Rule 506(d)(1)(i)-(viii) of the Securities Act (a "Disqualifying Event") is applicable to Parent or, to Parent's knowledge, any Covered Person, except for a Disqualifying Event as to which Rule 506(d)(2)(ii-iv) or (d)(3) of the Securities Act is applicable. "Covered Person" means, with respect to Parent as an "issuer" for purposes of Rule 506 promulgated under the Securities Act, any person listed in the first paragraph of Rule 506(d)(1).

Section 4.3 Subsidiaries. Section 4.3 of the Parent Disclosure Letter sets forth a true and complete list of each Subsidiary of Parent, including its jurisdiction of incorporation or formation. Each of Parent's Subsidiaries (i) is an entity duly organized, validly existing and in good standing under the Laws of the jurisdiction of its organization, (ii) has all requisite corporate or similar power and authority to own, lease and operate its properties and to carry on its business as now being conducted and (iii) is duly qualified or licensed to do business and is in good standing in each jurisdiction in which the nature of its business or the ownership, leasing or operation of its properties makes such qualification or licensing necessary, except in the case of clause (iii), where the failure to be so qualified or licensed or in good standing, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect. All outstanding shares of capital stock and other voting securities or equity interests of each such Subsidiary are owned, directly or indirectly, by Parent, free and clear of all Liens other than Permitted Liens of Parent and its Subsidiaries. Except for the capital stock of, or other equity or voting interests in, its Subsidiaries, Parent does not own, directly or indirectly, any equity, membership interest, partnership interest, joint venture interest, or other equity or voting interest in, or any interest convertible into, exercisable or exchangeable for any of the foregoing, nor is it under any current or prospective obligation to form or participate in, provide funds to, make any loan, capital contribution, guarantee, credit enhancement or other investment in, or assume any liability or obligation of, any Person.

Section 4.4 Authority.

(a) Parent has all necessary power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the Transactions and the other transactions contemplated hereby, including the issuance of the shares of Parent Capital Stock to the Contributors (the "Parent Capital Stock Issuance"). The execution, delivery and performance of this Agreement by Parent and the consummation by Parent of the Transactions and the other transactions contemplated hereby have been duly authorized by all necessary corporate action on the part of Parent and no other corporate proceedings on the part of Parent are necessary to approve this Agreement or to consummate the Transactions and the other transactions contemplated hereby, subject, in the case of the Parent Stockholder Matters, to the approval by the holders of at least a majority of the outstanding shares of Parent Common Stock in accordance with the requirements of applicable Law and Nasdaq rules and regulations (the "Parent Stockholder Approval"). This Agreement has been duly executed and delivered by Parent and, assuming the due authorization, execution and delivery by the Contributors and the Company, constitutes a valid and binding obligation of Parent, enforceable against Parent in accordance with its terms (except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity).

(b) The Parent Board, at a meeting duly called and held at which all directors of Parent were present, unanimously and duly adopted resolutions (i) determining that the terms of this Agreement, the Transactions, the CVR Agreement and the other transactions contemplated hereby are fair to and in the best interests of Parent and its stockholders, (ii) approving and declaring advisable this Agreement and the transactions contemplated hereby, including the Transactions, and by the CVR Agreement, and (iii) resolving to recommend that Parent stockholders approve the Parent Stockholder Matters, which resolutions have not been subsequently rescinded, modified or withdrawn in any way.

(c) The Parent Stockholder Approval is the only vote of the holders of any class or series of the Parent Capital Stock or other securities required in connection with the consummation of the Transactions and the other transactions contemplated hereby, and by the CVR Agreement, including the Parent Stockholder Matters. Other than the Parent Stockholder Approval, no vote of the holders of any class or series of the Parent's Capital Stock or other securities is required in connection with the consummation of any of the transactions contemplated hereby to be consummated by Parent.

Section 4.5 No Conflict; Consents and Approvals.

(a) The execution, delivery and performance of this Agreement by Parent does not, and the consummation of the Transactions and the other transactions contemplated hereby and compliance by Parent with the provisions hereof will not, conflict with, or result in any violation or breach of, or default (with or without notice or lapse of time, or both) under, or give rise to a right of, or result in, termination, cancellation, modification or acceleration of any obligation or to the loss of a benefit under, or result in the creation of any Lien in or upon any of the properties, assets or rights of Parent under, or give rise to any increased, additional, accelerated or guaranteed rights or entitlements under, or require any consent, waiver or approval of any Person pursuant to, any provision of (i) the Certificate of Incorporation or Bylaws of Parent, (ii) any material Contract to which Parent is a party by which Parent or any of its properties or assets may be bound, or (iii) subject to the governmental filings and other matters referred to in Section 3.5, any material Law or any rule or regulation of Nasdaq applicable to Parent or by which Parent or any of its properties or assets may be bound, except as, in the case of clause (iii), as individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect.

(b) No consent, approval, order or authorization of, or registration, declaration, filing with or notice to, any Governmental Entity is required by or with respect to Parent in connection with the execution, delivery and performance of this Agreement by Parent or the consummation by Parent of the Transactions and the other transactions contemplated hereby or compliance with the provisions hereof, except for (i) the filing with the SEC of such reports under Section 13(a) or 15(d) of the Exchange Act, as may be required in connection with this Agreement and the transactions contemplated hereby, (ii) such other filings and reports as may be required pursuant to the applicable requirements of the Securities Act, the Exchange Act and any other applicable state or federal securities, takeover and "blue sky" laws, and (iii) such other consents, approvals, orders, authorizations, registrations, declarations, filings or notices, the failure of which to be obtained or made would not be material to Parent.

(c) The Parent Board has taken and will take all actions necessary to ensure that the restrictions applicable to business combinations contained in Section 203 of the DGCL are, and will be, inapplicable to the execution, delivery and performance of this Agreement and to the consummation of the transactions contemplated by this Agreement. No other state takeover statute or similar Law applies or purports to apply to the Transactions, this Agreement or any of the other transactions contemplated by this Agreement.

Section 4.6 SEC Reports; Financial Statements.

(a) Parent has filed with or furnished to the SEC on a timely basis true and complete copies of all forms, reports, schedules, statements and other documents required to be filed with or furnished to the SEC by Parent since January 1, 2021 (all such documents, together with all exhibits and schedules to the foregoing materials and all information incorporated therein by reference, the "Parent SEC Documents"). As of their respective filing dates (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing), the Parent SEC Documents complied in all material respects with the applicable requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"), as the case may be, including, in each case, the rules and regulations promulgated thereunder, and none of the Parent SEC Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.

(b) The financial statements (including the related notes and schedules thereto) included (or incorporated by reference) in the Parent SEC Documents (i) have been prepared in a manner consistent with the books and records of Parent and its Subsidiary, (ii) have been prepared in accordance with GAAP (except, in the case of unaudited statements, as permitted by Form 10-Q of the SEC) applied on a consistent basis during the periods involved (except as may be indicated in the notes thereto), (iii) comply as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto and (iv) fairly present in all material respects the consolidated financial position of Parent and its Subsidiaries as of the dates thereof and their respective consolidated results of operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal and recurring year-end audit adjustments that were not, or are not expected to be, material in amount), all in accordance with GAAP and the applicable rules and regulations promulgated by the SEC. Since January 1, 2021, Parent has not made any change in the accounting practices or policies applied in the preparation of its financial statements, except as required by GAAP, SEC rule or policy or applicable Law. The books and records of Parent and its Subsidiaries have been, and are being, maintained in all material respects in accordance with GAAP (to the extent applicable) and any other applicable legal and accounting requirements and reflect only actual transactions.

(c) Parent has established and maintains disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Such disclosure controls and procedures are designed to ensure that information relating to Parent, including its consolidated Subsidiaries, required to be disclosed in Parent's periodic and current reports under the Exchange Act, is made known to Parent's chief executive officer and its chief financial officer by others within those entities to allow timely decisions regarding required disclosures as required under the Exchange Act. The chief executive officer and chief financial officer of Parent have evaluated the effectiveness of Parent's disclosure controls and procedures and, to the extent required by applicable Law, presented in any applicable Parent SEC Document that is a report on Form 10-K or Form 10-Q, or any amendment thereto, its conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by such report or amendment based on such evaluation.

(d) Parent and its Subsidiaries have established and maintain a system of internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) which is effective in providing reasonable assurance regarding the reliability of Parent's financial reporting and the preparation of Parent's financial statements for external purposes in accordance with GAAP. Parent has disclosed, based on its most recent evaluation of Parent's internal control over financial reporting prior to the date hereof, to Parent's auditors and audit committee (i) any significant deficiencies and material weaknesses in the design or operation of Parent's internal control over financial reporting which are reasonably likely to adversely affect Parent's ability to record, process, summarize and report financial information and (ii) any fraud, whether or not material, that involves management or other employees who have a significant role in Parent's internal control over financial reporting. A true, correct and complete summary of any such disclosures made by management to Parent's auditors and audit committee is set forth as Section 4.6(d) of Parent Disclosure Letter.

(e) Since January 1, 2021, (i) neither Parent nor any of its Subsidiaries nor, to the knowledge of the Parent, any director, officer, employee, auditor, accountant or representative of the Parent or any of its Subsidiaries has received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of Parent or any of its Subsidiaries or their respective internal accounting controls, including any material complaint, allegation, assertion or claim that Parent or any of its Subsidiaries has engaged in questionable accounting or auditing practices and (ii) no attorney representing Parent or any of its Subsidiaries, whether or not employed by Parent or any of its Subsidiaries, has reported evidence of a material violation of securities Laws, breach of fiduciary duty or similar violation by Parent or any of its Subsidiaries or any of their respective officers, directors, employees or agents to the Parent Board or any committee thereof or to any director or officer of Parent or any of its Subsidiaries.

(f) As of the date of this Agreement, there are no outstanding or unresolved comments in the comment letters received from the SEC staff with respect to the Parent SEC Documents. To the knowledge of Parent, none of the Parent SEC Documents is subject to ongoing review or outstanding SEC comment or investigation.

(g) Neither Parent nor any of its Subsidiaries is a party to, or has any commitment to become a party to, any joint venture, off-balance sheet partnership or any similar Contract (including any Contract or arrangement relating to any transaction or relationship between or among Parent and any of its Subsidiaries, on the one hand, and any unconsolidated Affiliate, including any structured finance, special-purpose or limited-purpose entity or Person, on the other hand, or any "off balance sheet arrangements" (as defined in Item 303(a) of Regulation S K under the Exchange Act)), where the result, purpose or intended effect of such Contract is to avoid disclosure of any material transaction involving, or material liabilities of, Parent or any of its Subsidiaries in Parent's or such Subsidiary's published financial statements or other Parent SEC Documents.

(h) Parent is in compliance in all material respects with (i) the provisions of the Sarbanes-Oxley Act and (ii) the rules and regulations of Nasdaq, in each case, that are applicable to Parent.

(i) No Subsidiary of Parent is required to file any form, report, schedule, statement or other document with the SEC.

(j) Parent has not been and is not currently a "shell company" as defined under Section 12b-2 of the Exchange Act.

(k) Parent is, and since its first date of listing on Nasdaq has been, in compliance in all material respects with the applicable current listing and governance rules and regulations of Nasdaq.

Section 4.7 No Undisclosed Liabilities. Neither Parent nor any of its Subsidiaries has any liabilities or obligations of any nature, whether accrued, absolute, contingent or otherwise, known or unknown, whether due or to become due and whether or not required to be recorded or reflected on a balance sheet under GAAP, except (a) to the extent accrued or reserved against in the audited consolidated balance sheet of Parent and its Subsidiaries as at December 31, 2021 included in the Annual Report on Form 10-K filed by Parent with the SEC on March 31, 2022 (without giving effect to any amendment thereto filed on or after the date hereof) and (b) for liabilities and obligations incurred in the ordinary course of business consistent with past practice since December 31, 2021 that are not material to Parent and its Subsidiaries, taken as a whole. Parent has not applied for or received any funds or incurred any indebtedness pursuant to the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136), enacted March 27, 2020 or any other economic relief or stimulus legislation or program, or otherwise received any funds or incurred any indebtedness from any Governmental Entity.

Section 4.8 Absence of Certain Changes or Events. Since December 31, 2021, except in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby, (x) Parent and its Subsidiaries have conducted their business only in the ordinary course of business consistent with past practice; (y) there has not been any change, event or development or prospective change, event or development that, individually or in the aggregate, has had or would reasonably be expected to have a Parent Material Adverse Effect; and (z) neither Parent nor any of its Subsidiaries have:

(a) (i) declared, set aside or paid any dividends on, or made any other distributions (whether in cash, stock or property) in respect of, any of its capital stock or other equity interests, except for dividends by a wholly-owned Subsidiary of Parent to its parent, (ii) purchased, redeemed or otherwise acquired shares of capital stock or other equity interests of Parent or its Subsidiary or any options, warrants, or rights to acquire any such shares or other equity interests, or (iii) split, combined, reclassified or otherwise amended the terms of any of its capital stock or other equity interests or issued or authorized the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock or other equity interests;

(b) amended or otherwise changed, or authorized or proposed to amend or otherwise change, its certificate of incorporation or by-laws (or similar organizational documents);

(c) adopted or entered into a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or reorganization; or

(d) changed its financial or Tax accounting methods, principles or practices, except insofar as may have been required by a change in GAAP or applicable Law, or revalued any of its material assets.

Section 4.9 Litigation. There is no Action (or basis therefor) pending or, to the knowledge of Parent, threatened against or affecting Parent or any of its Subsidiaries, any of their respective properties or assets, or any present or former officer, director or employee of Parent or any of its Subsidiaries in such individual's capacity as such, other than any Action that (a) does not involve an amount in controversy in excess of $100,000 and (b) does not seek material injunctive or other nonmonetary relief. Neither Parent nor any of its Subsidiaries nor any of their respective properties or assets is subject to any outstanding judgment, order, injunction, rule or decree of any Governmental Entity. There is no Action pending or, to the knowledge of Parent, threatened seeking to prevent, hinder, modify, delay or challenge the Transactions or any of the other transactions contemplated by this Agreement.

Section 4.10 Compliance with Laws. Parent and each of its Subsidiaries are and have been in compliance in all material respects with all Laws applicable to their businesses, operations, properties or assets. None of Parent or any of its Subsidiaries has received, since January 1, 2020, a notice or other written communication alleging or relating to a possible material violation of any Law applicable to their businesses, operations, properties, assets or Parent Products (as defined below). Parent and each of its Subsidiaries have in effect all material Permits of all Governmental Entities necessary or advisable for them to own, lease or operate their properties and assets and to carry on their businesses and operations as now conducted, and there has occurred no violation of, default (with or without notice or lapse of time or both) under or event giving to others any right of revocation, nonrenewal, adverse modification or cancellation of, with or without notice or lapse of time or both, any such Permit, nor would any such revocation, nonrenewal, adverse modification or cancellation result from the consummation of the transactions contemplated hereby.

Section 4.11 Health Care Regulatory Matters.

(a) Parent and, to the knowledge of Parent, each of its directors, officers, management employees, agents (while acting in such capacity), contract manufacturers, suppliers, and distributors are, and at all times prior hereto were, in material compliance with all Health Care Laws to the extent applicable to Parent or any of its products or activities. To the knowledge of Parent, there are no facts or circumstances that reasonably would be expected to give rise to any material liability under any Health Care Laws.

(b) Parent is not party to any corporate integrity agreements, monitoring agreements, consent decrees, settlement orders, or similar agreements with or imposed by any Governmental Entity.

(c) All applications, notifications, submissions, information, claims, reports and statistical analyses, and other data and conclusions derived therefrom, utilized as the basis for or submitted in connection with any and all requests for a Permit from the FDA or other Governmental Entity relating to products that are regulated as drugs, medical devices, or other healthcare products under Health Care Laws, including biological and drug candidates, compounds or products being researched, tested, stored, developed, labeled, manufactured, packed and/or distributed by Parent or any of its Subsidiaries ("Parent Products"), including, without limitation, investigational new drug applications, when submitted to the FDA or other Governmental Entity were true, complete and correct in all material respects as of the date of submission and any necessary or required updates, changes, corrections or modification to such applications, submissions, information and data have been submitted to the FDA or other Governmental Entity. Parent does not have knowledge of any facts or circumstances that would be reasonably likely to lead to the revocation, suspension, limitation, or cancellation of a Permit required under Health Care Laws.

(d) All preclinical studies and clinical trials conducted by or, to the knowledge of Parent, on behalf of Parent have been, and if still pending are being, conducted in material compliance with research protocols and all applicable Health Care Laws, including, but not limited to, the FDCA and its applicable implementing regulations at 21 C.F.R. Parts 50, 54, 56, 58, 312 and 314. No clinical trial conducted by or on behalf of Parent has been conducted using any clinical investigators who have been disqualified, debarred or excluded from healthcare programs. No clinical trial conducted by or on behalf of the Parent has been terminated or suspended prior to completion, and no clinical investigator who has participated or is participating in, or institutional review board that has or has had jurisdiction over, a clinical trial conducted by or on behalf of Parent has placed a partial or full clinical hold order on, or otherwise terminated, delayed or suspended, such a clinical trial at a clinical research site based on an actual or alleged lack of safety or efficacy of any Parent Product or a failure to conduct such clinical trial in compliance with applicable Health Care Laws, their implementing regulations and good clinical practices. The Parent has not identified or received notice of instances or allegations of research misconduct (defined as falsification or fabrication of data, or plagiarism, as those terms are defined in 42 C.F.R. Part 93) involving research conducted by, or on behalf of the Parent, that could compromise or affect the integrity, reliability, completeness or accuracy of the data collected in such research, or the rights, safety or welfare of the research subjects.

(e) All manufacturing operations conducted by or, to the knowledge of Parent, for the benefit of Parent have been and are being conducted in material compliance with all Permits under applicable Health Care Laws, all applicable provisions of the FDA's current good manufacturing practice (cGMP) regulations at 21 C.F.R. Parts 210-211 and Parts 600 and 610 and FDA's Quality System (QS) regulations at 21 C.F.R. Part 820, and all comparable foreign regulatory requirements of any Governmental Entity.

(f) Parent has not received any written communication that relates to an alleged violation or noncompliance with any Health Care Laws, including any notification of any pending or threatened claim, suit, proceeding, hearing, enforcement, investigation, arbitration, import detention or refusal, FDA Warning Letter or Untitled Letter, or any action by a Governmental Entity relating to any Health Care Laws. All Warning Letters, Form-483 observations, or comparable findings from other Governmental Entities listed in Section 4.11(f) of the Parent Disclosure Letter have been resolved and closed out to the satisfaction of the applicable Governmental Entity.

(g) There have been no seizures, withdrawals, recalls, detentions, or suspensions of manufacturing, testing, or distribution relating to the Parent Products required or requested by a Governmental Entity, or other notice of action relating to an alleged lack of safety, efficacy, or regulatory compliance of the Parent Products, or any adverse experiences relating to the Parent Products that have been reported to FDA or other Governmental Entity ("Parent Safety Notices"), and, to the knowledge of Parent, there are no facts or circumstances that reasonably would be expected to give rise to a Parent Safety Notice. All Parent Safety Notices listed in Section 4.11(g) of the Parent Disclosure Letter have been resolved to the satisfaction of the applicable Governmental Entity.

(h) There are no unresolved Parent Safety Notices, and to the knowledge Parent, there are no facts that would be reasonably likely to result in a material Parent Safety Notice or a termination or suspension of developing and testing of any of the Parent Products.

(i) Neither Parent, nor, to the knowledge of Parent, any officer, employee, agent, or distributor of Parent has made an untrue statement of a material fact or fraudulent or misleading statement to a Governmental Entity, failed to disclose a material fact required to be disclosed to a Governmental Entity, or committed an act, made a statement, or failed to make a statement that would reasonably be expected to provide a basis for the FDA to invoke its FDA Ethics Policy. To the knowledge of Parent, none of the aforementioned is or has been under investigation resulting from any allegedly untrue, fraudulent, misleading, or false statement or omission, including data fraud, or had any action pending or threatened relating to the FDA Ethics Policy.

(j) All reports, documents, claims, Permits and notices required to be filed, maintained or furnished to the FDA or any Governmental Entity by Parent have been so filed, maintained or furnished, except where failure to file, maintain or furnish such reports, documents, claims, Permits or notices has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. All such reports, documents, claims, Permits and notices were true and complete in all material respects on the date filed (or were corrected in or supplemented by a subsequent filing).

(k) Neither Parent nor, to the knowledge of Parent, any officer, employee, agent, or distributor of Parent has committed any act, made any statement or failed to make any statement that violates the Federal Anti-Kickback Statute, 28 U.S.C. § 1320a-7b, the Federal False Claims Act, 31 U.S.C. § 3729, other Drug or Health Care Laws, or any other similar federal, state, or ex-U.S. law applicable in the jurisdictions in which the Parent Products are sold or intended to be sold.

(l) Neither Parent nor, to the knowledge of Parent, any officer, employee, agent, or distributor of Parent has been convicted of any crime or engaged in any conduct that has resulted, or would reasonably be expected to result, in debarment under applicable Law, including, without limitation, 21 U.S.C. § 335a, or exclusion under 42 U.S.C. § 1320a-7, or any other statutory provision or similar law applicable in other jurisdictions in which the Parent Products are sold or intended to be sold. Neither Parent nor, to the knowledge of Parent, any officer, employee, agent or distributor of Parent, has been excluded from participation in any federal health care program or convicted of any crime or engaged in any conduct for which such Person could be excluded from participating in any federal health care program under Section 1128 of the Social Security Act of 1935, as amended, or any similar Health Care Law or program.

Section 4.12 Benefit Plans.

(a) Section 4.12(a) of the Parent Disclosure Letter contains a true and complete list of each "employee benefit plan" (within the meaning of section 3(3) of ERISA, whether or not subject to ERISA), and all stock purchase, stock option, phantom stock or other equity-based plan, severance, employment, collective bargaining, change-in-control, fringe benefit, bonus, incentive, deferred compensation, supplemental retirement, health, life, or disability insurance, dependent care and all other employee benefit and compensation plans, agreements, programs, policies or other arrangements, in each case, whether written or oral, legally binding or not, under which any current or former employee, director or consultant of Parent or its Subsidiaries (or any of their dependents) has any present or future right to compensation or benefits or Parent or any of its Subsidiaries sponsors or maintains, is making contributions to or has any present or future liability or obligation (contingent or otherwise). All such plans, agreements, programs, policies and arrangements shall be collectively referred to as the "Parent Plans." Parent has provided or made available to the Contributors a current, accurate and complete copy of each Parent Plan, or if such Parent Plan is not in written form, a written summary of all of the material terms of such Parent Plan. With respect to each Parent Plan, Parent has furnished or made available to the Contributors a current, accurate and complete copy of, to the extent applicable: (i) any related trust agreement or other funding instrument, (ii) the most recent determination letter of the IRS, (iii) any summary plan description or summary of material modifications, and (iv) for the most recent year and as applicable (A) the Form 5500 and attached schedules, (B) audited financial statements and (C) actuarial valuation reports.

(b) Neither Parent, its Subsidiaries or any member of their Controlled Group (defined as any organization which is a member of a controlled, affiliated or otherwise related group of entities within the meaning of Code Section 414(b), (c), (m) or (o)) has, in the past six (6) years, sponsored, maintained, contributed to or been required to contribute to or incurred any liability (contingent or otherwise) with respect to: (i) a "multiemployer plan" (within the meaning of ERISA section 3(37)), (ii) a Pension Plan that is subject to Title IV of ERISA or Section 412 of the Code, (iii) a Pension Plan which is a "multiple employer plan" as defined in Section 413 of the Code, or (iv) a "funded welfare plan" within the meaning of Section 419 of the Code.

(c) With respect to the Parent Plans:

(i) each Parent Plan complies in all material respects with its terms and materially complies in form and in operation with the applicable provisions of ERISA and the Code and all other applicable legal requirements;

(ii) each Parent Plan intended to be qualified under Section 401(a) of the Code has received a favorable determination, advisory and/or opinion letter, as applicable, from the IRS that it is so qualified and nothing has occurred to the knowledge of the Parent since the date of such letter that would reasonably be expected to cause the loss of the sponsor's ability to rely upon such letter, and nothing has occurred to the knowledge of the Parent that would reasonably be expected to result in the loss of the qualified status of such Parent Plan;

(iii) there is no material Action (including any investigation, audit or other administrative proceeding) by the Department of Labor, the PBGC, the IRS or any other Governmental Entity or by any plan participant or beneficiary pending, or to the knowledge of Parent, threatened, relating to the Parent Plans, any fiduciaries thereof with respect to their duties to Parent Plans or the assets of any of the trusts under any of Parent Plans (other than routine claims for benefits);

(iv) none of the Parent Plans currently provides, or reflects or represents any liability to provide post-termination or retiree welfare benefits to any person for any reason, except as may be required by COBRA, and none of Parent, its Subsidiaries or any members of their Controlled Group has any liability to provide post-termination or retiree welfare benefits to any person, except to the extent required by statute or except with respect to a contractual obligation to reimburse any premiums such person may pay in order to obtain health coverage under COBRA;

(v) each Parent Plan is subject exclusively to United States Law; and

(vi) the execution and delivery of this Agreement and the consummation of the Transactions will not, either alone or in combination with any other event, (A) entitle any current or former employee, officer, director or consultant of Parent or any Subsidiary to severance pay, unemployment compensation or any other similar termination payment, or any other compensatory payment, including any bonus, retention, retirement or other benefit, (B) accelerate the time of payment or vesting, or increase the amount of or otherwise enhance any benefit due to any such employee, officer, director or consultant, or (C) result in the payment of any "excess parachute payment" within the meaning of Section 280G of the Code.

(d) Each Parent Plan that is a "nonqualified deferred compensation plan" within the meaning of Section 409A of the Code (or any comparable or similar provision of state, local, or foreign Law) materially complies in both form and operation in all material respects with the requirements of Section 409A of the Code (or any comparable or similar provision of state, local, or foreign Law) and all applicable IRS guidance issued with respect thereto. There is no agreement, plan or other arrangement to which any of Parent or any Subsidiary is a party or by which any of them is otherwise bound to compensate any person in respect of any excise or other Taxes or other liabilities (including interest and penalties) incurred with respect to Section 409A or 4999 of the Code.

Section 4.13 Labor and Employment Matters.

(a) Parent and its Subsidiaries are and since January 1, 2020 have been in compliance in all material respects with all applicable Laws relating to labor and employment, including those relating to employment practices, terms and conditions of employment, collective bargaining, disability, immigration, health and safety, wages, hours and benefits, non-discrimination in employment, workers' compensation, the collection and payment of withholding and/or payroll Taxes and similar Taxes, unemployment compensation, equal employment opportunity, discrimination, harassment, employee and contractor classification, information privacy and security, and continuation coverage with respect to group health plans. During the preceding three years, there has not been, and as of the date of this Agreement there is not pending or, to the knowledge of Parent, threatened, any labor dispute, work stoppage, labor strike or lockout against Parent or any of its Subsidiaries by employees.

(b) No employee of Parent or any of its Subsidiaries is covered by an effective or pending collective bargaining agreement or similar labor agreement. To the knowledge of Parent, since January 1, 2020, there has not been any activity on behalf of any labor union, labor organization or similar employee group to organize any employees of Parent or any of its Subsidiaries, and there are no representation claims or petitions pending before the National Labor Relations Board or any other labor relations tribunal or authority. There are no (i) material unfair labor practice charges or complaints against Parent or any of its Subsidiaries pending before the National Labor Relations Board or any other labor relations tribunal or authority and to the knowledge of Parent no such representations, claims or petitions are threatened, or (ii) grievances or pending arbitration proceedings against Parent or any of its Subsidiaries that arose out of or under any collective bargaining agreement. Neither the consent or consultation of, nor the formal rendering of advice by, any labor union, labor organization or similar employee group is required for Parent to enter into this Agreement or to consummate the transactions contemplated hereby.

(c) To the knowledge of Parent, no current key employee or officer of Parent or any of its Subsidiaries intends, or is expected, to terminate his or her employment relationship with such entity in connection with or as a result of the transactions contemplated hereby or otherwise within one year of the Closing Date.

(d) During the preceding three years, (i) neither Parent nor any Subsidiary has effectuated a "plant closing" (as defined in the WARN Act) affecting any site of employment or one or more facilities or operating units within any site of employment or facility, (ii) there has not occurred a "mass layoff" (as defined in the WARN Act) in connection with Parent or any Subsidiary affecting any site of employment or one or more facilities or operating units within any site of employment or facility and (iii) neither Parent nor any Subsidiary has engaged in layoffs or employment terminations sufficient in number to trigger application of any similar state, local or foreign law. The Parent and its Subsidiaries currently properly classify and for the past three (3) years have properly classified its and their employees as exempt or nonexempt in accordance with applicable overtime laws, and no person treated as an independent contractor or consultant by Parent or any Subsidiary within the past three (3) years should have been properly classified as an employee under applicable Law, in each case, except as would not, individually or in the aggregate, result in Parent incurring a material liability.

(e) With respect to any current or former employee, officer, consultant or other service provider of Parent, there are no Actions against Parent or any of its Subsidiaries pending, or to Parent's knowledge, threatened to be brought or filed, in connection with the employment or engagement of any current or former employee, officer, consultant or other service provider of Parent, including, without limitation, any claim relating to employment discrimination, harassment, retaliation, equal pay, employment classification or any other employment related matter arising under applicable Laws, except where such action would not, individually or in the aggregate, result in Parent incurring a material liability.

(f) Since January 1, 2020, (i) no allegations of workplace sexual harassment, discrimination or other misconduct have been made, initiated, filed or, to the knowledge of Parent, threatened against Parent, any of its Subsidiaries or any of their respective current or former directors, officers or senior-level management employees in their capacities as such, (ii) to the knowledge of Parent, no incidents of any such workplace sexual harassment, discrimination or other misconduct have occurred, and (iii) Parent has not entered into any settlement agreement related to allegations of sexual harassment, discrimination or other misconduct by any of its directors, officers or employees described in clause (i) hereof or any independent contractor.

(g) Parent and its Subsidiaries are and have at all relevant times been in compliance in all material respects with (i) COVID-19 related Laws, standards, regulations, orders and guidance (including without limitation relating to business reopening), including those issued and enforced by the Occupational Safety and Health Administration, the Centers for Disease Control, the Equal Employment Opportunity Commission, and any other Governmental Entity; and (ii) the Families First Coronavirus Response Act and any other applicable COVID-19-related leave Law, whether state, local or otherwise.

Section 4.14 Environmental Matters. Except as would not be material to the Parent, (i) Parent and each of its Subsidiaries have conducted their respective businesses in compliance with all, and have not violated any, applicable Environmental Laws; (ii) Parent and its Subsidiaries have obtained all Permits of all Governmental Entities and any other Person that are required under any Environmental Law; (iii) there has been no release of any Hazardous Substance by Parent or any of its Subsidiaries or any other Person in any manner that has given or would reasonably be expected to give rise to any remedial or investigative obligation, corrective action requirement or liability of Parent or any of its Subsidiaries under applicable Environmental Laws; (iv) neither Parent nor any of its Subsidiaries has received any claims, notices, demand letters or requests for information (except for such claims, notices, demand letters or requests for information the subject matter of which has been resolved prior to the date of this Agreement) from any federal, state, local, foreign or provincial Governmental Entity or any other Person asserting that Parent or any of its Subsidiaries is in violation of, or liable under, any Environmental Law; (v) no Hazardous Substance has been disposed of, arranged to be disposed of, released or transported in violation of any applicable Environmental Law, or in a manner that has given rise to, or that would reasonably be expected to give rise to, any liability under any Environmental Law, in each case, on, at, under or from any current or former properties or facilities owned or operated by Parent or any of its Subsidiaries or as a result of any operations or activities of Parent or any of its Subsidiaries at any location and, to the knowledge of Parent, Hazardous Substances are not otherwise present at or about any such properties or facilities in amount or condition that has resulted in or would reasonably be expected to result in liability to Parent or any of its Subsidiaries under any Environmental Law; and (vi) neither Parent, its Subsidiaries nor any of their respective properties or facilities are subject to, or are threatened to become subject to, any liabilities relating to any suit, settlement, court order, administrative order, regulatory requirement, judgment or claim asserted or arising under any Environmental Law or any agreement relating to environmental liabilities.

Section 4.15 Taxes.

(a) Parent and each of its Subsidiaries have (i) filed all income Tax Returns and other material Tax Returns required to be filed by or on behalf of themselves (taking into account any applicable extensions thereof) and all such Tax Returns are true, accurate and complete in all material respects; and (ii) paid in full (or caused to be timely paid in full) all income and other material Taxes that are required to be paid by it, whether or not such Taxes were shown as due on such Tax Returns.

(b) All material Taxes not yet due and payable by Parent or any of its Subsidiaries as of the date of the Parent Balance Sheet have been, in all respects, properly accrued in accordance with GAAP on the financial statements (including the related notes and schedules thereto) included (or incorporated by reference) in the Parent SEC Documents, and such financial statements (including the related notes and schedules thereto) included (or incorporated by reference) in the Parent SEC Documents reflect an adequate reserve (in accordance with GAAP) for all material Taxes accrued but unpaid by Parent and each of its Subsidiaries through the date of such financial statements. Since the date of the Parent Balance Sheet, neither Parent nor any of its Subsidiaries has incurred, individually or in the aggregate, any liability for Taxes outside the ordinary course of business.

(c) Neither Parent nor any of its Subsidiaries has executed any waiver of any statute of limitations on, or extended the period for the assessment or collection of, any material amount of Tax, in each case that has not since expired.

(d) No material Tax Actions with respect to Taxes or any Tax Return of Parent or any of its Subsidiaries are presently in progress or have been asserted, threatened or proposed in writing. No deficiencies or claims for a material amount of Taxes have been claimed, proposed, assessed or asserted in writing against Parent or any of its Subsidiaries by a Governmental Entity, other than any such claim, proposal, assessment or assertion that has been satisfied by payment in full, settled or withdrawn.

(e) Parent and each of its Subsidiaries have timely withheld all material amounts of Taxes required to have been withheld from payments made (or deemed made) to their employees, independent contractors, creditors, stockholders and other third parties and, to the extent required, such Taxes have been timely paid to the relevant Governmental Entity.

(f) Neither Parent nor any of its Subsidiaries has engaged in a "reportable transaction" as set forth in Treasury Regulations § 1.6011-4(b).

(g) Neither Parent nor any of its Subsidiaries (i) is a party to or bound by, or has any liability pursuant to, any Tax sharing, allocation, indemnification or similar agreement or obligation other than any Ordinary Course Agreement; (ii) is or has ever been a member of a group (other than a group the common parent of which is Parent) filing a consolidated, combined, affiliated, unitary or similar income Tax Return; (iii) has any liability for the Taxes of any Person (other than Parent) pursuant to Treasury Regulations § 1.1502-6 (or any similar provision of state, local or non-United States Law) as a transferee or successor, by Contract (other than Ordinary Course Agreements), or otherwise by operation of Law; and (iv) is or has ever been treated as a resident for any income Tax purpose, or as subject to Tax by virtue of having a permanent establishment, an office or fixed place of business, in any country other than the country in which it was or is organized.

(h) No private-letter rulings, technical advice memoranda, or similar material agreements or rulings have been requested in writing, entered into or issued by any taxing authority with respect to Parent or any of its Subsidiaries which rulings remain in effect.

(i) Neither Parent nor any of its Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of (i) a change in, or use of improper, method of accounting requested or initiated on or prior to the Closing Date, (ii) a "closing agreement" as described in Section 7121 of the Code (or any similar provision of Law) executed on or prior to the Closing Date, (iii) an installment sale or open-transaction disposition made on or prior to the Closing Date, or (iv) any deferred intercompany gain or excess-loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign income Tax Law).

(j) There are no liens for Taxes upon any of the assets of Parent or any of its Subsidiaries other than Liens described in clause (i) of the definition of Permitted Liens.

(k) Neither Parent nor any of its Subsidiaries has distributed stock of another Person or has had its stock distributed by another Person, in a transaction (or series of transactions) that was purported or intended to be governed in whole or in part by Section 355 or 361 of the Code.

(l) Neither Parent nor any of its Subsidiaries has been a United States real property holding corporation, as defined in Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(m) No material claim has been made in writing by any Governmental Entity in a jurisdiction where Parent or any of its Subsidiaries does not currently file or has not filed a Tax Return that Parent or any of its Subsidiaries is or may be subject to taxation by such jurisdiction.

(n) To Parent's knowledge, neither Parent nor any of its Subsidiaries has been, is, and immediately prior to the Effective Time will be, treated as an "investment company" within the meanings of Section 351(e) of the Code.

(o) Neither Parent nor any of its Subsidiaries has taken any action (or agreed to take any action prior to the Closing), nor does it know of any fact or circumstance, in each case, that it knows could reasonably be expected to prevent or impede the Transactions from qualifying for the Intended Tax Treatment.

(p) Section 4.15(p) of the Parent Disclosure Letter sets forth the entity classification of Parent and each of its Subsidiaries for U.S. federal income tax purposes. Neither Parent nor any of its Subsidiaries has made an election to change its federal and state income tax classification from such classification.

Section 4.16 Contracts.

(a) Except as set forth in the Parent SEC Documents publicly available prior to the date of this Agreement, neither Parent nor any of its Subsidiaries is a party to or is bound by any "material contract" (as such term is defined in Item 601(b)(10) of Regulation S-K under the Securities Act, excluding, however, any Company Plans) (all such Contracts "Parent Material Contracts").

(b) (i) Each Parent Material Contract is valid and binding on Parent and any of its Subsidiaries to the extent such Subsidiary is a party thereto, as applicable, and to the knowledge of Parent, each other party thereto, and is in full force and effect and enforceable in accordance with its terms; (ii) Parent and each of its Subsidiaries, and, to the knowledge of Parent, each other party thereto, have performed all material obligations required to be performed by themselves under each Parent Material Contract; and (iii) there is no material default under any Parent Material Contract by Parent or any of its Subsidiaries or, to the knowledge of Parent, any other party thereto, and no event or condition has occurred that constitutes, or, after notice or lapse of time or both, would constitute, a material default on the part of Parent or any of its Subsidiaries or, to the knowledge of Parent, any other party thereto under any such Parent Material Contract, nor has Parent or any of its Subsidiaries received any notice of any such material default, event or condition. Parent has made available to the Contributors true and complete copies of all Parent Material Contracts, including all amendments thereto.

Section 4.17 Insurance. Each of Parent and its Subsidiaries is covered by valid and currently effective insurance policies issued in favor of Parent or one or more of its Subsidiaries that are customary and adequate for companies of similar size in the industries and locations in which Parent operates. Section 4.17 of the Parent Disclosure Letter sets forth, as of the date hereof, a true and complete list of all material insurance policies issued in favor of Parent or any of its Subsidiaries, or pursuant to which Parent or any of its Subsidiaries is a named insured or otherwise a beneficiary, as well as any historic incurrence-based policies still in force. With respect to each such insurance policy, (a) such policy is in full force and effect and all premiums due thereon have been paid, (b) neither Parent nor any of its Subsidiaries is in breach or default, and has not taken any action or failed to take any action which (with or without notice or lapse of time, or both) would constitute such a breach or default, or would permit termination or modification of, any such policy and (c) to the knowledge of Parent, no insurer issuing any such policy has been declared insolvent or placed in receivership, conservatorship or liquidation. No notice of cancellation or termination has been received with respect to any such policy, nor will any such cancellation or termination result from the consummation of the transactions contemplated hereby. The transactions contemplated in this Agreement are not deemed to be a change of control under the Parent's existing directors' and officers' liability insurance policy.

Section 4.18 Properties.

(a) Parent or one of its Subsidiaries has good and valid title to, or in the case of leased property and leased tangible assets, a valid leasehold interest in, all of its real properties and tangible assets that are necessary for Parent and its Subsidiaries to conduct their respective businesses as currently conducted, free and clear of all Liens other than (i) Liens for current Taxes and assessments not yet past due or the amount or validity of which is being contested in good faith by appropriate proceedings, (ii) mechanics', workmen's, repairmen's, warehousemen's and carriers' Liens arising in the ordinary course of business consistent with past practice and (iii) any such matters of record, Liens and other imperfections of title that do not, individually or in the aggregate, materially impair the continued ownership, use and operation of the assets to which they relate in the business of the Parent as currently conducted ("Permitted Liens"). Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, the tangible personal property currently used in the operation of the business of Parent and its Subsidiaries is in good working order (reasonable wear and tear excepted).

(b) Each of Parent and its Subsidiaries has complied with the terms of all leases to which it is a party, and all such leases are in full force and effect, except for any such noncompliance or failure to be in full force and effect that, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect. Each of Parent and its Subsidiaries enjoys peaceful and undisturbed possession under all such leases, except for any such failure to do so that, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect.

(c) Section 4.18(c) of the Parent Disclosure Letter sets forth a true and complete list of (i) all real property owned by Parent or any of its Subsidiaries and (ii) all real property leased for the benefit of Parent or any of its Subsidiaries.

(d) This Section 4.18 does not relate to Intellectual Property, which is the subject of Section 4.19.

Section 4.19 Intellectual Property.

(a) Section 4.19(a) of the Parent Disclosure Letter sets forth a true and complete list of all (i) material patents and patent applications; (ii) material trademark registrations and applications; and (iii) material copyright registrations and applications (collectively, "Parent Registered IP"), in each case owned by the Parent and its Subsidiaries, and a true and complete list of all domain names owned or exclusively licensed by Parent and its Subsidiaries. Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect (A) all of the Parent Registered IP is subsisting and, in the case of any Parent Registered IP that is registered or issued and to the knowledge of Parent, valid and enforceable, (B) no Parent Registered IP is involved in any interference, reissue, derivation, reexamination, opposition, cancellation or similar proceeding and, to the knowledge of Parent, no such action is threatened with respect to any of the Parent Registered IP and (C) Parent or its Subsidiaries own exclusively, free and clear of any and all Liens (other than Permitted Liens), all Parent Owned IP, including all Intellectual Property created on behalf of Parent or its Subsidiaries by employees or independent contractors.

(b) Section 4.19(b) of the Parent Disclosure Letter accurately identifies (i) all contracts pursuant to which any Parent Registered IP is licensed to Parent or its Subsidiaries (other than (A) any non-customized software that (1) is so licensed solely in executable or object code form pursuant to a nonexclusive, internal-use software license and other Intellectual Property associated with such software and (2) is not incorporated into, or material to the development, manufacturing, or distribution of, any of Parent's or its Subsidiaries' products or services, (B) any Intellectual Property licensed on a nonexclusive basis ancillary to the purchase or use of equipment, reagents or other materials, (C) any confidential information provided under confidentiality agreements and (D) agreements between Parent and any of its Subsidiaries and their employees in Parent's standard form thereof), (ii) the corresponding Parent Contract pursuant to which such Parent Registered IP is licensed to Parent or any of its Subsidiaries and (iii) whether the license or licenses granted to Parent or its Subsidiaries are exclusive or nonexclusive.

(c) Section 4.19(c) of the Parent Disclosure Letter accurately identifies each Parent contract pursuant to which any Person has been granted any license or covenant not to sue under, or otherwise has received or acquired any right (whether or not currently exercisable) or interest in, any Parent Registered IP (other than (i) any confidential information provided under confidentiality agreements and (ii) any Parent Registered IP nonexclusively licensed to academic collaborators, suppliers or service providers for the sole purpose of enabling such academic collaborator, supplier or service providers to provide services for Parent's benefit).

(d) Parent and its Subsidiaries have taken commercially reasonable measures to maintain the confidentiality of all information that constitutes or constituted a material Trade Secret of Parent or its Subsidiaries, including requiring all Persons having access thereto to execute written nondisclosure agreements or other binding obligations to maintain confidentiality of such information.

(e) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect, (i) to the knowledge of Parent, the conduct of the businesses of Parent and its Subsidiaries, including the manufacture, marketing, offering for sale, sale, importation, use or intended use or other disposal of any product as currently sold or under development by Parent or its Subsidiaries, has not infringed, misappropriated or diluted, and does not infringe, misappropriate or dilute, any Intellectual Property of any Person, (ii) neither Parent nor any of its Subsidiaries has received any written notice or claim asserting or suggesting that any such infringement, misappropriation, or dilution is or may be occurring or has or may have occurred and (iii) to the knowledge of Parent, no Person is infringing, misappropriating, or diluting in any material respect any Parent Registered IP.

(f) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect, (i) Parent and its Subsidiaries have taken commercially reasonable steps to protect the confidentiality and security of the computer and information technology systems used by Parent and its Subsidiaries (the "Parent IT Systems") and the information and transactions stored or contained therein or transmitted thereby, (ii) to the knowledge of Parent, during the past two (2) years, there has been no unauthorized or improper use, loss, access, transmittal, modification or corruption of any such information or data, and (iii) during the past two (2) years, there have been no material failures, crashes, viruses, or security breaches (including any unauthorized access to any personally identifiable information) affecting the Parent IT Systems.

(g) Except as, individually or in the aggregate, has not had and would not reasonably be expected to have a Parent Material Adverse Effect, (i) to the knowledge of Parent, Parent and its Subsidiaries have at all times complied in all material respects with all applicable Privacy Laws, (ii) during the past two (2) years, no claims have been asserted or, to the knowledge of Parent, threatened in writing against Parent alleging a violation of any Person's privacy or Personal Information, (iii) neither this Agreement nor the consummation of the transactions contemplated hereby will breach or otherwise violate any applicable Privacy Laws and (iv) Parent and its Subsidiaries have taken commercially reasonable steps to protect the Personal Information collected, used or held for use by Parent or its Subsidiaries against loss and unauthorized access, use, modification, disclosure or other misuse.

(h) To the knowledge of Parent, no government funding, facilities or resources of a university, college, other educational institution or research center or funding from third parties was used in the development of the Parent Owned IP, to the knowledge of Parent, exclusively licensed to Parent, and no Governmental Entity, university, college, other educational institution or research center has, to the knowledge of Parent, any claim or right in or to such Intellectual Property.

(i) The execution, delivery and performance by Parent of this Agreement, and the consummation of the transactions contemplated hereby, will not result in the loss of, or give rise to any right of any third party to terminate or modify any of Parent's or any Subsidiaries' rights or obligations under any agreement under which Parent or any of its Subsidiaries grants to any Person, or any Person grants to Parent or any of its Subsidiaries, a license or right under or with respect to any Intellectual Property that is material to any of the businesses of Parent or any of its Subsidiaries.

Section 4.20 Related Party Transactions. Since January 1, 2021 through the date of this Agreement, there have been no transactions, agreements, arrangements or understandings between Parent or any of its Subsidiaries, on the one hand, and the Affiliates of Parent, on the other hand (other than Parent's Subsidiaries), that would be required to be disclosed under Item 404 of Regulation S-K under the Securities Act and that have not been so disclosed in the Parent SEC Documents.

Section 4.21 Certain Payments. Neither Parent nor any of its Subsidiaries (nor, to the knowledge of the Parent, any of their respective directors, executives, representatives, agents or employees) (a) has used or is using any corporate funds for any illegal contributions, gifts, entertainment or other unlawful expenses relating to political activity, (b) has used or is using any corporate funds for any direct or indirect unlawful payments to any foreign or domestic governmental officials or employees, (c) has violated or is violating any provision of the Foreign Corrupt Practices Act of 1977, (d) has established or maintained, or is maintaining, any unlawful fund of corporate monies or other properties or (e) has made any bribe, unlawful rebate, payoff, influence payment, kickback or other unlawful payment of any nature.

Section 4.22 Brokers. No broker, investment banker, financial advisor or other Person, other than Raymond James & Associates, Inc., the fees and expenses of which will be paid by Parent, is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of Parent. Parent has furnished to Company a true and complete copy of any Contract between the Parent and Raymond James & Associates, Inc. pursuant to which Raymond James & Associates, Inc. could be entitled to any payment from the Parent relating to the transactions contemplated hereby.

Section 4.23 State Takeover Statutes. No Takeover Laws or any similar anti-takeover provision in the Certificate of Incorporation or Bylaws of Parent applicable to Parent is, or at the Effective Time will be, applicable to this Agreement, the Transactions, the Parent Capital Stock Issuance, or any of the other transactions contemplated hereby.

Section 4.24 No Other Representations or Warranties. Except for the representations and warranties contained in Article II and Article III, Parent acknowledges and agrees that none of the Contributors, the Company or any other Person on behalf of the Contributors or the Company makes any other express or implied representation or warranty whatsoever, and specifically (but without limiting the generality of the foregoing) that none of the Contributors, the Company or any other Person on behalf of the Contributors, the Company or any of its Subsidiaries makes any representation or warranty with respect to any projections or forecasts delivered or made available to Parent or any of its Subsidiaries or Representatives of future revenues, results of operations (or any component thereof), cash flows or financial condition (or any component thereof) of the Company (including any such projections or forecasts made available to Parent or any of its Subsidiaries or Representatives in certain "data rooms" or management presentations in expectation of the transactions contemplated by this Agreement), and Parent has not relied on any such information or any representation or warranty not set forth in Article III.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF THE MINORITY HOLDERS

Each Minority Holder represents and warrants to Parent, each on behalf of itself only and not on behalf of another Minority Holder, as follows:

Section 5.1 Authority. Minority Holder has all necessary power and authority to execute, deliver and perform its obligations under this Agreement and to consummate the transactions contemplated hereby. The execution, delivery and performance of this Agreement by Minority Holder and the consummation by Minority Holder of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Minority Holder and no other proceedings on the part of Minority Holder are necessary to approve this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by Minority Holder and, assuming the due authorization, execution and delivery by the other parties hereto, constitutes a valid and binding obligation of Minority Holder, enforceable against Minority Holder in accordance with its terms (except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, moratorium, reorganization or similar Laws affecting the enforcement of creditors' rights generally or by general principles of equity).

Section 5.2 No Conflict; Consents and Approvals.

(a) The execution, delivery and performance of this Agreement by Minority Holder does not, and the consummation of the transactions contemplated hereby and compliance by Minority Holder with the provisions hereof will not, conflict with, or result in any violation or breach of, any provision of, or:

(i) conflict with or violate the organizational documents of the Minority Holder (if and as applicable) or his or her Entity;

(ii) conflict with or violate any federal, state, local or foreign Law, injunction, decree or order of any Governmental Entity applicable to Minority Holder or his or her respective Entity or by which any property or asset of Minority Holder or his or her respective Entity is bound or affected, or

(iii) conflict with, result in any breach of, constitute a default (or an event that, with notice or lapse of time or both, would become a default) under, create in any party the right to accelerate, terminate, modify or cancel, or require any consent of any Person pursuant to, any material contract or material agreement to which his or her respective Entity is a party.

(b) No consent, approval, order or authorization of, or registration, declaration, filing with or notice to, any Governmental Entity is required by or with respect to Minority Holder in connection with the execution, delivery and performance of this Agreement by Minority Holder or the consummation by the respective Entity of the transactions contemplated hereby or compliance with the provisions hereof, except for (i) the filing with the SEC of such reports under Section 13(a) or 15(d) of the Exchange Act as may be required in connection with this Agreement and the transactions contemplated hereby, (ii) such other filings and reports as may be required pursuant to the applicable requirements of the Securities Act, the Exchange Act and any other applicable state or federal securities, takeover and "blue sky" laws and (iii) such other consents, approvals, orders, authorizations, registrations, declarations, filings or notices the failure of which to be obtained or made would not be material to Minority Holder.

Section 5.3 Shares. Minority Holder is the recorded and beneficial owner of the Entity Shares, free and clear of any encumbrance (other than restrictions on transfer that may arise under applicable securities Laws). Minority Holder has the right, authority and power to assign and transfer his or her Entity Shares to Parent.

Section 5.4 Accredited Investor Status. Prior to the date of this Agreement, Minority Holder is an "accredited investor" within the meaning of Regulation D, Rule 501(a), promulgated by the SEC under the Securities Act or is not a "U.S. person" within the meaning of Regulation S, Rule 902, promulgated by the SEC under the Securities Act.

Section 5.5 Entity Representations and Warranties. Each Minority Holder represents and warrants to Parent on behalf of his or her respective Entity and not on behalf of any other Entity as follows:

(a) Organization, Standing and Power. Such Entity is an entity duly organized, incorporated, validly existing and in good standing under the Laws of the jurisdiction of its incorporation. Such Entity is not in violation of any provision of its organizational documents. The Minority Holder has previously made available to Parent true and complete copies of such Entity's organizational documents, in each case as amended to the date of this Agreement, and each as so delivered is in full force and effect.

(b) Capital Stock. The maximum number of shares such Entity is authorized to issue and the shares issued and outstanding for such Entity is set forth on Annex A hereto. All outstanding Entity Shares are duly authorized, validly issued, fully paid and nonassessable and not subject to any preemptive rights. Such Entity does not have outstanding any bonds, debentures, notes or other obligations having the right to vote (or convertible into, or exchangeable or exercisable for, interests having the right to vote) with the shareholders of such Entity on any matter. Except as set forth above on Annex A hereto, there are no outstanding (A) shares or other voting or equity interests of such Entity, (B) securities of such Entity convertible into or exchangeable or exercisable for shares of such Entity or other voting or equity interests of such Entity, (C) profits or revenue-based interests or rights, including beneficial, appreciation, phantom or tracking interests in or rights to the ownership or earnings of such Entity or other equity equivalent or equity-based awards or rights, (D) subscriptions, options, warrants, calls, commitments, Contracts or other rights to acquire from such Entity, or obligations of such Entity to issue, any shares of such Entity, voting interests, equity interests or securities convertible into or exchangeable or exercisable for shares or other voting interests or equity interests of such Entity or rights or interests described in the preceding clause (C), or (E) obligations of such Entity to repurchase, redeem or otherwise acquire any such interests or to issue, grant, deliver or sell, or cause to be issued, granted, delivered or sold, any such interests. There are no shareholder agreements, voting trusts or other agreements or understandings to which such Entity is a party or of which such Entity has knowledge with respect to the holding, voting, registration, redemption, repurchase or disposition of, or that restrict the transfer of, any shares or other voting interests or equity interests of such Entity. Such Entity does not have any option plan or any other plan, program, agreement or arrangement providing for an equity-based compensation for any Person.

(c) Subsidiaries. Except for the capital stock of, or other equity or voting interests in, the Operating Company, such Entity does not own, directly or indirectly, any equity, membership interest, partnership interest, joint venture interest, or other equity or voting interest in, or any interest convertible into, exercisable or exchangeable for any of the foregoing, nor is it under any current or prospective obligation to form or participate in, provide funds to, make any loan, capital contribution, guarantee, credit enhancement or other investment in, or assume any liability or obligation of, any Person.

(d) Taxes. None of the Company, its Subsidiaries or the Entities will recognize any income or other Tax liability for non-U.S. tax purposes with respect to the Transactions.

Section 5.6 No Other Representations or Warranties. Except for the representations and warranties contained in Article IV, Minority Holder acknowledges and agrees that none of Parent or any other Person on behalf of Parent makes any other express or implied representation or warranty whatsoever, and specifically (but without limiting the generality of the foregoing) that none of Parent, its Subsidiaries or any other Person on behalf of Parent makes any representation or warranty with respect to any projections or forecasts delivered or made available to Minority Holder or any of its Representatives of future revenues, results of operations (or any component thereof), cash flows or financial condition (or any component thereof) of Parent (including any such projections or forecasts made available to Minority Holder and Representatives in certain "data rooms" or management presentations in expectation of the transactions contemplated by this Agreement), and Minority Holder has not relied on any such information or any representation or warranty not set forth in Article IV.

Section 5.7 Exclusivity of Representations and Warranties. Neither Minority Holder nor any of its Affiliates or Representatives is making any representation or warranty on behalf of Minority Holder or his or her respective Entity of any kind or nature whatsoever, oral or written, express or implied, except as expressly set forth in this Article V, and Minority Holder hereby disclaims any such other representations or warranties.

ARTICLE VI
COVENANTS

Section 6.1 Conduct of Business.

(a) During the period from the date of this Agreement to the Effective Time, except as may be required by applicable Law, Parent shall, and shall cause each of its Subsidiaries to, carry on its business in the ordinary course of business in all material respects consistent with past practice and use reasonable best efforts to preserve intact its business organization, preserve its assets, rights and properties in good repair and condition, keep available the services of its current officers, employees and consultants and preserve its goodwill and its relationships with customers, suppliers, licensors, licensees, distributors and others having business dealings with it and, except (x) as set forth in Section 6.1(a) of the Parent Disclosure Letter, (y) as consented to in writing in advance by the Contributors, or (z) as otherwise specifically required by this Agreement, Parent shall not, and shall not permit any of its Subsidiaries to, take any action that would reasonably be expected to materially impede or delay the consummation of the Transactions and the other transactions contemplated hereby. In clarification of the foregoing, without the consent in writing in advance by the Contributors (such consent not to unreasonably withheld, delayed, or conditioned), Parent shall not, and shall not permit each of its Subsidiaries to:

(i) (A) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock or other equity interests, except for dividends by a wholly-owned Subsidiary of Parent to its parent, (B) purchase, redeem or otherwise acquire shares of capital stock or other equity interests of Parent or its Subsidiaries or any options, warrants, or rights to acquire any such shares or other equity interests or (C) split, combine, reclassify or otherwise amend the terms of any of its capital stock or other equity interests or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock or other equity interests;

(ii) issue, deliver, sell, grant, pledge or otherwise encumber or subject to any Lien any shares of its capital stock, or grant any Person any right to acquire any shares of its capital stock;

(iii) amend or otherwise change, or authorize or propose to amend or otherwise change, its certificate of incorporation or bylaws (or similar organizational documents);

(iv) acquire (A) by merging or consolidating with, purchasing an equity interest in or a portion of the assets of, making an investment in or loan or capital contribution to or in any other manner, any corporation, partnership, association or other business organization or division thereof, or (B) any assets;

(v) sell, lease, license, sell and leaseback, abandon, mortgage or otherwise encumber or subject to any Lien or otherwise dispose in whole or in part of any of its material properties, assets or rights or any interest therein;

(vi) adopt or enter into a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization;

(vii) (A) incur, create, assume or otherwise become liable for, or repay or prepay, any Indebtedness, or amend, modify or refinance any Indebtedness or (B) make any loans, advances or capital contributions to, or investments in, any other Person;

(viii) incur or commit to incur any material new capital expenditure or authorization or commitment with respect thereto;

(ix) enter into, materially amend or terminate any Material Contract;

(x) commence any Action (other than an Action as a result of an Action commenced against Parent or any of its Subsidiaries), or compromise, settle or agree to settle any Action (including any Action relating to this Agreement or the transactions contemplated hereby);

(xi) implement or adopt any change to its financial or tax accounting methods, principles or practices, except insofar as may have been required by a change in GAAP or applicable Law;

(xii) settle or compromise any liability for Taxes; file any amended Tax Return or claim for Tax refund; make (outside of the ordinary course of business and other than on a basis consistent with past practice), revoke or modify any Tax election; file any Tax Return other than on a basis consistent with past practice, unless required by applicable Law; consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of Taxes (other than an extension for the filing of a Tax Return in the ordinary course of business); grant any power of attorney with respect to Taxes; enter into any Tax allocation agreement, Tax sharing agreement, Tax indemnity agreement, Tax holiday or any closing or other similar agreement; or change any method of accounting for Tax purposes;

(xiii) except to the extent required by applicable Law (including Section 409(A) of the Code), any arrangement in effect as of the date hereof, or as consistent with past practice, (A) increase the compensation or benefits of any director or executive officer of Parent, (B) amend or adopt any compensation or benefit plan including any pension, retirement, profit-sharing, bonus or other employee benefit or welfare benefit plan (other than any such adoption or amendment that does not increase the cost to Parent or any of its Subsidiaries of maintaining the applicable compensation or benefit plan) with or for the benefit or its employees or directors or (C) accelerate the vesting of, or the lapsing of restrictions with respect to, any stock options or other stock-based compensation;

(xiv) hire employees;

(xv) terminate any employees of Parent or its Subsidiaries or otherwise cause any employees of Parent or its Subsidiaries to resign, in each case other than for cause or poor performance (documented in accordance with Parent's past practices);

(xvi) pay, discharge or satisfy any claim or liability, other than the payment, discharge or satisfaction, in the ordinary course of business, of liabilities reflected or reserved against on the Parent Balance Sheet or subsequently incurred in the ordinary course of business;

(xvii) accelerate the collection of or discount any accounts receivable, delay the payment of accounts payable or defer expenses, reduce inventories or otherwise increase cash on hand;

(xviii) fail to keep in force insurance policies or replacement or revised provisions regarding insurance coverage with respect to the assets, operations and activities of Parent and its Subsidiaries as currently in effect;

(xix) permit the lapse of any right relating to Intellectual Property or any other intangible asset used in the business of Parent or any of its Subsidiaries;

(xx) renew or enter into any non-compete, exclusivity, non-solicitation or similar agreement that would restrict or limit the operations of Parent or any of its Subsidiaries;

(xxi) enter into any new line of business outside of its existing business;

(xxii) enter into any new lease or amend the terms of any existing lease of real property;

(xxiii) take any action (or omit to take any action) if such action (or omission) could reasonably be expected to result in any of the conditions to the Transactions set forth in Article VII not being satisfied; or

(xxiv) authorize any of, or commit, resolve or agree to take any of, the foregoing actions.

(b) During the period from the date of this Agreement to the Effective Time, except as may be required by applicable Law, each Contributors shall, and shall cause each of its respective Subsidiaries (which, for the avoidance of the doubt, includes the Company and the Operating Company) to, carry on its business in the ordinary course of business in all material respects consistent with past practice and use reasonable best efforts to preserve intact its business organization, preserve its assets, rights and properties in good repair and condition, keep available the services of its current officers, employees and consultants and preserve its goodwill and its relationships with customers, suppliers, licensors, licensees, distributors and others having business dealings with it and, except (w) as set forth in Section 6.1(b) of the Company Disclosure Letter, (x) as consented to in writing in advance by the Parent, (y) as would not reasonably be expected to result in any of the conditions to the Transactions set forth in Article VII not being satisfied, or (z) as otherwise specifically required by this Agreement, the Contributors shall not, and shall not permit any of their Subsidiaries to, take any action that would reasonably be expected to materially impede or delay the consummation of the Transactions and the other transactions contemplated hereby. In clarification of the foregoing, without the consent in writing in advance by the Parent (such consent not to unreasonably withheld, delayed, or conditioned), each Contributor and Minority Holder shall not, and shall not permit each of its Subsidiaries to engage in any of the following actions to the extent such action could reasonably be expected to result in any of the conditions to the Transactions set forth in Article VII not being satisfied:

(i) (A) declare, set aside or pay any dividends on, or make any other distributions (whether in cash, stock or property) in respect of, any of its capital stock or other equity interests, except for dividends by a wholly-owned Subsidiary of the Contributor to its holders, (B) purchase, redeem or otherwise acquire shares of capital stock or other equity interests of its Subsidiaries or any options, warrants, or rights to acquire any such shares or other equity interests, or (C) split, combine, reclassify or otherwise amend the terms of any of its capital stock or other equity interests or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for shares of its capital stock or other equity interests, except in each case as contemplated by Section 6.17;

(ii) issue, deliver, sell, grant, pledge or otherwise encumber or subject to any Lien any shares of its capital stock, or grant any Person any right to acquire any shares of its capital stock;

(iii) amend or otherwise change, or authorize or propose to amend or otherwise change, its certificate of incorporation or bylaws (or similar organizational documents);

(iv) acquire (A) by merging or consolidating with, purchasing an equity interest in or a portion of the assets of, making an investment in or loan or capital contribution to or in any other manner, any corporation, partnership, association or other business organization or division thereof, or (B) any assets, except in each case as contemplated by Section 6.17;

(v) sell, lease, license, sell and leaseback, abandon, mortgage or otherwise encumber or subject to any Lien or otherwise dispose in whole or in part of any of its material properties, assets or rights or any interest therein;

(vi) adopt or enter into a plan of complete or partial liquidation, dissolution, restructuring, recapitalization or other reorganization;

(vii) enter into any new line of business outside of its existing business; or

(viii) authorize any of, or commit, resolve or agree to take any of, the foregoing actions.

Section 6.2 No Solicitation; Recommendation of the Transactions.

(a) Parent shall not, and shall not permit or authorize any of its Subsidiaries or any director, officer, employee, investment banker, financial advisor, attorney, accountant or other advisor, agent or representative (collectively, "Representatives") of Parent or any of its Subsidiaries, directly or indirectly, to (i) solicit, initiate, endorse, encourage or facilitate any inquiry, proposal or offer with respect to, or the making or completion of, any Acquisition Proposal, or any inquiry, proposal or offer that is reasonably likely to lead to any Acquisition Proposal, (ii) enter into, continue or otherwise participate in any discussions or negotiations regarding, or furnish to any Person any information or data with respect to, or otherwise cooperate in any way with, any Acquisition Proposal or (iii) resolve, agree or propose to do any of the foregoing. Notwithstanding the foregoing, (i) nothing in this Section 6.2 shall preclude the Parent, its Subsidiaries, and their respective Representatives from actively taking any and all actions in the preceding sentence (or otherwise prohibited under this Section 6.2) with respect to the sale or license of the Parent's legacy assets, technology, and Intellectual Property (including the Parent's bleeding disorder product candidates) in existence as of the date of this Agreement (such permitted transaction, a "Parent Legacy Proposal"), and (ii) each Contributor acknowledges and agrees that (A) a Parent Legacy Proposal shall not be deemed to be an Acquisition Proposal, and (B) any and all actions taken by the Parent, its Subsidiaries, and their respective Representatives with respect to a Parent Legacy Proposal shall not be deemed to be a breach of this Section 6.2 or any other provisions of this Agreement, and therefore, the Contributors shall not be entitled to terminate this Agreement or to payment of the Termination Fee as a result of any such actions taken.

(b) Parent shall, and shall cause each of its Subsidiaries and the Representatives of Parent and its Subsidiaries to, (A) immediately cease and cause to be terminated all existing discussions and negotiations with any Person conducted heretofore with respect to any Acquisition Proposal or potential Acquisition Proposal and immediately terminate all physical and electronic data room access previously granted to any such Person, (B) request the prompt return or destruction of all confidential information previously furnished with respect to any Acquisition Proposal or potential Acquisition Proposal, and (C) not terminate, waive, amend, release or modify any provision of any confidentiality or standstill agreement to which it or any of its Affiliates or Representatives is a party with respect to any Acquisition Proposal or potential Acquisition Proposal, and shall enforce the provisions of any such agreement, which shall include seeking any injunctive relief available to enforce such agreement (provided, that Parent shall be permitted to grant waivers of, and not enforce, any standstill agreement, but solely to the extent that the Parent Board has determined in good faith, after consultation with its outside counsel, that failure to take such action (I) would prohibit the counterparty from making an unsolicited Acquisition Proposal to the Parent Board in compliance with this Section 6.2 and (II) would constitute a breach of its fiduciary duties to the stockholders of Parent under applicable Law).

(c) Notwithstanding the foregoing, if at any time following the date of this Agreement and prior to obtaining the Parent Stockholder Approval, (1) Parent receives a written Acquisition Proposal that the Parent Board believes in good faith to be bona fide, (2) such Acquisition Proposal was unsolicited and did not otherwise result from a breach of this Section 6.2, (3) the Parent Board determines in good faith (after consultation with outside counsel and its financial advisor) that such Acquisition Proposal constitutes or is reasonably likely to lead to a Superior Proposal, and (4) the Parent Board determines in good faith (after consultation with outside counsel) that the failure to take the actions referred to in clause (x) or (y) below would constitute a breach of its fiduciary duties to the stockholders of Parent under applicable Law, then Parent may (x) furnish information with respect to Parent and its Subsidiaries to the Person making such Acquisition Proposal pursuant to a customary confidentiality agreement containing terms substantially similar to, and no less favorable to Parent than, those set forth in the Confidentiality Agreements (including any standstill agreement contained therein) (an "Acceptable Confidentiality Agreement"); provided, that (I) Parent shall provide the Contributors a non-redacted copy of each confidentiality agreement Parent has executed in accordance with this Section 6.2 and (II) that any non-public information provided to any such Person shall have been previously provided to the Contributors or shall be provided to the Contributors prior to or concurrently with the time it is provided to such Person, and (y) participate in discussions or negotiations with the Person making such Acquisition Proposal regarding such Acquisition Proposal.

(d) Neither the Parent Board nor any committee thereof shall:

(i) (A) withdraw (or modify or qualify in any manner adverse to the Contributors) the recommendation or declaration of advisability by the Parent Board or any such committee of this Agreement, the Transactions, the Parent Stockholder Matters or any of the other transactions contemplated hereby, (B) recommend or otherwise declare advisable the approval by the Parent stockholders of any Acquisition Proposal, or (C) resolve, agree or propose to take any such actions (each such action set forth in this Section 6.2(d)(i) being referred to herein as an "Adverse Recommendation Change"); or

(ii) cause or permit Parent or any of its Subsidiaries to enter into any letter of intent, memorandum of understanding, agreement in principle, acquisition agreement, merger agreement, option agreement, joint venture agreement, partnership agreement or other Contract, except for an Acceptable Confidentiality Agreement, in each case constituting or related to, or which is intended to or is reasonably likely to lead to, any Acquisition Proposal, or resolve, agree or propose to take any such actions.

(e) Notwithstanding the foregoing, at any time prior to obtaining the Parent Stockholder Approval, the Parent Board may, if the Parent Board determines in good faith (after consultation with outside counsel) that the failure to do so would result in a breach of its fiduciary duties to the stockholders of Parent under applicable Law, taking into account all adjustments to the terms of this Agreement that may be offered by Contributors pursuant to this Section 6.2, (x) make an Adverse Recommendation Change in response to either (I) a Superior Proposal or (II) an Intervening Event, or (y) solely in response to a Superior Proposal received after the date hereof that was unsolicited and did not otherwise result from a breach of this Section 6.2, cause Parent to terminate this Agreement in accordance with Section 8.1(c)(ii) and concurrently enter into a binding Alternative Acquisition Agreement with respect to such Superior Proposal; provided, however, that Parent may not make an Adverse Recommendation Change in response to a Superior Proposal or terminate this Agreement pursuant to Section 8.1(d)(ii) unless: (A) Parent notifies the Contributors in writing at least five Business Days before taking that action of its intention to do so, and specifies the reasons therefor, including the terms and conditions of, and the identity of the Person making, such Superior Proposal, and contemporaneously furnishes a copy (if any) of the proposed Alternative Acquisition Agreement and any other relevant transaction documents (it being understood and agreed that any amendment to the financial terms or any other material term of such Superior Proposal shall require a new written notice by agreed that any amendment to the financial terms or any other material term of such Superior Proposal shall require a new written notice by Parent and a new five Business Day period); and (B) if the Contributors make a proposal during such five Business Day period to adjust the terms and conditions of this Agreement, the Parent Board, after taking into consideration the adjusted terms and conditions of this Agreement as proposed by the Contributors, continues to determine in good faith (after consultation with outside counsel and its financial advisor) that such Superior Proposal continues to be a Superior Proposal and that the failure to make an Adverse Recommendation Change or terminate this Agreement, as applicable, would result in a breach of its fiduciary duties to the stockholders of Parent under applicable Law; provided further, that the Parent Board may not make an Adverse Recommendation Change in response to an Intervening Event unless:

(1) Parent provides the Contributors with written information describing such Intervening Event in reasonable detail as soon as reasonably practicable after becoming aware of it;

(2) Parent keeps the Contributors reasonably informed of developments with respect to such Intervening Event;

(3) Parent notifies the Contributors in writing at least five Business Days before making an Adverse Recommendation Change with respect to such Intervening Event of its intention to do so and specifies the reasons therefor; and

(4) if the Contributors make a proposal during such five Business Day period to adjust the terms and conditions of this Agreement, the Parent Board, after taking into consideration the adjusted terms and conditions of this Agreement as proposed by the Contributors, continues to determine in good faith (after consultation with outside counsel) that the failure to make such Adverse Recommendation Change would result in a breach of its fiduciary obligations to the stockholders of Parent under applicable Law.

During the five Business Day period prior to its effecting an Adverse Recommendation Change or terminating this Agreement as referred to above, Parent shall, and shall cause its financial and legal advisors to, negotiate with the Contributors in good faith (to the extent the Company seeks to negotiate) regarding any revisions to the terms of the transactions contemplated by this Agreement proposed by the Contributors. Notwithstanding anything to the contrary contained herein, neither Parent nor any of its Subsidiaries shall enter into any Alternative Acquisition Agreement unless this Agreement has been terminated in accordance with its terms (including the payment of the Termination Fee pursuant to Section 8.3(b), if applicable).

(f) In addition to the obligations of Parent set forth in Section 6.2(a), Section 6.2(b), Section 6.2(c) and Section 6.2(d), Parent promptly (and in any event within 24 hours of receipt) shall advise the Contributors in writing in the event Parent or any of its Subsidiaries or Representatives receives (i) any indication by any Person that it is considering making an Acquisition Proposal, (ii) any inquiry or request for information, discussion or negotiation that is reasonably likely to lead to or that contemplates an Acquisition Proposal, or (iii) any proposal or offer that is or is reasonably likely to lead to an Acquisition Proposal, in each case together with a description of the material terms and conditions of and facts surrounding any such indication, inquiry, request, proposal or offer, the identity of the Person making any such indication, inquiry, request, proposal or offer, and a copy of any written proposal, offer or draft agreement provided by such Person. Parent shall keep the Contributors informed (orally and in writing) in all material respects on a timely basis of the status and details (including, within 24 hours after the occurrence of any amendment, modification, development, discussion or negotiation) of any such Acquisition Proposal, request, inquiry, proposal or offer, including furnishing copies of any written inquiries, correspondence and draft documentation, and written summaries of any material oral inquiries or discussions. Without limiting any of the foregoing, Parent shall promptly (and in any event within 24 hours) notify the Contributors orally and in writing if it determines to begin providing information or to engage in discussions or negotiations concerning an Acquisition Proposal pursuant to this Section 6.2 and shall in no event begin providing such information or engaging in such discussions or negotiations prior to providing such notice. Parent shall provide the Contributors with at least 24 hours prior notice (or such shorter notice as may be provided to the Parent Board) of a meeting of the Parent Board at which the Parent Board is reasonably expected to consider an Acquisition Proposal.

(g) Parent shall not, and shall cause its Subsidiaries not to, enter into any confidentiality agreement with any Person subsequent to the date of this Agreement that would restrict Parent's ability to comply with any of the terms of this Section 6.2, and represents that neither it nor any of its Subsidiaries is a party to any such agreement.

(h) Parent shall not take any action to exempt any Person (other than the Contributors and its respective Affiliates) from the restrictions on "business combinations" contained in Section 203 of the DGCL (or any similar provision of any other Takeover Law) or otherwise cause such restrictions not to apply, or agree to do any of the foregoing, in each case unless such actions are taken substantially concurrently with a termination of this Agreement pursuant to Section 8.1(d).

(i) Nothing contained in this Section 6.2 shall prohibit Parent from taking and disclosing a position contemplated by Rule 14e-2(a), Rule 14d-9 or Item 1012(a) of Regulation M-A promulgated under the Exchange Act; provided, however, that any such disclosure (other than a "stop, look and listen" communication or similar communication of the type contemplated by Section 14d-9(f) under the Exchange Act) shall be deemed to be an Adverse Recommendation Change (including for purposes of Section 8.1(d)) unless the Parent Board expressly reaffirms its recommendation to Parent's stockholders in favor of the approval of this Agreement and the Transactions in such disclosure and expressly rejects any applicable Acquisition Proposal.

(j) For purposes of this Agreement:

(i) "Acquisition Proposal" means any proposal or offer with respect to any direct or indirect acquisition or purchase or license, in one transaction or a series of transactions, and whether through any merger, reorganization, consolidation, tender offer, self-tender, exchange offer, stock acquisition, asset acquisition, binding share exchange, business combination, recapitalization, liquidation, dissolution, joint venture, licensing or similar transaction, or otherwise, of (A) assets or businesses of Parent and its Subsidiaries that generate 15% or more of the net revenues or net income (for the 12-month period ending on the last day of Parent's most recently completed fiscal quarter) or that represent 15% or more of the total assets (based on fair market value) of Parent and its Subsidiaries, taken as a whole, immediately prior to such transaction, or (B) 10% or more of any class of capital stock, other equity securities or voting power of Parent, any of its Subsidiaries or any resulting parent company of Parent, in each case other than the Transactions and other transactions contemplated by this Agreement.

(ii) "Superior Proposal" means any unsolicited bona fide binding written Acquisition Proposal that is fully financed or has fully committed financing that the Parent Board determines in good faith (after consultation with outside counsel and its financial advisor), taking into account all legal, financial, regulatory and other aspects of the proposal and the Person making the proposal, is (A) more favorable to the stockholders of Parent from a financial point of view than the Transactions and the other transactions contemplated by this Agreement (including any adjustment to the terms and conditions proposed by the Contributors in response to such proposal) and (B) reasonably likely of being completed on the terms proposed on a timely basis; provided, that, for purposes of this definition of "Superior Proposal," references in the term "Acquisition Proposal" to "15%" shall be deemed to be references to "50%".

(iii) "Intervening Event" means a material event or circumstance that was not known or reasonably foreseeable to the Parent Board prior to the execution of this Agreement (or if known, the consequences of which were not known or reasonably foreseeable), which event or circumstance, or any material consequence thereof, becomes known to the Parent Board prior to the receipt of the Parent Stockholder Approval that does not relate to (A) an Acquisition Proposal, (B) the Company or its Subsidiaries (including any Company Material Adverse Effect), (C) any actions taken pursuant to this Agreement or (D) any changes in the price of Parent Common Stock.

Section 6.3 Preparation of Form S-4 and Proxy Statement; Stockholders' Meeting.

(a) As promptly as practicable after the date of this Agreement, Parent shall file with the SEC a proxy statement (as amended or supplemented from time to time, the "Proxy Statement") to be sent to the stockholders of Parent relating to the special meeting of Parent's stockholders (the "Parent Stockholders Meeting") to be held to consider the Parent Stockholder Matters; provided, that is it understood and agreed that the Contributors shall prepare the initial draft of the Proxy Statement.

(b) Parent covenants and agrees that the Proxy Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith) will (i) comply as to form in all material respects with the requirements of applicable U.S. federal securities laws and the DGCL, and (ii) with regard to the information provided in the Proxy Statement by Parent, will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(c) As promptly as practicable following the date of this Agreement, Parent shall file with the SEC a registration statement on Form S-4 (as amended or supplemented from time to time, the "Form S-4"), in which the Proxy Statement will be part of the prospectus, in connection with the registration under the Securities Act of the Parent Common Stock to be issued in the Transactions; provided, that is it understood and agreed that the Contributors shall prepare the initial draft of the Form S-4. The Contributors covenant and agree that all information concerning the Contributors, the Company and Further Challenger furnished by the Contributors, and the Minority Holders covenant and agree, individually and not with respect to each other, that all information concerning the Minority Holders and the Entities, and included in the Proxy Statement and Form S-4 will (i) comply as to form in all material respects with the requirements of applicable U.S. federal securities laws and the DGCL, and (ii) will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. Parent shall use its reasonable best efforts to have the Form S-4 declared effective by the SEC under the Securities Act as promptly as practicable after such filing and to keep the Form S-4 effective as long as is necessary to consummate the Transactions and the other transactions contemplated hereby. Parent shall also take any action (other than qualifying to do business in any jurisdiction in which it is not now so qualified or filing a general consent to service of process) required to be taken under any applicable state securities or "blue sky" laws in connection with the issuance of shares of Parent Common Stock in the Transactions and the Contributors shall furnish all information concerning Contributors as may be reasonably requested in connection with any such action. Parent shall use its reasonable best efforts to respond promptly to any comments or requests of the SEC or its staff relating to the Proxy Statement and the Form S-4; provided, that any comments or request of the SEC or its staff which relate to disclosures contained in the Form S-4 or Proxy Statement and which were provided by the Minority Holders or the Contributors will be promptly addressed by the Contributors.

(d) Parent shall cause the Proxy Statement to be mailed to Parent's stockholders as promptly as practicable after the Form S-4 is declared effective by the SEC under the Securities Act. No filing of, or amendment or supplement to, the Form S-4 or the Proxy Statement will be made by Parent, without providing the Contributors a reasonable opportunity to review and comment thereon and without the Contributors' prior approval (which shall not be unreasonably withheld, conditioned, or delayed). Parent will advise the Contributors promptly after it receives oral or written notice thereof of the time when the Form S-4 has become effective or any amendment or supplement thereto has been filed, the issuance of any stop order, the suspension of the qualification of the Parent Common Stock issuable in connection with the Transactions for offering or sale in any jurisdiction or any oral or written request by the SEC for amendment of the Proxy Statement or the Form S-4 or comments thereon and responses thereto or requests by the SEC for additional information, and will promptly provide the other with copies of any written communication from the SEC or any state securities commission and a reasonable opportunity to participate in the responses thereto. If at any time prior to the Effective Time any information relating to the Contributors, the Minority Holders or Parent, or any of their respective Affiliates, officers or directors, should be discovered by the Company or Parent that should be set forth in an amendment or supplement to any of the Form S-4 or the Proxy Statement, so that any of such documents would not contain any misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the party that discovers such information shall promptly notify the other parties hereto and an appropriate amendment or supplement describing such information shall promptly be filed with the SEC and, to the extent required under applicable Law, disseminated to stockholders of Parent; provided, that the delivery of such notice and the filing of any such amendment or supplement shall not affect or be deemed to modify any representation or warranty made by any party hereunder or otherwise affect the remedies available hereunder to any party.

(e) As promptly as practicable after the Form S-4 is declared effective under the Securities Act, Parent shall duly call, give notice of, convene and hold the Parent Stockholders Meeting to consider and vote to approve the Parent Stockholder Matters pursuant to the terms of this Agreement (and such Parent Stockholders Meeting shall in any event be no later than 45 calendar days after the Form S-4 is declared effective). Parent may postpone or adjourn the Parent Stockholders Meeting solely (i) with the consent of the Contributors; (ii) (A) due to the absence of a quorum or (B) if Parent has not received proxies representing a sufficient number of shares for the Parent Stockholder Approval, whether or not a quorum is present, to solicit additional proxies; or (iii) to allow reasonable additional time for the filing and mailing of any supplemental or amended disclosure which the Parent Board has determined in good faith after consultation with outside legal counsel is necessary under applicable Law and for such supplemental or amended disclosure to be disseminated and reviewed by Parent's stockholders prior to the Parent Stockholders Meeting; provided, that the Parent may not postpone or adjourn the Parent Stockholders Meeting more than a total of two times pursuant to clause (ii)(A) and/or clause (ii)(B) of this Section. Notwithstanding the foregoing, Parent shall, at the request of Contributors, to the extent permitted by Law, adjourn the Parent Stockholders Meeting to a date specified by the Contributors for the absence of a quorum or if the Parent has not received proxies representing a sufficient number of shares for the Parent Stockholder Approval; provided, that the Parent shall not be required to adjourn the Parent Stockholders Meeting more than one time pursuant to this sentence, and no such adjournment pursuant to this sentence shall be required to be for a period exceeding 10 Business Days. Parent, through the Parent Board, shall (i) recommend to its stockholders that they vote to approve the Parent Stockholder Matters, (ii) include such recommendation in the Proxy Statement and (iii) publicly reaffirm such recommendation within 24 hours after a request to do so by the Contributors. Without limiting the generality of the foregoing, Parent agrees that (x) Parent shall use its reasonable best efforts to solicit proxies to obtain the Parent Stockholder Approval and (y) its obligations pursuant to this Section 6.3 shall not be affected by the commencement, public proposal, public disclosure or communication to Parent or any other Person of any Acquisition Proposal.

Section 6.4 Access to Information; Confidentiality.

(a) Parent shall, and shall cause each of its Subsidiaries to, afford to the Contributors and their respective Representatives reasonable access during normal business hours, during the period prior to the Effective Time or the termination of this Agreement in accordance with its terms, to all their respective properties, assets, books, contracts, commitments, personnel and records and, during such period, Parent shall, and shall cause each of its Subsidiaries to, furnish promptly to the Contributors: (a) a copy of each report, schedule, registration statement and other document filed or received by it during such period pursuant to the requirements of federal or state securities laws and (b) all other information concerning its business, properties and personnel as the Contributors may reasonably request (including Tax Returns filed and those in preparation and the work papers of its auditors); provided, however, that the foregoing shall not require Parent to disclose any information to the extent such disclosure would contravene applicable Law. All such information shall be held confidential in accordance with the terms of the Confidentiality Agreements between Parent and GNI Group and between Parent and the Operating Company, in each case dated as of October 7, 2022 (the "Confidentiality Agreements"). No investigation pursuant to this Section 6.4 or information provided, made available or delivered to the Contributors pursuant to this Agreement shall affect any of the representations, warranties, covenants, rights or remedies, or the conditions to the obligations of, the parties hereunder.

(b) Each Contributor shall, and shall cause each of its Subsidiaries to, afford to Parent and its Representatives reasonable access during normal business hours, during the period prior to the Effective Time or the termination of this Agreement in accordance with its terms, to such information, properties and personnel regarding the Contributor and its Subsidiaries as shall be reasonably necessary for Parent to fulfill its obligations pursuant to this Agreement or to confirm that the representations and warranties of the Contributor contained herein are true and correct and that the covenants of the Contributor contained herein have been performed in all material respects; provided, however, that the foregoing shall not require the Contributor to disclose any information to the extent such disclosure would contravene applicable Law. All such information shall be held confidential in accordance with the terms of the Confidentiality Agreements. No investigation pursuant to this Section 6.4(b) or information provided, made available or delivered to Parent pursuant to this Agreement shall affect any of the representations, warranties, covenants, rights or remedies, or the conditions to the obligations of, the parties hereunder.

Section 6.5 Regulatory Approvals; Consents.

(a) Upon the terms and subject to the conditions set forth in this Agreement, each of the parties agrees to use reasonable best efforts to take, or cause to be taken, all actions that are necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the Transactions and the other transactions contemplated by this Agreement, including using reasonable best efforts to accomplish the following: (i) obtain all required consents, approvals or waivers from, or participation in other discussions or negotiations with, third parties, including as required under any Material Contract, (ii) obtain all necessary actions or nonactions, waivers, consents, approvals, orders and authorizations from Governmental Entities, make all necessary registrations, declarations and filings and make all commercially reasonable efforts to obtain an approval or waiver from, or to avoid any Action by, any Governmental Entity, including filings under the HSR Act with the United States Federal Trade Commission and the Antitrust Division of the United States Department of Justice, and (iii) execute and deliver any additional instruments necessary to consummate the transactions contemplated hereby and fully to carry out the purposes of this Agreement; provided, however, that neither party shall commit to the payment of any fee, penalty or other consideration or make any other concession, waiver or amendment under any Contract in connection with obtaining any consent without the prior written consent of the other party. Notwithstanding anything to the contrary in this Agreement, the Contributors have the sole right to control and direct all antitrust strategy in connection with review of the transactions contemplated by this Agreement by any Governmental Entity, or any litigation by, or negotiations with, any antitrust authority or other Person relating to the transaction under the HSR Act or any other antitrust law and will take the lead in all meetings, discussions, and communications with any Governmental Entity relating to obtaining antitrust approval from the transactions contemplated by this Agreement provided that the Contributors will consult with and consider in good faith the comments of Parent in connection with any filing, communication, defense, litigation, negotiation, or strategy. Each of the parties hereto shall furnish to each other party such necessary information and reasonable assistance as such other party may reasonably request in connection with the foregoing. Subject to applicable Law relating to the exchange of information, Parent and the Contributors shall each have the right to review in advance, and to the extent practicable each shall consult with the other in connection with, all of the information relating to Parent or the Contributors, as the case may be, and any of their respective Subsidiaries, that appears in any filing made with, or written materials submitted to, any third party and/or any Governmental Entity in connection with the Transactions and the other transactions contemplated hereby. In exercising the foregoing rights, each of Parent and the Contributors shall act reasonably and as promptly as practicable. Subject to applicable Law and the instructions of any Governmental Entity, the Contributors and Parent shall keep each other reasonably apprised of the status of matters relating to the completion of the transactions contemplated hereby, including promptly furnishing the other with copies of notices or other written communications received by the Contributors or Parent, as the case may be, or any of their respective Subsidiaries, from any Governmental Entity and/or third party with respect to such transactions, and, to the extent practicable under the circumstances, shall provide the other party and its counsel with the opportunity to participate in any meeting with any Governmental Entity in respect of any filing, investigation or other inquiry in connection therewith.

(b) Notwithstanding any other provision of this Agreement to the contrary, in no event shall either Contributor or any of their Affiliates be required to (i) agree or proffer to divest or hold separate (in a trust or otherwise), or take any other action with respect to, any of the assets or businesses of the Contributor or any of its Affiliates or, assuming the consummation of the Transactions, the Company or Further Challenger or any of their respective Affiliates, (ii) agree or proffer to limit in any manner whatsoever or not to exercise any rights of ownership of any securities, (iii) enter into any agreement that in any way limits the ownership or operation of any business of the Contributors or any of their respective Affiliates, or (iv) agree to obtain prior approval or other approval from a Governmental Entity, or submit a notification or otherwise notify the Governmental Entity, prior to consummating any future transaction (other than the transactions contemplated by this Agreement).

Section 6.6 Takeover Laws. Each of the Contributors and Parent and their respective boards of directors shall (a) take no action to cause any Takeover Law to become applicable to this Agreement, the Transactions or any of the other transactions contemplated hereby and (b) if any Takeover Law is or becomes applicable to this Agreement, the Transactions or any of the other transactions contemplated hereby, take all action necessary to ensure that the Transactions and the other transactions contemplated hereby may be consummated as promptly as practicable on the terms contemplated by this Agreement and otherwise to eliminate or minimize the effect of such Takeover Law with respect to this Agreement, the Transactions and the other transactions contemplated hereby.

Section 6.7 Notification of Certain Matters. The Contributors and Parent shall promptly notify each other of (a) any notice or other communication received by such party from any Governmental Entity in connection with the Transactions or the other transactions contemplated hereby or from any Person alleging that the consent of such Person is or may be required in connection with the Transactions or the other transactions contemplated hereby, and (b) any Action commenced or, to such party's knowledge, threatened against, relating to or involving or otherwise affecting such party or any of its Subsidiaries which relate to the Transactions or the other transactions contemplated hereby; provided, however, that the delivery of any notice pursuant to this Section 6.7 shall not (i) cure any breach of, or non-compliance with, any other provision of this Agreement, or (ii) limit the remedies available to the party receiving such notice; provided further, that failure to give prompt notice shall not constitute a failure of a condition to the Transactions set forth in Article VII except to the extent that the underlying fact or circumstance not so notified would standing alone constitute such a failure.

Section 6.8 Indemnification, Exculpation and Insurance.

(a) From the Effective Time through the sixth anniversary of the date on which the Effective Time occurs, each of Parent and the Company shall indemnify and hold harmless each person who is now, or has been at any time prior to the date hereof, or who becomes prior to the Effective Time, a director or officer of Parent, the Company or Further Challenger, respectively (the "D&O Indemnified Parties"), against all claims, losses, liabilities, damages, judgments, fines and reasonable fees, costs and expenses, including attorneys' fees and disbursements, incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to the fact that the D&O Indemnified Party is or was a director or officer of Parent or the Company, whether asserted or claimed prior to, at or after the Effective Time, in each case, to the fullest extent permitted under the DGCL. Each D&O Indemnified Party will be entitled to advancement of expenses incurred in the defense of any such claim, action, suit, proceeding or investigation from each of Parent or the Company, as the case may be, jointly and severally, upon receipt by Parent or the Company, as the case may be, from the D&O Indemnified Party of a request therefor; provided that any such person to whom expenses are advanced provides an undertaking to Parent or the Company, to the extent then required by the DGCL, to repay such advances if it is ultimately determined that such person is not entitled to indemnification.

(b) The provisions of the certificate of incorporation and bylaws of Parent with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers of Parent that are presently set forth in the certificate of incorporation and bylaws of Parent shall not be amended, modified or repealed for a period of six years from the Effective Time in a manner that would adversely affect the rights thereunder of individuals who, at or prior to the Effective Time, were officers or directors of Parent, unless such modification is required by applicable Law. To the extent permitted by applicable Law, the memorandum and articles of association of the Company shall contain, and Parent shall cause the memorandum and articles of association of the Company to so contain, provisions no less favorable with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers as those presently set forth in the certificate of incorporation and bylaws of Parent.

(c) From and after the Effective Time through the sixth anniversary of the date on which the Effective Time occurs, (i) the Company shall fulfill and honor in all respects the obligations of the Company to its D&O Indemnified Parties as of immediately prior to the Closing pursuant to any indemnification provisions under its respective memorandum and articles of association and pursuant to any indemnification agreements between the Company and such D&O Indemnified Parties, with respect to claims arising out of matters occurring at or prior to the Effective Time and (ii) Parent shall fulfill and honor in all respects the obligations of Parent to its D&O Indemnified Parties as of immediately prior to the Closing pursuant to any indemnification provisions under Parent's certificate of incorporation and bylaws and pursuant to any indemnification agreements between Parent and such D&O Indemnified Parties, with respect to claims arising out of matters occurring at or prior to the Effective Time.

(d) From and after the Effective Time through the sixth anniversary of the date on which the Effective Time occurs, Parent shall maintain the directors' and officers' liability insurance tail policies, which tail policies shall be purchased by the Parent prior to the Closing in favor of each director or officer of Parent, with an effective date as of the Closing Date, and the cost of such tail policies shall be an expense borne by the Parent prior to the Closing under this Agreement.

(e) In the event Parent or the Company or any of their respective successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving corporation, company, or entity of such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each such case, proper provision shall be made so that the successors and assigns of Parent or the Company, as the case may be, shall succeed to the obligations set forth in this Section 6.8. Parent shall cause the Company to perform all of its respective obligations under this Section 6.8.

Section 6.9 Stock Exchange Listing. Parent shall use its reasonable best efforts to (a) remain listed as a public company on Nasdaq and (b) cause the shares of Parent Common Stock to be issued in the Transactions, and such other shares of Parent Common Stock to be reserved for issuance in connection with the Transactions, to be approved for listing on Nasdaq, subject to official notice of issuance, prior to the Effective Time. In the event that Parent receives a second notice of delisting from Nasdaq due to failure to comply with Nasdaq's $1.00 minimum closing bid price requirement, Parent and the Contributors shall each use their respective best efforts to take actions to regain compliance with such requirement, including effecting a reverse stock split and seeking the requisite stockholder approval.

Section 6.10 Stockholder Litigation. Parent shall give the Contributors the opportunity to participate in the defense and settlement of any stockholder litigation against Parent and/or its officers or directors relating to the Transactions or any of the other transactions contemplated by this Agreement in accordance with the terms of a mutually agreed upon joint defense agreement. Parent shall not enter into any settlement agreement in respect of any stockholder litigation against Parent and/or its directors or officers relating to the Transactions or any of the other transactions contemplated hereby without the prior written consent of each of the Contributors (such consent not to be unreasonably withheld, conditioned or delayed).

Section 6.11 Certain Tax Matters.

(a) Each of Parent and the Contributors will (and will each cause its respective Affiliates to) (i) use commercially reasonable efforts to cause the Transactions to qualify for the Intended Tax Treatment and (ii) not take any action or fail to take any action required hereby (or reasonably requested by GNI USA) that could reasonably be expected to prevent or impede the Transactions from qualifying for the Intended Tax Treatment. Parent and Contributors shall not file (or cause their Affiliates, including the Contributors, to file) any U.S. federal, state or local Tax Return after the Closing Date in a manner that is inconsistent with the treatment of the Transactions as qualifying for the Intended Tax Treatment for U.S. federal, state income and other relevant Tax purposes, and shall not take any inconsistent position during the course of any audit, litigation or other proceeding with respect to Taxes, in each case, unless otherwise required by a change in Law after the date hereof or a determination within the meaning of Section 1313(a) of the Code.

(b) All transfer, documentary, sales, use, stamp, registration, excise, recording, registration value-added and other such similar Taxes and fees (including any penalties and interest) that become payable in connection with or by reason of (i) the GNI USA Contribution shall be borne and paid by GNI USA and (ii) the Minority Holder Contribution shall be borne and paid by the Minority Holders. Unless otherwise required by applicable law, Parent shall timely file any Tax Return or other document with respect to such Taxes or fees (and the Contributors shall reasonably cooperate with respect thereto as necessary).

Section 6.12 Dividends. Except as provided in this Agreement with respect to the CVR, the Parent shall not any dividends in respect of Parent Common Stock and the record dates and payment dates relating thereto.

Section 6.13 Public Announcements.

(a) As promptly as practicable following the date of this Agreement (and in any event within four (4) Business Days thereafter), Parent shall prepare and file a Current Report on Form 8-K pursuant to the Exchange Act to report the execution of this Agreement (the "Signing Form 8-K") and the parties shall issue a mutually agreeable press release announcing the execution of this Agreement. Parent shall provide the Contributors with a reasonable opportunity to review and comment on the Signing Form 8-K prior to its filing and shall consider such comments in good faith.

(b) At least five (5) days prior to the Closing, the Contributors shall begin preparing a draft Current Report on Form 8-K in connection with and announcing the Closing, together with, or incorporating by reference, such information that is or may be required to be disclosed with respect to the transactions contemplated by this Agreement pursuant to Form 8-K (the "Closing Form 8-K"). The Contributors shall provide Parent with a reasonable opportunity to review and comment on the Closing Form 8-K prior to its filing and shall incorporate any such comments. Prior to the Closing, the Contributors shall prepare a press release announcing the consummation of the transactions contemplated by this Agreement ("Closing Press Release"). The Contributors shall provide Parent with a reasonable opportunity to review and comment on the Closing Press Release prior to its filing and shall consider such comments in good faith. Concurrently with or promptly following with the Closing, Parent shall distribute the Closing Press Release, and within four (4) Business Days thereafter, file the Closing Form 8-K with the SEC.

Section 6.14 Section 16 Matters. Prior to the Effective Time, each of Parent and the Contributors shall take all such steps as may be necessary or appropriate to cause the transactions contemplated by this Agreement, including acquisitions of Parent Common Stock (including derivative securities with respect to such Parent Common Stock) resulting from the transactions contemplated by this Agreement by each individual who will become subject to such reporting requirements with respect to Parent to be exempt under Rule 16b-3 promulgated under the Exchange Act.

Section 6.15 LTIP. Prior to the Closing Date, upon request by the Contributors, Parent shall approve and, subject to the Parent Stockholder Approvals, adopt, an increase to the number of shares reserved under the Catalyst Biosciences, Inc. 2018 Omnibus Incentive Plan to be effective upon and following the Closing (the "LTIP").

Section 6.16 Parent Deliverables.

(a) Two Business Days prior to the Closing, Parent will deliver to the Contributors a schedule (the "Net Cash Schedule") setting forth, in reasonable detail, Parent's good faith, estimated calculation of Net Cash, including each component thereof as of the close of business on the last Business Day prior to the Closing Date prepared and certified by Parent's principal financial or accounting officer. Parent shall make available to the Contributors, as requested by the Contributors, the work papers and back-up materials used or useful in preparing the Net Cash Schedule.

(b) Two Business Days prior to the Closing, Parent will deliver to the Contributors a good faith estimate of the costs (the "Interim Operating Amount") to manage, negotiate, settle and finalize the Claims (as defined in the CVR Agreement). Following the Closing, the Contributors acknowledge and agree that (i) the Special Committee (as defined in the CVR Agreement) will manage, negotiate, settle, and finalize the Claims, and (ii) Parent will pay any related fees and expenses up to the Interim Operating Amount until such amount has been exhausted, in each case, as such performance and obligations are governed exclusively by the terms and conditions of the CVR Agreement.

Section 6.17 Contributions to GNI USA.

(a) Company Ordinary Shares. Prior to the Closing, each of GNI Group and GNI HK shall contribute all of its Company Ordinary Shares to GNI USA, such that immediately prior to the Closing, GNI USA shall hold 72.22% of the Company Ordinary Shares.

(b) Further Challenger. Prior to the Closing, Shanghai Genomics shall contribute all of the FC Shares to GNI USA, such that immediately prior to the Closing, GNI USA shall hold 100% of the FC Shares.

(i) Prior to or on the Closing Date, but prior to the transfer of the FC Shares from GNI USA to Parent, Shanghai Genomics shall deliver to GNI USA the following:

(A) a duly executed share transfer form with respect to the FC Shares between Shanghai Genomics as transferor and GNI USA as transferee;

(B) the share certificate relating to the FC Shares held by Shanghai Genomics (if applicable) which has been marked as "Cancelled"; and

(C) a certified true copy of the resolution of the directors of Further Challenger (i) approving the transfer of the FC Shares from Shanghai Genomics to GNI USA; and (ii) authorizing the name of GNI USA to be entered into Further Challenger's register of members as the holder of the FC Shares and directing the issuance of a new share certificate in respect thereof.

(ii) Prior to or on the Closing Date (but prior to the transfer of the FC Shares from GNI USA to the Parent) Shanghai Genomics shall procure the entry of GNI USA in Further Challenger's register of members as the holder of the FC Shares and shall deliver to GNI USA a copy of Further Challenger's register of members reflecting the transfer of the FC Shares to GNI USA.

(iii) On the Closing Date (and prior to the Effective Time) GNI USA shall deliver to Parent the following:

(A) a duly executed share transfer form with respect to the FC Shares between GNI USA as transferor and Parent as transferee;

(B) a registered agent's certificate issued by Further Challenger's registered agent, attaching certified copies of Further Challenger's current register of members, register of directors and register of charges and dated no earlier than 10 Business Days prior to the Closing Date;

(C) a certificate of good standing issued by the Registrar of Corporate Affairs in the British Virgin Islands with respect to Further Challenger, dated no earlier than 5 Business Days prior to the Closing Date;

(D) the share certificate relating to the FC Shares held by GNI USA (if applicable) which has been marked as "Cancelled"; and

(E) a certified true copy of the resolution of the directors of Further Challenger (i) approving the transfer of the FC Shares from GNI USA to Parent; and (ii) authorizing the name of Parent to be entered into Further Challenger's register of members as the holder of the FC Shares and directing the issuance of a new share certificate in respect thereof.

ARTICLE VII
CONDITIONS PRECEDENT

Section 7.1 General Conditions. The obligation of each party to effect the Transactions is subject to the satisfaction at or prior to the Effective Time of the following conditions:

(a) Stockholder Approval. The Parent Stockholder Approval shall have been obtained.

(b) HSR Act; Antitrust. Any applicable waiting period (and any extension thereof) under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act") as well as any agreement not to close embodied in a "timing agreement" between the parties and a Governmental Entity, shall have expired or been terminated. Neither party shall have received a letter from any Governmental Entity stating that although the waiting period under the HSR Act applicable to the transactions contemplated by this Agreement will soon expire, the Governmental Entity has not yet completed any purported investigation of the proposed transaction.

(c) No Injunctions or Legal Restraints; Illegality. No temporary restraining order, preliminary or permanent injunction or other judgment, order or decree issued by any court of competent jurisdiction or other legal restraint or prohibition shall be in effect, and no Law shall have been enacted, entered, promulgated, enforced or deemed applicable by any Governmental Entity that, in any such case, prohibits or makes illegal the consummation of the Transactions.

(d) Nasdaq Listing. The shares of Parent Common Stock issuable to the stockholders of the Company as provided for in Article I shall have been approved for listing on Nasdaq, subject only to official notice of issuance, and immediately following the Closing, Parent shall satisfy all applicable initial and continuing listing requirements of Nasdaq and shall not have received any notice of non-compliance therewith.

(e) Form S-4. The Form S-4 shall have been declared effective by the SEC under the Securities Act and no stop order suspending the effectiveness of the Form S-4 shall have been issued and no proceedings for that purpose shall have been initiated or threatened.

Section 7.2 Conditions to the Obligations of Parent. The obligation of Parent to effect the Transactions is also subject to the satisfaction, or waiver by Parent, at or prior to the Effective Time of the following conditions:

(a) Representations and Warranties. The representations and warranties of the Contributors and the Company set forth in this Agreement shall be true and correct as of the date of this Agreement and as of the Closing Date as though made as of the Closing Date (except to the extent such representations and warranties expressly relate to an earlier date, in which case as of such earlier date), except for inaccuracies of representations or warranties the circumstances giving rise to which, individually or in the aggregate, have not had and would not reasonably be expected to have a Company Material Adverse Effect (it being understood that, for purposes of determining the accuracy of such representations and warranties, all knowledge, materiality and "Material Adverse Effect" qualifications and exceptions contained in such representations and warranties shall be disregarded).

(b) Performance of Obligations of the Contributors. Each of the Contributors and the Company shall have performed in all material respects all obligations required to be performed by it under this Agreement at or prior to the Effective Time.

(c) Officers' Certificate. Parent shall have received a certificate signed by an executive officer of each of the Contributors and the Company certifying as to the matters set forth in Section 7.2(a) and Section 7.2(b).

(d) Tax Certificates. (i) GNI USA shall have delivered to the Parent an accurate, executed, and complete U.S. Internal Revenue Service Form W-9, and (ii) each of the Minority Holders shall have delivered to Parent an accurate, executed, and complete U.S. Internal Revenue Service Form W-8 or W-9, as the case may be.

Section 7.3 Conditions to the Obligations of the Contributors and the Company. The obligation of each of the Contributors and the Company to effect the Transactions is also subject to the satisfaction, or waiver by the Contributors and the Company, at or prior to the Effective Time of the following conditions:

(a) Representations and Warranties. The representations and warranties of the Parent set forth in this Agreement shall be true and correct as of the date of this Agreement and as of the Closing Date as though made as of the Closing Date (except to the extent such representations and warranties expressly relate to an earlier date, in which case as of such earlier date), except for inaccuracies of representations or warranties the circumstances giving rise to which, individually or in the aggregate, have not had and would not reasonably be expected to have a Parent Material Adverse Effect (it being understood that, for purposes of determining the accuracy of such representations and warranties, all knowledge, materiality and "Material Adverse Effect" qualifications and exceptions contained in such representations and warranties shall be disregarded).

(b) Performance of Obligations of Parent. Parent shall have performed in all material respects all obligations required to be performed by them under this Agreement at or prior to the Effective Time.

(c) Officers' Certificate. The Contributors shall have received a certificate signed by an executive officer of Parent certifying as to the matters set forth in Section 7.3(a) and Section 7.3(b).

(d) Directors and Officers. The Persons listed in Schedule 1.7(c) shall have been approved by the Parent Stockholder Approval (with such appointments to take effect immediately following the Closing). The Contributors shall have received the written resignations of all of the directors and officers of Parent (other than such Persons, if any, who will continue as directors following the Closing), effective as of the Closing.

(e) Tax Certificate. Parent shall have delivered to the Contributors a properly executed Foreign Investment and Real Property Tax Act of 1980 notification letter which states that the shares of Parent Common Stock do not constitute "United States real property interests" under Section 897(c) of the Code for purposes of satisfying each Contributor's obligations under Treasury Regulation Section 1.1445-2(c)(3), and a form of notice to the IRS prepared in accordance with the requirements of Treasury Regulation Section 1.897-2(h)(2), each in substantially the form of Exhibit B hereto.

Section 7.4 Frustration of Closing Conditions. None of Parent, the Contributors or the Company may rely on the failure of any condition set forth in this Article VII to be satisfied if such failure was caused by such party's breach of this Agreement.

ARTICLE VIII
TERMINATION, AMENDMENT AND WAIVER

Section 8.1 Termination. This Agreement may be terminated and the Transactions may be abandoned at any time prior to the Effective Time, whether before or after the Parent Stockholder Approval has been obtained:

(a) by mutual written consent of Parent and the Contributors;

(b) by either Parent or the Contributors:

(i) if the Transactions shall not have been consummated on or before the date that is the 180th day after the date hereof (the "Outside Date"); provided, that the right to terminate this Agreement pursuant to this Section 8.1(b)(i) shall not be available to any party whose failure to fulfill in any material respect any of its obligations under this Agreement has been the primary cause of, or the primary factor that resulted in, the failure of the Transactions to be consummated by the Outside Date;

(ii) if any court of competent jurisdiction or other Governmental Entity shall have issued a judgment, order, injunction, rule or decree, or taken any other action restraining, enjoining or otherwise prohibiting any of the transactions contemplated by this Agreement and such judgment, order, injunction, rule, decree or other action shall have become final and nonappealable; provided, that the party seeking to terminate this Agreement pursuant to this Section 8.1(b)(ii) shall have used its reasonable best efforts to contest, appeal and remove such judgment, order, injunction, rule, decree, ruling or other action in accordance with Section 6.5; or

(iii) if the Parent Stockholder Approval shall not have been obtained at the Parent Stockholders Meeting duly convened therefor or at any adjournment or postponement thereof at which a vote on the adoption of this Agreement was taken; provided, that Parent shall not be permitted to terminate this Agreement pursuant to this Section 8.1(b)(iii) if the failure to obtain such Parent Stockholder Approval is proximately caused by any action or failure to act of Parent that constitutes a breach of this Agreement;

(c) by Parent:

(i) if the Contributors or the Company shall have breached or failed to perform any of its representations, warranties, covenants or agreements set forth in this Agreement, or if any representation or warranty of the Contributors or the Company shall have become untrue, which breach or failure to perform or to be true, either individually or in the aggregate, if occurring or continuing at the Effective Time (A) would result in the failure of any of the conditions set forth in Section 7.1 or Section 7.2 and (B) cannot be or has not been cured by the earlier of (1) the Outside Date and (2) 30 days after the giving of written notice to the Contributors or Company of such breach or failure; provided, that Parent shall not have the right to terminate this Agreement pursuant to this Section 8.1(c) if Parent is then in material breach of any of its covenants or agreements set forth in this Agreement such that Section 6.2(a) or Section 6.2(b) would not be satisfied; or

(ii) at any time prior to obtaining the Parent Stockholder Approval, in order to accept a Superior Proposal in accordance with Section 6.2(b); provided, that Parent shall have (A) simultaneously with such termination entered into the associated Alternative Acquisition Agreement, (B) otherwise complied with all provisions of Section 6.2(b), including the notice provisions thereof, and (C) paid any amounts due pursuant to Section 8.3(b).

(d) by the Contributors:

(i) if Parent shall have breached or failed to perform any of its representations, warranties, covenants or agreements set forth in this Agreement (other than with respect to a breach of Section 6.2 or Section 6.3(c), as to which Section 8.1(d) will apply), or if any representation or warranty of Parent shall have become untrue, which breach or failure to perform or to be true, either individually or in the aggregate, if occurring or continuing at the Effective Time (A) would result in the failure of any of the conditions set forth in Section 7.1 or Section 7.3 and (B) cannot be or has not been cured by the earlier of (1) the Outside Date and (2) 30 days after the giving of written notice to Parent of such breach or failure; provided, that the Contributors shall not have the right to terminate this Agreement pursuant to this Section 8.1(d) if it is then in material breach of any of its covenants or agreements set forth in this Agreement such that Section 7.3(a) or Section 7.3(b) would not be satisfied; or

(ii) if (A) an Adverse Recommendation Change shall have occurred, (B) Parent shall, within 10 Business Days of a tender or exchange offer relating to securities of Parent having been commenced, fail to publicly recommend against such tender or exchange offer, or (C) Parent shall have failed to publicly reaffirm its recommendation of the Transactions within five (5) Business Days after the date any Acquisition Proposal or any material modification thereto is first commenced, publicly announced, distributed or disseminated to Parent's stockholders upon a request to do so by the Contributors.

The party desiring to terminate this Agreement pursuant to this Section 8.1 (other than pursuant to Section 8.1(a)) shall give notice of such termination to the other party.

Section 8.2 Effect of Termination. In the event of termination of the Agreement, this Agreement shall immediately become void and have no effect, without any liability or obligation on the part of Parent or the Contributors, provided, that:

(a) the Confidentiality Agreement (as amended hereby) and the provisions of Section 2.7 and Section 4.22 (Brokers), Section 6.13 (Public Announcements), this Section 8.2, Section 8.3 (Fees and Expenses), Section 9.2 (Notices), Section 9.5 (Entire Agreement), Section 9.6 (No Third Party Beneficiaries), Section 9.7 (Governing Law), Section 9.8 (Submission to Jurisdiction), Section 9.9 (Assignment; Successors), Section 9.10 (Specific Performance), Section 9.12 (Severability), Section 9.13 (Waiver of Jury Trial) and Section 9.16 (No Presumption Against Drafting Party) shall survive the termination hereof;

(b) the Contributors may have liability as provided in Section 8.3; and

(c) no such termination shall relieve any party from any liability or damages arising out of a willful and material breach of any of its representations, warranties, covenants or agreements set forth in this Agreement or fraud, in which case the non-breaching party shall be entitled to all rights and remedies available at law or in equity.

Section 8.3 Fees and Expenses.

(a) Except as otherwise provided in this Section 8.3 or in Section 6.16 or under the terms and conditions of the CVR Agreement, all fees and expenses incurred in connection with this Agreement, the Transactions and the other transactions contemplated hereby shall be paid by the party incurring such fees or expenses, whether or not the Transactions are consummated, except for the following:

(i) the expenses incurred in connection with the filing, printing and mailing of the Form S-4 and the Proxy Statement, and all filing and other fees paid to the SEC or in respect of the HSR Act, in each case in connection with the Transactions (other than attorneys' fees, accountants' fees and related expenses), shall be shared equally by Parent and the Company;

(ii) the Contributors shall, on a joint and several basis, reimburse Parent for ongoing operating expenses in excess of $500,000 (but not to exceed $1,000,000) in the aggregate, where such expenses are solely incurred between the date of this Agreement and the Closing; provided, that such expenses shall be set forth on a budget that is approved by the Parent Board after the date of this Agreement and delivered to the Company within 30 days of the date of this Agreement, and the aggregate sum of such reimbursed amounts shall be distributed to the stockholders of Parent pursuant to the CVR Agreement. Operating expenses in excess of $1,000,000 (if any) incurred by Parent, where such expenses are solely incurred between the date of this Agreement and the Closing, shall be borne equally by the Company and Parent; provided, that any such expenses shall be approved by the Parent Board. Expenses that were incurred prior to the date of this Agreement, in whole or in part, shall not be subject to this Section 8.3(a)(ii) or the cost-reimbursement or cost-sharing provisions hereunder.

(b) In the event that:

(i) One of the follow events occurs:

(A) (I) an Acquisition Proposal (whether or not conditional) or intention to make an Acquisition Proposal (whether or not conditional) is made directly to the Parent's stockholders or is otherwise publicly disclosed or otherwise communicated to senior management of Parent or the Parent Board, (II) this Agreement is terminated by the Contributors or Parent pursuant to Section 8.1(b)(i) or Section 8.1(b)(iii), and (III) within eighteen (18) months after the date of such termination, Parent enters into an agreement in respect of any Acquisition Proposal, or recommends or submits any Acquisition Proposal to its stockholders for adoption, or a transaction in respect of such Acquisition Proposal is consummated, which, in each case, need not be the same Acquisition Proposal that was made, disclosed or communicated prior to termination hereof (provided, that for purposes of this clause (III), each reference to "15%" in the definition of "Acquisition Proposal" shall be deemed to be a reference to "50%");

(B) this Agreement is terminated by the Contributors pursuant to Section 8.1(d)(ii); or

(C) this Agreement is terminated by Parent pursuant to Section 8.1(c)(ii).

then, in any such event, Parent shall pay to the Contributors a fee of $2,000,000 (the "Termination Fee"); provided, that the payment by Parent of the Termination Fee pursuant to this Section 8.3 shall not relieve Parent from any liability or damage resulting from a willful and material breach of any of its representations, warranties, covenants or agreements set forth in this Agreement or fraud.

(ii) this Agreement is terminated by Parent pursuant to Section 8.1(c)(i), then, in any such event, the Contributors shall reimburse Parent for all of its reasonable out-of-pocket fees and expenses (including all operating expenses and all fees and expenses of counsel, accountants, investment bankers, experts and consultants to Parent) incurred by Parent or on its behalf in connection with or related to the authorization, preparation, investigation, negotiation, execution, and performance of this Agreement and the Transactions (the "Parent Expenses"), up to a maximum amount of $2,000,000; provided, that the payment by the Company of the Parent Expenses pursuant to this Section 8.3 shall not relieve the Contributors from any liability or damage resulting from a willful and material breach of any of its representations, warranties, covenants or agreements set forth in this Agreement or fraud.

(iii) this Agreement is terminated by the Contributors pursuant to Section 8.1(d)(i), then, in any such event, then Parent shall reimburse the Contributors for all of their reasonable out-of-pocket fees and expenses (including all fees and expenses of counsel, accountants, investment bankers, experts and consultants to the Contributors) incurred by the Contributors or on their behalf in connection with or related to the authorization, preparation, investigation, negotiation, execution, and performance of this Agreement and the Transactions (the "Company Expenses"), up to a maximum amount of $2,000,000; provided, that the payment by Parent of the Company Expenses under this Section shall not relieve Parent from any liability or damage resulting from a willful and material breach of any of its representations, warranties, covenants, or agreements set forth in this Agreement or fraud.

(c) Payment of the Termination Fee shall be made by wire transfer of same-day funds to the accounts designated by the Contributors (i) on the earliest of the execution of a definitive agreement with respect to, submission to the stockholders of, or consummation of, any transaction contemplated by an Acquisition Proposal, as applicable, in the case of a Termination Fee payable pursuant to Section 8.3(b)(i)(A), (ii) as promptly as reasonably practicable after termination (and, in any event, within two Business Days thereof), in the case of termination by Parent pursuant to Section 8.1(c)(ii), or (iii) simultaneously with, and as a condition to the effectiveness of, termination, in the case of a termination by the Contributors pursuant to Section 8.1(d)(ii). Payment of the Parent Expenses or the Company Expenses shall be made by wire transfer of same-day funds to the accounts designated by Parent or the Contributors, as applicable, as promptly as reasonably practicable after termination (and, in any event, within two Business Days thereof), in the case of termination by (x) Parent pursuant to Section 8.1(c)(i), or (y) the Contributors pursuant to Section 8.1(d)(i).

(d) The parties acknowledges that the agreements contained in this Section 8.3 are an integral part of the transactions contemplated by this Agreement, and that, without these agreements, the other party would not enter into this Agreement. Accordingly, if any party fails promptly to pay any amounts due pursuant to this Section 8.3, and, in order to obtain such payment, the other party commences a suit that results in a judgment against such non-paying party for the amounts set forth in this Section 8.3, such non-paying party shall pay to the other party its costs and expenses (including reasonable attorneys' fees and expenses) in connection with such suit, together with interest on the amounts due pursuant to this Section 8.3 from the date such payment was required to be made until the date of payment at the prime lending rate as published in The Wall Street Journal in effect on the date such payment was required to be made.

Section 8.4 Amendment or Supplement. This Agreement may be amended, modified or supplemented by the Parent, the Contributors and the Company by action taken or authorized by their respective boards of directors or equivalent at any time prior to the Effective Time, whether before or after the Parent Stockholder Approval has been obtained; provided, however, that any amendment to Section 1.1, Section 1.4, Article V, Section 6.3(c), Section 6.3(d), and this Section 8.4 (to the extent such amendment pertains to Section 1.1, Section 1.4, Article V, Section 6.3(c), Section 6.3(d)) must also be approved by the Minority Holders; provided, further, that after the Parent Stockholder Approval has been obtained, no amendment shall be made that pursuant to applicable Law requires further approval or adoption by the stockholders of Parent without such further approval or adoption. This Agreement may not be amended, modified or supplemented in any manner, whether by course of conduct or otherwise, except by an instrument in writing specifically designated as an amendment hereto, signed on behalf of each of the parties in interest at the time of the amendment.

Section 8.5 Extension of Time; Waiver. At any time prior to the Effective Time, the parties may, by action taken or authorized by their respective boards of directors or equivalent, to the extent permitted by applicable Law, (a) extend the time for the performance of any of the obligations or acts of the other parties, (b) waive any inaccuracies in the representations and warranties of the other parties set forth in this Agreement or any document delivered pursuant hereto or (c) subject to applicable Law, waive compliance with any of the agreements or conditions of the other parties contained herein; provided, however, that after the Parent Stockholder Approval has been obtained, no waiver may be made that pursuant to applicable Law requires further approval or adoption by the stockholders of Parent without such further approval or adoption. Any agreement on the part of a party to any such waiver shall be valid only if set forth in a written instrument executed and delivered by a duly authorized officer on behalf of such party. No failure or delay of any party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the parties hereunder are cumulative and are not exclusive of any rights or remedies which they would otherwise have hereunder.

ARTICLE IX
GENERAL PROVISIONS

Section 9.1 Nonsurvival of Representations and Warranties. None of the representations, warranties, covenants or agreements in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Effective Time, other than those covenants or agreements of the parties which by their terms apply, or are to be performed in whole or in part, after the Effective Time.

Section 9.2 Notices. All notices and other communications hereunder shall be in writing and shall be deemed duly given (a) on the date of delivery if delivered personally, or if by facsimile or e-mail, upon written confirmation of receipt by facsimile, e-mail or otherwise, (b) on the first Business Day following the date of dispatch if delivered utilizing a next-day service by a recognized next-day courier or (c) on the earlier of confirmed receipt or the fifth Business Day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered to the addresses set forth below, or pursuant to such other instructions as may be designated in writing by the party to receive such notice:

(i) if to Parent, to:

Catalyst Biosciences, Inc.
611 Gateway Blvd.
Suite 120
South San Francisco, CA 94080
Attention: Nassim Usman, PhD
E-mail: nusman@catbio.com

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

Orrick, Herrington & Sutcliffe LLP
51 West 52nd Street
New York, NY 10019
Attention: Stephen Thau and David Schwartz

E-mail: sthau@orrick.com and dschwartz@orrick.com

(ii) if to the Contributors, the Company or Further Challenger, to:

c/o GNI USA, Inc.
17520 High Bluff Drive, Suite 250
San Diego, CA 92130

Attention: Ying Luo
Thomas Eastling
E-mail: yluo@gnipharma.com
t-eastling@gnipharma.com

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

Gibson, Dunn & Crutcher LLP
555 Mission Street, Suite 3000
San Francisco, CA 94105
Attention: Ryan A. Murr and Branden C. Berns
E-mail: RMurr@gibsondunn.com and BBerns@gibsondunn.com

(iii) if to the Minority Holders, to the addresses listed on Annex A.

Section 9.3 Certain Definitions. For purposes of this Agreement:

(a) "Affiliate" of any Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such first Person;

(b) "Business Day" means any day other than a Saturday, a Sunday or a day on which banks in New York, New York are authorized or required by applicable Law to be closed;

(c) "Cash and Cash Equivalents" means all (i) cash and cash equivalents and (ii) marketable securities, in each case determined in accordance with GAAP.

(d) "Company Owned IP" means all Intellectual Property owned by the Company or any of its Subsidiaries in whole or in part;

(e) "control" (including the terms "controlled," "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise;

(f) "COVID-19" means SARS-CoV-2 or COVID-19, and any variants or evolutions thereof or related or associate epidemics, pandemic or disease outbreaks;

(g) "Indebtedness" means, with respect to any Person, (i) all obligations of such Person for borrowed money, or with respect to unearned advances of any kind to such Person, (ii) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (iii) all capitalized lease obligations of such Person, (iv) all obligations of such Person under installment sale contracts, (v) all guarantees and arrangements having the economic effect of a guarantee of such Person of any Indebtedness of any other Person, and (vi) all obligations or undertakings of such Person to maintain or cause to be maintained the financial position of others or to purchase the obligations of others;

(h) "Intellectual Property" means all intellectual property rights of any kind or nature in any jurisdiction throughout the world, including all of the following to the extent protected by applicable law: (i) trademarks or service marks (whether registered or unregistered), trade names, domain names, social media user names, social media addresses, logos, slogans, and trade dress, including applications to register any of the foregoing, together with the goodwill symbolized by any of the foregoing; (ii) patents, utility models and any similar or equivalent statutory rights with respect to the protection of inventions, and all applications for any of the foregoing, together with all re-issuances, continuations, continuations-in-part, divisionals, revisions, extensions and reexaminations thereof; (iii) copyrights (registered and unregistered) and applications for registration; (iv) trade secrets and customer lists, in each case to the extent any of the foregoing derive economic value (actual or potential) from not being generally known to other Persons who can obtain economic value from their disclosure or use, and other confidential information ("Trade Secrets"); and (v) any other proprietary or intellectual property rights of any kind or nature.

(i) "knowledge" of any party means (i) the actual knowledge of any executive officer of such party or other officer having primary responsibility for the relevant matter or (ii) any fact or matter which any such officer of such party could be expected to discover or otherwise become aware of in the course of conducting a reasonably comprehensive investigation, consistent with such officer's title and responsibilities, concerning the existence of the relevant matter;

(j) "Net Cash" means the amount, whether positive or negative, without duplication, as of immediately prior to the Effective Time: (i) Parent's unrestricted Cash and Cash Equivalents, short-term investments, and accounts receivable, determined, to the extent in accordance with GAAP, in a manner consistent with the manner in which such items were historically determined and in accordance with the financial statements (including any related notes) contained or incorporated by reference in the Parent SEC Documents and the Parent Balance Sheet, minus (ii) the sum of (x) Parent's consolidated short-term and long-term liabilities accrued at Closing under GAAP (including fees and expenses incurred with respect to the Transactions and related transactions and excluding non-cash liabilities (e.g., deferred revenue)), (y) any accrued and unpaid Tax liabilities of Parent and its Subsidiaries, and (z) the cash cost of change in control payments, including termination or similar payments to current or former employees or other service provider of such party that have to be paid by a party in connection with, or at the time of, the Closing and/or the termination of Parent's then employees (if any), minus (iii) the cash costs of any retention payments or other bonuses due to any current or former employee as of the Closing Date, minus (iv) 80% of the sum of estimated cash costs associated with the termination of ongoing contractual obligations relating to Parent's legacy business operations (including without limitation CRO fees, consulting fees with termination provisions, manufacturing obligations, etc.), minus (v) to the extent not included in the balance sheet liabilities, other outstanding contractual obligations of Parent, minus (vi) the aggregate costs associated with obtaining a D&O tail policy (if applicable), minus (vii) any amounts paid or payable as bonuses to employees granted prior to the date of this Agreement, plus (viii) solely with respect to Parent, prepaid expenses.

(k) "Parent Balance Sheet" means the audited balance sheet of Parent as of December 31, 2021, included in Parent's Report on Form 10-K for the year ended December 31, 2021, as filed with the SEC.

(l) "Parent Capital Stock" means the Parent Common Stock and Parent Convertible Preferred Stock.

(m) "Parent Option" means any option exercisable for shares of Parent Common Stock granted under the Catalyst Biosciences, Inc. 2018 Omnibus Incentive Plan or under any other employee or director stock option, stock purchase or equity compensation plan, arrangement or agreement of Parent.

(n) "Parent Owned IP" means all Intellectual Property owned by Parent or any of its Subsidiaries in whole or in part.

(o) "Person" means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including any Governmental Entity;

(p) "Personal Information" means any information that alone or in combination with other information can be used to identify an individual.

(q) "Subsidiary" means, with respect to any Person, any other Person of which stock or other equity interests having ordinary voting power to elect more than 50% of the board of directors or other governing body are owned, directly or indirectly, by such first Person; provided, that for purposes of this Agreement, the Operating Company shall be deemed a Subsidiary of the Company;

(r) "Tax Return" means any return, declaration, report, certificate, bill, election, claim for refund, information return, statement or other written information and any other document filed or supplied or required to be filed or supplied to any Governmental Entity with respect to Taxes, including any schedule, attachment or supplement thereto, and including any amendment thereof; and

(s) "Taxes" means all federal, state, local, foreign and other net income, gross income, gross receipts, sales, use, stock, ad valorem, transfer, transaction, franchise, profits, gains, registration, license, wages, lease, service, service use, employee and other withholding, social security, unemployment, welfare, disability, payroll, employment, excise, severance, stamp, environmental, occupation, workers' compensation, premium, real property, personal property, escheat or unclaimed property, windfall profits, net worth, capital, value-added, alternative or add-on minimum, customs duties, estimated and other taxes, fees, assessments, charges or levies of any kind whatsoever (whether imposed directly or through withholding and including taxes of any third party in respect of which a Person may have a duty to collect or withhold and remit and any amounts resulting from the failure to file any Tax Return), whether disputed or not, together with any interest and any penalties, additions to tax or additional amounts with respect thereto.

Section 9.4 Interpretation. When a reference is made in this Agreement to a Section, Article, Exhibit or Schedule such reference shall be to a Section, Article, Exhibit or Schedule of this Agreement unless otherwise indicated. The table of contents and headings contained in this Agreement or in any Exhibit or Schedule are for convenience of reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein shall have the meaning as defined in this Agreement. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth herein. The word "including" and words of similar import when used in this Agreement will mean "including, without limitation," unless otherwise specified. The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to the Agreement as a whole and not to any particular provision in this Agreement. The term "or" is not exclusive. The word "will" shall be construed to have the same meaning and effect as the word "shall." References to days mean calendar days unless otherwise specified. Each of the terms "delivered" and "made available" means, with respect to any documentation, that (i) prior to 11:59 p.m. (Pacific Time) on the date that is two Business Days prior to the date of this Agreement (A) a copy of such material has been posted to and made available by a party to the other party and its Representatives in the electronic data room maintained by such disclosing party or (B) such material is disclosed in the Parent SEC Documents filed with the SEC prior to the date hereof and publicly made available on the SEC's Electronic Data Gathering Analysis and Retrieval system or (ii) such documentation has been delivered by or on behalf of a party or its Representatives via electronic mail or in hard copy form prior to the execution of this Agreement. Whenever the last day for the exercise of any privilege or the discharge of any duty hereunder shall fall upon a Saturday, Sunday, or any date on which banks in New York, New York, are authorized or obligated by Law to be closed, the party having such privilege or duty may exercise such privilege or discharge such duty on the next succeeding day which is a regular Business Day.

Section 9.5 Entire Agreement. This Agreement (including the Exhibits hereto), the Company Disclosure Letter, the Parent Disclosure Letter and the Confidentiality Agreements constitute the entire agreement, and supersede all prior written agreements, arrangements, communications and understandings and all prior and contemporaneous oral agreements, arrangements, communications and understandings among the parties with respect to the subject matter hereof and thereof.

Section 9.6 No Third Party Beneficiaries.

(a) Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person other than the parties and their respective successors and permitted assigns any legal or equitable right, benefit or remedy of any nature under or by reason of this Agreement, except as provided in Section 6.8.

(b) The representations and warranties in this Agreement are the product of negotiations among the parties hereto and are for the sole benefit of the parties hereto. Any inaccuracies in such representations and warranties are subject to waiver by the parties hereto in accordance with Section 8.5 without notice or liability to any other Person. In some instances, the representations and warranties in this Agreement may represent an allocation among the parties hereto of risks associated with particular matters regardless of the knowledge of any of the parties hereto. Consequently, Persons other than the parties hereto may not rely upon the representations and warranties in this Agreement as characterizations of actual facts or circumstances as of the date of this Agreement or as of any other date.

Section 9.7 Governing Law. This Agreement and all disputes or controversies arising out of or relating to this Agreement or the transactions contemplated hereby shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without regard to the laws of any other jurisdiction that might be applied because of the conflicts of laws principles of the State of Delaware.

Section 9.8 Submission to Jurisdiction. Each of the parties irrevocably agrees that any legal action or proceeding arising out of or relating to this Agreement brought by any party or its Affiliates against any other party or its Affiliates shall be brought and determined in the Court of Chancery of the State of Delaware, provided that if jurisdiction is not then available in the Court of Chancery of the State of Delaware, then any such legal action or proceeding may be brought in any federal court located in the State of Delaware. Each of the parties hereby irrevocably submits to the jurisdiction of the aforesaid courts for itself and with respect to its property, generally and unconditionally, with regard to any such action or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby. Each of the parties agrees not to commence any action, suit or proceeding relating thereto except in the courts described above in Delaware, other than actions in any court of competent jurisdiction to enforce any judgment, decree or award rendered by any such court in Delaware as described herein. Each of the parties further agrees that notice as provided herein shall constitute sufficient service of process and the parties further waive any argument that such service is insufficient. Each of the parties hereby irrevocably and unconditionally waives, and agrees not to assert, by way of motion or as a defense, counterclaim or otherwise, in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby, (a) any claim that it is not personally subject to the jurisdiction of the courts in Delaware as described herein for any reason, (b) that it or its property is exempt or immune from jurisdiction of any such court or from any legal process commenced in such courts (whether through service of notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) and (c) that (i) the suit, action or proceeding in any such court is brought in an inconvenient forum, (ii) the venue of such suit, action or proceeding is improper or (iii) this Agreement, or the subject matter hereof, may not be enforced in or by such courts.

Section 9.9 Assignment; Successors. Neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned or delegated, in whole or in part, by operation of law or otherwise, by any party without the prior written consent of the other parties, and any such assignment without such prior written consent shall be null and void; provided, however, that each Contributor may assign, in its sole discretion, any or all of its rights, interests and obligations under this Agreement to (a) any of its Affiliates at any time, in which case all references herein to the Contributor shall be deemed references to such other Affiliate, except that all representations and warranties made herein with respect to the Contributor as of the date of this Agreement shall be deemed to be representations and warranties made with respect to such other Affiliate as of the date of such assignment (provided, however, that in such instance, the Contributor shall remain liable for the performance of all obligations required to be performed by the Contributors and its Subsidiaries at or prior to the Effective Time), or (b) after the Effective Time, any Person. Subject to the preceding sentence, this Agreement will be binding upon, inure to the benefit of, and be enforceable by, the parties and their respective successors and assigns.

Section 9.10 Specific Performance. The parties agree that irreparable damage would occur in the event that the parties hereto do not perform the provisions of this Agreement in accordance with its terms or otherwise breach such provisions. Accordingly, prior to any termination of this Agreement pursuant to Section 8.1, the parties acknowledge and agree that each party shall be entitled to an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in the Court of Chancery of the State of Delaware, provided, that if jurisdiction is not then available in the Court of Chancery of the State of Delaware, then in any federal court located in the State of Delaware, this being in addition to any other remedy to which such party is entitled at law or in equity. Each of the parties hereby further waives (a) any defense in any action for specific performance that a remedy at law would be adequate and (b) any requirement under any law to post security as a prerequisite to obtaining equitable relief.

Section 9.11 Currency. All references to "dollars" or "$" or "US$" in this Agreement refer to United States dollars, which is the currency used for all purposes in this Agreement.

Section 9.12 Severability. Whenever possible, each provision or portion of any provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision or portion of any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable Law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or portion of any provision in such jurisdiction, and this Agreement shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision or portion of any provision had never been contained herein.

Section 9.13 Waiver of Jury Trial. EACH OF THE PARTIES TO THIS AGREEMENT HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 9.14 Counterparts. This Agreement may be executed in two or more counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party.

Section 9.15 Facsimile or .pdf Signature. This Agreement may be executed by facsimile or .pdf signature and a facsimile or .pdf signature shall constitute an original for all purposes.

Section 9.16 No Presumption Against Drafting Party. Each of Parent, the Contributors and the Company acknowledges that each party to this Agreement has been represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would require interpretation of any claimed ambiguities in this Agreement against the drafting party has no application and is expressly waived.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

CATALYST BIOSCIENCES, INC.

By: /s/ Nassim Usman, Ph.D.
Name: Nassim Usman, Ph.D.
Title: Chief Executive Officer

[*Signature Page to the Business Combination Agreement*]

GNI USA, INC.

By: /s/ Ying Luo
Name: Ying Luo
Title: Director

GNI GROUP LTD.

By: /s/ Ying Luo
Name: Ying Luo
Title: President and Chief Executive Officer

GNI HONG KONG LIMITED

By /s/ Ying Luo
Name: Ying Luo
Title: Director and President

SHANGHAI GENOMICS, INC.

By: /s/ Yuwen Wu
Name: Yuwen Wu
Title:
Executive Director, General Manager and Legal Representative

CONTINENT PHARMACEUTICALS INC.

By: /s/ Ying Luo
Name: Ying Luo
Title: Chairman

Exhibit 3.1

CATALYST BIOSCIENCES, INC.

**CERTIFICATE OF DESIGNATION OF PREFERENCES,
RIGHTS AND LIMITATIONS
OF SERIES X CONVERTIBLE PREFERRED STOCK**

PURSUANT TO SECTION 151 OF THE
DELAWARE GENERAL CORPORATION LAW

CATALYST BIOSCIENCES, INC., a Delaware corporation (the "**Corporation**"), in accordance with the provisions of Section 103 of the Delaware General Corporation Law (the "**DGCL**") does hereby certify that, in accordance with Section 151 of the DGCL, the following resolution was duly adopted by the board of directors of the Corporation (the "**Board of Directors**") on December 22, 2022:

WHEREAS, the Corporation wishes to designate the following series of non-voting convertible preferred stock which shall otherwise be economically equal to the Common Stock, and which shall be convertible into Common Stock subject to receipt of Stockholder Approval;

RESOLVED, pursuant to authority expressly set forth in the Fourth Restated Certificate of Incorporation of the Corporation, as amended (the "**Certificate of Incorporation**"), (i) the issuance of a series of preferred stock designated as "Series X Convertible Preferred Stock," par value $0.001 per share, of the Corporation is hereby authorized, (ii) the issuance of up to 12,340 shares of Series X Convertible Preferred Stock pursuant to the terms of that certain Asset Purchase Agreement, dated December 26, 2022, by and among the Corporation, GNI Group Ltd. ("**GNI Group**"), and GNI Hong Kong Limited ("**GNI HK**") (the "**Asset Purchase Agreement**") and the issuance of up to 111,078 shares of Series X Convertible Preferred stock pursuant to the terms of the Business Combination Agreement, are hereby authorized, and (iii) the designation, number of shares, powers, preferences, rights, qualifications, limitations and restrictions thereof (in addition to any provisions set forth in the Certificate of Incorporation that are applicable to the Preferred Stock of all classes and series) are hereby fixed, and the Certificate of Designation of Preferences, Rights and Limitations of Series X Convertible Preferred Stock is hereby approved as follows:

Section 1. Definitions. For the purposes hereof, the following terms shall have the following meanings:

"**Affiliate**" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with, as such terms are used in and construed under Rule 144 under the Securities Act, a Person. With respect to a Holder, any investment fund or managed account that is managed on a discretionary basis by the same investment manager as such Holder will be deemed to be an Affiliate of such Holder.

"**Alternate Consideration**" shall have the meaning set forth in Section 7(b).

"**Asset Purchase Agreement**" shall have the meaning set forth in the recitals.

"**Attribution Parties**" shall have the meaning set forth in Section 6(c).

"**Beneficial Ownership Limitation**" shall have the meaning set forth in Section 6(c).

"**Board of Directors**" shall have the meaning set forth in the recitals.

"**Business Combination Agreement**" means that certain Business Combination Agreement, dated as of December 26, 2022, by and among the Corporation, GNI Group Ltd., GNI Hong Kong Limited, GNI USA, Inc., Shanghai Genomics, Inc., Continent Pharmaceuticals Inc., and the Minority Holders (as defined in the Business Combination Agreement).

"**Business Day**" means any day except Saturday, Sunday, any day which shall be a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"**Buy-In**" shall have the meaning set forth in Section 6(d)(iv).

"**Certificate of Incorporation**" shall have the meaning set forth in the recitals.

"**Closing Sale Price**" means, for any security as of any date, the last closing trade price for such security immediately prior to 4:00 p.m., New York City time, on the principal Trading Market where such security is listed or traded, as reported by Bloomberg, L.P. (or an equivalent, reliable reporting service mutually acceptable to and hereafter designated by Holders of a majority of the then-outstanding Series X Preferred Stock and the Corporation), or if the foregoing do not apply, the last trade price of such security in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg, L.P., or, if no last trade price is reported for such security by Bloomberg, L.P., the average of the bid prices of any market makers for such security as reported on the OTC Pink Market by OTC Markets Group, Inc. If the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Sale Price of such security on such date shall be the fair market value as determined in good faith by the Board of Directors of the Corporation.

"**Commission**" means the Securities and Exchange Commission.

"**Common Stock**" means the Corporation's common stock, par value $0.001 per share, and any capital stock into which such Common Stock shall have been changed or any share capital resulting from a reclassification of such Common Stock.

"**Conversion Price**" shall mean $1.00, as adjusted pursuant to Section 7.

"**Conversion Ratio**" shall have the meaning set forth in Section 6(b).

"**Conversion Shares**" means, collectively, the shares of Common Stock issuable upon conversion of the shares of Series X Preferred Stock in accordance with the terms hereof.

"**Corporation**" shall have the meaning set forth in the recitals.

"**CVR**" shall have the meaning set forth in Section 3.

"**CVR Agreement**" shall have the meaning set forth in Section 3.

"**CVR Payments**" shall have the meaning set forth in Section 3.

"**DGCL**" shall have the meaning set forth in the recitals.

"**DTC**" shall have the meaning set forth in Section 6(a).

"**DWAC Delivery**" shall have the meaning set forth in Section 6(a).

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

"**Exchange Cap**" shall have the meaning set forth in Section 6(d)(vi)(2).

"**Exchange Cap Allocation**" shall have the meaning set forth in Section 6(d)(vi)(2).

"**Fundamental Transaction**" shall have the meaning set forth in Section 7(b). For the avoidance of doubt, a Fundamental Transaction shall not include a Parent Legacy Proposal (as defined in the Business Combination Agreement).

"**Holder**" means any holder of Series X Preferred Stock.

"**Junior Securities**" shall have the meaning set forth in Section 5(a).

"**Liquidation**" shall have the meaning set forth in Section 5(b).

"**Maximum Permitted Rate**" shall have the meaning set forth in Section 6(d)(iii).

"**Notice of Stock Conversion**" shall have the meaning set forth in Section 6(a).

"**Optional Stock Conversion**" shall have the meaning set forth in Section 6(a).

"**Parity Securities**" shall have the meaning set forth in Section 5(a).

"**Person**" means any individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"**Preferred Stock**" means the Corporation's preferred stock, par value $0.001 per share, whether designated or undesignated and, if designated, of any class or series, as authorized under the Certificate of Incorporation.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**Senior Securities**" shall have the meaning set forth in Section 5(a).

"**Series X Preferred Stock**" shall have the meaning set forth in Section 2(a).

"**Series X Preferred Stock Register**" shall have the meaning set forth in Section 2(b).

"**Share Delivery Date**" shall have the meaning set forth in Section 6(d)(i).

"**Stated Value**" shall mean $10,000 per share.

"**Stockholder Approval**" shall have the meaning set forth in Section 6(a)(i).

"**Stock Conversion Date**" shall have the meaning set forth in Section 6(a)(i).

"**Trading Day**" means a day on which the Common Stock is traded for any period on a principal securities exchange or if the Common Stock is not traded on a principal securities exchange, on a day that the Common Stock is traded on another securities market on which the Common Stock is then being traded.

"**Trading Market**" means any of the following markets or exchanges on which the Common Stock is listed or quoted for trading on the date in question: the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Market, the Nasdaq Global Select Market, or the New York Stock Exchange (or any successors to any of the foregoing).

Section 2. Designation, Amount and Par Value; Assignment.

a. The series of Preferred Stock designated by this Certificate of Designation shall be designated as the Corporation's Series X Convertible Preferred Stock (the "**Series X Preferred Stock**") and the number of shares so designated shall be 123,418 (which shall not be subject to increase except pursuant to an amendment to this Certificate of Designation duly adopted in accordance with the applicable law) and shall be designated from the 5,000,000 shares of Preferred Stock authorized to be issued under the Certificate of Incorporation. Each share of Series X Preferred Stock shall have a par value of $0.001 per share.

b. The Corporation shall register, or cause its transfer agent to register, shares of the Series X Preferred Stock in the name of the Holders thereof from time to time upon records to be maintained by the Corporation or its transfer agent for that purpose (the "**Series X Preferred Stock Register**"), including the address, telephone number, and electronic email address of each such Holder. The Series X Preferred Stock shall be issued in book entry only; provided, that the Corporation shall issue one or more certificates representing shares of Series X Preferred Stock, to the extent such issuance is requested by a given Holder. References herein to "certificates" representing the Series X Preferred Stock shall apply only if such shares have been issued in certificated form. The Corporation may deem and treat the registered Holder of shares of Series X Preferred Stock as the absolute owner thereof for the purpose of any conversion thereof and for all other purposes. The Corporation shall register, or cause its transfer agent to register, the transfer of any shares of Series X Preferred Stock in the Series X Preferred Stock Register, upon surrender of the certificates evidencing such shares to be transferred, duly endorsed by the Holder thereof, to the Corporation at its address specified herein. Upon any such registration or transfer, a new certificate evidencing the shares of Series X Preferred Stock so transferred shall be issued to the transferee (if requested) and a new certificate evidencing the remaining portion of the shares not so transferred, if any, shall be issued to the transferring Holder, in each case, within three Business Days. The provisions of this Certificate of Designation are intended to be for the benefit of all Holders from time to time and shall be enforceable by any such Holder.

Section 3. Dividends. Holders shall be entitled to receive when, as and if dividends are declared and paid on the Corporation's Common Stock, an equivalent dividend (with the same dividend declaration date and payment date), calculated on an as-converted basis without regard to the Beneficial Ownership Limitation, provided, however, in no event shall Holders of Series X Preferred Stock be entitled to receive (a) the "rights" (each, a "**CVR**") distributed pursuant to that certain Contingent Value Rights Agreement, dated December 26, 2022, by and between the Corporation and American Stock Transfer & Trust Company, LLC (the "**CVR Agreement**"), or any amounts paid under the CVR Agreement (the "**CVR Payments**"), or (b) cash distributions declared by the Corporation on or prior to the closing of the transactions contemplated by the Business Combination Agreement. Other than the foregoing, the Holders of Series X Preferred Stock shall not be entitled to receive any dividends in respect of the Series X Preferred Stock, unless and until specifically declared by the Board of Directors of the Corporation to be payable to the Holders of the Series X Preferred Stock.

Section 4. Voting Rights; Amendments.

a. Except as otherwise provided herein or as otherwise required by the DGCL, the Series X Preferred Stock shall have no voting rights. However, as long as any shares of Series X Preferred Stock are outstanding, in addition to any other requirement of the DGCL or the Certificate of Incorporation, the Corporation shall not, without the affirmative vote of the Holders of a majority of the then outstanding shares of the Series X Preferred Stock, (i) alter or change adversely the powers, preferences or rights given to the Series X Preferred Stock or alter or amend this Certificate of Designation, amend or repeal any provision of or add any provision to, the Certificate of Incorporation or bylaws of the Corporation, or file any articles of amendment, certificate of designations, preferences, limitations and relative rights of any series of Preferred Stock, if such action would adversely alter or change the preferences, rights, privileges or powers of, or restrictions provided for the benefit of the Series X Preferred Stock, regardless of whether any of the foregoing actions shall be by means of amendment to the Certificate of Incorporation or by merger, consolidation or otherwise, (ii) issue further shares of Series X Preferred Stock or increase or decrease (other than by conversion) the number of authorized shares of Series X Preferred Stock, (iii) prior to the Stockholder Approval or at any time while at least 30% of the originally issued Series X Preferred Stock remains issued and outstanding, consummate either: (A) any Fundamental Transaction or (B) any merger or consolidation of the Corporation with or into another entity or any stock sale to, or other business combination in which the stockholders of the Corporation immediately before such transaction do not hold at least a majority of the capital stock of the Corporation immediately after such transaction, or (iv) enter into any agreement with respect to any of the foregoing. Holders of shares of Common Stock acquired upon the conversion of shares of Series X Preferred Stock shall be entitled to the same voting rights as each other holder of Common Stock, except that such holders may not vote such shares upon the proposal for Stockholder Approval in accordance with Rule 5635 of the listing rules of The Nasdaq Stock Market LLC.

b. Any vote required or permitted under Section 4(a) may be taken at a meeting of the Holders of the Series X Preferred Stock or through the execution of an action by written consent in lieu of such meeting, provided that the consent is executed by Holders representing a majority of the outstanding shares of Series X Preferred Stock, unless a higher percentage is required by the DGCL, in which case the written consent of the Holders of not less than such higher percentage shall be required.

Section 5. Rank; Liquidation.

a. The Series X Preferred Stock shall rank (i) senior to any class or series of capital stock of the Corporation hereafter created specifically ranking by its terms junior to any Series X Preferred Stock ("**Junior Securities**"); (ii) on parity with the Common Stock and any class or series of capital stock of the Corporation hereafter created specifically ranking by its terms on parity with the Series X Preferred Stock (the "**Parity Securities**"); and (iii) junior to (A) any class or series of capital stock of the Corporation hereafter created specifically ranking by its terms senior to any Series X Preferred Stock ("**Senior Securities**") or (B) the CVRs and CVR Payments, in each case, as to distributions of assets upon liquidation, dissolution or winding up of the Corporation, whether voluntarily or involuntarily.

b. Subject to the prior and superior rights of the holders of any Senior Securities, the rights of holders of CVRs under the CVR Agreement to receive any CVR Payments, and the rights of the Corporation's existing and future creditors, upon liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary (a "**Liquidation**"), each Holder shall be entitled to receive, out of the assets of the Corporation legally available for distribution to stockholders, in preference to any distributions of any of the assets or surplus funds of the Corporation to the holders of the Junior Securities and pari passu with any distribution to the holders of Parity Securities, an equivalent amount of distributions as would be paid on the Common Stock underlying the Series X Preferred Stock, determined on an as-converted basis (without regard to the Beneficial Ownership Limitation), plus an additional amount equal to any dividends declared but unpaid on such shares, before any payments shall be made or any assets distributed to holders of any class of Junior Securities. If, upon any such Liquidation, the assets of the Corporation shall be insufficient to pay the Holders of shares of the Series X Preferred Stock the amount required under the preceding sentence, then all remaining assets of the Corporation shall be distributed ratably to Holders of the shares of the Series X Preferred Stock and Parity Securities. A Fundamental Transaction shall not be deemed a Liquidation unless the Corporation expressly declares that such Fundamental Transaction shall be treated as if it were a Liquidation.

Section 6. Conversion.

a. Conversions at Option of Holder. Subject to Section 6(c), at any time and from time to time after 5:00 p.m. (New York City time) on the second Business Day after the date on which the Corporation's stockholders approve the conversion of the Series X Preferred Stock into shares of Common Stock in accordance with the listing rules of the Nasdaq Stock Market, as set forth in the Asset Purchase Agreement (the "**Stockholder Approval**"), each Holder may, at its option, effect conversions of shares of Series X Preferred Stock into a number of shares of Common Stock equal to the Conversion Ratio (each, an "**Optional Stock Conversion**") by providing the Corporation with the form of conversion notice attached hereto as Annex A (a "**Notice of Stock Conversion**"), duly completed and executed. If the Corporation's transfer agent is participating in the Depository Trust Company ("**DTC**") Fast Automated Securities Transfer program, the Notice of Stock Conversion may specify, at the Holder's election, whether the applicable Conversion Shares shall be credited to the account of the Holder's prime broker with DTC through its Deposit Withdrawal Agent Commission system (a "**DWAC Delivery**").

i. The date on which an Optional Stock Conversion shall be deemed effective (the "**Stock Conversion Date**") shall be the Trading Day that the Notice of Stock Conversion, completed and executed, is sent via email to, and received during regular business hours by, the Corporation; provided, that the original certificate(s) (if any) representing such shares of Series X Preferred Stock being converted, duly endorsed, and the accompanying Notice of Stock Conversion, are received by the Corporation within two (2) Trading Days thereafter. In all other cases, the Stock Conversion Date shall be defined as the Trading Day on which the original certificate(s) (if any) representing such shares of Series X Preferred Stock being converted, duly endorsed, and the accompanying Notice of Stock Conversion, are received by the Corporation. The calculations set forth in the Notice of Stock Conversion shall control in the absence of manifest or mathematical error.

b. Conversion Ratio. The "**Conversion Ratio**" for each share of Series X Preferred Stock shall be equal to the Stated Value divided by the Conversion Price.

c. Beneficial Ownership Limitation. Notwithstanding anything in this Certificate of Designation to the contrary, the Corporation shall not effect any conversion of the Series X Preferred Stock, and a Holder shall not have the right to convert any portion of the Series X Preferred Stock, to the extent that, after giving effect to an attempted conversion set forth on an applicable Notice of Stock Conversion, such Holder (together with such Holder's Affiliates, and any other Person whose beneficial ownership of Common Stock would be aggregated with the Holder's for purposes of Section 13(d) or Section 16 of the Exchange Act and the applicable regulations of the Commission, including any "group" of which the Holder is a member (the foregoing, "**Attribution Parties**")) would beneficially own a number of shares of Common Stock in excess of the Beneficial Ownership Limitation. For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by such Holder and its Attribution Parties shall include the number of shares of Common Stock issuable upon conversion of the Series X Preferred Stock subject to the Notice of Stock Conversion with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which are issuable upon (A) conversion of the remaining, unconverted Series X Preferred Stock beneficially owned by such Holder or any of its Attribution Parties, and (B) exercise or conversion of the unexercised or unconverted portion of any other securities of the Corporation (including any warrants) beneficially owned by such Holder or any of its Attribution Parties that are subject to a limitation on conversion or exercise similar to the limitation contained herein. For purposes of this Section 6(c), beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the applicable regulations of the Commission. In addition, for purposes hereof, "group" has the meaning set forth in Section 13(d) of the Exchange Act and the applicable regulations of the Commission. For purposes of this Section 6(c), it is understood that the number of shares of Common Stock beneficially owned by each Holder shall be aggregated with each other Holder for purposes of Section 13(d) of the Exchange Act. For purposes of this Section 6(c), in determining the number of outstanding shares of Common Stock, absent actual knowledge of such Holder to the contrary, a Holder may rely on the number of outstanding shares of Common Stock as stated in the most recent of the following: (A) the Corporation's most recent periodic or annual filing with the Commission, as the case may be, (B) a more recent public announcement by the Corporation that is filed with the Commission, or (C) a more recent notice by the Corporation or the Corporation's transfer agent to the Holder setting forth the number of shares of Common Stock then outstanding. Upon the written request of a Holder (which may be by email with confirmation), the Corporation shall, within three Trading Days thereof, confirm in writing to such Holder (which may be via email) the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to any actual conversion or exercise of securities of the Corporation, including shares of Series X Preferred Stock, by such Holder or its Attribution Parties since the date as of which such number of outstanding shares of Common Stock was last publicly reported or confirmed to the Holder. The "**Beneficial Ownership Limitation**" shall initially be set at 9.99% for each Holder and its Attribution Parties and may be adjusted at the discretion of the Holder to a number between 4.99% and 19.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock pursuant to such Notice of Stock Conversion to the extent permitted pursuant to this Section 6(c); provided, for the avoidance of doubt, that no adjustment shall exceed 19.99% of the number of shares of Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock pursuant to such Notice of Stock Conversion, to the extent required under Nasdaq Marketplace Rule 5635. Only the Corporation shall be entitled to rely on representations made to it by the Holder in any Notice of Stock Conversion regarding its Beneficial Ownership Limitation. Notwithstanding the foregoing, by written notice to the Corporation, (i) which will not be effective until the sixty-first (61st) day after such written notice is delivered to the Corporation, the Holder may reset the Beneficial Ownership Limitation percentage to a higher percentage, not to exceed the limits under Nasdaq Marketplace Rule 5635(d), to the extent then applicable and (ii) which will be effective immediately after such notice is delivered to the Corporation, the Holder may reset the Beneficial Ownership Limitation percentage to a lower percentage. Upon such a change by a Holder of the Beneficial Ownership Limitation, the Beneficial Ownership Limitation may not be further amended by such Holder without first providing the minimum notice required by this Section 6(c). Notwithstanding the foregoing, at any time following notice from the Corporation of a Fundamental Transaction, the Holder may change the Beneficial Ownership Limitation (not to exceed 19.99%) effective immediately upon written notice to the Corporation and may reinstitute a Beneficial Ownership Limitation at any time thereafter effective immediately upon written notice to the Corporation.

d. Mechanics of Conversion.

i. Delivery of Certificate or Electronic Issuance Upon Conversion. Not later than three Trading Days after the applicable Stock Conversion Date, or if the Holder requests the issuance of physical certificate(s), two Trading Days after receipt by the Corporation of the original certificate(s) representing such shares of Series X Preferred Stock being converted, duly endorsed, and the accompanying Notice of Stock Conversion (the "**Share Delivery Date**"), the Corporation shall either (A) deliver, or cause to be delivered, to the converting Holder a physical certificate or certificates representing the number of Conversion Shares being acquired upon the conversion of shares of Series X Preferred Stock or (B) in the case of a DWAC Delivery (if so requested by the Holder), electronically transfer such Conversion Shares by crediting the account of the Holder's prime broker with DTC through its DWAC system. If in the case of any Notice of Stock Conversion such certificate or certificates for the Conversion Shares are not delivered to or as directed by or, in the case of a DWAC Delivery, such shares are not electronically delivered to or as directed by, the applicable Holder by the Share Delivery Date, the applicable Holder shall be entitled to elect to rescind such Notice of Stock Conversion by written notice to the Corporation at any time on or before its receipt of such certificate or certificates for Conversion Shares or electronic receipt of such shares, as applicable, in which event the Corporation shall promptly return to such Holder any original Series X Preferred Stock certificate delivered to the Corporation and such Holder shall promptly return to the Corporation any Common Stock certificates or otherwise direct the return of any shares of Common Stock delivered to the Holder through the DWAC system, representing the shares of Series X Preferred Stock unsuccessfully tendered for conversion to the Corporation.

ii. Obligation Absolute. Subject to Section 6(c) and Section 6(d)(v) hereof and subject to Holder's right to rescind a Notice of Stock Conversion pursuant to Section 6(d)(i) above, the Corporation's obligation to issue and deliver the Conversion Shares upon conversion of Series X Preferred Stock in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by a Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by such Holder or any other Person of any obligation to the Corporation or any violation or alleged violation of law by such Holder or any other Person, and irrespective of any other circumstance which might otherwise limit such obligation of the Corporation to such Holder in connection with the issuance of such Conversion Shares. Subject to Section 6(c) and Section 6(d)(v) hereof and subject to Holder's right to rescind a Notice of Stock Conversion pursuant to Section 6(d)(i) above, in the event a Holder shall elect to convert any or all of its Series X Preferred Stock, the Corporation may not refuse conversion based on any claim that such Holder or anyone associated or affiliated with such Holder has been engaged in any violation of law, agreement or for any other reason, unless an injunction from a court, on notice to Holder, restraining and/or enjoining conversion of all or part of the Series X Preferred Stock of such Holder shall have been sought and obtained by the Corporation, and the Corporation posts a surety bond for the benefit of such Holder in the amount of 150% of the value of the Conversion Shares into which would be converted the Series X Preferred Stock which is subject to such injunction, which bond shall remain in effect until the completion of arbitration/litigation of the underlying dispute and the proceeds of which shall be payable to such Holder to the extent it obtains judgment. In the absence of such injunction, the Corporation shall, subject to Section 6(c) and Section 6(d)(v) hereof and subject to Holder's right to rescind a Notice of Stock Conversion pursuant to Section 6(d)(i) above, issue Conversion Shares upon a properly noticed conversion.

iii. Cash Settlement. (a) If, at any time after the earlier of receipt of Stockholder Approval or six months after the initial issuance of the Series X Preferred Stock, the Corporation fails to deliver to a Holder such certificate or certificates, or electronically deliver (or cause its transfer agent to electronically deliver) such shares in the case of a DWAC Delivery, pursuant to Section 6(d)(i) on or prior to the third (3rd) Trading Day after the Share Delivery Date applicable to such conversion (other than a failure caused by incorrect or incomplete information provided by Holder to the Corporation), then, unless the Holder has rescinded the applicable Notice of Stock Conversion pursuant to Section 6(d)(i) above, the Corporation shall, at the request of the Holder, pay an amount equal to the Fair Value (defined below) of such undelivered shares, with such payment to be made within two Business Days from the date of request by the Holder, whereupon the Corporation's obligations to deliver such shares underlying the Notice of Stock Conversion shall be extinguished. For purposes of this Section 6(d)(iii), the "**Fair Value**" of shares shall be fixed with reference to the last reported Closing Sale Price as of the Trading Day on which the Notice of Stock Conversion is delivered to the Corporation. For the avoidance of doubt, the cash settlement provisions set forth in this Section 6(d)(iii) shall be available irrespective of the reason for the Corporation's failure to timely deliver Conversion Shares (other than a failure caused by incorrect or incomplete information provided by Holder to the Corporation or the application of the Beneficial Ownership Limitation), including due to limitations set forth in Section 6(d)(vi), the lack of obtaining Stockholder Approval, or due to applicable stock exchange rules.

iv. Compensation for Buy-In on Failure to Timely Deliver Certificates Upon Conversion. If the Corporation fails to deliver to a Holder the applicable certificate or certificates or to effect a DWAC Delivery, as applicable, by the Share Delivery Date pursuant to Section 6(d)(i) (other than a failure caused by incorrect or incomplete information provided by Holder to the Corporation), and if after such Share Delivery Date such Holder is required by its brokerage firm to purchase (in an open market transaction or otherwise), or the Holder's brokerage firm otherwise purchases, shares of Common Stock to deliver in satisfaction of a sale by such Holder of the Conversion Shares which such Holder was entitled to receive upon the conversion relating to such Share Delivery Date (a "**Buy-In**"), then the Corporation shall (A) pay in cash to such Holder (in addition to any other remedies available to or elected by such Holder) the amount by which (x) such Holder's total purchase price (including any brokerage commissions) for the shares of Common Stock so purchased exceeds (y) the product of (1) the aggregate number of shares of Common Stock that such Holder was entitled to receive from the conversion at issue multiplied by (2) the actual sale price at which the sell order giving rise to such purchase obligation was executed (including any brokerage commissions) and (B) at the option of such Holder, either reissue (if surrendered) the shares of Series X Preferred Stock equal to the number of shares of Series X Preferred Stock submitted for conversion or deliver to such Holder the number of shares of Common Stock that would have been issued if the Corporation had timely complied with its delivery requirements under Section 6(d)(i). For example, if a Holder purchases shares of Common Stock having a total purchase price of $11,000 to cover a Buy-In with respect to an attempted conversion of shares of Series X Preferred Stock with respect to which the actual sale price (including any brokerage commissions) giving rise to such purchase obligation was a total of $10,000 under clause (A) of the immediately preceding sentence, the Corporation shall be required to pay such Holder $1,000. The Holder shall provide the Corporation written notice, within three (3) Trading Days after the occurrence of a Buy-In, indicating the amounts payable to such Holder in respect of such Buy-In together with applicable confirmations and other evidence reasonably requested by the Corporation. Nothing herein shall limit a Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Corporation's failure to timely deliver certificates representing shares of Common Stock upon conversion of the shares of Series X Preferred Stock as required pursuant to the terms hereof or the cash settlement remedy set forth in Section 6(d)(iii); provided, however, that the Holder shall not be entitled to both (i) require the reissuance of the shares of Series X Preferred Stock submitted for conversion for which such conversion was not timely honored and (ii) receive the number of shares of Common Stock that would have been issued if the Corporation had timely complied with its delivery requirements under Section 6(d)(i).

v. Reservation of Shares Issuable Upon Conversion. The Corporation covenants that at all times after receipt of the Stockholder Approval after the date hereof to increase the Corporation's shares of authorized Common Stock to be a number of shares sufficient to be reserved for the conversion of all outstanding shares of Series X Preferred Stock, it will reserve and keep available out of its authorized and unissued shares of Common Stock for the sole purpose of issuance upon conversion of outstanding shares of Series X Preferred Stock, free from preemptive rights or any other actual contingent purchase rights of Persons other than the Holders of the Series X Preferred Stock, not less than such aggregate number of shares of the Common Stock as shall be issuable (taking into account the adjustments of Section 7) upon the conversion of all outstanding shares of Series X Preferred Stock. The Corporation covenants that all shares of Common Stock that shall be so issuable shall, upon issue, be duly authorized, validly issued, fully paid and non-assessable.

vi. Limitation on Conversion.

1. In the event that any Holder elects to convert shares of Series X Preferred Stock into Conversion Shares pursuant to Section 6(a), the number of shares of Common Stock into which the shares of Series X Preferred Stock can then be converted upon such exercise pursuant to this Certificate of Designation shall not exceed the maximum number of unissued and otherwise unreserved shares of Common Stock which the Corporation may issue under the Certificate of Incorporation at any given time.

2. The Corporation shall not be obligated to issue, and the Holder shall not have the right to receive, upon conversion of the Series X Preferred Stock, any shares of Common Stock if the issuance of such shares of Common Stock, along with any shares of Common Stock issued to the Holder at the closing of the transactions contemplated by the Business Combination Agreement, would exceed that number of shares of Common Stock which the Corporation may issue in the aggregate pursuant to the transactions contemplated under the Asset Purchase Agreement without breaching the Corporation's obligations under the rules or regulations of The Nasdaq Stock Market, LLC (the "**Exchange Cap**"), except that such limitation shall not apply after the date that Stockholder Approval is approved and deemed effective. Until the date of the Stockholder Approval, no holder of Series X Preferred Stock shall be issued, in the aggregate pursuant to the terms of this Certificate of Designations, shares of Common Stock in an amount greater than the product of the Exchange Cap multiplied by a fraction, the numerator of which is the number of shares of the Corporation's stock issued under the Asset Purchase Agreement to such Holder and the denominator of which is the aggregate number of shares of Corporation's stock issued under the Asset Purchase Agreement to all Holders (with respect to each Holder, the "**Exchange Cap Allocation**"). In the event that the Holder shall transfer any of the Holder's Series X Preferred Stock, the transferee shall be allocated a pro rata portion of the Holder's Exchange Cap Allocation, and the restrictions of the prior sentence shall apply to such transferee with respect to the portion of the Exchange Cap Allocation allocated to such transferee.

3. For the avoidance of doubt, the cash settlement provisions set forth in Section 6(d)(iii) shall be available irrespective of any limitations set forth in this Section 6(d)(vi).

vii. Fractional Shares. No fractional shares or scrip representing fractional shares of Common Stock shall be issued upon the conversion of the Series X Preferred Stock. As to any fraction of a share which a Holder would otherwise be entitled to receive upon such conversion, the Corporation shall pay a cash adjustment in respect of such fractional share of Common Stock in an amount equal to such fraction multiplied by the Conversion Price.

viii. Transfer Taxes. The issuance of certificates for shares of the Common Stock upon conversion of the Series X Preferred Stock shall be made without charge to any Holder for any documentary stamp or similar taxes that may be payable in respect of the issue or delivery of such certificates, provided that the Corporation shall not be required to pay any tax that may be payable in respect of any transfer involved in the issuance and delivery of any such certificate upon conversion in a name other than that of the registered Holder(s) of such shares of Series X Preferred Stock and the Corporation shall not be required to issue or deliver such certificates unless or until the Person or Persons requesting the issuance thereof shall have paid to the Corporation the amount of such tax or shall have established to the satisfaction of the Corporation that such tax has been paid.

ix. No Limitation. Nothing herein shall limit a Holder's right to pursue actual damages for the Corporation's failure to deliver Conversion Shares within the period specified herein and such Holder shall have the right to pursue all remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief; provided, that Holder shall not receive duplicate damages for the Corporation's failure to deliver Conversion Shares within the period specified herein. The exercise of any such rights shall not prohibit a Holder from seeking to enforce damages pursuant to any other Section hereof or under applicable law.

e. Status as Stockholder. Upon each Stock Conversion Date, (i) the shares of Series X Preferred Stock being converted shall be deemed converted into shares of Common Stock and (ii) the Holder's rights as a holder of such converted shares of Series X Preferred Stock shall cease and terminate, excepting only the right to receive certificates for or electronic receipt of such shares of Common Stock, as applicable, and to any remedies provided herein or otherwise available at law or in equity to such Holder because of a failure by the Corporation to comply with the terms of this Certificate of Designation. In all cases, the Holder shall retain all of its rights and remedies for the Corporation's failure to convert Series X Preferred Stock. In no event shall the Series X Preferred Stock convert into shares of Common Stock prior to the Stockholder Approval.

f. Effect of Conversion. Shares of Series X Preferred Stock converted into Common Stock in accordance with the terms hereof shall be canceled and shall not be reissued. Shares of Series X Preferred Stock so converted shall resume the status of authorized but unissued shares of Preferred Stock and shall no longer be designated as Series X Preferred Stock as set forth in Section 10(g). No ink-original Notice of Stock Conversion shall be required, and to the extent the Series X Preferred Stock is represented by certificates, no Holder shall be required to physically surrender any certificate(s) representing the Series X Preferred Stock to the Corporation until all shares of Series X Preferred Stock represented by such certificate(s) have been converted in full, in which case the applicable Holder shall surrender such certificate(s) to the Corporation for cancellation on the date the final Notice of Stock Conversion is delivered to the Corporation. To the extent the Series X Preferred Stock is represented by certificates, delivery of a Notice of Stock Conversion with respect to a partial conversion shall have the same effect as cancellation of the original certificate(s) representing such shares of Series X Preferred Stock and issuance of a certificate representing the remaining shares of Series X Preferred Stock. In accordance with the preceding sentence, upon the written request of the applicable Holder and the surrender of certificate(s) representing Series X Preferred Stock, the Corporation shall, within three Trading Days of such request, deliver to such Holder certificate(s) (as specified by such Holder in such request) representing such remaining shares of Series X Preferred Stock.

Section 7. Certain Adjustments.

a. Stock Dividends and Stock Splits. If the Corporation, at any time while any shares of Series X Preferred Stock are outstanding:

(i) pays a stock dividend or otherwise makes a distribution or distributions payable in shares of Common Stock (which, for avoidance of doubt, shall not include any shares of Common Stock issued by the Corporation upon conversion of any Series X Preferred Stock) with respect to the then outstanding shares of Common Stock; (ii) subdivides outstanding shares of Common Stock into a larger number of shares; or (iii) combines (including by way of a reverse stock split) outstanding shares of Common Stock into a smaller number of shares, then the Conversion Price shall be multiplied by a fraction of which the numerator shall be the number of shares of Common Stock (excluding any unallocated shares of the Corporation) outstanding immediately before such event and of which the denominator shall be the number of shares of Common Stock outstanding immediately after such event (excluding any treasury shares of the Corporation). Any adjustment made pursuant to this Section 7(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution and shall become effective immediately after the effective date in the case of a subdivision or combination. If any such dividend or distribution is declared but does not occur, the Conversion Price shall be readjusted, effective as of the date the Board of Directors announces that such dividend or distribution shall not occur, to the Conversion Price that would then be in effect if such dividend or distribution had not been declared.

b. Fundamental Transaction. If, at any time while any Series X Preferred Stock is outstanding, (i) the Corporation effects any merger or consolidation of the Corporation with or into another Person or any stock sale to, or other business combination (including, without limitation, a reorganization, recapitalization, spin-off, share exchange or scheme of arrangement) with or into another Person (other than such a transaction in which the Corporation is the surviving or continuing entity and its Common Stock is not exchanged for or converted into other securities, cash or property), (ii) the Corporation effects any sale, transfer or exclusive license of all or substantially all of its assets in one transaction or a series of related transactions, other than a Parent Legacy Proposal (as defined in the Business Combination Agreement), (iii) any tender offer or exchange offer (whether by the Corporation or another Person) is completed pursuant to which more than 50% of the Common Stock not held by the Corporation or such Person is exchanged for or converted into other securities, cash or property, or (iv) the Corporation effects any reclassification of the Common Stock or any compulsory share exchange pursuant (other than as a result of a dividend, subdivision or combination covered by Section 7(a) above) to which the Common Stock is effectively converted into or exchanged for other securities, cash or property (in any such case, a "**Fundamental Transaction**"), then, upon any subsequent conversion of Series X Preferred Stock, the Holders shall have the right to receive, in lieu of the right to receive Conversion Shares, for each Conversion Share that would have been issuable upon such conversion immediately prior to the occurrence of such Fundamental Transaction, the same kind and amount of securities, cash or property as it would have been entitled to receive upon the occurrence of such Fundamental Transaction if it had been, immediately prior to such Fundamental Transaction, the holder of one share of Common Stock (the "**Alternate Consideration**"). For purposes of any such subsequent conversion, the determination of the Conversion Ratio shall be appropriately adjusted to apply to such Alternate Consideration based on the amount of Alternate Consideration issuable in respect of one share of Common Stock in such Fundamental Transaction, and the Corporation shall adjust the Conversion Ratio in a reasonable manner reflecting the relative value of any different components of the Alternate Consideration. If holders of Common Stock are given any choice as to the securities, cash or property to be received in a Fundamental Transaction, then the Holders shall be given the same choice as to the Alternate Consideration it receives upon any conversion of Series X Preferred Stock following such Fundamental Transaction. To the extent necessary to effectuate the foregoing provisions, any successor to the Corporation or surviving entity in such Fundamental Transaction shall assume in writing all of the obligations of the Corporation under this Certificate of Designation in accordance with the provisions of this Section 7(d) pursuant to written agreements in form and substance approved by a majority of the Holders prior to such Fundamental Transaction (such approval not to be unreasonably withheld, conditioned or delayed) and shall file a new certificate of designation with the same terms and conditions hereof and issue to the Holders new Preferred Stock consistent with the foregoing provisions and evidencing the Holders' right to convert such Preferred Stock. The terms of any agreement to which the Corporation is a party and pursuant to which a Fundamental Transaction is effected shall include terms requiring any such successor or surviving entity to comply with the provisions of this Section 7(b) and insuring that the Series X Preferred Stock (or any such replacement security) will be similarly adjusted upon any subsequent transaction analogous to a Fundamental Transaction. The Corporation shall cause to be delivered to each Holder, at its last address as it shall appear upon the stock books of the Corporation, written notice of any Fundamental Transaction at least 15 calendar days prior to the date on which such Fundamental Transaction is expected to become effective or close.

c. Calculations. All calculations under this Section 7 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 7, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding any treasury shares of the Corporation) issued and outstanding.

d. Notice to the Holders.

i. Adjustment to Conversion Price. Whenever the Conversion Price is adjusted pursuant to any provision of this Section 7, the Corporation shall promptly deliver to each Holder a notice setting forth the Conversion Ratio after such adjustment and setting forth a brief statement of the facts requiring such adjustment.

ii. Other Notices. If (A) the Corporation shall declare a dividend (or any other distribution in whatever form) on the Common Stock, (B) the Corporation shall declare a special nonrecurring cash dividend on or a redemption of the Common Stock, (C) the Corporation shall authorize the granting to all holders of the Common Stock of rights or warrants to subscribe for or purchase any shares of capital stock of any class or of any rights, (D) the approval of any stockholders of the Corporation shall be required in connection with any reclassification of the Common Stock, any consolidation or merger to which the Corporation is a party, any sale or transfer of all or substantially all of the assets of the Corporation, or any compulsory share exchange whereby the Common Stock is converted into other securities, cash or property, or (E) the Corporation shall authorize the voluntary or involuntary dissolution, liquidation or winding up of the affairs of the Corporation, then, in each case, the Corporation shall cause to be filed at each office or agency maintained for the purpose of conversion of the Series X Preferred Stock, and shall cause to be delivered to each Holder at its last address as it shall appear upon the stock books of the Corporation, at least 15 calendar days prior to the applicable record or effective date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution, redemption, rights or warrants, or if a record is not to be taken, the date as of which the holders of the Common Stock of record to be entitled to such dividend, distributions, redemption, rights or warrants are to be determined or (y) the date on which such reclassification, consolidation, merger, sale, transfer or share exchange is expected to become effective or close, and the date as of which it is expected that holders of the Common Stock of record shall be entitled to exchange their shares of the Common Stock for securities, cash or other property deliverable upon such reclassification, consolidation, merger, sale, transfer or share exchange, provided that the failure to deliver such notice or any defect therein or in the delivery thereof shall not affect the validity of the corporate action required to be specified in such notice.

Section 8. Redemption. The shares of Series X Preferred Stock shall not be redeemable; provided, however, that the foregoing shall not limit the ability of the Corporation to purchase or otherwise deal in such shares to the extent otherwise permitted hereby and by law, nor shall the foregoing limit the Holder's rights under Section 6(d)(iii).

Section 9. Miscellaneous. A Holder may transfer such shares of Series X Preferred Stock in whole, or in part, together with the accompanying rights set forth herein, held by such holder without the consent of the Corporation; provided that such transfer is in compliance with applicable securities laws. The Corporation shall in good faith (a) do and perform, or cause to be done and performed, all such further acts and things, and (b) execute and deliver all such other agreements, certificates, instruments and documents, in each case, as any holder of Series X Preferred Stock may reasonably request in order to carry out the intent and accomplish the purposes of this Section 9.

Section 10. Miscellaneous.

a. Notices. Any and all notices or other communications or deliveries to be provided by the Holders hereunder including, without limitation, any Notice of Stock Conversion, shall be in writing and delivered personally, via email or sent by a nationally recognized overnight courier service, addressed to the Corporation, at 611 Gateway Blvd., Suite 120, San Francisco, California Attention: Nassim Usman, Ph.D., email: nusman@catbio.com, or such other email address or mailing address as the Corporation may specify for such purposes by notice to the Holders delivered in accordance with this Section 10. Any and all notices or other communications or deliveries to be provided by the Corporation hereunder shall be in writing and delivered personally, by email at the email address of such Holder appearing on the books of the Corporation, or if no such email address appears on the books of the Corporation, sent by a nationally recognized overnight courier service addressed to each Holder, at the principal place of business of such Holder. Any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the date of transmission, if such notice or communication is delivered via email at the email address specified in this Section 10 prior to 5:30 p.m. (New York City time) on any date, (ii) the date immediately following the date of transmission, if such notice or communication is delivered via email at the email address specified in this Section 10 between 5:30 p.m. and 11:59 p.m. (New York City time) on any date, (iii) the second Business Day following the date of mailing, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

b. Lost or Mutilated Series X Preferred Stock Certificate. If a Holder's Series X Preferred Stock certificate shall be mutilated, lost, stolen or destroyed, the Corporation shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated certificate, or in lieu of or in substitution for a lost, stolen or destroyed certificate, a new certificate for the shares of Series X Preferred Stock so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such certificate, and of the ownership thereof, reasonably satisfactory to the Corporation and, in each case, customary and reasonable indemnity, if requested. Applicants for a new certificate under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Corporation may prescribe.

c. Waiver. Any waiver by the Corporation or a Holder of a breach of any provision of this Certificate of Designation shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Certificate of Designation or a waiver by any other Holders. The failure of the Corporation or a Holder to insist upon strict adherence to any term of this Certificate of Designation on one or more occasions shall not be considered a waiver or deprive that party (or any other Holder) of the right thereafter to insist upon strict adherence to that term or any other term of this Certificate of Designation. Any waiver by the Corporation or a Holder must be in writing. Notwithstanding any provision in this Certificate of Designation to the contrary, any provision contained herein and any right of the Holders of Series X Preferred Stock granted hereunder may be waived as to all shares of Series X Preferred Stock (and the Holders thereof) upon the written consent of the Holders of not less than a majority of the shares of Series X Preferred Stock then outstanding, unless a higher percentage is required by the DGCL, in which case the written consent of the Holders of not less than such higher percentage shall be required.

d. Severability. If any provision of this Certificate of Designation is invalid, illegal or unenforceable, the balance of this Certificate of Designation shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law.

e. Next Business Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

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

g. Status of Converted Series X Preferred Stock. If any shares of Series X Preferred Stock shall be converted, repurchased or otherwise be acquired by the Corporation, or cash settled pursuant to Section 6(d)(iii) hereof, such shares shall resume the status of authorized but unissued shares of Preferred Stock and shall no longer be designated as Series X Preferred Stock.

****

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Designation this 27th day of December, 2022.

/s / Nassim Usman, Ph.D.
Name: Nassim Usman, Ph.D.
Title: President and CEO

ANNEX A

NOTICE OF STOCK CONVERSION
(TO BE EXECUTED BY THE REGISTERED HOLDER IN ORDER TO CONVERT SHARES OF PREFERRED STOCK)

The undersigned Holder hereby irrevocably elects to convert the number of shares of Series X Preferred Stock indicated below, [represented by stock certificate No(s). [•]] [represented in book-entry form], into shares of common stock, par value $0.001 per share (the "**Common Stock**"), of Catalyst Biosciences, Inc., a Delaware corporation (the "**Corporation**"), as of the date written below. If securities are to be issued in the name of a person other than the undersigned, the undersigned will pay all transfer taxes payable with respect thereto. Capitalized terms utilized but not defined herein shall have the meaning ascribed to such terms in that certain Certificate of Designation of Preferences, Rights and Limitations of Series X Convertible Preferred Stock (the "**Certificate of Designation**") filed by the Corporation with the Secretary of State of the State of Delaware on December 27, 2022.

As of the date hereof, the number of shares of Common Stock beneficially owned by the undersigned Holder (together with such Holder's Affiliates, and any other Person whose beneficial ownership of Common Stock would be aggregated with the Holder's for purposes of Section 13(d) or Section 16 of the Exchange Act and the applicable regulations of the Commission, including any "group" of which the Holder is a member (the foregoing, "**Attribution Parties**")), including the number of shares of Common Stock issuable upon conversion of the Series X Preferred Stock subject to this Notice of Stock Conversion, but excluding the number of shares of Common Stock which are issuable upon (A) conversion of the remaining, unconverted Series X Preferred Stock beneficially owned by such Holder or any of its Attribution Parties, and (B) exercise or conversion of the unexercised or unconverted portion of any other securities of the Corporation (including any warrants) beneficially owned by such Holder or any of its Attribution Parties that are subject to a limitation on conversion or exercise similar to the limitation contained in Section 6(c) of the Certificate of Designation, is [•] %. For purposes hereof, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the applicable regulations of the Commission. In addition, for purposes hereof, "group" has the meaning set forth in Section 13(d) of the Exchange Act and the applicable regulations of the Commission.

Conversion calculations:

Date to Effect Conversion:

Number of Shares of Series X Preferred Stock
Owned Prior to Conversion:

Number of Shares of Series X
Preferred Stock to be Converted:

Number of Shares of Common Stock to be Issued:

Address for Delivery of Physical Certificates:

or

for DWAC Delivery:

DWAC Instructions:

Broker no:

Account no:

[HOLDER]

By:

Name:

Title:

Date:

[HOLDER]

By:
Name:
Title:

Date:

Exhibit 3.2

AMENDMENT TO THE AMENDED AND RESTATED BYLAWS

OF

CATALYST BIOSCIENCES, INC.

(as amended December 22, 2022)

Article II, Section 8 is deleted in its entirety and replaced with the following:

"Section 8. Quorum. Except as otherwise required by any provision of the DGCL or the Charter, the holders of a one-third of the outstanding shares of common stock entitled to vote, present in person or represented by proxy, shall constitute a quorum at a meeting of stockholders. In the absence of a quorum, any officer entitled to preside at, or act as Secretary of, such meeting, shall have the power to adjourn the meeting from time to time until a quorum shall be constituted. At any such adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the meeting as originally called. When a quorum is once present to organize a meeting, the stockholders present may continue to do business at the meeting or at any adjournment thereof notwithstanding the withdrawal of enough stockholders to leave less than a quorum."

Exhibit 10.1

INDEMNIFICATION AGREEMENT

THIS AGREEMENT (the **"Agreement"**) is made and entered into as of [date] between Catalyst Biosciences, Inc., a Delaware corporation (the **"Company"**), and [name of director], a director, officer or member of the executive committee of the Company (**"Indemnitee"**).

WITNESSETH THAT:

WHEREAS, Indemnitee performs a valuable service for the Company; and

WHEREAS, the Board of Directors of the Company (the **"Board"**) has adopted bylaws (the **"Bylaws")** providing for or permitting the indemnification of officers, directors and employees of the Company to the fullest extent permitted by the Delaware General Corporation Law, as amended (the **"DGCL"**); and

WHEREAS, the Bylaws and the DGCL, by their nonexclusive nature, permit agreements between the Company and its officers, directors and employees with respect to indemnification; and

WHEREAS, in order to induce Indemnitee to continue to serve as a director, officer or member of the executive (management) committee of the Company, the Company has agreed to enter into this agreement with Indemnitee;

NOW, THEREFORE, in consideration of Indemnitee's continued service as a director, officer or member of the executive committee of the Company after the date hereof, the parties agree as follows:

1. Definitions. For purposes of this Agreement:

(a) **"Change of Control"** means:

(i) The acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of twenty percent (20%) or more of (A) the then outstanding shares of common stock of the Company (the **"Outstanding Company Common Stock"**) or (B) the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the **"Outstanding Company Voting Securities"**); provided that, notwithstanding the foregoing, none of the following acquisitions shall constitute a Change of Control: (1) an acquisition directly from the Company or from other stockholders that (x) was approved in advance by the Board and (y) would not constitute a Change of Control under Section 1(a)(iii); (2) an acquisition by the Company; (3) an acquisition by an employee benefit plan (or related trust) sponsored or maintained by the Company or any entity controlled by, or under common control with, the Company; or (4) an acquisition by an entity with respect to which the criteria set forth in Section 1(a)(iii)(A), (B) and (C) are met; or

(ii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Company (a **"Business Combination"**); provided that, notwithstanding the foregoing, a Business Combination shall not constitute a Change of Control if: (A) the individuals and entities who are the beneficial owners of the Outstanding Company Common Stock and Outstanding Company Voting Securities, respectively, immediately prior to such Business Combination beneficially own, directly or indirectly, more than fifty percent (50%) of the then outstanding shares of common stock and of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors of the resulting, continuing or surviving entity in such Business Combination (including, if applicable, an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) in substantially the same proportion as existed immediately prior to such Business Combination; (B) no Person (excluding the resulting, continuing or surviving entity in such Business Combination or any employee benefit plan (or related trust) of such resulting, continuing or surviving entity) beneficially owns, directly or indirectly, twenty percent (20%) or more of the then outstanding shares of common stock or of the combined voting power of the then outstanding voting securities of the resulting, continuing or surviving entity in such Business Combination, except to the extent that such ownership existed prior to the Business Combination; and (C) at least a majority of the members of the board of directors of the resulting, continuing or surviving entity in such Business Combination are members of the Board at the time of the execution of the definitive agreement providing for such Business Combination or of its authorization and approval by the Board; or

(iii) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

(b) **"Company Position"** means the status of a person as a present or former director, officer, employee or agent of the Company or any other Enterprise.

(c) **"Disinterested Director"** means a director of the Company who is not and was not a party to the matter in respect of which indemnification or advancement of Expenses is sought by Indemnitee.

(d) **"Enterprise"** shall mean the Company or any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise for which Indemnitee serves, or did serve, at the request of the Company as a director, officer, employee or agent.

(e) **"Exchange Act"** means the Securities Exchange Act of 1934, as amended.

(f) **"Expenses"** shall include all judgments, fines, ERISA excise taxes or penalties, amounts paid in settlement, reasonable attorneys' fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of a type customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating in, or being or preparing to be a witness in a Proceeding.

(g) **"Independent Counsel"** means a law firm, a partner or member of a law firm or an independent practitioner who (i) is experienced in matters of corporate law and

(ii) would not, under the applicable standards of professional conduct then prevailing, have a conflict of interest in representing either the Company or the Indemnitee in an action to determine the Indemnitee's rights under this Agreement.

(h) **"Person"** means any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act).

(i) **"Proceeding"** includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding in which Indemnitee was, is or will be involved as a party or otherwise, whether brought by or in the right of the Company or otherwise, whether civil, criminal, administrative or investigative, whether pending before or after the date of this Agreement and whether or not he is acting or serving in any such capacity at the time any liability or expense is incurred for which indemnification can be provided under this Agreement, but specifically excluding an action initiated by an Indemnitee pursuant to Section 8 to enforce his rights under this Agreement.

2. Indemnity of Indemnitee. The Company hereby agrees to indemnify and hold harmless Indemnitee to the fullest extent permitted by the provisions of the DGCL, as may be amended from time to time. Without limiting the generality of the foregoing:

(a) Proceedings Other Than Proceedings by or in the Right of the Company. If Indemnitee was, is or is threatened to be made a party to, or a participant in, any Proceeding (other than a Proceeding by or in the right of the Company) by reason of his Company Position, the Company shall indemnify him against all Expenses actually and reasonably incurred by him, or on his behalf, in connection with such Proceeding (including, without limitation, any claim, issue or matter included therein) if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Company, and with respect to any criminal Proceeding, had no reasonable cause to believe his conduct was unlawful.

(b) Proceedings by or in the Right of the Company. If Indemnitee was, is or is threatened to be made a party to, or a participant in, any Proceeding by or in the right of the Company by reason of his Company Position, the Company shall indemnify him against all Expenses actually and reasonably incurred by him, or on his behalf, in connection with the defense or settlement of such Proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Company; provided, however, if required by applicable law, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been adjudged to be liable to the Company unless and to the extent that the Court of Chancery of the State of Delaware shall determine that such indemnification may be made.

(c) Indemnification for Expenses of a Party who is Wholly or Partially Successful. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Company Position, a party to, and is successful in defending (on the merits or otherwise), any Proceeding, the Company shall indemnify him to the maximum extent permitted by law against all Expenses actually and reasonably incurred by him, or on his behalf, in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually and reasonably incurred by him or on his behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section 2(c) and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

3. Additional Indemnity. In addition to, and without regard to any limitations on, the indemnification provided for in Section 2, the Company shall indemnify and hold harmless Indemnitee against all Expenses actually and reasonably incurred by him or on his behalf if, by reason of his Company Position, he was, is or is threatened to be made, a party to, or participant in, any Proceeding (including a Proceeding by or in the right of the Company), including, without limitation, all liability arising out of the negligence or active or passive wrongdoing of Indemnitee. The only limitation that shall exist upon the Company's obligations pursuant to this Agreement, other than those specified in Section 12, shall be that the Company shall not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 7 and 8) to be unlawful under Delaware law.

4. Contribution in the Event of Joint Liability.

(a) Whether or not the indemnification provided in Sections 2 and 3 is available, in respect of any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding), the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such Proceeding without requiring Indemnitee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company shall not enter into any settlement of any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding) unless such settlement provides for a full and final release of all claims asserted against Indemnitee.

(b) Without diminishing or impairing the obligations of the Company set forth in Section 4(a), if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding), the Company shall contribute to the amount of Expenses actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction from which such Proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent required by law, be further adjusted by reference to the relative fault of the Company and all officers, directors or employees of the Company other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the events that resulted in such Expenses, as well as any other equitable considerations which are required to be considered under applicable law. The relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their respective actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

(c) The Company shall fully indemnify and hold harmless Indemnitee from any claims of contribution that may be brought by any one or more officers, directors or employees of the Company, other than Indemnitee, who may be jointly liable with Indemnitee.

5. Indemnification for Expenses of a Witness. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, by reason of his Company Position, a witness in any Proceeding to which Indemnitee is not a party, he shall be indemnified against all Expenses actually and reasonably incurred by him or on his behalf in connection therewith.

6. Advancement of Expenses. Notwithstanding any other provision of this Agreement, the Company shall advance all Expenses incurred in connection with any Proceeding by or on behalf of Indemnitee by reason of his Company Position within twenty (20) calendar days after the receipt by the Company of a statement or statements from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding; provided that: (i) no determination has been made that the facts then known would preclude indemnification pursuant to the terms of this Agreement; and (ii) Indemnitee (A) affirms in such written request that he acted in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Company (and, in the case of a criminal Proceeding, that he had no reasonable cause to believe his conduct was unlawful), (B) undertakes in such written request to repay such amount to the extent that it is ultimately determined that Indemnitee is not entitled to be indemnified against such Expenses and (C) provides appropriate supporting documentation for the Expenses for which he is seeking indemnification. Any advances and undertakings to repay pursuant to this Section 6 shall be unsecured and interest free. Notwithstanding the foregoing, the obligation of the Company to advance Expenses pursuant to this Section 6 shall be subject to the condition that, if, when and to the extent that the Company determines that Indemnitee would not be permitted to be indemnified under applicable law, the Company shall be entitled to be reimbursed by Indemnitee (who hereby expressly agrees to reimburse the Company) within thirty (30) days of such determination for all such amounts theretofore paid; provided, however, that if Indemnitee has commenced or thereafter commences legal proceedings in a court of competent jurisdiction to secure a determination that Indemnitee should be indemnified under applicable law, any determination made by the Company that Indemnitee would not be permitted to be indemnified under applicable law shall not be binding and Indemnitee shall not be required to reimburse the Company for any advance of Expenses until a final judicial determination is made with respect thereto (and as to which all rights of appeal therefrom have been exhausted or lapsed).

7. Procedures and Presumptions for Determination of Entitlement to Indemnification. It is the intent of this Agreement to secure for Indemnitee rights of indemnity that are as favorable as may be permitted under the DGCL and public policy of the State of Delaware. Accordingly, the parties agree that the following procedures and presumptions shall apply in the event of any question as to whether Indemnitee is entitled to indemnification under this Agreement:

(a) To obtain indemnification under this Agreement (including, without limitation, the advancement of Expenses and contribution by the Company), Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification.

(b) Upon written request by Indemnitee for indemnification pursuant to the first sentence of Section 7(a), a determination, if required by applicable law, with respect to Indemnitee's entitlement thereto shall be made: (i) by Independent Counsel, if requested by Indemnitee with its written request for indemnification; or (ii) if no request is made by the Indemnitee for a determination by Independent Counsel, (A) by the Board (or the Board of Directors of the resulting, continuing or surviving entity following a Change of Control), by a majority vote of a quorum consisting of Disinterested Directors, (B) if such a quorum is not obtainable or if such quorum of Disinterested Directors so directs, by Independent Counsel in a written opinion to the Board (or the Board of Directors of the resulting, continuing or surviving entity following a Change of Control), a copy of which shall be delivered to the Indemnitee, or (C) if a quorum of Disinterested Directors so directs, by the stockholders of the Company.

(c) In the event the determination of entitlement to indemnification or advancement of Expenses is to be made by Independent Counsel at the request of the Indemnitee, the Independent Counsel shall be selected by the Board, unless there shall have occurred, within two (2) years prior to the date of the commencement of the Proceeding with respect to which indemnification or advancement of Expenses is claimed, a Change of Control, in which case the Independent Counsel shall be selected by the Indemnitee, unless the Indemnitee shall request that such selection be made by the Board. Indemnitee or the Company, as the case may be, may, within ten (10) days after such written notice of selection shall have been given, deliver to the Company or to Indemnitee, as the case may be, a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the criteria of "Independent Counsel" as defined in Section 1, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within twenty (20) days after submission by Indemnitee of a written request for indemnification pursuant to Section 7(a), no Independent Counsel shall have been selected without objection, either the Company or Indemnitee may petition the Court of Chancery of the State of Delaware or other court of competent jurisdiction for resolution of any objection which shall have been made by the Company or Indemnitee to the other's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 7(b). The Company shall pay any and all reasonable fees and expenses incurred by such Independent Counsel in connection with acting pursuant to Section 7(b), and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section 7(c), regardless of the manner in which such Independent Counsel was selected or appointed.

(d) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to rebut this presumption shall have the burden of proof.

(e) Indemnitee shall be deemed to have acted in good faith if his action is based on the records or books of account of the Enterprise, including financial statements, or on information supplied to Indemnitee by the officers or other employees of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. The parties acknowledge and agree that the foregoing does not represent an exclusive list of the means by which Indemnitee may be deemed to have acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Company. In addition, the knowledge or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

(f) If the person, persons or entity empowered or selected under Section 7 to determine whether Indemnitee is entitled to indemnification shall not have made a determination within thirty (30) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement, in light of the context in which it was made, not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law; provided, however, that (A) such 30-day period may be extended for a reasonable time, not to exceed an additional fifteen (15) days, if the person, persons or entity making such determination with respect to entitlement to indemnification in good faith requires such additional time to obtain or evaluate documentation or information relating thereto and (B) the foregoing provisions of this Section 7(f) shall not apply if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 7(b) and (1) within fifteen (15) days after receipt by the Company of the request for such determination, the Board or the Disinterested Directors, if appropriate, resolve to submit such determination to the stockholders for their consideration at an annual meeting thereof to be held within seventy-five (75) days after such receipt and such determination is made at such meeting, or (2) a special meeting of stockholders is called within fifteen (15) days after such receipt for the purpose of making such determination, such meeting is held for such purpose within sixty (60) days after having been so called and such determination is made at such meeting.

(g) Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information that is not privileged or otherwise protected from disclosure, available to Indemnitee without undue effort or expense and reasonably necessary to such determination. Any Independent Counsel, member of the Board or stockholder of the Company shall act reasonably and in good faith in making a determination regarding the Indemnitee's entitlement to indemnification under this Agreement. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnifies and agrees to hold Indemnitee harmless therefrom.

(h) The Company acknowledges that a settlement or other disposition short of final judgment may be successful if it permits a party to avoid expense, delay, distraction, disruption and uncertainty. In the event that any Proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such Proceeding with or without payment of money or other consideration), it shall be presumed that Indemnitee has been successful on the merits or otherwise in such Proceeding. Anyone seeking to rebut this presumption shall have the burden of proof.

8. Remedies of Indemnitee.

(a) In the event that (i) a determination is made pursuant to Section 7 that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 6, (iii) no determination of entitlement to indemnification is made pursuant to Section 7(b) within ninety (90) days after receipt by the Company of the written request for indemnification, or (iv) payment of indemnification is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 7, Indemnitee shall be entitled to an adjudication in an appropriate court of the State of Delaware, or in any other court of competent jurisdiction, of his entitlement to such indemnification or advancement of Expenses. Indemnitee shall commence such proceeding seeking an adjudication within one hundred eighty (180) days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 8(a). The Company shall not oppose Indemnitee's right to seek any such adjudication.

(b) In the event that a determination shall have been made pursuant to Section 7(b) that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 8 shall be conducted in all respects as a de novo trial on the merits, and Indemnitee shall not be prejudiced by reason of the adverse determination under Section 7(b).

(c) If a determination shall have been made pursuant to Section 7(b) that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 8, absent a prohibition of such indemnification under applicable law.

(d) In the event that Indemnitee, pursuant to this Section 8, seeks a judicial adjudication of his rights under, or to recover damages for breach of, this Agreement, or to recover under any directors' and officers' liability insurance policies maintained by the Company, the Company shall pay on his behalf, in advance (but subject to the same conditions as are set forth in Section 6 with regard to the advancement of Expenses), any and all expenses (of the types described in the definition of Expenses in Section 1) actually and reasonably incurred by him in connection with such judicial adjudication.

(e) The Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 8 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement.

9. Nonexclusivity; Survival of Rights; Insurance; Subrogation.

(a) The rights of indemnification provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the certificate of incorporation of the Company (as may be amended or restated from time to time), the Bylaws, any agreement, a vote of stockholders, a resolution of directors or otherwise. No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his Company Position prior to such amendment, alteration or repeal. To the extent that a change in the DGCL, whether by statute or judicial decision, permits greater indemnification than would be afforded currently under this Agreement, it is the intent of the parties that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

(b) To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents or fiduciaries of the Company or of any other Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any director, officer, employee, agent or fiduciary under such policy or policies.

(c) Except as provided in the last sentence of this Section 9(c), in the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers and take all action reasonably necessary to secure such rights, including execution of such documents as are reasonably necessary to enable the Company to bring suit to enforce such rights. Notwithstanding the foregoing, no right of recovery of Indemnitee pursuant to any (i) director liability insurance policy that covers Indemnitee and is purchased separately by Indemnitee, by any fund or other entity of which Indemnitee is a partner, member or stockholder or that employs Indemnitee or by any of their respective affiliates or (ii) indemnification from any fund or other entity of which Indemnitee is a partner, member or stockholder or that employs Indemnitee or from any of its affiliates shall be subject to subrogation under this Section 9(c).

(d) The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder if and to the extent that Indemnitee has otherwise actually received such amount under any insurance policy, contract, agreement or otherwise.

10. Mutual Acknowledgment. The Company and Indemnitee acknowledge that, in certain instances, Federal law or applicable public policy (pursuant to the immediately following sentence) may prohibit the Company from indemnifying its directors, officers, employees, controlling persons, fiduciaries or other agents or affiliates under this Agreement or otherwise. Indemnitee understands and acknowledges that the Company may be required in the future to undertake with the Securities and Exchange Commission to submit the question of indemnification to a court in certain circumstances for a determination of the Company's rights under public policy to indemnify Indemnitee.

11. Duration of Agreement. All agreements and obligations of the Company contained herein shall continue during the period Indemnitee is a director, officer or member of the executive committee of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of any other Enterprise) and shall continue thereafter if and while Indemnitee shall be subject to any Proceeding (or any proceeding commenced under Section 8) by reason of his Company Position, whether or not he is acting or serving in any such capacity at the time of initiation of the Proceeding, while the Proceeding is pending or at the time any liability or expense is incurred for which indemnification can be provided under this Agreement. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives.

12. Exceptions. Notwithstanding any other provision of this Agreement, the Company shall not be obligated pursuant to the terms of this Agreement:

(a) Excluded Action or Omissions. To indemnify the Indemnitee in respect of any intentional malfeasance by the Indemnitee or any act undertaken by the Indemnitee where the Indemnitee did not in good faith believe the Indemnitee was acting in the best interests of the Company, or for any other acts, omissions or transactions from which the Indemnitee may not be relieved of liability under applicable law.

(b) Claims Initiated by Indemnitee. To indemnify or advance Expenses to Indemnitee with respect to any Proceeding initiated or brought voluntarily by Indemnitee and not by way of defense, except (i) with respect to a Proceeding to establish or enforce a right to indemnity under any agreement or insurance policy or under the Company's certificate of incorporation or Bylaws now or hereafter in effect relating to indemnification, (ii) in specific cases if the Board has approved the initiation or bringing of such Proceeding, or (iii) as otherwise required under Section 145 of the DGCL, regardless of whether such Indemnitee ultimately is determined to be entitled to such indemnification, advance expense payment or insurance recovery, as the case may be.

(c) *Lack of Good Faith*. To indemnify Indemnitee with respect to any (i) Proceeding instituted by Indemnitee as contemplated by Section 12(b)(i) or (ii) proceeding instituted by Indemnitee under Section 8 to enforce its rights under this Agreement, if a court of competent jurisdiction determines that each of the material assertions made by the Indemnitee in such proceeding was not made in good faith or was frivolous; or

(d) *Claims Under Section 16(b)*. To indemnify Indemnitee for any Expenses and disgorgement of profits arising from the purchase and sale by Indemnitee of securities in violation of Section 16(b) of the Exchange Act or any similar successor statute.

13. Enforcement.

(a) The Company expressly (i) confirms and agrees that it has entered into this Agreement and assumes the obligations imposed on it hereby in order to induce Indemnitee to serve as a director, officer or member of the executive committee of the Company and (ii) acknowledges that Indemnitee is relying upon this Agreement in serving as a director, officer or member of the executive committee of the Company.

(b) This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof.

14. Severability. If any provision or provisions of this Agreement shall be held by a court of competent jurisdiction to be invalid, void, illegal or otherwise unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; and (ii) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby. Without limiting the generality of the foregoing, this Agreement is intended to confer upon Indemnitee indemnification rights to the fullest extent permitted by applicable law. In the event any provision hereof conflicts with any applicable law, such provision shall be deemed modified, consistent with the aforementioned intent, to the extent necessary to resolve such conflict.

15. Modification and Waiver. No supplement, modification, termination or amendment of this Agreement shall be binding unless executed in writing by both parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

16. Notice By Indemnitee. Indemnitee agrees promptly to notify the Company in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter that may be subject to indemnification hereunder. The failure to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise unless and only to the extent that such failure or delay materially prejudices the Company.

17. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and received by the party to whom said notice or other communication shall have been directed, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

(a) If to Indemnitee, to the address set forth below Indemnitee's signature hereto.

(b) If to the Company, to:

Catalyst Biosciences, Inc.
611 Gateway Boulevard, Suite 120
South San Francisco, CA 94080
Attention: Interim Chief Financial Officer

or to such other address as may have been furnished to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

18. Counterparts. This Agreement may be executed in two counterparts, each of which shall for all purposes be deemed to be an original and both of which together shall constitute one and the same agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

19. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

20. Governing Law. The parties agree that this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware without application of the principles of conflicts of laws thereof.

21. Gender. Use of the masculine pronoun herein shall be deemed to include also the corresponding feminine pronoun.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on and as of the day and year first above written.

COMPANY:

CATALYST BIOSCIENCES, INC.

_____

Signature of Authorized Signatory

Print Name

_____

Title

INDEMNITEE:

_____

Signature

_____

Print Name and Title

Address: _____

[Signature Page to Indemnification Agreement]

Exhibit 99.1

Catalyst Biosciences Completes First Steps in Reverse Merger Plan

Acquires F351, a Phase 3 Drug to Treat Fibrosis

Will Acquire Controlling Interest in Continent, a China-Based Commercial Pharma Company, from the GNI Group in Subsequent Transaction

Announces $7.5 million Special Dividend and Contingent Value Right (CVR)

CBIO Stockholder Meeting Planned for 2023

CBIO to Host Conference Call Today at 8:00 a.m. E.T.

South San Francisco, California and Tokyo, Japan, December 27, 2022 (GLOBE NEWSWIRE) -- Catalyst Biosciences, Inc. (NASDAQ: CBIO) ("Catalyst") and GNI Group Ltd. (2160.T) ("GNI") today announced that the parties have signed definitive agreements for the sale and purchase of GNI's proprietary new chemical entity F351 program. F351 has shown clinical efficacy as a treatment for both liver and kidney fibrosis. In a separate independent transaction, GNI and other minority stockholders will, subject to stockholder approval and certain customary closing conditions, exchange their controlling interest in Beijing Continent ("Continent"), a commercial-stage pharmaceutical company based in China and majority-owned subsidiary of GNI, for newly issued shares of Catalyst. Catalyst will continue to trade on NASDAQ under the ticker symbol "CBIO" after both transactions.

Continent is the first marketer of pirfenidone in China for idiopathic pulmonary fibrosis, which was approved in China in 2011. Continent recorded sales of 513 million RMB ($73 million USD) in the nine months ended September 30, 2022. Continent has operated profitability during the last 5 years while funding a clinical pipeline focused on other fibrosis indications, including F351 for hepatitis B virus (HBV)-associated fibrosis and non-alcoholic steatohepatitis ("NASH").

In conjunction with these transactions, CBIO will distribute $7.5 million on January 12th as a special dividend and grant a non-transferable (CVR), each to stockholders of record on January 5th. The CVR entitles stockholders of record to future dividends associated with the monetization of Catalyst intellectual property and other assets, including additional potential cash distributions. Catalyst expects the ex-dividend date for its common stock to be January 13th. This distribution follows a previous distribution of $45 million in September 2022. The Company expects to make one or more additional distributions through the CVR in 2023.

The acquisition of F351, consummated concurrently with the execution of the definitive asset purchase agreement, provides Catalyst with the global rights to F351 (excluding Mainland China, where the rights are held by Continent) in consideration for 6,266,521 shares of common stock and 12,340 shares of a new series of preferred stock (Series X) with economic rights equivalent to Catalyst's common stock. Each share of Series X preferred stock is convertible into 10,000 shares of common stock, subject to stockholder approval under Nasdaq rules and subject to a beneficial ownership conversion blocker.

Both the conversion of the Series X preferred stock and the acquisition of a 65.18% interest in Continent will be subject to Catalyst stockholder approval, which will be sought in 2023. If the acquisition is approved by stockholders, Catalyst would issue at closing a total of up to 1,110,776,224 shares of common stock for a controlling interest in Continent, at which point Catalyst would expect to consolidate results of operations with Continent.

“The asset purchase of F351 and the subsequent business combination with Continent allows CBIO to both accelerate the return of cash to stockholders and provide additional value to our stockholders through equity ownership of Continent and a CVR for the monetization of our legacy assets,” said Nassim Usman, Ph.D., chief executive officer (CEO) of Catalyst Biosciences. “The company is continuing its efforts to monetize the legacy assets and we expect to distribute additional cash in 2023. We believe that this set of transactions creates an attractive fibrosis company with further upside for our stockholders. Continent is profitable with a robust fibrosis pipeline in various stages of development, including a Phase 3 study of F351 in HBV associated fibrosis and a Phase 2 study poised to initiate in NASH fibrosis.”

Ying Luo, Ph.D., CEO of GNI Group added, “Continent has funded its drug discovery programs in China using its own profits. We are very excited with the positive results from the F351 Phase 2 clinical study of HBV-associated liver fibrosis in China and are keenly interested in expanding the clinical development of F351 for NASH fibrosis in the U.S. This transaction enables GNI Group to accelerate the clinical development of F351.”

Leadership & Organization
Effective with the closing of the F351 acquisition, the Catalyst board will consist of three legacy Catalyst directors (Augustine Lawlor, Nassim Usman. Ph.D., and Andrea Hunt), and two directors newly designated by GNI (Ying Luo, Ph.D. and Thomas Eastling). Nassim Usman and Seline Miller will continue to serve as the Chief Executive Officer and Interim Chief Financial Officer, respectively, at least through the closing of the Continent acquisition.

About F351
F351 is a next-generation perfinidone analog in Phase 3 clinical development for the treatment of HBV associated liver fibrosis in China and the combined company expects to file an IND in the United States and commence Phase 2 studies in NASH fibrosis, an advanced form of non-alcoholic fatty liver disease (“NAFLD”) in 2023.

About the Transactions
The acquisition of the F351 intellectual property portfolio F351 is the result of an asset purchase in which Catalyst acquired from GNI affiliates all right, title and interest to F351 (including intellectual property, data and regulatory filings, but excluding intellectual property rights and related assets in Mainland China) for a combination of 6,266,521 shares of Catalyst common stock and 12,340 shares of Series X Preferred Stock (the “Preferred Stock”). Each share of Preferred Stock is convertible into 10,000 shares of common stock, subject to Catalyst stockholder approval and subject to a customary beneficial ownership conversion blocker (not to exceed 19.9%). Stockholder approval for the conversion of the Preferred Stock will be sought in conjunction with the stockholder vote for the Continent acquisition.

Catalyst will separately acquire 65.18% of Continent from GNI and certain other minority holders pursuant to a Business Combination Agreement. At closing, GNI and the minority holders will be entitled to receive in the aggregate approximately 1.11 billion shares of Catalyst common stock. Closing of the transactions contemplated under the Business Combination Agreement will be subject to Catalyst stockholder approval at a stockholder meeting expected to be held in the second quarter of 2023 and Nasdaq's approval of the listing of the shares of Catalyst Common Stock to be issued in connection with the Contributions. Following stockholder approval of the conversion the Preferred Stock and the consummation of the Continent business combination, Catalyst stockholders would own ~2.5% of the combined company which is being valued at ~$343 million following these transactions.

Raymond James is serving as exclusive financial advisor to Catalyst and Orrick, Herrington & Sutcliffe LLP is serving as legal counsel to Catalyst. Gibson, Dunn & Crutcher LLP is serving as legal counsel to GNI.

Conference Call Information
Catalyst will host a conference call today, December 27, 2022, at 8:00 a.m. E.T., to discuss the proposed transactions. The conference call may be accessed by dialing 1-877-425-9470 (United States and Canada) or 1-201-389-0878 (international) and asking to join the Catalyst conference call. Investors and interested parties may also access a live webcast of the presentation by clicking HERE. A replay of the webcast will be archived on the Catalyst website following the presentation.

About Catalyst Biosciences
Catalyst Biosciences, Inc. and its subsidiary (the "Company" or "Catalyst") is a biopharmaceutical company with expertise in protease engineering. Prior to ceasing research and development activities in March 2022, the Company had several protease assets that may address unmet medical needs in disorders of the complement or coagulation systems. The Company is exploring several strategic alternatives to monetize the Company's legacy assets and is focused on distributing its available cash, after paying or reserving for its obligations and liabilities, to stockholders. Investors and interested parties may find additional information on the Investor page of the Catalyst Biosciences website at: https://ir.catalystbiosciences.com/.

About Continent
Continent is a profitable fully-integrated specialty biopharmaceutical company with a focus in the organ fibrosis market. With global research and development capabilities, commercial-scale manufacturing facilities, a deep distribution network across China, and a sales and marketing team of 300 people, Continent is a leader in selling ETUARY (perfinidone) for the treatment of idiopathic pulmonary fibrosis (IPF). The company has a rich pipeline of potential assets, including F351 for HBV-associated liver fibrosis which is in Phase 3 study in China.

About GNI Group Ltd
GNI Group is a global multinational company publicly listed and incorporated in Japan which engages in the research, development, manufacturing and sales of pharmaceutical drugs and traditional Chinese medicines.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements (including within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended (Securities Act)) concerning Catalyst, GNI, the proposed transactions and other matters. These statements may discuss goals, intentions and expectations as to future plans, trends, events, results of operations or financial condition, or otherwise, based on current beliefs of the management of Catalyst and GNI, as well as assumptions made by, and information currently available to, management of Catalyst and GNI. Forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, and include words such as "may," "will," "should," "would," "expect," "anticipate," "plan," "likely," "believe," "estimate," "project," "intend," and other similar expressions or the negative or plural of these words, or other similar expressions that are predictions or indicate future events or prospects, although not all forward-looking statements contain these words. Statements that are not historical facts are forward-looking statements. Forward-looking statements in this communication include, but are not limited to, expectations regarding the proposed merger and financing transactions; the potential benefits and results of such transactions; the expected timing of the closing of the proposed transactions; statements regarding the potential of, and expectations regarding, GNI's programs; and the expected timing of GNI's filing of an IND for F351 in NASH. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties and are not guarantees of future performance. Actual results and the timing of events could differ materially from those anticipated in such forward-looking statements as a result of these risks and uncertainties, which include, without limitation: (i) the risk that the conditions to the closing of the Contributions are not satisfied, including the failure to timely obtain stockholder approval for the transactions contemplated by the Business Combination Agreement, if at all, and Nasdaq's approval of the listing of the shares of Catalyst Common Stock to be issued in connection with the Contributions; (ii) uncertainties as to the timing of the consummation of the proposed transactions contemplated by the Business Combination Agreement and the ability of each of Catalyst, the Contributors, the Minority Holders and CPI to consummate the proposed Contributions, as applicable; (iii) risks related to Catalyst's ability to manage its operating expenses and expenses associated with the proposed transactions contemplated by the Business Combination Agreement; (iv) risks related to the failure or delay in obtaining required approvals from any governmental or quasi-governmental entity necessary to consummate the proposed transactions contemplated by the Business Combination Agreement; (v) unexpected costs, charges or expenses resulting from the purchase of the F351 Assets or the Contributions; (vi) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the Contributions or the purchase of the F351 Assets; (vii) risks related to the inability of the combined company to obtain sufficient additional capital to continue to advance the product candidates and preclinical programs of Catalyst; and (viii) risks associated with the possible failure to realize certain anticipated benefits of the Contributions or the purchase of the F351 Assets, including with respect to future financial and operating results. The foregoing review of important factors that could cause actual events to differ from expectations should not be construed as exhaustive and should be read in conjunction with statements that are included herein and elsewhere, including the risk factors included in Catalyst's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC as well as the registration statement on Form S-4 to be filed with the SEC by Catalyst. Catalyst and GNI can give no assurance that the conditions to the proposed transactions will be satisfied. Except as required by applicable law, Catalyst and GNI undertake no obligation to revise or update any forward-looking statement, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

This press release contains hyperlinks to information that is not deemed to be incorporated by reference into this press release.

No Offer or Solicitation

This press release is not intended to and does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy or an invitation to purchase or subscribe for any securities or the solicitation of any vote in any jurisdiction pursuant to the proposed transactions or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, the public offer will not be made directly or indirectly, in or into any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, telephone and the internet) of interstate or foreign commerce, or any facility of a national securities exchange, of any such jurisdiction.

Important Additional Information Will be Filed with the SEC

In connection with the proposed transactions between Catalyst and GNI, Catalyst intends to file relevant materials with the SEC, including a registration statement on Form S-4 that will contain a proxy statement/prospectus of Catalyst. CATALYST AND GNI URGE INVESTORS AND STOCKHOLDERS TO READ THESE MATERIALS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT CATALYST, GNI, THE PROPOSED TRANSACTIONS AND RELATED MATTERS. Investors and stockholders will be able to obtain free copies of the proxy statement/prospectus and other documents filed by Catalyst with the SEC (when they become available) through the website maintained by the SEC at www.sec.gov. In addition, investors and stockholders will be able to obtain free copies of the proxy statement/prospectus and other documents filed by Catalyst with the SEC by contacting Catalyst Biosciences Inc. at investors@catbio.com. Investors and stockholders are urged to read the proxy statement/prospectus and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed transactions.

Participants in the Solicitation
Catalyst, GNI and their respective directors and executive officers may be considered participants in the solicitation of proxies in connection with the proposed transactions. Information about Catalyst's directors and executive officers is included in Catalyst's most recent Annual Report on Form 10-K, including any information incorporated therein by reference, as filed with the SEC, and the proxy statement for Catalyst's 2022 annual meeting of stockholders. Additional information regarding the persons who may be deemed participants in the solicitation of proxies will be included in the proxy statement/prospectus relating to the proposed transactions when it is filed with the SEC. These documents can be obtained free of charge from the sources indicated above.

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Nasdaq: CBIO

CATALYST BIOSCIENCES

Corporate Presentation

27 December 2022

CatalystBiosciences.com

Forward-looking statements

This presentation contains forward-looking statements that involve substantial risks and uncertainties. Forward-looking statements include, without limitation, the amount and timing of planned cash distributions under the CVR; expectations regarding the proposed transactions; the potential benefits and results of such transactions; the expected timing of the closing of the proposed transactions; and statements regarding the potential of, and expectations regarding, GNI's programs; and the expected development of F351 in NASH. Actual results or events could differ materially from the plans, intentions, expectations, and projections disclosed in the forward-looking statements. Various important factors could cause actual results or events to differ materially, including, but not limited to, the risks that Catalyst's obligations and liabilities will be greater than anticipated, that the proposed transactions will not result in anticipated benefits, the risk that Catalyst will not be able to sell other legacy assets, and other risks described in the "Risk Factors" section of the Company's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC as well as the registration statement on Form S-4 to be filed with the SEC by Catalyst. The Company does not assume any obligation to update any forward-looking statements, except as required by law.

Catalyst Biosciences Completes First Steps in Reverse Merger Plan

Acquires F351, a Phase 3 Drug to Treat Fibrosis

Will Acquire Controlling Interest in Beijing Continent ("Continent"), a China-Based Commercial Pharma Company, from the GNI Group in Subsequent Transaction

Announces $7.5 million Special Dividend and Contingent Value Right (CVR)

CBIO Stockholder Meeting Planned for 2023

CBIO 2022 Corporate Strategy

Monetize our assets & distribute cash to our stockholders

+ Engaged Perella Weinberg Partners to Explore Strategic Alternatives (February)
+ Sold Complement Portfolio for $60 Million (May)
+ Announced Plan to Distribute up to $65 Million Cash to Stockholders (June)
+ Paid first Special Dividend of $45 Million (September)

27 December 2022

+ Announced Asset Purchase of fibrosis asset F351 & definitive agreement to acquire controlling interest of Continent, a commercial fibrosis company resulting in:
  - Total equity value to CBIO shareholders of $8.5M in a profitable fibrosis company with further upside in new indications and F351 in NASH and other fibrotic diseases
  - Payment of a second Special Dividend of $7.5M
  - CVR of >$5M: Vertex 2023 payment + residual cash post-transaction closing >$1M + potential value for legacy assets

GNI & Continent Asset Purchase & Business Combination

Generating further value for stockholders

Structure

+ CBIO to acquire (i) GNI's global rights (excluding Mainland China) to the F351 platform, and (ii) a ~65% controlling interest in Continent, from the GNI group and certain other investors
+ The acquisition was split into two transactions

Deal Consideration

+ CBIO acquired the F351 assets for $35 million of value consisting of (i) CBIO common stock equal to 19.9% of shares outstanding, and (ii) a new class of non-voting preferred stock (with conversion subject to CBIO stockholder approval). Assuming CBIO stockholder approval is obtained, GNI's aggregate voting ownership will equal ~80.5% of the CBIO's then-outstanding voting shares.
+ CBIO then will acquire GNI's controlling interest in Continent for $300 million of value consisting of CBIO common stock. After this second closing, the aggregate voting ownership of the GNI group will equal ~97.5% of the CBIO's then-outstanding voting shares.

GNI & Beijing Continent Asset Purchase & Business Combination

Generating further value for stockholders

CBIO legacy stockholders are expected to:

+ Hold ~2.5% of $343 million total value = $8.5 Million
+ Receive an immediate cash distribution of ~$7.5 million
+ Receive a Contingent Value Right

The CVR entitles holders to receive:

+ Net proceeds from any potential future sale of CBIO's legacy assets
+ Net cash in excess of $1 million as of the closing of the Continent interest acquisition in 2023
+ Net cash received from Vertex up to $5M in 2023

GNI & Beijing Continent Asset Purchase & Business Combination

Generating further value for stockholders

Timelines

+ The F351 APA was signed and closed simultaneously today with the conversion of the preferred stock issued in the transaction to be approved by CBIO stockholders in 2023
+ The Continent business combination agreement was signed concurrently with the F351 APA, but will only close after CBIO stockholders approve the transaction in 2023

Governance

+ Upon the simultaneous signing & closing of the F351 APA, the CBIO Board will consist of five directors. GNI will appoint two directors, Ying Luo, Ph.D. and Thomas Eastling, and the remaining three seats will be held by Andrea Hunt, Augustine Lawlor, and Nassim Usman, Ph.D.
+ Nassim Usman, Ph.D. and Seline Miller will remain as President & CEO and Interim CFO respectively through at least the closing of the Continent transaction

CBIO Summary

Generating further value for stockholders

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Thank you

Nasdaq: CBIO

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