

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 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 17, 2024

**CARA THERAPEUTICS, INC.**  
(Exact name of registrant as specified in its charter)

Delaware  
(state or other jurisdiction  
of incorporation)

001-36279  
(Commission  
File Number)

75-3175693  
(I.R.S. Employer  
Identification No.)

400 Atlantic Street  
Suite 500  
Stamford, CT  
(Address of principal executive offices)

06901  
(Zip Code)

Registrant's telephone number, including area code: (203) 406-3700

Not applicable  
(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	Name of each exchange on which registered
Common Stock, \$0.001 par value per share	CARA	The Nasdaq Capital Market

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.**

*Merger Agreement*

On December 17, 2024, Cara Therapeutics, Inc., a Delaware corporation (“Cara”), entered into an Agreement and Plan of Merger and Reorganization (the “Merger Agreement”) with Tvardi Therapeutics, Inc., a Delaware corporation (“Tvardi”), a clinical-stage biopharmaceutical company focused on the development of novel, oral, small molecule therapies targeting STAT3 to treat fibrosis-driven diseases with significant unmet need, and CT Convergence Merger Sub Inc., a Delaware corporation and wholly-owned subsidiary of Cara (“Merger Sub”). Upon the terms and subject to the satisfaction of the conditions described in the Merger Agreement, Merger Sub will be merged with and into Tvardi, with Tvardi surviving as a wholly-owned subsidiary of Cara (the “Merger”). The Merger is intended to qualify as a tax-free reorganization for U.S. federal income tax purposes.

At the effective time of the Merger (the “Effective Time”): (i) each share of common stock of Tvardi outstanding immediately prior to the Effective Time (including each share of common stock issuable upon conversion of all shares of preferred stock of Tvardi prior to the Merger), \$0.001 par value per share (the “Tvardi Common Stock”) (excluding shares of Tvardi Common Stock held (a) as treasury stock by Tvardi, (b) by Cara, Merger Sub, or any subsidiary of Cara or (c) as dissenting shares of Tvardi Common Stock), will be automatically converted into the right to receive a number of shares of Cara, \$0.001 par value per share (the “Cara Common Stock”), equal to the Exchange Ratio (as defined in the Merger Agreement), with any fractional shares cashed out and (ii) the outstanding convertible promissory notes (the “Convertible Notes”) of Tvardi in an aggregate principal amount of approximately \$28 million as of the date of the Merger Agreement will (as further adjusted based on the amount of interest accrued on the Convertible Notes) be automatically converted into shares of Cara Common Stock pursuant to the terms of the Convertible Notes.

Cara will assume the Tvardi 2018 Stock Incentive Plan (the “Tvardi Plan”) and all outstanding and unexercised options to purchase shares of Tvardi Common Stock (each a “Tvardi Option”), whether or not vested, in accordance with the terms of the Tvardi Plan. At the Effective Time, each such Tvardi Option will be converted into an option to purchase shares of Cara Common Stock based on the Exchange Ratio in accordance with the terms of the Tvardi Plan and the terms of the stock option agreement by which such Tvardi Option is evidenced.

At the Effective Time, the pre-Merger equityholders of Cara are expected to hold approximately 15.25% of the shares of Cara Common Stock, the pre-Merger equityholders of Tvardi are expected to hold approximately 12.54% of the shares of Cara Common Stock and the holders of the Convertible Notes are expected to hold approximately 72.21% of the shares of Cara Common Stock, in each case, on a fully diluted basis, using the treasury stock method, and subject to certain assumptions, including an anticipated closing date of the Merger (the “Closing” and such date, the “Closing Date”) of March 31, 2025, Cara’s net cash (“Cara Net Cash”) as of the Closing being between \$22.875 million and \$23.125 million and principal on the Convertible Notes of \$28 million (with interest accrued through the Closing Date). The percentage of the combined company that each party’s equity holders will own following the Closing is subject to certain adjustments as described in the Merger Agreement, including the amount of Cash at Closing.

Following the Closing, Imran Alibhai, Ph.D., the Chief Executive Officer of Tvardi, will serve as the President and Chief Executive Officer of the combined company, Dan Conn, J.D., M.B.A, the Chief Financial Officer of Tvardi, will serve as the Chief Financial Officer of the combined company, John Kauh, M.D., the Chief Medical Officer of Tvardi, will serve as the Chief Medical Officer of the combined company, Jeffrey Larson, Ph.D., DABT, the Senior Vice President, Research & Development of Tvardi, will serve as the Senior Vice President, Research & Development of the combined company and Yixin “Joseph” Chen, Ph.D., the Vice President, Chemistry, Manufacturing and Controls of Tvardi, will serve as the Vice President, Chemistry, Manufacturing and Controls of the combined company. Additionally, following the Closing, the board of directors of the combined company will consist of seven directors and will be comprised of six members designated by Tvardi (including Sujal Shah, the current Chairman of the Tvardi board of directors, Imran Alibhai, Ph.D., Wallace Hall, Shaheen Wirk, M.D. and Michael Wyzga each of whom are current members of the Tvardi board of directors), one vacancy and one member to be designated by Cara prior to Closing. In connection with the Closing, Christopher Posner, Ryan Maynard and Scott Terrillion are expected to cease to be the officers of the Company and the existing Cara directors not remaining with the combined company are expected to tender their resignations from the board of directors of the Company.

---

The Merger Agreement contains representations and warranties of the parties regarding their respective businesses. The Merger Agreement also contains certain covenants made by each of Tvardi and Cara, including non-solicitation restrictions binding each party and its representatives and restrictions on the operation of each party's business between the date of the Merger Agreement and the Closing.

In connection with the Merger, Cara will prepare and file a registration statement on Form S-4, which will contain a proxy statement and prospectus, to register the shares issued pursuant to the Merger Agreement (the "Form S-4") and will mail the proxy statement and prospectus to seek the approval of Cara's stockholders to (i) approve the issuance of the shares of Cara Common Stock and other securities of Cara pursuant to the Merger which will represent (or be convertible into) more than 20% of the shares of Cara Common Stock outstanding immediately prior to the Merger, and the change of control of Cara resulting from the Merger, pursuant to Nasdaq Listing Rules 5635(a) and (b), (ii) to approve the Tvardi 2025 Equity Incentive Plan, (iii) to approve the Tvardi 2025 Employee Stock Purchase Plan, (iv) to approve an amendment to the Cara amended and restated certificate of incorporation to effect a reverse stock split of Cara Common Stock at a ratio to be mutually agreed upon by Cara and Tvardi, (v) to approve an amendment to the Cara amended and restated certificate of incorporation to increase the number of authorized shares of Cara Common Stock and (vi) such other matters as may be agreed by the parties prior to the filing of the Form S-4 (the "Cara Stockholder Matters").

Should the Cara Board of Directors make a Parent Board Adverse Recommendation Change (as defined in the Merger Agreement) as a result of a Superior Offer (as defined in the Merger Agreement), the Cara Board of Directors remains obligated to hold a stockholder vote on the Merger Agreement and may not terminate the Merger Agreement in order to enter into an agreement with respect to such Superior Offer.

The Closing is subject to certain mutual closing conditions, including: (i) no order preventing the Merger and the other transactions and actions contemplated by the Merger Agreement having been issued and remaining in effect and there being no law which has the effect of making the consummation of Merger and the other transactions and actions contemplated by the Merger Agreement illegal; (ii) the required approvals by the parties' stockholders having been obtained; (iii) the existing shares of Cara Common Stock having been continually listed on Nasdaq and the shares of Cara Common Stock to be issued in the Merger being approved for listing on Nasdaq (subject to official notice of issuance); (iv) the Form S-4 having become effective in accordance with the Securities Act of 1933, as amended (the "Securities Act") and (v) a determination pursuant to the Merger Agreement that Cara Net Cash will be at least \$18.0 million as of the Closing. The Closing is also subject to other customary closing conditions of each party, including: (i) the accuracy of each party's representations and warranties, subject to applicable materiality qualifications; (ii) compliance by each party with its covenants in all material respects, respectively; and (iii) no continuing Tvardi material adverse effect or Cara material adverse effect, respectively.

The Merger Agreement contains certain termination rights of each of Tvardi and Cara. Upon termination of the Merger Agreement in certain circumstances, a termination fee of \$2.25 million may be payable by a party, including (i) where such party's board of directors changes or withdraws its recommendation in favor of the Merger or recommends to enter into an alternative transaction and (ii) in certain circumstances where such party enters into a Subsequent Transaction (as defined in the Merger Agreement) within 12 months of the termination of the Merger Agreement, to the other party. Tvardi and Cara have also agreed to reimburse the other party for up to \$750,000 in expenses, as applicable, if the Merger Agreement is terminated in certain circumstances.

#### *Support Agreements*

Concurrently with the execution of the Merger Agreement, the executive officers and directors of Cara holding approximately 1.0% of the outstanding Cara Common Stock entered into support agreements (the "Cara Support Agreements") in favor of Tvardi, providing among other things, that such officers, directors and stockholders will vote all of their shares of Cara Common Stock, among other things: (i) in favor of adopting the Merger Agreement and approving the Merger, the Cara Stockholder Matters and the other transactions and actions contemplated by the Merger Agreement, (ii) against any proposal made in opposition to, or in competition with, the Merger Agreement or the Merger and (iii) against any acquisition proposal involving a third party.

---

Concurrently with the execution of the Merger Agreement, the executive officers, directors and certain stockholders of Tvardi holding approximately 97% of the outstanding Tvardi capital stock entered into support agreements (the "Tvardi Support Agreements") in favor of Cara, providing among other things, that such executive officers, directors and stockholders vote all of their shares of Tvardi capital stock, among other things: (i) in favor of adopting the Merger Agreement and approving the Merger, the Company Stockholder Matters (as defined in the Merger Agreement) and the other transactions and actions contemplated by the Merger Agreement, (ii) against any proposal made in opposition to, or in competition with, the Merger Agreement or the Merger and (iii) against any acquisition proposal involving a third party.

#### *Lock-Up Agreements*

Concurrently with the execution of the Merger Agreement, certain executive officers, directors and stockholders of Tvardi entered into lock-up agreements (the "Lock-Up Agreements"), pursuant to which such persons accepted certain restrictions on transfers of the shares of Cara Common Stock held by such persons for the 180-day period following the Effective Time. In addition, the Cara designee to the board of directors of the combined company is expected to enter into a Lock-Up Agreement prior to the Closing.

The foregoing descriptions of the Merger Agreement, the form of Cara Support Agreement, form of the Tvardi Support Agreement and the form of Lock-Up Agreement (collectively, the "Agreements"), are not complete and are qualified in their entirety by reference to those Agreements, which are filed as Exhibits 2.1, 10.1, 10.2 and 10.3, respectively, to this Current Report on Form 8-K and incorporated herein by reference. In particular, the assertions embodied in the representations and warranties contained in the Merger Agreement are qualified by information in confidential disclosure schedules provided by each of Cara and Tvardi in connection with the signing of the Merger Agreement. These confidential disclosure schedules contain information that modifies, qualifies and creates exceptions to the representations and warranties and certain covenants set forth in the Merger Agreement. Moreover, certain representations and warranties in the Agreements were used for the purpose of allocating risk between the parties thereto rather than establishing matters as facts. Accordingly, the representations and warranties may not describe the actual state of affairs at the date they were made or at any other time, and investors should not rely on them as statements of fact.

#### *Asset Purchase Agreement*

On December 17, 2024, Cara and its subsidiary Cara Royalty Sub, LLC ("Royalty Sub" and together with Cara, each, a "Seller" and together, the "Sellers") entered into an Asset Purchase Agreement (the "APA") with Vifor Fresenius Medical Care Renal Pharma, Ltd., a majority-owned, indirect subsidiary of CSL Limited ("CSL Vifor"), pursuant to which, at the consummation of the transaction, Sellers will sell to CSL Vifor and CSL Vifor will acquire from Sellers certain assets and rights for the development, manufacture and commercialization of difelikefalin as well as certain associated liabilities (the "Asset Disposition") for a purchase price of \$900,000 (subject to certain adjustments with respect to inventory). Pursuant to the APA, in connection with the consummation of the Asset Disposition, CSL Vifor and HCR (as defined below) have entered into a letter agreement with Cara providing that CSL Vifor and HCR will, subject to the satisfaction of conditions to closing under the APA, enter into an amended and restated purchase agreement to amend and replace the existing Purchase and Sale Agreement, dated as of November 1, 2023 (as amended, the "Original HCR Agreement"), by and among Royalty Sub, HCRX Investments HoldCo, L.P. ("HCRX") and HealthCare Royalty Partners IV, L.P. ("HCR IV" and together with HCRX, "HCR"). Upon entering into the amended and restated purchase agreement, effective as of the closing of the Asset Disposition: (i) CSL Vifor will be obligated to make certain payments to HCR from and after the date thereof relating to certain revenue and/or royalties from difelikefalin, (ii) each of the Contribution Agreement, the License Agreement and the Pledge Agreement (each as defined in the Original HCR Agreement) shall be terminated, and (iii) Sellers shall have no further payment or other obligations to HCR under the Original HCR Agreement. Additionally, pursuant to the APA, at the consummation of the Asset Disposition, Cara has agreed to pay CSL Vifor \$3,000,000 to compensate CSL Vifor for the estimated incremental future expenses to be incurred by CSL Vifor as a result of the transfer of the assets to be acquired and the liabilities to be assumed by it in connection with the Asset Disposition.

The Asset Disposition is subject to certain conditions to closing, including either (i) the consummation of the Merger concurrently with the Asset Disposition or (ii) the receipt of the requisite stockholder approval needed to approve the Asset Disposition in the event that the Merger is terminated. Other conditions to closing include there being no preliminary or permanent injunctions prohibiting the Asset Disposition, there being no proceedings pending by a governmental authority seeking to enjoin the Asset Disposition and Sellers receiving certain required third party consents in connection with the Asset Disposition.

---

The APA provides for certain termination rights of Sellers and CSL Vifor, including the right of either CSL Vifor or Cara to terminate the APA if (a) there is a permanent and nonappealable prohibition on the consummation of the Asset Disposition, (b) the Asset Disposition has not occurred by June 30, 2025 (which date shall be automatically extended in one-month increments until October 30, 2025 in certain instances if the Merger is not closed by June 30, 2025) or (c) if a meeting of Cara's stockholders has been held for the stockholders to consider and vote upon the APA and the Asset Disposition and the stockholders have not voted in favor of adopting the APA and approving the Asset Disposition at such stockholder meeting. Either party may also terminate the APA if the other party breaches its obligations under the APA in certain instances and subject to customary cure protections.

The APA contains representations, warranties, and covenants of the parties, including, among others, a covenant that requires (i) Sellers to operate their business in the ordinary course during the period between the execution of the APA and consummation of the Asset Disposition and to not engage in certain kinds of activities or transactions during such period (subject to either prior consent of CSL Vifor or customary limited exceptions), (ii) the parties to use their reasonable best efforts to complete certain transition steps in connection with the consummation of the Asset Disposition, and (iii) Sellers to use their commercially reasonable efforts to obtain any needed consents and provide any needed notices in connection with the Asset Disposition.

The foregoing description of the APA and the Asset Disposition and related transactions does not purport to be complete and is qualified in its entirety by reference to the APA, which is filed as Exhibit 10.4 to this Current Report on Form 8-K, and is incorporated into this report by reference.

Except for its status as a contractual document that establishes and governs the legal relations between the parties with respect to the transactions described above, the APA is not intended to be a source of factual, business or operational information about the parties. Representations and warranties may be used as a tool to allocate risks between the parties to the APA, including where the parties do not have complete knowledge of all facts, instead of establishing these matters as facts. Furthermore, they may be subject to standards of materiality applicable to the contracting parties, which may differ from those applicable to investors. The assertions embodied in such representations and warranties are qualified by information contained in disclosure schedules that the parties exchanged in connection with signing the APA. Accordingly, investors and security holders should not rely on such representations and warranties as characterizations of the actual state of facts or circumstances, because they were only made as of the date of the APA and are modified in important part by the underlying disclosure schedules in the APA. Moreover, information concerning the subject matter of such representations and warranties may change after the date of the APA, which subsequent information may or may not be fully reflected in Cara's public disclosures.

**Item 5.01. Changes in Control of Registrant.**

To the extent required by this Item, the information included in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

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

To the extent required by this Item, the information included in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

**Item 8.01 Other Events.**

On December 18, 2024, Cara and Tvardi issued a joint press release announcing the execution of the Merger Agreement. The press release is filed as Exhibit 99.1 to this Current Report on Form 8-K.

---

Also, on December 18, 2024, Cara posted a Tvardi investor presentation relating to the Merger on its website at <https://www.caratherapeutics.com>. This presentation is furnished as Exhibit 99.2 to this Current Report on Form 8-K.

Notwithstanding the foregoing, information contained on Cara's website and the websites of Tvardi or any of its affiliates referenced in Exhibit 99.1 or 99.2 or linked therein or otherwise connected thereto does not constitute part of, nor is it incorporated by reference into, this Current Report on Form 8-K.

*Cautionary Statement Regarding Forward-Looking Statements*

Certain statements contained in this Current Report on Form 8-K regarding matters that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Examples of these forward-looking statements include statements concerning the anticipated completion and effects of the proposed Merger and Asset Disposition and related timing, Tvardi's and the combined company's planned clinical programs, including planned clinical trials and the timing for anticipated trial results, the potential of Tvardi's product candidates, the expected trading of the combined company's stock on the Nasdaq Capital Market, management of the combined company and other statements regarding management's intentions, plans, beliefs, expectations or forecasts for the future, and, therefore, you are cautioned not to place undue reliance on them.

Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. These forward-looking statements are subject to a number of risks, including, among other things: the risk that the conditions to the closing of the Merger are not satisfied, including that the approval of the stockholders of Cara is not obtained on the timeline expected, if at all; uncertainties as to the timing of the closing of the Merger and the ability of each of Tvardi and Cara to consummate the Merger; risks related to the ability of Tvardi and Cara to correctly estimate and manage their respective operating expenses and expenses associated with the Merger pending the closing of the Merger; risks associated with the possible failure to realize certain anticipated benefits of the Merger, including with respect to future financial and operating results; the potential for the occurrence of any event, change or other circumstance or condition that could give rise to the termination of the Merger and any agreements entered into in connection therewith; the possible effect of the announcement, pendency or completion of the Merger on Tvardi's or Cara's business relationships, operating results and business generally; the risk that as a result of adjustments to the exchange ratio, Tvardi stockholders and Cara stockholders could own more or less of the combined company than is currently anticipated; risks related to the market price of Cara's common stock relative to the value suggested by the exchange ratio; unexpected costs, charges or expenses resulting from the Merger; the uncertainties associated with Tvardi's product candidates, as well as risks associated with the clinical development and regulatory approval of product candidates, including potential delays in the completion of clinical trials; the significant net losses each of Cara and Tvardi has incurred since inception; the combined company's ability to initiate and complete ongoing and planned preclinical studies and clinical trials and advance its product candidates through clinical development; the timing of the availability of data from the combined company's clinical trials; the outcome of preclinical testing and clinical trials of the combined company's product candidates, including the ability of those trials to satisfy relevant governmental or regulatory requirements; the combined company's plans to research, develop and commercialize its current and future product candidates; the clinical utility, potential benefits and market acceptance of the combined company's product candidates; the requirement for additional capital to continue to advance these product candidates, which may not be available on favorable terms or at all; the combined company's ability to attract, hire, and retain skilled executive officers and employees; the combined company's ability to protect its intellectual property and proprietary technologies; the combined company's reliance on third parties, contract manufacturers, and contract research organizations; the possibility that Tvardi, Cara or the combined company may be adversely affected by other economic, business, or competitive factors; risks associated with changes in applicable laws or regulations; those factors discussed in Cara's filings with the Securities and Exchange Commission, including the "Risk Factors" section of the Company's Annual Report on Form 10-K for the year ending December 31, 2023, and its other documents subsequently filed with or furnished to the Securities and Exchange Commission, including its Form 10-Q for the quarter ended September 30, 2024. All forward-looking statements contained in this Current Report on Form 8-K speak only as of the date on which they were made. Cara undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made, except as required by law.

---

*Additional Information and Where to Find It*

In connection with the proposed transaction between Cara and Tvardi, Cara intends to file relevant materials with the SEC, including a registration statement on Form S-4 that will contain a proxy statement and prospectus. CARA URGES INVESTORS AND STOCKHOLDERS TO READ THESE MATERIALS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT CARA, TVARDI, THE PROPOSED TRANSACTION AND RELATED MATTERS. Stockholders will be able to obtain free copies of the proxy statement, prospectus and other documents filed by Cara with the SEC (when they become available) through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition, stockholders will be able to obtain free copies of the proxy statement, prospectus and other documents filed by Cara with the SEC by contacting Investor Relations by email at [investor@caratherapeutics.com](mailto:investor@caratherapeutics.com). 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 transaction.

*Participants in the Solicitation*

Cara and Tvardi, and each of their respective directors and executive officers and certain of their other members of management and employees, may be deemed to be participants in the solicitation of proxies in connection with the proposed transaction. Information about Cara's directors and executive officers, consisting of Helen M. Boudreau, Jeffrey L. Ives, Ph.D., Christopher Posner, Susan Shiff, Ph.D., Martin Vogelbaum, Lisa von Moltke, M.D., Ryan Maynard and Scott Terrillion, including a description of their interests in Cara, by security holdings or otherwise, can be found under the captions, "Security Ownership of Certain Beneficial Owners and Management," "Executive Compensation" and "Director Compensation" contained in the definitive proxy statement on Schedule 14A for Cara's 2024 annual meeting of stockholders, filed with the SEC on April 22, 2024 (the "2024 Cara Proxy Statement"). To the extent that Cara's directors and executive officers and their respective affiliates have acquired or disposed of security holdings since the applicable "as of" date disclosed in the 2024 Cara Proxy Statement, such transactions have been or will be reflected on Statements of Change in Beneficial Ownership on Form 4 filed with the SEC. Additional information regarding the persons who may be deemed participants in the proxy solicitation, including the information about the directors and executive officers of Tvardi, and a description of their direct and indirect interests, by security holdings or otherwise, will also be included in a registration statement filed on Form S-4 that will contain a proxy statement (and prospectus and other relevant materials) to be filed with the SEC when they become available. Investors should read the registration statement, proxy statement/prospectus and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed transaction. These documents can be obtained free of charge from the sources indicated above.

*Non-Solicitation*

This Current Report on Form 8-K shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No public offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

---

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<b>Exhibit No.</b>	<b>Description</b>
<a href="#">2.1*</a>	<a href="#">Agreement and Plan of Merger and Reorganization, dated December 17, 2024, by and among Cara Therapeutics, Inc., CT Convergence Merger Sub, Inc. and Tvardi Therapeutics, Inc.</a>
<a href="#">10.1</a>	<a href="#">Form of Cara Therapeutics, Inc. Stockholder Support Agreement, dated December 17, 2024</a>
<a href="#">10.2</a>	<a href="#">Form of Tvardi Therapeutics, Inc. Stockholder Support Agreement, dated December 17, 2024</a>
<a href="#">10.3</a>	<a href="#">Form of Lock-Up Agreement, dated December 17, 2024</a>
<a href="#">10.4*</a>	<a href="#">Asset Purchase Agreement, dated December 17, 2024, by and among Cara Therapeutics, Inc. Cara Royalty Sub, LLC and Vifor Fresenius Medical Care Renal Pharma, Ltd.</a>
<a href="#">99.1</a>	<a href="#">Joint Press Release of Cara Therapeutics, Inc. and Tvardi Therapeutics, Inc. issued on December 18, 2024 (furnished herewith)</a>
<a href="#">99.2</a>	<a href="#">Investor Presentation</a>
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) or 601(b)(2) of Regulation S-K, as applicable. The registrant hereby undertakes to furnish supplementally copies of any of the omitted exhibits and schedules upon request by the SEC; provided, however, that the registrant may request confidential treatment pursuant to Rule 24b-2 under the Exchange Act for any exhibits or schedules so furnished.



**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.

**CARA THERAPEUTICS, INC.**

By: /s/ Ryan Maynard  
Ryan Maynard  
Chief Financial Officer

Dated: December 18, 2024

---

**AGREEMENT AND PLAN OF MERGER  
AND REORGANIZATION**

among:

**CARA THERAPEUTICS, INC.**  
a Delaware corporation;

**CT CONVERGENCE MERGER SUB, INC.,**  
a Delaware corporation; and

**TVARDI THERAPEUTICS, INC.**  
a Delaware corporation

Dated as of December 17, 2024

---

TABLE OF CONTENTS

		<u>Page</u>
<b>Section 1.</b>	DESCRIPTION OF TRANSACTION	2
	1.1 The Merger	2
	1.2 Effects of the Merger	2
	1.3 Closing; Effective Time	2
	1.4 Certificate of Incorporation and Bylaws; Directors and Officers	3
	1.5 Conversion of Shares	4
	1.6 Calculation of Parent Net Cash	5
	1.7 Closing of the Company's Transfer Books	6
	1.8 Surrender of Certificates	7
	1.9 Appraisal Rights	8
	1.10 Further Action	9
	1.11 Withholding	9
<b>Section 2.</b>	REPRESENTATIONS AND WARRANTIES OF THE COMPANY	9
	2.1 Due Organization; Subsidiaries	9
	2.2 Organizational Documents	10
	2.3 Authority; Binding Nature of Agreement	10
	2.4 Vote Required	10
	2.5 Non-Contravention; Consents	10
	2.6 Capitalization	11
	2.7 Financial Statements	13
	2.8 Absence of Changes	14
	2.9 Absence of Undisclosed Liabilities	14
	2.10 Title to Assets	15
	2.11 Real Property; Leasehold	15
	2.12 Intellectual Property	15
	2.13 Agreements, Contracts and Commitments	18
	2.14 Compliance; Permits; Restrictions	20
	2.15 Legal Proceedings; Orders	21
	2.16 Tax Matters	21
	2.17 Employee and Labor Matters; Benefit Plans	24
	2.18 Environmental Matters	27
	2.19 Insurance	28
	2.20 No Financial Advisors	28
	2.21 Disclosure	28
	2.22 Transactions with Affiliates	28
	2.23 Anti-Bribery	29
	2.24 Disclaimer of Other Representations or Warranties	29
<b>Section 3.</b>	REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB	29
	3.1 Due Organization; Subsidiaries	30
	3.2 Organizational Documents	30

3.3	Authority; Binding Nature of Agreement	31
3.4	Vote Required	31
3.5	Non-Contravention; Consents	31
3.6	Capitalization	33
3.7	SEC Filings; Financial Statements	34
3.8	Absence of Changes	36
3.9	Absence of Undisclosed Liabilities	36
3.10	Title to Assets	36
3.11	Real Property; Leasehold	37
3.12	Intellectual Property	37
3.13	Agreements, Contracts and Commitments	40
3.14	Compliance; Permits; Restrictions	41
3.15	Legal Proceedings; Orders	43
3.16	Tax Matters	43
3.17	Employee and Labor Matters; Benefit Plans	45
3.18	Environmental Matters	49
3.19	Transactions with Affiliates	50
3.20	Insurance	50
3.21	No Financial Advisors	50
3.22	Disclosure	50
3.23	Anti-Bribery	51
3.24	Valid Issuance	51
3.25	Opinion of Financial Advisor	51
3.26	Disclaimer of Other Representations or Warranties	51
<b>Section 4.</b>	<b>CERTAIN COVENANTS OF THE PARTIES</b>	<b>51</b>
4.1	Operation of Parent's Business	51
4.2	Operation of the Company's Business	54
4.3	Access and Investigation	56
4.4	Parent Non-Solicitation	57
4.5	Company Non-Solicitation	58
4.6	Notification of Certain Matters	59
4.7	Potentially Transferable Assets	60
<b>Section 5.</b>	<b>ADDITIONAL AGREEMENTS OF THE PARTIES</b>	<b>61</b>
5.1	Registration Statement; Proxy Statement	61
5.2	Company Information Statement; Stockholder Written Consent	62
5.3	Parent Stockholders' Meeting	64
5.4	Regulatory Approvals	67
5.5	Company Options	67
5.6	Indemnification of Officers and Directors	68
5.7	Additional Agreements	70
5.8	Public Announcement	70
5.9	Listing	71
5.10	Tax Matters	71
5.11	Directors and Officers	72
5.12	Termination of Certain Agreements and Rights	73

5.13	Section 16 Matters	73
5.14	Cooperation	73
5.15	Allocation Certificate; Parent Outstanding Shares Certificate	73
5.16	Company Financial Statements	74
5.17	Takeover Statutes	74
5.18	Stockholder Litigation	74
5.19	Equity Plans	75
5.20	Parent SEC Documents	75
5.21	Parent Options and RSUs	75
<b>Section 6.</b>	<b>CONDITIONS PRECEDENT TO OBLIGATIONS OF EACH PARTY</b>	75
6.1	No Restraints	75
6.2	Stockholder Approval	76
6.3	Listing	76
6.4	Effectiveness of Registration Statement	76
6.5	Parent Net Cash Determination	76
<b>Section 7.</b>	<b>ADDITIONAL CONDITIONS PRECEDENT TO OBLIGATIONS OF PARENT AND MERGER SUB</b>	76
7.1	Accuracy of Representations	76
7.2	Performance of Covenants	77
7.3	Documents	77
7.4	FIRPTA Certificate	77
7.5	No Company Material Adverse Effect	77
7.6	Termination of Investor Agreements	77
7.7	Company Lock-Up Agreements	77
<b>Section 8.</b>	<b>ADDITIONAL CONDITIONS PRECEDENT TO OBLIGATION OF THE COMPANY</b>	78
8.1	Accuracy of Representations	78
8.2	Performance of Covenants	78
8.3	Documents	78
8.4	No Parent Material Adverse Effect	79
8.5	Parent Net Cash	79
8.6	Termination of Contracts	79
8.7	Parent Lock-Up Agreements	79
<b>Section 9.</b>	<b>TERMINATION</b>	79
9.1	Termination	79
9.2	Effect of Termination	81
9.3	Expenses; Termination Fees	81
<b>Section 10.</b>	<b>MISCELLANEOUS PROVISIONS</b>	84
10.1	Non-Survival of Representations and Warranties	84
10.2	Amendment	84
10.3	Waiver	85

10.4	Entire Agreement; Counterparts; Exchanges by Electronic Transmission	85
10.5	Applicable Law; Jurisdiction; WAIVER OF JURY TRIAL	85
10.6	Attorneys' Fees	86
10.7	Assignability	86
10.8	Notices	86
10.9	Cooperation	87
10.10	Severability	87
10.11	Other Remedies; Specific Performance	87
10.12	No Third Party Beneficiaries	87
10.13	Construction	88
10.14	Defined Terms Defined Elsewhere	89

**Exhibits:**

Exhibit A	Certain Definitions
Exhibit B-1	Form of Company Stockholder Support Agreement
Exhibit B-2	Form of Parent Stockholder Support Agreement
Exhibit C-1	Form of Company Lock-Up Agreement
Exhibit C-2	Form of Parent Lock-Up Agreement
Exhibit D	Form of Company Stockholder Written Consent
Exhibit E	Form of 2025 Equity Incentive Plan
Exhibit F	Form of 2025 Employee Stock Purchase Plan
Exhibit G	Form of CSL Asset Purchase Agreement

**Schedules:**

Schedule A	Company Signatories
Schedule I	Exchange Ratio
Schedule II	Parent Net Cash
Schedule 5.6(a)	Indemnification Agreements
Schedule 5.11	Directors and Officers
Schedule 5.12(a)	Investor Agreements
Schedule 5.12(b)	Specified Parent Contracts

**AGREEMENT AND PLAN OF MERGER AND REORGANIZATION**

**THIS AGREEMENT AND PLAN OF MERGER AND REORGANIZATION** (this "**Agreement**") is made and entered into as of December 17, 2024, by and among **CARA THERAPEUTICS, INC.**, a Delaware corporation ("**Parent**"), **CT CONVERGENCE MERGER SUB, INC.**, a Delaware corporation and wholly-owned subsidiary of Parent ("**Merger Sub**"), and **TVARDI THERAPEUTICS, INC.**, a Delaware corporation (the "**Company**"). Certain capitalized terms used in this Agreement are defined in **Exhibit A**.

**RECITALS**

A. Parent and the Company intend to effect a merger of Merger Sub with and into the Company (the "**Merger**") in accordance with this Agreement and the DGCL. Upon consummation of the Merger, Merger Sub will cease to exist and the Company will become a wholly-owned subsidiary of Parent.

B. The Parties intend that the Merger qualify as a "reorganization" within the meaning of Section 368(a) of the Code, and by executing this Agreement, the Parties hereby adopt a "plan of reorganization" within the meaning of Treasury Regulations Sections 1.368-2(g) and 1.368-3(a).

C. The Parent Board has unanimously (i) determined that the Contemplated Transactions are fair to, advisable and in the best interests of Parent and its stockholders, (ii) authorized, approved and declared advisable this Agreement and the Contemplated Transactions, including the issuance of shares of Parent Common Stock to the stockholders of the Company pursuant to the terms of this Agreement, the change of control of Parent and other actions contemplated by this Agreement, and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholders of Parent vote to approve the Parent Stockholder Matters.

D. The Merger Sub Board has unanimously (i) determined that the Contemplated Transactions are fair to, advisable, and in the best interests of Merger Sub and its sole stockholder, (ii) authorized, approved and declared advisable this Agreement and the Contemplated Transactions, and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that Parent, as the sole stockholder of Merger Sub votes to adopt this Agreement and thereby approve the Contemplated Transactions.

E. The Company Board has unanimously (i) determined that the Contemplated Transactions are fair to, advisable and in the best interests of the Company and its stockholders, (ii) authorized, approved and declared advisable this Agreement and the Contemplated Transactions, and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholders of the Company vote to approve the Company Stockholder Matters.

---

F. Concurrently with the execution and delivery of this Agreement and as a condition and inducement to Parent's willingness to enter into this Agreement, (a) the Company Signatories (solely in their capacity as stockholders of the Company), which represent the Required Company Stockholder Vote, are executing support agreements in favor of Parent in substantially the form attached hereto as **Exhibit B-1** (the "**Company Stockholder Support Agreement**"), and (b) the officers, directors and stockholders of the Company listed in Section A-1 of the Company Disclosure Schedule (the "**Company Lock-Up Signatories**") (solely in their capacity as stockholders of the Company) are executing lock-up agreements in substantially the form attached hereto as **Exhibit C-1** (the "**Company Lock-Up Agreement**").

G. Concurrently with the execution and delivery of this Agreement and as a condition and inducement to the Company's willingness to enter into this Agreement, (a) the officers, directors and certain stockholders of Parent listed in Section A-1 of the Parent Disclosure Schedule (solely in their capacity as stockholders of Parent) are executing support agreements in favor of the Company in substantially the form attached hereto as **Exhibit B-2** (the "**Parent Stockholder Support Agreement**"), and (b) the director(s) of Parent listed in Section A-2 of the Parent Disclosure Schedule (solely in their capacity as stockholders of Parent) are executing lock-up agreements in substantially the form attached hereto as **Exhibit C-2** (the "**Parent Lock-Up Agreement**").

H. It is expected that within seven (7) Business Days after the Registration Statement is declared effective by the SEC, stockholders of the Company holding no less than the Required Company Stockholder Vote will execute and deliver an action by written consent in substantially the form attached hereto as **Exhibit D** (each, a "**Company Stockholder Written Consent**" and collectively, the "**Company Stockholder Written Consents**").

I. Prior to or concurrently with the execution and delivery of this Agreement, certain investors have executed certain convertible notes of the Company (the "**Bridge Notes**").

#### AGREEMENT

The Parties, intending to be legally bound, agree as follows:

##### Section 1. DESCRIPTION OF TRANSACTION

1.1 **The Merger.** Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time, Merger Sub shall be merged with and into the Company, and the separate existence of Merger Sub shall cease. The Company will continue as the surviving corporation in the Merger (the "**Surviving Corporation**").

1.2 **Effects of the Merger.** The Merger shall have the effects set forth in this Agreement, the Certificate of Merger and in the applicable provisions of the DGCL. As a result of the Merger, the Company will become a wholly-owned subsidiary of Parent.

1.3 **Closing; Effective Time.** Unless this Agreement is earlier terminated pursuant to the provisions of Section 9.1, the consummation of the Merger (the "**Closing**") shall take place remotely on the second (2<sup>nd</sup>) Business Day following the satisfaction or waiver of the last to be satisfied or waived of the conditions set forth in Sections 6, 7 and 8 (other than those conditions that by their nature are to be satisfied at or immediately prior to the Closing, but subject to the satisfaction or waiver of each of such conditions), or at such other time, date and place as Parent and the Company may mutually agree in writing. The date on which the Closing actually takes place is referred to as the "**Closing Date**." At the Closing, the Parties shall cause the Merger to be consummated by executing and filing with the Secretary of State of the State of Delaware a certificate of merger with respect to the Merger, satisfying the applicable requirements of the DGCL and in a form reasonably acceptable to Parent and the Company (the "**Certificate of Merger**"). The Merger shall become effective at the time of the filing of such Certificate of Merger with the Secretary of State of the State of Delaware or at such later time as may be specified in such Certificate of Merger with the consent of Parent and the Company (the time as of which the Merger becomes effective being referred to as the "**Effective Time**").



1.4 Certificate of Incorporation and Bylaws; Directors and Officers. At the Effective Time:

- (a) the certificate of incorporation of the Surviving Corporation shall be amended and restated in its entirety to read identically to the certificate of incorporation of Merger Sub as in effect immediately prior to the Effective Time, until thereafter amended as provided by the DGCL and such certificate of incorporation; *provided, however*, that at or immediately prior to the Effective Time, the Surviving Corporation shall file an amendment to its certificate of incorporation to change the name of the Surviving Corporation to Tvardi Operating Company, Inc. or such other name as shall be mutually agreed upon by Parent and the Company prior to filing such amendment;
- (b) the certificate of incorporation of Parent shall be identical to the certificate of incorporation of Parent immediately prior to the Effective Time, until thereafter amended as provided by the DGCL and such certificate of incorporation; *provided, however*, that at or immediately prior to the Effective Time, Parent shall file an amendment to its certificate of incorporation to (i) change the name of Parent to Tvardi Therapeutics, Inc.; (ii) effect the Nasdaq Reverse Split (to the extent applicable and necessary); and (iii) make such other changes as shall be mutually agreed upon by Parent and the Company prior to filing such amendment;
- (c) the bylaws of the Surviving Corporation shall be amended and restated in their entirety to read identically to the bylaws of Merger Sub as in effect immediately prior to the Effective Time (except that the name of the Surviving Corporation in such bylaws shall reflect the name identified in Section 1.4(a)), until thereafter amended as provided by the DGCL and such bylaws;
- (d) the directors and officers of Parent, each to hold office in accordance with the certificate of incorporation and bylaws of Parent, shall be as set forth in Section 5.11 after giving effect to the provisions of Section 5.11, or such other persons as shall be mutually agreed upon by Parent and the Company; and
- (e) the directors and officers of the Surviving Corporation, each to hold office in accordance with the certificate of incorporation and bylaws of the Surviving Corporation, shall be the directors and officers of Merger Sub.

1.5 Conversion of Shares.

(a) At the Effective Time, by virtue of the Merger and without any further action on the part of Parent, Merger Sub, the Company or any stockholder of the Company or Parent:

(i) any shares of Company Capital Stock held as treasury stock by the Company or held or owned by Parent, Merger Sub or any Subsidiary of Parent or the Company immediately prior to the Effective Time shall be canceled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor;

(ii) subject to Section 1.5(c), each share of Company Capital Stock outstanding immediately prior to the Effective Time (excluding shares to be canceled pursuant to Section 1.5(a)(i) and excluding Dissenting Shares), after giving effect to the Preferred Stock Conversion, shall be automatically converted solely into the right to receive a number of shares of Parent Common Stock equal to the Exchange Ratio; and

(iii) subject to Section 1.5(c), each Bridge Note outstanding immediately prior to the Effective Time shall be automatically converted solely into the right to receive a number of shares of Parent Common Stock in accordance with Section 2(d) of such Bridge Note and calculated in accordance with Schedule I.

(b) If any shares of Company Capital Stock outstanding immediately prior to the Effective Time are unvested or are subject to a repurchase option or a risk of forfeiture under any applicable restricted stock purchase agreement or other similar agreement with the Company, then the shares of Parent Common Stock issued in exchange for such shares of Company Capital Stock at the Effective Time will to the same extent be unvested and subject to the same repurchase option or risk of forfeiture, and such shares of Parent Common Stock shall accordingly be marked with appropriate legends. The Company shall take all actions that may be necessary to ensure that, from and after the Effective Time, Parent is entitled to exercise any such repurchase option or other right set forth in any such restricted stock purchase agreement or other agreement in accordance with its terms.

(c) No fractional shares of Parent Common Stock shall be issued in connection with the Merger, and no certificates or scrip for any such fractional shares shall be issued. Any holder of Company Capital Stock who would otherwise be entitled to receive a fraction of a share of Parent Common Stock (after aggregating all fractional shares of Parent Common Stock issuable to such holder) shall, in lieu of such fraction of a share be paid in cash the dollar amount (rounded to the nearest whole cent), without interest, determined by multiplying such fraction by the Parent Closing Price.

(d) All Company Options outstanding immediately prior to the Effective Time under the Company Plan shall be treated in accordance with Section 5.5(a).

(e) Each share of common stock, \$0.0001 par value per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and exchanged for one validly-issued, fully-paid and nonassessable share of common stock, \$0.0001 par value per share, of the Surviving Corporation. Each stock certificate or book-entry share of Merger Sub evidencing ownership of any such shares shall, as of the Effective Time, evidence ownership of such shares of common stock of the Surviving Corporation.

(f) If, between the time of calculating the Exchange Ratio and the Effective Time, the outstanding shares of Company Capital Stock or Parent Common Stock shall have been changed into, or exchanged for, a different number of shares or a different class, by reason of any stock dividend, subdivision, reclassification, recapitalization, split (including the Nasdaq Reverse Split to the extent such split has not been previously taken into account in calculating the Exchange Ratio), combination or exchange of shares or other like change, the Exchange Ratio shall, to the extent necessary, be equitably adjusted to reflect such change to the extent necessary to provide the holders of Company Capital Stock, Parent Common Stock and Company Options with the same economic effect as contemplated by this Agreement prior to such stock dividend, subdivision, reclassification, recapitalization, split (including the Nasdaq Reverse Split), combination or exchange of shares or other like change; *provided, however*, that nothing herein will be construed to permit the Company or Parent to take any action with respect to Company Capital Stock or Parent Common Stock, respectively, that is prohibited or not expressly permitted by the terms of this Agreement.

#### 1.6 Calculation of Parent Net Cash.

(a) For the purposes of this Agreement, the “*Anticipated Closing Date*” shall be the date, as agreed upon by Parent and the Company at least fifteen (15) calendar days prior to the Parent Stockholders’ Meeting, to be the anticipated date for Closing. At least fifteen (15) calendar days prior to the Parent Stockholders’ Meeting, Parent shall deliver to the Company a schedule (the “*Net Cash Schedule*”) setting forth Parent’s estimated calculation of Parent Net Cash, including each component thereof (the “*Net Cash Calculation*”) as of the Anticipated Closing Date prepared and certified by Parent’s Chief Financial Officer (or if there is no Chief Financial Officer, the principal accounting officer of Parent). Parent shall make available to the Company the work papers and back-up materials used or useful in preparing the Net Cash Schedule (including, with respect to Transaction Expenses, estimated final invoices and current accounts receivable from each advisor to Parent) and, as reasonably requested by the Company, Parent’s accountants and counsel at reasonable times and upon reasonable notice.

(b) Within three (3) Business Days after delivery of the Net Cash Schedule (the “*Response Date*”), the Company will have the right to dispute any part of the Net Cash Schedule by delivering a written notice to that effect to Parent (a “*Dispute Notice*”). Any Dispute Notice shall identify in reasonable detail the nature of any proposed revisions to the Net Cash Calculation.

(c) If on or prior to the Response Date, the Company (i) notifies Parent in writing that it has no objections to the Net Cash Calculation or (ii) fails to deliver a Dispute Notice as provided in Section 1.6(b) then the Net Cash Calculation as set forth in the Net Cash Schedule shall be deemed to have been finally determined for purposes of this Agreement and to represent Parent Net Cash as of the Anticipated Closing Date for purposes of this Agreement.

(d) If the Company delivers a Dispute Notice on or prior to the Response Date, then Representatives of both Parties shall promptly meet and attempt in good faith to resolve the disputed item(s) and negotiate an agreed-upon determination of Parent Net Cash, which agreed upon Parent Net Cash amount shall be deemed to have been finally determined for purposes of this Agreement and to represent Parent Net Cash as of the Anticipated Closing Date for purposes of this Agreement.

(e) If Parent and the Company are unable to negotiate an agreed-upon determination of Parent Net Cash as of the Anticipated Closing Date pursuant to Section 1.6(d) within three (3) calendar days after delivery of the Dispute Notice (or such other period as Parent and the Company may mutually agree upon), then Parent and the Company shall jointly select an independent auditor of recognized national standing (the "**Accounting Firm**") to resolve any remaining disagreements as to the Net Cash Calculation. Parent shall promptly deliver to the Accounting Firm the work papers and back-up materials used in preparing the Net Cash Schedule, and Parent and the Company shall use commercially reasonable efforts to cause the Accounting Firm to make its determination within ten (10) calendar days of accepting its selection. The Company and Parent shall be afforded the opportunity to present to the Accounting Firm any material related to the unresolved disputes and to discuss the issues with the Accounting Firm; *provided, however*, that no such presentation or discussion shall occur without the presence of a Representative of each of the Company and Parent. The determination of the Accounting Firm shall be limited to the disagreements submitted to the Accounting Firm. The determination of the amount of Parent Net Cash made by the Accounting Firm shall be final and binding upon the Parties and shall be deemed to have been finally determined for purposes of this Agreement and to represent Parent Net Cash as of the Anticipated Closing Date for purposes of this Agreement, and the Parties shall delay the Closing until the resolution of the matters described in this Section 1.6(e). The fees and expenses of the Accounting Firm shall be allocated between Parent and the Company in the same proportion that the disputed amount of Parent Net Cash that was unsuccessfully disputed by such Party (as finally determined by the Accounting Firm) bears to the total disputed amount of Parent Net Cash. If this Section 1.6(e) applies as to the determination of Parent Net Cash as of the Anticipated Closing Date described in Section 1.6(a), upon resolution of the matter in accordance with this Section 1.6(e), the Parties shall not be required to determine Parent Net Cash again even though the Closing Date may occur later than the Anticipated Closing Date, except that either Party may request a re-determination of Parent Net Cash if the Closing Date is more than five (5) Business Days after the Anticipated Closing Date.

1.7 Closing of the Company's Transfer Books. At the Effective Time: (a) all shares of Company Capital Stock outstanding immediately prior to the Effective Time shall be treated in accordance with Section 1.5(a), and all holders of certificates or book-entry shares representing shares of Company Capital Stock that were outstanding immediately prior to the Effective Time shall cease to have any rights as stockholders of the Company; and (b) the stock transfer books of the Company shall be closed with respect to all shares of Company Capital Stock outstanding immediately prior to the Effective Time. No further transfer of any such shares of Company Capital Stock shall be made on such stock transfer books after the Effective Time. If, after the Effective Time, a valid certificate previously representing any shares of Company Capital Stock outstanding immediately prior to the Effective Time (including any certificates representing the Company Preferred Stock that were converted or exercised in connection with the conversion of Company Preferred Stock (a "**Company Stock Certificate**")) is presented to the Exchange Agent or to the Surviving Corporation, such Company Stock Certificate shall be canceled and shall be exchanged as provided in Sections 1.5 and 1.8.

1.8 Surrender of Certificates

(a) Prior to the Closing Date, Parent and the Company shall agree upon and select a reputable bank, transfer agent or trust company to act as exchange agent in the Merger (the “*Exchange Agent*”), and enter into an exchange agent agreement, in a form reasonably acceptable to the Company. At the Effective Time, Parent shall deposit with the Exchange Agent: (i) evidence of book-entry shares representing the Parent Common Stock issuable pursuant to Section 1.5(a); and (ii) cash sufficient to make payments in lieu of fractional shares in accordance with Section 1.5(c). The Parent Common Stock and cash amounts so deposited with the Exchange Agent, together with any dividends or distributions received by the Exchange Agent with respect to such shares, are referred to collectively as the “*Exchange Fund*.”

(b) Promptly after the Effective Time, the Parties shall cause the Exchange Agent to mail to the Persons who were record holders of shares of Company Capital Stock that were converted into the right to receive the Merger Consideration instructions for effecting the surrender of any Company Stock Certificates, or uncertificated shares of Company Capital Stock, in exchange for shares of Parent Common Stock. Upon surrender of a Company Stock Certificate or other reasonable evidence of the ownership of uncertificated Company Capital Stock to the Exchange Agent for exchange, together with such other documents as may be reasonably required by the Exchange Agent or Parent (including a properly completed IRS Form W-9 or the appropriate version of IRS Form W-8, as applicable): (A) the holder of such Company Capital Stock shall be entitled to receive in exchange therefor book-entry shares representing the Merger Consideration (in a number of whole shares of Parent Common Stock) that such holder has the right to receive pursuant to the provisions of Section 1.5(a) (and cash in lieu of any fractional share of Parent Common Stock pursuant to the provisions of Section 1.5(c)); and (B) such Company Stock Certificate so surrendered shall be canceled. Until surrendered as contemplated by this Section 1.8(b), each Company Stock Certificate shall be deemed, from and after the Effective Time, to represent only the right to receive book-entry shares of Parent Common Stock representing the Merger Consideration (and cash in lieu of any fractional share of Parent Common Stock). If any Company Stock Certificate shall have been lost, stolen or destroyed, Parent may, in its discretion and as a condition precedent to the delivery of any shares of Parent Common Stock, require the owner of such lost, stolen or destroyed Company Stock Certificate to provide an applicable affidavit with respect to such Company Stock Certificate and post a bond indemnifying Parent against any claim suffered by Parent related to the lost, stolen or destroyed Company Stock Certificate as Parent may reasonably request. In the event of a transfer of ownership of a Company Stock Certificate that is not registered in the transfer records of the Company, payment of the Merger Consideration may be made to a Person other than the Person in whose name such Company Stock Certificate so surrendered is registered if such Company Stock Certificate shall be properly endorsed or otherwise be in proper form for transfer and the Person requesting such payment shall pay any transfer or other Taxes required by reason of the transfer or establish to the satisfaction of Parent that such Taxes have been paid or are not applicable. The Merger Consideration and any dividends or other distributions as are payable pursuant to Section 1.8(c) shall be deemed to have been in full satisfaction of all rights pertaining to Company Capital Stock formerly represented by such Company Stock Certificates.

(c) No dividends or other distributions declared or made with respect to Parent Common Stock with a record date on or after the Effective Time shall be paid to the holder of any unsurrendered Company Stock Certificate with respect to the shares of Parent Common Stock that such holder has the right to receive in the Merger until such holder surrenders such Company Stock Certificate or provides an affidavit of loss, theft or destruction in lieu thereof in accordance with this [Section 1.8](#) together with such other documents as may be reasonably required by the Exchange Agent or Parent (at which time (or, if later, on the applicable payment date) such holder shall be entitled, subject to the effect of applicable abandoned property, escheat or similar Laws, to receive all such dividends and distributions, without interest).

(d) Any portion of the Exchange Fund that remains undistributed to holders of Company Capital Stock as of the date that is one (1) year after the Closing Date shall be delivered to Parent upon demand, and any holders of Company Stock Certificates who have not theretofore surrendered their Company Stock Certificates in accordance with this [Section 1.8](#) shall thereafter look only to Parent for satisfaction of their claims for Parent Common Stock, cash in lieu of fractional shares of Parent Common Stock and any dividends or distributions with respect to shares of Parent Common Stock.

(e) No Party to this Agreement shall be liable to any holder of any Company Capital Stock or to any other Person with respect to any shares of Parent Common Stock (or dividends or distributions with respect thereto) or for any cash amounts delivered to any public official pursuant to any applicable abandoned property Law, escheat Law or similar Law.

#### 1.9 [Appraisal Rights](#).

(a) Notwithstanding any provision of this Agreement to the contrary, shares of Company Capital Stock that are outstanding immediately prior to the Effective Time and which are held by stockholders who have exercised and perfected appraisal rights for such shares of Company Capital Stock in accordance with the DGCL (collectively, the "*Dissenting Shares*") shall not be converted into or represent the right to receive the Merger Consideration described in [Section 1.5](#) attributable to such Dissenting Shares. Such stockholders shall be entitled to receive payment of the appraised value of such shares of Company Capital Stock held by them in accordance with the DGCL, unless and until such stockholders fail to perfect or effectively withdraw or otherwise lose their appraisal rights under the DGCL. All Dissenting Shares held by stockholders who shall have failed to perfect or shall have effectively withdrawn or lost their right to appraisal of such shares of Company Capital Stock under the DGCL (whether occurring before, at or after the Effective Time) shall thereupon be deemed to be converted into and to have become exchangeable for, as of the Effective Time, the right to receive the Merger Consideration, without interest, attributable to such Dissenting Shares upon their surrender in the manner provided in [Sections 1.5](#) and [1.8](#).

(b) The Company shall give Parent prompt written notice of any demands by dissenting stockholders received by the Company, withdrawals of such demands and any other instruments served on the Company and any material correspondence received by the Company in connection with such demands, and Parent shall have the right to participate in all negotiations and proceedings with respect to such demands. The Company shall not, except with Parent's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed), make any payment with respect to, or settle or offer to settle, any such demands, or approve any withdrawal of any such demands or agree to do any of the foregoing.

1.10 Further Action. If, at any time after the Effective Time, any further action is determined by the Surviving Corporation to be necessary or desirable to carry out the purposes of this Agreement or to vest the Surviving Corporation with full right, title and possession of and to all rights and property of the Company, then the officers and directors of the Surviving Corporation shall be fully authorized, and shall use their and its commercially reasonable efforts (in the name of the Company, in the name of Merger Sub, in the name of the Surviving Corporation and otherwise) to take such action.

1.11 Withholding. The Parties and the Exchange Agent shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of Company Capital Stock or any other Person such amounts as such Party or the Exchange Agent reasonably determines it is required to deduct and withhold under the Code or any other Law with respect to the making of such payment. To the extent that amounts are so deducted and withheld and paid to the appropriate Governmental Body, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of whom such deduction and withholding was made.

**Section 2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

Subject to Section 10.13(j), except as set forth in the disclosure schedule delivered by the Company to Parent concurrently herewith (the "*Company Disclosure Schedule*"), the Company represents and warrants to Parent and Merger Sub as follows:

2.1 Due Organization; Subsidiaries.

(a) The Company is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Delaware and has all necessary corporate power and authority: (i) to conduct its business in the manner in which its business is currently being conducted; (ii) to own or lease and use its property and assets in the manner in which its property and assets are currently owned or leased and used; and (iii) to perform its obligations under all Contracts by which it is bound, except where the failure to have such power or authority would not reasonably be expected to prevent or materially delay the ability of the Company to consummate the Contemplated Transactions.

(b) The Company is duly licensed and qualified to do business, and is in good standing (to the extent applicable in such jurisdiction), under the Laws of all jurisdictions where the nature of its business requires such licensing or qualification other than in jurisdictions where the failure to be so qualified individually or in the aggregate would not be reasonably expected to have a Company Material Adverse Effect.

(c) The Company does not have, and has never had, any Subsidiaries, and the Company does not own any capital stock of, or any equity, ownership or profit sharing interest of any nature in, or control directly or indirectly, any other Entity.

(d) The Company is not, nor has otherwise been, directly or indirectly, a party to, member of or participant in any partnership, joint venture or similar business entity. The Company has not agreed or is obligated to make, or is bound by any Contract under which it may become obligated to make, any future investment in or capital contribution to any other Entity. The Company has not, at any time, been a general partner of, or has otherwise been liable for any of the debts or other obligations of, any general partnership, limited partnership or other Entity.

2.2 Organizational Documents. The Company has made available to Parent accurate and complete copies of the Organizational Documents of the Company in effect as of the date of this Agreement. The Company is not in material breach or violation of its respective Organizational Documents.

2.3 Authority; Binding Nature of Agreement.

(a) The Company has all necessary corporate power and authority to enter into this Agreement and, subject, with respect to the Company, to receipt of the Required Company Stockholder Vote, to perform its obligations under this Agreement and to consummate the Contemplated Transactions. The Company Board (at a meeting duly called and held or by written consent in lieu of a meeting) has unanimously: (i) determined that the Contemplated Transactions are fair to, advisable and in the best interests of the Company and its stockholders; (ii) authorized, approved and declared advisable this Agreement and the Contemplated Transactions; and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholders of the Company vote to approve the Company Stockholder Matters.

(b) This Agreement has been duly executed and delivered by the Company and assuming the due authorization, execution and delivery by Parent and Merger Sub, constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to the Enforceability Exceptions. Prior to the execution of the Company Stockholder Support Agreements, the Company Board approved the Company Stockholder Support Agreements and the transactions contemplated thereby.

2.4 Vote Required. The affirmative vote (or written consent) of the holders of (a) a majority of the then-outstanding shares of Series A Preferred Stock voting as a separate class, (b) a majority of the then-outstanding shares of Series B Preferred Stock voting as a separate class, and (c) a majority of the then-outstanding shares of the capital stock of the Company on an as-converted to Company Common Stock basis (collectively, the "**Required Company Stockholder Vote**"), is the only vote (or written consent) of the holders of any class or series of Company Capital Stock necessary to adopt and approve this Agreement and approve the Contemplated Transactions.

2.5 Non-Contravention; Consents.

(a) Subject to obtaining the Required Company Stockholder Vote and the filing of the Certificate of Merger required by the DGCL, neither (x) the execution, delivery or performance of this Agreement by the Company, nor (y) the consummation of the Contemplated Transactions, will directly or indirectly (with or without notice or lapse of time):

(i) contravene, conflict with or result in a violation of any of the provisions of the Organizational Documents of the Company;

(ii) contravene, conflict with or result in a violation of, or give any Governmental Body or any other Person the right to challenge the Contemplated Transactions or to exercise any remedy or obtain any relief under, any Law or any order, writ, injunction, judgment or decree to which the Company, or any of the assets owned or used by the Company, is subject, except as would not reasonably be expected to be material to the Company or its business;



(iii) contravene, conflict with or result in a violation of any of the terms or requirements of, or give any Governmental Body the right to revoke, withdraw, suspend, cancel, terminate or modify, any Governmental Authorization that is held by the Company, except as would not reasonably be expected to be material to the Company or its business;

(iv) contravene, conflict with or result in a violation or breach of, or result in a default under, any provision of any Company Material Contract, or give any Person the right to: (A) declare a default or exercise any remedy under any Company Material Contract; (B) any material payment, rebate, chargeback, penalty or change in delivery schedule under any Company Material Contract; (C) accelerate the maturity or performance of any Company Material Contract; or (D) cancel, terminate or modify any term of any Company Material Contract, except in the case of any non-material breach, default, penalty or modification; or

(v) result in the imposition or creation of any Encumbrance upon or with respect to any asset owned or used by the Company (except for Permitted Encumbrances).

(b) Except for (i) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware pursuant to the DGCL, (ii) the Required Company Stockholder Vote, and (iii) such consents, waivers, approvals, orders, authorizations, registrations, declarations and filings as may be required under applicable federal and state securities Laws, the Company is not, nor will it be required to make any filing with or give any notice to, or to obtain any Consent from, any Governmental Body in connection with (x) the execution, delivery or performance of this Agreement, or (y) the consummation of the Contemplated Transactions, which if individually or in the aggregate were not given or obtained, would reasonably be expected to prevent or materially delay the ability of the Company to consummate the Contemplated Transactions.

(c) The Company 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, the Company Stockholder Support Agreements, the Company Lock-Up Agreements and to the consummation of the Contemplated Transactions. No other state takeover statute or similar Law applies or purports to apply to the Merger, this Agreement, the Company Stockholder Support Agreements, the Company Lock-Up Agreements or any of the Contemplated Transactions.

## 2.6 Capitalization.

(a) The authorized Company Capital Stock as of the date of this Agreement consists of (i) 58,251,629 shares of Company Common Stock, par value \$0.001 per share, of which 19,197,914 shares have been issued and are outstanding as of the date of this Agreement, and (ii) 29,723,540 shares of preferred stock, par value \$0.001 per share (the "**Company Preferred Stock**"), 9,499,999 shares of which have been designated Series A Preferred Stock (the "**Series A Preferred Stock**"), all of which have been issued and are outstanding as of the date of this Agreement and 20,223,541 shares of which have been designated Series B Preferred Stock (the "**Series B Preferred Stock**"), 20,055,539 shares of which have been issued and are outstanding as of the date of this Agreement. The Company does not hold any shares of its capital stock in its treasury. Section 2.6(a) of the Company Disclosure Schedule lists, as of the date of this Agreement each record holder of issued and outstanding Company Capital Stock and the number and type of shares of Company Capital Stock held by such holder.

(b) All of the outstanding shares of Company Common Stock and Company Preferred Stock have been duly authorized and validly issued, and are fully paid and nonassessable. Except as set forth in the Investor Agreements, none of the outstanding shares of Company Capital Stock is entitled or subject to any preemptive right, right of participation, right of maintenance or any similar right and none of the outstanding shares of Company Capital Stock is subject to any right of first refusal in favor of the Company. Except as contemplated herein and in the Investor Agreements, there is no Company Contract relating to the voting or registration of, or restricting any Person from purchasing, selling, pledging or otherwise disposing of (or granting any option or similar right with respect to), any shares of Company Capital Stock. The Company is not under any obligation, nor is it bound by any Contract pursuant to which it may become obligated, to repurchase, redeem or otherwise acquire any outstanding shares of Company Capital Stock or other securities. Section 2.6(b) of the Company Disclosure Schedule accurately and completely lists all repurchase rights held by the Company with respect to shares of Company Capital Stock (including shares issued pursuant to the exercise of stock options) and specifies which of those repurchase rights are currently exercisable and whether the holder of such shares of Company Capital Stock timely filed an election with the relevant Governmental Bodies under Section 83(b) of the Code with respect to such shares. Each share of Company Preferred Stock is convertible into one share of Company Common Stock.

(c) Except for the Company's 2018 Stock Incentive Plan (the "**Company Plan**"), the Company does not have any stock option plan or any other plan, program, agreement or arrangement providing for any equity-based compensation for any Person. As of the date of this Agreement, the Company has reserved 6,657,329 shares of Company Common Stock for issuance under the Company Plan, of which 5,450,941 shares have been issued and are currently outstanding. Section 2.6(c) of the Company Disclosure Schedule sets forth the following information with respect to each Company Option outstanding as of the date of this Agreement: (i) the name of the optionee; (ii) the number of shares of Company Common Stock subject to such Company Option at the time of grant; (iii) the number of shares of Company Common Stock subject to such Company Option as of the date of this Agreement; (iv) the exercise price of such Company Option; (v) the date on which such Company Option was granted; (vi) the applicable vesting schedule, including the number of vested and unvested Company Options as of the date of this Agreement; (vii) the date on which such Company Option expires; and (viii) whether such Company Option is intended to constitute an "incentive stock option" (as defined in the Code) or a non-qualified stock option. The Company has made available to Parent an accurate and complete copy of the Company Plan and all stock option agreements evidencing outstanding options granted thereunder. Section 2.6(c) of the Company Disclosure Schedule sets forth a list of Company Options that have accelerated vesting in connection with the closing of the Contemplated Transactions.

(d) Except for the Company Options set forth in Section 2.6(c) of the Company Disclosure Schedule, there is no: (i) outstanding subscription, option, call, warrant or right (whether or not currently exercisable) to acquire any shares of the capital stock or other securities of the Company; (ii) outstanding security, instrument or obligation that is or may become convertible into or exchangeable for any shares of the capital stock or other securities of the Company; or (iii) condition or circumstance that could be reasonably likely to give rise to or provide a basis for the assertion of a claim by any Person to the effect that such Person is entitled to acquire or receive any shares of capital stock or other securities of the Company. There are no outstanding or authorized stock appreciation, phantom stock, profit participation or other similar rights with respect to the Company.

(e) All outstanding shares of Company Common Stock, Company Preferred Stock, Company Options and other securities of the Company have been issued and granted in material compliance with (i) all applicable securities Laws and other applicable Laws, and (ii) all requirements set forth in applicable Contracts.

## 2.7 Financial Statements.

(a) Concurrently with the execution hereof, the Company has provided to Parent true and complete copies of (i) the Company's audited balance sheets at December 31, 2023 and 2022, together with related audited consolidated statements of income, stockholders' equity and cash flows, and notes thereto, of the Company for the fiscal years then ended (the "*Company 2023 and 2022 Audited Financial Statements*"), and (ii) the Company Unaudited Interim Balance Sheet, together with the unaudited consolidated statements of income, stockholders' equity and cash flows of the Company for the period reflected in the Company Unaudited Interim Balance Sheet (the "*Company 2024 Interim Financial Statements*," and collectively, the "*Company Financials*"). The Company Financials were prepared in accordance with GAAP applied on a consistent basis throughout the periods covered thereby (except as may be indicated in the notes to such financial statements and except that the unaudited financial statements may not contain footnotes and are subject to normal and recurring year-end adjustments, none of which are reasonably expected to be material in amount) and fairly present, in all material respects, the financial position and operating results of the Company as of the dates and for the periods indicated therein.

(b) The Company maintains accurate books and records reflecting their assets and liabilities and maintains a system of internal accounting controls 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 Company and to maintain accountability of the Company's assets; (iii) access to the Company's assets is permitted only in accordance with management's general or specific authorization; (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; and (v) accounts, notes and other receivables and inventory are recorded accurately, and proper and adequate procedures are implemented to effect the collection thereof on a current and timely basis. The 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.

(c) Section 2.7(c) of the Company Disclosure Schedule lists, and the Company has delivered to Parent accurate and complete copies of the documentation creating or governing, all securitization transactions and “off-balance sheet arrangements” (as described in Instruction 8 to Item 303(b) of Regulation S-K as promulgated under the Securities Act) effected by the Company since January 1, 2021.

(d) Since January 1, 2021, there have been no formal internal investigations regarding financial reporting or accounting policies and practices discussed with, reviewed by or initiated at the direction of the chief executive officer, chief financial officer or general counsel of the Company, the Company Board or any committee thereof. Since January 1, 2021, neither the Company nor its independent auditors have identified (i) any significant deficiency or material weakness in the design or operation of the system of internal accounting controls utilized by the Company, (ii) any fraud, whether or not material, that involves the Company, the Company’s management or other employees who have a role in the preparation of financial statements or the internal accounting controls utilized by the Company, or (iii) any claim or allegation regarding any of the foregoing.

2.8 Absence of Changes.

(a) Between the date of the Company Unaudited Interim Balance Sheet and the date of this Agreement, the Company has conducted its business only in the Ordinary Course of Business (except for the execution and performance of this Agreement and the discussions, negotiations and transactions related thereto, including the Contemplated Transactions).

(b) Between the date of the Company Unaudited Interim Balance Sheet and the date of this Agreement, there has not been any Company Material Adverse Effect.

(c) Between the date of the Company Unaudited Interim Balance Sheet and the date of this Agreement, there has not been any action, event or occurrence that would have required the consent of Parent pursuant to Section 4.2(b) had such action, event or occurrence taken place after the execution and delivery of this Agreement.

2.9 Absence of Undisclosed Liabilities. As of the date of this Agreement, the Company does not have any liability, indebtedness, obligation or expense of any kind, whether accrued, absolute, contingent, matured or unmatured (whether or not required to be reflected in the financial statements in accordance with GAAP) (each a “*Liability*”), individually or in the aggregate, of a type required to be recorded or reflected on a balance sheet or disclosed in the footnotes thereto under GAAP except for: (a) Liabilities disclosed, reflected or reserved against in the Company Unaudited Interim Balance Sheet; (b) Liabilities that have been incurred by the Company since the date of the Company Unaudited Interim Balance Sheet in the Ordinary Course of Business; (c) Liabilities for performance of obligations of the Company under Company Material Contracts which have not resulted from a breach of such Company Material Contracts, breach of warranty, tort, infringement or violation of Law; (d) Liabilities incurred in connection with the Contemplated Transactions; and (e) Liabilities which would not, individually or in the aggregate, reasonably be expected to be material to the Company.

2.10 Title to Assets. The Company owns, and has good and valid title to, or, in the case of leased properties and assets, valid leasehold interests in, all tangible properties or tangible assets and equipment used or held for use in its business or operations or purported to be owned by it, including: (a) all tangible assets reflected on the Company Unaudited Interim Balance Sheet; and (b) all other tangible assets reflected in the books and records of the Company as being owned by the Company. All of such assets are owned or, in the case of leased assets, leased by the Company free and clear of any Encumbrances, other than Permitted Encumbrances.

2.11 Real Property; Leasehold. The Company does not own and has never owned any real property. The Company has made available to Parent (a) an accurate and complete list of all real properties with respect to which the Company directly or indirectly holds a valid leasehold interest as well as any other real estate that is in the possession of or leased by the Company, and (b) copies of all leases under which any such real property is possessed (the "**Company Real Estate Leases**"), each of which is in full force and effect, with no existing material default thereunder. The Company's use and operation of each such leased property conforms to all applicable Laws in all material respects, and the Company has exclusive possession of each such leased property and has not granted any occupancy rights to tenants or licensees with respect to such leased property. In addition, each such leased property is free and clear of all Encumbrances other than Permitted Encumbrances.

2.12 Intellectual Property.

(a) Section 2.12(a) of the Company Disclosure Schedule accurately identifies (i) the name of the applicant/registrant, (ii) the jurisdiction of application/registration, (iii) the application or registration number and (iv) any other co-owners, for each item of Registered IP owned in whole or in part by the Company (the "**Company Owned Registered IP**"). Each of the patents and patent applications included in the Company Owned Registered IP properly identifies by name each and every inventor of the inventions claimed therein as determined in accordance with applicable Laws of the United States. To the Company's Knowledge, (A) the Company Owned Registered IP is valid, enforceable and subsisting, and in full force and effect, (B) none of the Company Owned Registered IP has been misused, withdrawn, cancelled, expired, or abandoned, and (C) all application, registration, issuance, renewal and maintenance fees due for the Company Owned Registered IP having a due date on or before the date of this Agreement have been paid in full and are current. To the Company's Knowledge, with respect to each item of Company Owned Registered IP and each patent application from which such Company Owned Registered IP claims priority, all statements made and information presented to the applicable patent office by or on behalf of the Company or any inventor thereof, or their respective patent counsel, during the prosecution thereof are accurate and complete and comply with 37 CFR 1.56. As of the date of this Agreement, no interference, opposition, reissue, reexamination, derivation, *inter partes* review, or other proceeding of any nature (other than initial examination proceedings and other than in the ordinary course of prosecution and maintenance) is pending or, to the Company's Knowledge, threatened in writing, in which the scope, validity, enforceability, or ownership of any Company Owned Registered IP is being or has been contested or challenged.

(b) The Company owns or co-owns all right, title and interest in and to all Company IP, free and clear of all Encumbrances other than Permitted Encumbrances and, to the Company's Knowledge, has the right, pursuant to a Company In-bound License to use all other material Intellectual Property Rights used by the Company in its businesses as currently conducted. The Company IP and the Intellectual Property Rights licensed to the Company pursuant to a Company In-bound License (the "**Company In-Licensed IP**") are all the Intellectual Property Rights necessary to operate the business of the Company as currently conducted and as proposed to be conducted as of the date of this Agreement. No Company Associate owns or has any claim, right (whether or not currently exercisable) or interest to or in any Company IP, and each Company Associate involved in the creation or development of any material Company IP, pursuant to such Company Associate's activities on behalf of the Company, has signed or has the obligation to sign a valid, enforceable written agreement containing a present assignment of all of such Company Associate's rights in such Company IP to the Company (without further payment being owed to any such Company Associate and without any restrictions or obligations on the Company's ownership or use thereof (except for the obligation to pay service fee pursuant to the terms of the applicable service agreements that is not based on the revenues or profits of the Company)) and confidentiality provisions protecting the Company IP, which, to the Company's Knowledge, has not been breached by such Company Associate. Without limiting the foregoing, the Company has taken commercially reasonable steps to protect, maintain and enforce all Company IP and Company In-Licensed IP, including the secrecy, confidentiality and value of trade secrets and other confidential information therein, and to the Company's Knowledge there have been no authorized disclosures of any Company IP or Company In-Licensed IP. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will conflict with, alter or impair any of the Company's or, following the Closing, Parent's, rights in or to any Company IP or Company In-Licensed IP or cause any payments of any kind to be due or payable to any Person.

(c) To the Company's Knowledge, no funding, facilities or personnel of any Governmental Body or any university, college, research institute or other educational or academic institution has been used, in whole or in part, to create any Company IP or any Company In-Licensed IP, except for any such funding or use of facilities or personnel that does not result in such Governmental Body or institution obtaining ownership or other rights (including any "march in" rights or a right to direct the location of manufacturing of products) to such Company IP or Company In-Licensed IP or the right to receive royalties or other consideration for the practice of such Company IP or Company In-Licensed IP. To the Company's Knowledge, no Company Associate who was involved in, or who contributed to, the creation or development of any Company IP or any Company In-Licensed IP, has performed services for a Governmental Body or any university, college, research institute or other educational or academic institution in a manner that would affect the Company's interest in Company IP or any Company In-Licensed IP.

(d) Section 2.12(d) of the Company Disclosure Schedule sets forth each license agreement pursuant to which the Company (i) is granted a license under any Intellectual Property Right owned by any third party (each a "**Company In-bound License**"), or (ii) grants to any third party a license, option, covenant not to sue or other right under any Company IP or any Company In-Licensed IP (each a "**Company Out-bound License**") (provided, that, Company In-bound Licenses shall not include material transfer agreements, clinical trial agreements, services agreements, non-disclosure agreements, commercially-available Software-as-a-Service offerings, off-the-shelf software licenses or generally-available patent license agreements, in each case entered into in the Ordinary Course of Business on a non-exclusive basis and where the license is incidental to the primary purpose of the relevant Contracts; and Company Out-bound Licenses shall not include material transfer agreements, clinical trial agreements, services agreements, non-disclosure agreements, or non-exclusive outbound licenses, in each case entered into in the Ordinary Course of Business on a non-exclusive basis and that do not grant any commercial rights to any products or services of the Company). To the Company's Knowledge, no other party to any Company In-bound License or Company Out-bound License has breached or is in breach of any of its obligations under any Company In-bound License or Company Out-bound License.

(e) To the Company's Knowledge: (i) the operation of the businesses of the Company as currently conducted or as proposed to be conducted as of the date of this Agreement does not infringe or misappropriate or otherwise violate any Intellectual Property Right owned by any other Person; and (ii) no other Person is infringing, misappropriating or otherwise violating any Company IP or any Company In-Licensed IP. As of the date of this Agreement, no Legal Proceeding is pending (or, to the Company's Knowledge, is threatened in writing) (A) against the Company alleging that the operation of the businesses of the Company infringes or constitutes the misappropriation or other violation of any Intellectual Property Rights of another Person or (B) by the Company alleging that another Person has infringed, misappropriated or otherwise violated any of the Company IP or any Company In-Licensed IP. Since January 1, 2021, the Company has not received any written notice or other written communication alleging that the operation of the business of the Company infringes or constitutes the misappropriation or other violation of any Intellectual Property Right of another Person.

(f) None of the Company IP or, to the Company's Knowledge, any Company In-Licensed IP is subject to any pending or outstanding injunction, directive, order, decree, settlement, judgment or other disposition of dispute that adversely and materially restricts the use, transfer, registration or licensing by the Company of any such Company IP or Company In-Licensed IP or otherwise would reasonably be expected to adversely affect the validity, scope, use, registrability, or enforceability of any Company IP or Company In-Licensed IP.

(g) Except as would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect, the Company and the operation of the Company's businesses are in substantial compliance with all applicable Laws pertaining to data privacy and data security of any personally identifiable information and sensitive business information (collectively, "*Sensitive Data*") in the Company's possession, custody, or control. Since January 1, 2021, there have been (i) no material losses or thefts of data or security breaches relating to Sensitive Data used in the business of the Company, (ii) no violations of any security policy of the Company regarding any such Sensitive Data, (iii) no unauthorized access to or unauthorized use of any Sensitive Data used in the business of the Company, and (iv) no unintended or improper disclosure of any personally identifiable information in the possession, custody or control of the Company, or a contractor or agent acting on behalf of the Company, in each case of clauses (i) through (iv), except as would not reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect.

(h) The Company is not now nor has ever been a member or promoter of, or a contributor to, any industry standards body or any similar organization that would reasonably be expected to require or obligate any of the Company to grant or offer to any other Person any license or right to any Company IP or Company In-Licensed IP.

(i) Solely with respect to Intellectual Property Rights for which the Company controls the filing, prosecution, or maintenance and to the Company's Knowledge: (i) all information to the Knowledge of Company relating to the subject matter of the claims of the Company IP or Company In-Licensed IP has been disclosed to the United States Patent and Trademark Office ("USPTO") to the extent required by 37 C.F.R. § 1.56 or any applicable patent office in any other jurisdiction to the extent required by the applicable rules and regulations in such jurisdiction; (ii) all material information submitted to the USPTO and any applicable patent office in any other jurisdiction in connection with the Company IP or Company In-Licensed IP, and in connection with the prosecution thereof, was accurate in all material respects at the time it was submitted; (iii) the Company, with respect to any of the Company IP or Company In-Licensed IP, has not made any material misrepresentation or concealed any material information from the USPTO in violation of 37 C.F.R. Section § 1.56 or from any applicable patent office in any other jurisdiction in violation of the applicable rules and regulations in such jurisdiction, and (iv) each item of Company IP or Company In-Licensed IP is valid, subsisting, enforceable and in full force and effect and has not been cancelled, expired, or abandoned.

#### 2.13 Agreements, Contracts and Commitments.

(a) Section 2.13(g) of the Company Disclosure Schedule lists the following Company Contracts in effect as of the date of this Agreement (other than any Company Benefit Plans) (each, a "**Company Material Contract**" and collectively, the "**Company Material Contracts**"):

(i) each Company Contract that would be a material contract as defined in Item 601(b)(10) of Regulation S-K as promulgated under the Securities Act (for purposes of this provision, assuming the Company was subject to the public reporting requirements of the Exchange Act);

(ii) each Company Contract relating to any agreement of indemnification or guaranty not entered into in the Ordinary Course of Business;

(iii) each Company Contract containing (A) any covenant limiting the freedom of the Company or the Surviving Corporation to engage in any line of business or compete with any Person, (B) any "most-favored nations" pricing provision or marketing or distribution rights related to any products or territory, (C) any exclusivity provision, (D) any agreement to purchase minimum quantity of goods or services, or (E) any material non-solicitation provision applicable to the Company;

(iv) each Company Contract relating to capital expenditures and requiring payments after the date of this Agreement in excess of \$200,000 pursuant to its express terms and not cancelable without penalty;

(v) each Company Contract relating to the disposition or acquisition of material assets or any ownership interest in any Entity;

(vi) each Company Contract relating to any mortgages, indentures, loans, notes or credit agreements, security agreements or other agreements or instruments relating to the borrowing of money or extension of credit in excess of \$50,000 or creating any material Encumbrances with respect to any assets of the Company or any loans or debt obligations with officers or directors of the Company;



(vii) each Company Contract requiring payment by or to the Company after the date of this Agreement in excess of \$300,000 pursuant to its express terms relating to: (A) any distribution agreement (identifying any that contain exclusivity provisions); (B) any agreement involving provision of services or products with respect to any pre-clinical or clinical development activities of the Company; (C) any dealer, distributor, joint marketing, alliance, joint venture, cooperation, collaboration, development or other agreement currently in force under which the Company has continuing obligations to develop or market any product, technology or service, or any agreement pursuant to which the Company has continuing obligations to develop any Intellectual Property Rights that will not be owned, in whole or in part, by the Company; or (D) any Contract to license any third party to manufacture or produce any product, service or technology of the Company or any Contract to sell, distribute or commercialize any products or service of the Company, in each case, except for Contracts entered into in the Ordinary Course of Business;

(viii) each Company Contract with any Person, including any financial advisor, broker, finder, investment banker or other Person, providing advisory services to the Company in connection with the Contemplated Transactions;

(ix) each Company Real Estate Lease;

(x) each Company Contract with any Governmental Body;

(xi) each Company Out-bound License and Company In-bound License;

(xii) each Company Contract containing any royalty, dividend or similar arrangement based on the revenues or profits of the Company; or

(xiii) any other Company Contract that is not terminable at will (with no penalty or payment) by the Company, as applicable, and (A) which involves payment or receipt by the Company after the date of this Agreement under any such Company Contract of more than \$300,000 in the aggregate, or obligations after the date of this Agreement in excess of \$300,000 in the aggregate, or (B) that is material to the business or operations of the Company.

(b) The Company has delivered or made available to Parent accurate and complete copies of all Company Material Contracts, including all amendments thereto. There are no Company Material Contracts that are not in written form. The Company has not, nor, to the Company's Knowledge, has any other party to a Company Material Contract, breached, violated or defaulted under, or received notice that it breached, violated or defaulted under, any of the terms or conditions of, or Laws applicable to, any Company Material Contract in such manner as would permit any other party to cancel or terminate any such Company Material Contract, or would permit any other party to seek damages or pursue other legal remedies which would reasonably be expected to be material to the Company or its business or operations. As to the Company, each Company Material Contract is valid, binding, enforceable and in full force and effect, subject to the Enforceability Exceptions. No Person is renegotiating, or has a right pursuant to the terms of any Company Material Contract to change, any material amount paid or payable to the Company under any Company Material Contract or any other material term or provision of any Company Material Contract.

2.14 Compliance, Permits, Restrictions

(a) The Company is, and since January 1, 2021, has been, in compliance in all material respects with all applicable Laws, including applicable provisions of the Federal Food, Drug, and Cosmetic Act (“*FDCA*”), the U.S. Food and Drug Administration (“*FDA*”) regulations adopted thereunder, the Public Health Service Act (“*PHSA*”) and any other similar Law administered or promulgated by the FDA or other comparable Governmental Body responsible for regulation of the development, nonclinical and clinical testing, manufacturing, sale, marketing, distribution and importation or exportation of drug and biopharmaceutical products (each, a “*Drug Regulatory Agency*”), except for any noncompliance, either individually or in the aggregate, which would not be material to the Company. No claim, suit, proceeding, audit or, to the Company’s Knowledge, investigation or other action by any Governmental Body is pending or, to the Company’s Knowledge, threatened against the Company. There is no agreement, judgment, injunction, order or decree binding upon the Company which (i) has or would reasonably be expected to have the effect of prohibiting or materially impairing any business practice of the Company, any acquisition of material property by the Company or the conduct of business by the Company as currently conducted, (ii) is reasonably likely to have an adverse effect on the Company’s ability to comply with or perform any covenant or obligation under this Agreement, or (iii) is reasonably likely to have the effect of preventing, delaying, making illegal or otherwise interfering with the Contemplated Transactions.

(b) The Company holds all required Governmental Authorizations that are material to the operation of the business of the Company as currently conducted (the “*Company Permits*”). Section 2.14(b) of the Company Disclosure Schedule identifies each Company Permit. The Company holds all right, title and interest in and to all Company Permits free and clear of any Encumbrance. The Company is in material compliance with the terms of the Company Permits. No Legal Proceeding is pending or, to the Company’s Knowledge, threatened, which seeks to revoke, limit, suspend, or materially modify any Company Permit. The rights and benefits of each Company Permit will be available to the Surviving Corporation, as applicable, immediately after the Effective Time on terms substantially identical to those enjoyed by the Company as of the date of this Agreement and immediately prior to the Effective Time.

(c) There are no proceedings pending or, to the Company’s Knowledge, threatened with respect to an alleged material violation by the Company of the FDCA, FDA regulations adopted thereunder, the PHSA or any other similar Law administered or promulgated by any Drug Regulatory Agency. The Company is not currently conducting or addressing, and, to the Company’s Knowledge, there is no basis to expect that it will be required to conduct or address, any corrective actions, including product recalls or clinical holds.

(d) All clinical, nonclinical and other studies and tests conducted by or on behalf of, or sponsored by, the Company, or in which the Company or its current product candidates have participated, were and, if still pending, are being conducted in all material respects in accordance with standard medical and scientific research procedures and in compliance in all material respects with the applicable regulations of any applicable Drug Regulatory Agency and other applicable Law, including 21 C.F.R. Parts 50, 54, 58 and 312. Since January 1, 2021, the Company has not received any notices, correspondence, or other communications from any Drug Regulatory Agency requiring or threatening to initiate the termination or suspension of any clinical studies conducted by or on behalf of, or sponsored by, the Company or in which the Company or its current product candidates have participated. The Company has made available to Parent true and complete copies of all material notices, correspondence or other communications received by the Company from any Drug Regulatory Agency.

(e) The Company is not the subject of any pending or, to the Company's Knowledge, threatened investigation by the FDA pursuant to its "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. To the Company's Knowledge, the Company has not committed any acts, made any statement, or failed to make any statement, in each case in respect of its business or products, that would violate the FDA's "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" Final Policy, and any amendments thereto. Neither the Company nor any of its respective officers, employees or agents has been convicted of any crime or engaged in any conduct that could result in a debarment or exclusion (i) under 21 U.S.C. Section 335a or (ii) under 42 U.S.C. §§ 1320a-7 or 1320a-7a or any similar applicable Law. No debarment or exclusionary claims, actions, proceedings or investigations in respect of its business or products are pending or, to the Company's Knowledge, threatened against the Company or any of its respective officers, employees, or to the Company's Knowledge, agents.

2.15 Legal Proceedings/Orders.

(a) As of the date of this Agreement, there is no pending Legal Proceeding and, to the Company's Knowledge, no Person has threatened to commence any Legal Proceeding: (i) that involves (A) the Company, (B) any Company Associate (in his or her capacity as such) or (C) any of the material assets owned or used by the Company; or (ii) that challenges, or that would reasonably be expected to have the effect of preventing, delaying, making illegal or otherwise interfering with, the Contemplated Transactions.

(b) Since January 1, 2021, no Legal Proceeding has been pending against the Company that resulted in material liability to the Company.

(c) There is no order, writ, injunction, judgment or decree to which the Company, or any of the material assets owned or used by the Company, is subject. To the Company's Knowledge, no officer or employee of the Company is subject to any order, writ, injunction, judgment or decree that prohibits such officer or employee from engaging in or continuing any conduct, activity or practice relating to the business of the Company or to any material assets owned or used by the Company.

2.16 Tax Matters.

(a) The Company has timely filed all income Tax Returns and other material Tax Returns that they were required to file under applicable Law. All such Tax Returns are correct and complete in all material respects and have been prepared in compliance with all applicable Law. No written claim has ever been made by any Governmental Body in any jurisdiction where the Company does not file a particular Tax Return or pay a particular Tax that the Company or such Subsidiary is subject to taxation by that jurisdiction.

(b) All income and other material Taxes due and owing by the Company on or before the date of this Agreement (whether or not shown on any Tax Return) have been fully paid. The unpaid Taxes of the Company did not, as of the date of the Company Unaudited Interim Balance Sheet, materially exceed the reserve for Tax liability (excluding any reserve for deferred Taxes established to reflect timing differences between book and Tax items) set forth on the face of the Company Unaudited Interim Balance Sheet. Since the date of the Company Unaudited Interim Balance Sheet, the Company has not incurred any material Liability for Taxes outside the Ordinary Course of Business.

(c) All Taxes that the Company are or were required by Law to withhold or collect have been duly and timely withheld or collected in all material respects on behalf of its respective employees, independent contractors, stockholders, equityholders, lenders, customers or other third parties, and have been timely paid to the proper Governmental Body or other Person or properly set aside in accounts for this purpose.

(d) There are no Encumbrances for material Taxes (other than Taxes not yet due and payable) upon any of the assets of the Company.

(e) No deficiencies for income or other material Taxes with respect to the Company have been claimed, proposed or assessed by any Governmental Body in writing. There are no pending or ongoing, and, to the Company's Knowledge, threatened audits, assessments or other actions for or relating to any liability in respect of a material amount of Taxes of the Company. The Company (nor any of its predecessors) has not waived any statute of limitations in respect of any income or other material Taxes or agreed to any extension of time with respect to any income or other material Tax assessment or deficiency.

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

(g) The Company is not a party to any Tax allocation agreement, Tax sharing agreement, Tax indemnity agreement, or similar agreement or arrangement, other than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes.

(h) Neither Parent nor the Company will be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any Tax period (or portion thereof) ending after the Closing Date as a result of any: (i) change in method of accounting for Tax purposes made on or prior to the Closing Date; (ii) use of an improper method of accounting for a Tax period ending on or prior to the Closing Date; (iii) "closing agreement" as described in Section 7121 of the Code (or any similar provision of state, local or foreign Law) executed on or prior to the Closing Date; (iv) intercompany transaction or excess loss account described in Treasury Regulations under Section 1502 of the Code (or any similar provision of state, local or foreign Law) entered into on or prior to the Closing Date; (v) installment sale or open transaction disposition made on or prior to the Closing Date; (vi) prepaid amount received or deferred revenue accrued on or prior to the Closing Date; (vii) application of Section 367(d) of the Code to any transfer of intangible property on or prior to the Closing Date; (viii) application of Sections 951 or 951A of the Code (or any similar provision of state, local or foreign Law) to any income received or accrued on or prior to the Closing Date; or (ix) election under Section 108(i) of the Code (or any similar provision of state, local or foreign Law) made on or prior to the Closing Date. The Company has not made any election under Section 965(h) of the Code.

(i) The Company has never been (i) a member of a consolidated, combined or unitary Tax group (other than such a group the common parent of which is the Company) or (ii) a party to any joint venture, partnership, or other arrangement that is treated as a partnership for U.S. federal income Tax purposes. The Company has no Liability for any material Taxes of any Person (other than the Company) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local, or foreign Law), or as a transferee or successor.

(j) The Company (i) is not a "controlled foreign corporation" as defined in Section 957 of the Code, (ii) is not a "passive foreign investment company" within the meaning of Section 1297 of the Code, or (iii) and has never had a permanent establishment (within the meaning of an applicable Tax treaty) or otherwise had an office or fixed place of business in a country other than the country in which it is organized.

(k) The Company has not participated in or been a party to a transaction that, as of the date of this Agreement, constitutes a "listed transaction" that is required to be reported to the IRS pursuant to Section 6011 of the Code and applicable Treasury Regulations thereunder.

(l) The Company has not taken any action, nor to the Company's Knowledge is there any fact that would reasonably be expected to prevent the Merger from qualifying for the Intended Tax Treatment.

(m) The Company has not availed itself of any Tax relief pursuant to any Pandemic Response Laws that could reasonably be expected to materially impact the Tax payment or Tax reporting obligations of Parent and its Affiliates (including the Company) after the Closing Date.

(n) No material claim has been made in writing by any Governmental Body in a jurisdiction where the Company or any of its Subsidiaries do not currently file or have filed a Tax Return that the Company or any of its Subsidiaries are or may be subject to taxation by such jurisdiction.

(o) The Company is a corporation for U.S. federal income Tax purposes under Section 7701 of the Code.

(p) The Company has not distributed stock of another Person, nor had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Section 355 of the Code or Section 361 of the Code.

(q) To the Company's Knowledge, the Company has not been, is not, and immediately prior to the Closing Date will not be, treated as an "investment company" within the meaning of Section 368(a)(2) (F) of the Code.

For purposes of this Section 2.16, each reference to the Company shall be deemed to include any Person that was liquidated into, merged with, or otherwise a predecessor to, the Company.

2.17 Employee and Labor Matters: Benefit Plans

(a) Section 2.17(a) of the Company Disclosure Schedule lists, as of the date of this Agreement, all Company Benefit Plans, including each Company Benefit Plan that provides for retirement, change in control, stay or retention, deferred compensation, incentive compensation, severance or retiree medical or life insurance benefits. "Company Benefit Plan" means the following, but in all events exclusive of any arrangement maintained by a professional employer organization or other third-party employer: each (i) "employee benefit plan" as defined in Section 3(3) of ERISA and (ii) other pension, retirement, deferred compensation, excess benefit, profit sharing, bonus, incentive, equity or equity-based, phantom equity, employment, consulting, severance, change-of-control, retention, health, life, disability, group insurance, paid-time off, holiday, welfare and fringe benefit plan, program, agreement, contract, or arrangement (other than regular salary or wages) (whether written or unwritten, qualified or nonqualified, funded or unfunded and including any that have been frozen or terminated), in either case, maintained, contributed to, or required to be contributed to, by the Company or Company ERISA Affiliates for the benefit of any current or former employee, director, officer or independent contractor of the Company or under which the Company has any actual or contingent liability (including as to the result of it being treated as a single employer under Section 414 of the Code with any other person).

(b) As applicable with respect to each material Company Benefit Plan, the Company has made available to Parent, true and complete copies of (i) each material Company Benefit Plan, including all amendments thereto, and in the case of an unwritten material Company Benefit Plan, a written description thereof, (ii) all current trust documents, investment management contracts, custodial agreements, administrative services agreements and insurance and annuity contracts relating thereto, (iii) the current summary plan description and each summary of material modifications thereto, (iv) the three (3) most recently filed annual reports on Form 5500 and all schedules thereto, (v) the most recent IRS determination, opinion or advisory letter, (vi) the three (3) most recent nondiscrimination testing reports, actuarial reports, financial statements, (vii) all records, notices and filings concerning IRS or United States Department of Labor or other Governmental Body audits or investigations since January 1, 2021, (viii) each written report constituting a valuation of the Company's capital stock for purposes of Sections 409A or 422 of the Code, whether prepared internally by the Company or by an outside, third-party valuation firm, and (ix) all material written materials provided to employees or participants relating to the amendment, termination, establishment, or increase or decrease in benefits under any Company Benefit Plan.

(c) Each Company Benefit Plan has been maintained, operated and administered in compliance in all material respects with its terms and any related documents or agreements and the applicable provisions of ERISA, the Code and all other applicable Laws.

(d) The Company Benefit Plans which are “employee pension benefit plans” within the meaning of Section 3(2) of ERISA and which are intended to meet the qualification requirements of Section 401(a) of the Code have received determination or opinion letters from the IRS on which they may currently rely to the effect that such plans are qualified under Section 401(a) of the Code and the related trusts are exempt from federal income Taxes under Section 501(a) of the Code, respectively, and, to the Company’s Knowledge, nothing has occurred that would reasonably be expected to materially adversely affect the qualification of such Company Benefit Plan or the tax exempt status of the related trust.

(e) None of the Company nor any Company ERISA Affiliate sponsors, maintains, contributes to, is required to contribute to, or has any liability with respect to, or has within the past six (6) years sponsored, maintained, contributed to, or been required to contribute to, (i) any “employee pension benefit plan” (within the meaning of Section 3(2) of ERISA) that is subject to Title IV or Section 302 of ERISA or Section 412 of the Code, (ii) any “multiemployer plan” (within the meaning of Section 3(37) of ERISA), (iii) any “multiple employer plan” (within the meaning of Section 413 of the Code), or (iv) any “multiple employer welfare arrangement” (within the meaning of Section 3(40) of ERISA), and none of the Company or any of its respective ERISA Affiliates has, within the preceding six (6) years, incurred a complete or partial withdrawal from any “multiemployer plan” or otherwise incurred any liability under Section 4202 of ERISA.

(f) There are no pending audits or investigations by any Governmental Body involving any Company Benefit Plan, and no pending or, to the Company’s Knowledge, threatened claims (except for individual claims for benefits payable in the normal operation of the Company Benefit Plans), suits or proceedings involving any Company Benefit Plan, any fiduciary thereof or service provider thereto. All contributions and premium payments required to have been made under any of the Company Benefit Plans or by applicable Law (without regard to any waivers granted under Section 412 of the Code), have been timely made and neither the Company nor any Company ERISA Affiliate has any liability for any unpaid contributions with respect to any Company Benefit Plan (other than contributions which may continue to be accrued in the Ordinary Course of Business).

(g) Neither the Company or Company ERISA Affiliates, nor, to the Company’s Knowledge, any fiduciary, trustee or administrator of any Company Benefit Plan, has engaged in, or in connection with the Contemplated Transactions will engage in, any transaction with respect to any Company Benefit Plan which would subject any such Company Benefit Plan, the Company or Company ERISA Affiliates or Parent to a Tax, penalty or liability for a “prohibited transaction” under Section 406 of ERISA or Section 4975 of the Code.

(h) No Company Benefit Plan provides death, medical, dental, vision, life insurance or other welfare benefits beyond termination of service or retirement, other than coverage mandated by Law.

(i) Neither the execution of this Agreement, nor the consummation of the Contemplated Transactions will, either alone or in connection with any other event(s), (i) result in any payment becoming due to any current or former employee, director, officer, independent contractor or other service provider of the Company or any Subsidiary thereof, (ii) increase any amount of compensation or benefits otherwise payable to any current or former employee, director, officer, independent contractor or other service provider of the Company or any Subsidiary thereof, (iii) result in the acceleration of the time of payment, funding or vesting of any benefits under any Company Benefit Plan, (iv) require any contribution or payment to fund any obligation under any Company Benefit Plan, or (v) limit the right to merge, amend or terminate any Company Benefit Plan.

(j) Neither the execution of this Agreement, nor the consummation of the Contemplated Transactions (either alone or when combined with the occurrence of any other event, including a termination of employment) will result in the receipt or retention by any person who is a “disqualified individual” (within the meaning of Section 280G of the Code) with respect to the Company of any payment or benefit that is or could be characterized as a “parachute payment” (within the meaning of Section 280G of the Code), determined without regard to the application of Section 280G(b)(5) of the Code.

(k) To the Company’s Knowledge, each Company Benefit Plan providing for deferred compensation that constitutes a “nonqualified deferred compensation plan” (as defined in Section 409A(d)(1) of the Code and the regulations promulgated thereunder) is, and has been, established, administered and maintained in compliance with the requirements of Section 409A of the Code and the regulations promulgated thereunder.

(l) No Person has any “gross up” agreements with the Company or other assurance of reimbursement or compensation by the Company for any Taxes imposed under Section 409A or Section 4999 of the Code.

(m) The Company does not have any Company Benefit Plan that is maintained for service providers located outside of the United States.

(n) The Company is not a party to, bound by, or has a duty to bargain under, any collective bargaining agreement or other Contract with a labor union or labor organization representing any of its employees, and there is no labor union or labor organization representing or, to the Company’s Knowledge, purporting to represent or seeking to represent any employees of the Company, including through the filing of a petition for representation election.

(o) The Company is, and since January 1, 2021, has been, in material compliance with all applicable Laws respecting labor, employment, employment practices, and terms and conditions of employment, including worker classification, discrimination, wrongful termination, harassment and retaliation, equal employment opportunities, fair employment practices, meal and rest periods, immigration, employee safety and health, wages (including overtime wages), unemployment and workers’ compensation, leaves of absence, and hours of work. Except as would not be reasonably likely to result in a material liability to the Company, with respect to employees of the Company, the Company, since January 1, 2021: (i) has withheld and reported all amounts required by Law or by agreement to be withheld and reported with respect to wages, salaries and other payments, benefits, or compensation to employees, (ii) is not liable for any arrears of wages (including overtime wages), severance pay or any Taxes or any penalty for failure to comply with any of the foregoing, and (iii) is not liable for any payment to any trust or other fund governed by or maintained by or on behalf of any Governmental Body, with respect to unemployment compensation benefits, disability, social security or other benefits or obligations for employees (other than routine payments to be made in the Ordinary Course of Business). There are no actions, suits, claims, charges, demands, lawsuits, investigations, audits, administrative matters or other Legal Proceedings pending or, to the Company’s Knowledge, threatened against the Company relating to any current or former employee, applicant for employment, consultant, employment agreement or Company Benefit Plan (other than routine claims for benefits). All employees of the Company are employed “at will” and their employment can be terminated without advance notice or payment of severance.



(p) Except as would not be reasonably likely to result in a material liability to the Company, with respect to each individual who currently renders services to the Company, the Company has accurately classified each such individual as an employee, independent contractor, or otherwise under all applicable Laws and, for each individual classified as an employee, the Company has accurately classified him or her as overtime eligible or overtime ineligible under all applicable Laws. The Company does not have any material liability with respect to any misclassification of: (a) any Person as an independent contractor rather than as an employee, (b) any employee leased from another employer, or (c) any employee currently or formerly classified as exempt from overtime wages.

(q) There is not and has not been since January 1, 2021, nor is there or has there been since January 1, 2021, any threat of, any strike, slowdown, work stoppage, lockout, union election petition, demand for recognition, or any similar activity or dispute, or, to the Company's Knowledge, any union organizing activity, against the Company. No event has occurred, and, to the Company's Knowledge, no condition or circumstance exists, that might directly or indirectly give rise to or provide a basis for the commencement of any such strike, slowdown, work stoppage, lockout, union election petition, demand for recognition, or any similar activity or dispute.

2.18 Environmental Matters. The Company is in compliance, and since January 1, 2021, have complied, with all applicable Environmental Laws, which compliance includes the possession by the Company of all permits and other Governmental Authorizations required under applicable Environmental Laws and compliance with the terms and conditions thereof, except for any failure to be in such compliance that, either individually or in the aggregate, would not reasonably be expected to be material to the Company or its business. The Company has not received since January 1, 2021 (or prior to that time, which is pending and unresolved), any written notice or other communication (in writing or otherwise), whether from a Governmental Body or other Person, that alleges that the Company is not in compliance with or has liability pursuant to any Environmental Law and, to the Company's Knowledge, there are no circumstances that would reasonably be expected to prevent or interfere with the Company's compliance in any material respects with any Environmental Law, except where such failure to comply would not reasonably be expected to be material to the Company or its business. No current or (during the time a prior property was leased or controlled by the Company) prior property leased or controlled by the Company has had a release of or exposure to Hazardous Materials in material violation of or as would reasonably be expected to result in any material liability of the Company pursuant to any applicable Environmental Law. No consent, approval or Governmental Authorization of or registration or filing with any Governmental Body is required by any applicable Environmental Laws in connection with the execution and delivery of this Agreement or the consummation of the Contemplated Transactions.

2.19 Insurance. The Company has delivered or made available to Parent accurate and complete copies of all material insurance policies and all material self-insurance programs and arrangements relating to the business, assets, liabilities and operations of the Company. Each of such insurance policies is in full force and effect and the Company is in compliance in all material respects with the terms thereof. Other than customary end of policy notifications from insurance carriers, since January 1, 2021, the Company has not received any notice or other communication regarding any actual or possible: (i) cancellation or invalidation of any insurance policy; or (ii) refusal or denial of any coverage, reservation of rights or rejection of any material claim under any insurance policy. The Company has provided timely written notice to the appropriate insurance carrier(s) of each Legal Proceeding that is currently pending against the Company for which the Company has insurance coverage, and no such carrier has issued a denial of coverage or a reservation of rights with respect to any such Legal Proceeding, or informed the Company of its intent to do so.

2.20 No Financial Advisors. Except as set forth on Schedule 2.20, no broker, finder or investment banker is entitled to any brokerage fee, finder's fee, opinion fee, success fee, transaction fee or other fee or commission in connection with the Contemplated Transactions based upon arrangements made by or on behalf of the Company.

2.21 Disclosure. The information to be supplied by or on behalf of the Company for inclusion or incorporation by reference in the Registration Statement, or to be included or supplied by or on behalf of the Company for inclusion in any filing pursuant to Rule 165 and Rule 425 under the Securities Act or Rule 14a-12 under the Exchange Act (each a "**Regulation M-A Filing**"), shall not at the time the Registration Statement or any such Regulation M-A Filing is filed with the SEC, at any time it is amended or supplemented or at the time the Registration Statement is declared effective by the SEC contain any statement that, at such time and in light of the circumstances under which it shall be made, is false or misleading with respect to any material fact, or omit to state any material fact necessary in order to make the statements therein not false or misleading, or omit to state any material fact necessary to correct any statement therein that has become false or misleading. The information supplied by or on behalf of the Company for inclusion or incorporation by reference in the Proxy Statement, which information shall be deemed to include all information about or related to the Company or the Company Stockholder Matters, shall not, on the date the Proxy Statement is first mailed to Parent's stockholders, or at the time of the Parent Stockholders' Meeting or as of the Effective Time, contain any statement that, at such time and in light of the circumstances under which it shall be made, is false or misleading with respect to any material fact, or omit to state any material fact necessary in order to make the statements made in the Proxy Statement not false or misleading, or omit to state any material fact necessary to correct any statement in any earlier communication with respect to the solicitation of proxies for the Parent Stockholders' Meeting that has become false or misleading.

2.22 Transactions with Affiliates

(a) There are no material transactions or relationships, since January 1, 2021, between, on one hand, the Company and, on the other hand, any (i) executive officer or director of the Company or, to the Company's Knowledge, any of such executive officer's or director's immediate family members, (ii) owner of more than 5% of the voting power of the outstanding Company Capital Stock or (iii) to the Company's Knowledge, any "related person" (within the meaning of Item 404 of Regulation S-K as promulgated under the Securities Act) of any such executive officer, director or equityholder (other than the Company) in the case of each of (i), (ii) or (iii) that is of the type that would be required to be disclosed under Item 404 of Regulation S-K as promulgated under the Securities Act (assuming the Company was subject to the public reporting requirements of the Exchange Act).

(b) Section 2.22(b) of the Company Disclosure Schedule lists each stockholders' agreement, voting agreement, registration rights agreement, co-sale agreement or other similar Contract between the Company and any holders of Company Capital Stock, including any such Contract granting any Person investor rights, rights of first refusal, rights of first offer, registration rights, director designation rights or similar rights (collectively, the "Investor Agreements").

2.23 Anti-Bribery. Neither the Company nor any of its respective directors, officers, employees or, to the Company's Knowledge, agents or any other Person acting on its behalf has, directly or indirectly, made any bribes, rebates, payoffs, influence payments, kickbacks, illegal payments, illegal political contributions, or other payments, in the form of cash, gifts, or otherwise, or taken any other action, in violation of the Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010 or any other anti-bribery or anti-corruption Law (collectively, the "Anti-Bribery Laws"). The Company is not, nor has it been the subject of any investigation or inquiry by any Governmental Body with respect to potential violations of Anti-Bribery Laws.

2.24 Disclaimer of Other Representations or Warranties. Except as previously set forth in this Section 2 or in any certificate delivered by the Company to Parent or Merger Sub pursuant to this Agreement, the Company makes no representation or warranty, express or implied, at law or in equity, with respect to it or any of its assets, liabilities or operations, and any such other representations or warranties are hereby expressly disclaimed. The Company hereby acknowledges and agrees that, except as set forth in Section 3 or in any certificate delivered by Parent or Merger Sub to the Company pursuant to this Agreement, none of Parent or Merger Sub makes any representation or warranty, express or implied, at law or in equity, with respect to it or any of its assets, liabilities or operations, and the Company has not relied on any representation or warranty except as set forth in Section 3 or in any certificate delivered by Parent or Merger Sub to the Company pursuant to this Agreement, and any such other representations or warranties are hereby expressly disclaimed.

### **Section 3. REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB**

Subject to Section 10.13(j), except (a) as set forth in the disclosure schedule delivered by Parent to the Company concurrently herewith (the "Parent Disclosure Schedule") or (b) as disclosed in the Parent SEC Documents filed with, or furnished to, the SEC prior to the date of this Agreement and publicly available on the SEC's Electronic Data Gathering Analysis and Retrieval system (but (i) without giving effect to any amendment thereof filed with, or furnished to, the SEC on or after the date of this Agreement and (ii) excluding any disclosures contained under the heading "Risk Factors" and any disclosure of risks included in any "forward-looking statements" disclaimer or in any other section to the extent they are forward-looking statements or cautionary, predictive or forward-looking in nature), Parent and Merger Sub represent and warrant to the Company as follows:

3.1 Due Organization; Subsidiaries.

(a) Each of Parent and Merger Sub is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Delaware, and has all necessary corporate power and authority: (i) to conduct its business in the manner in which its business is currently being conducted; (ii) to own or lease and use its property and assets in the manner in which its property and assets are currently owned or leased and used; and (iii) to perform its obligations under all Contracts by which it is bound, except where the failure to have such power or authority would not reasonably be expected to prevent or materially delay the ability of Parent and Merger Sub to consummate the Contemplated Transactions. Since the date of its incorporation, Merger Sub has not engaged in any activities other than activities incident to its formation or in connection with or as contemplated by this Agreement.

(b) Parent is duly licensed and qualified to do business, and is in good standing (to the extent applicable in such jurisdiction), under the Laws of all jurisdictions where the nature of its business requires such licensing or qualification other than in jurisdictions where the failure to be so qualified individually or in the aggregate would not be reasonably expected to have a Parent Material Adverse Effect.

(c) Parent has no Subsidiaries, except for the Entities identified in Section 3.1(c) of the Parent Disclosure Schedule; and neither Parent nor any of the Entities identified in Section 3.1(c) of the Parent Disclosure Schedule owns any capital stock of, or any equity, ownership or profit sharing interest of any nature in, or controls directly or indirectly, any other Entity other than the Entities identified in Section 3.1(c) of the Parent Disclosure Schedule. Each of Parent's Subsidiaries is a corporation or other legal entity duly organized, validly existing and, if applicable, in good standing under the Laws of the jurisdiction of its organization and has all necessary corporate or other power and authority to conduct its business in the manner in which its business is currently being conducted and to own or lease and use its property and assets in the manner in which its property and assets are currently owned or leased and used, except where the failure to have such power or authority would not be reasonably expected to have a Parent Material Adverse Effect.

(d) Neither Parent nor any of its Subsidiaries is or has otherwise been, directly or indirectly, a party to, member of or participant in any partnership, joint venture or similar business entity. Neither Parent nor any of its Subsidiaries has agreed or is obligated to make, or is bound by any Contract under which it may become obligated to make, any future investment in or capital contribution to any other Entity. Neither Parent nor any of its Subsidiaries has, at any time, been a general partner of, or has otherwise been liable for any of the debts or other obligations of, any general partnership, limited partnership or other Entity.

3.2 Organizational Documents. Parent has made available to the Company accurate and complete copies of the Organizational Documents of Parent and each of its Subsidiaries in effect as of the date of this Agreement. Neither Parent nor any of its Subsidiaries is in material breach or violation of its respective Organizational Documents.

3.3 Authority: Binding Nature of Agreement.

(a) Each of Parent and Merger Sub has all necessary corporate power and authority to enter into this Agreement and subject, with respect to Parent, to receipt of the Required Parent Stockholder Vote and, with respect to Merger Sub, the adoption of this Agreement by Parent in its capacity as sole stockholder of Merger Sub, to perform its obligations under this Agreement and to consummate the Contemplated Transactions. The Parent Board (at a meeting duly called and held or by written consent in lieu of a meeting) has unanimously: (i) determined that the Contemplated Transactions are fair to, advisable and in the best interests of Parent and its stockholders; (ii) authorized, approved and declared advisable this Agreement and the Contemplated Transactions, including the issuance of shares of Parent Common Stock to the stockholders of the Company pursuant to the terms of this Agreement, the change of control of Parent and other actions contemplated by this Agreement; and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholders of Parent vote to approve the Parent Stockholder Matters. The Merger Sub Board (by unanimous written consent) has: (x) determined that the Contemplated Transactions are fair to, advisable and in the best interests of Merger Sub and its sole stockholder; (y) authorized, approved and declared advisable this Agreement and the Contemplated Transactions; and (z) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the sole stockholder of Merger Sub vote to approve this Agreement and the Contemplated Transactions.

(b) This Agreement has been duly executed and delivered by Parent and Merger Sub and, assuming the due authorization, execution and delivery by the Company, constitutes the legal, valid and binding obligation of Parent and Merger Sub, enforceable against each of Parent and Merger Sub in accordance with its terms, subject to the Enforceability Exceptions. Prior to the execution of the Parent Stockholder Support Agreements, the Parent Board approved the Parent Stockholder Support Agreements and the transactions contemplated thereby.

3.4 Vote Required. The affirmative vote of a majority of the votes cast is the only vote of the holders of any class or series of Parent's capital stock necessary to approve the proposals in Section 5.3(a)(i), Section 5.3(a)(ii) and Section 5.3(a)(iii) (the "Required Parent Stockholder Vote").

3.5 Non-Contravention: Consents.

(a) Subject to obtaining the Required Parent Stockholder Vote, except as set forth on Section 3.5(a) of the Parent Disclosure Schedule, the adoption of this Agreement (effective immediately following the execution of this Agreement) by Parent as the sole stockholder of Merger Sub and the filing of the Certificate of Merger required by the DGCL, neither (x) the execution, delivery or performance of this Agreement by Parent or Merger Sub, nor (y) the consummation of the Contemplated Transactions, will directly or indirectly (with or without notice or lapse of time):

- (i) contravene, conflict with or result in a violation of any of the provisions of the Organizational Documents of Parent or any of its Subsidiaries;

(ii) contravene, conflict with or result in a violation of, or give any Governmental Body or other Person the right to challenge the Contemplated Transactions or to exercise any remedy or obtain any relief under, any Law or any order, writ, injunction, judgment or decree to which Parent or any of its Subsidiaries, or any of the assets owned or used by Parent or any of its Subsidiaries, is subject, except as would not reasonably be expected to be material to Parent or its business;

(iii) contravene, conflict with or result in a violation of any of the terms or requirements of, or give any Governmental Body the right to revoke, withdraw, suspend, cancel, terminate or modify, any Governmental Authorization that is held by Parent or its Subsidiaries, except as would not reasonably be expected to be material to Parent or its business;

(iv) contravene, conflict with or result in a violation or breach of, or result in a default under, any provision of any Parent Material Contract, or give any Person the right to: (A) declare a default or exercise any remedy under any Parent Material Contract; (B) any material payment, rebate, chargeback, penalty or change in delivery schedule under any Parent Material Contract; (C) accelerate the maturity or performance of any Parent Material Contract; or (D) cancel, terminate or modify any term of any Parent Material Contract, except in the case of any non-material breach, default, penalty or modification; or

(v) require any change-in-control or similar payment obligations to become due or payable;

(vi) result in the imposition or creation of any Encumbrance upon or with respect to any asset owned or used by Parent or any of its Subsidiaries (except for Permitted Encumbrances).

(b) Except for (i) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware pursuant to the DGCL, (ii) the Required Parent Stockholder Vote, and (iii) such consents, waivers, approvals, orders, authorizations, registrations, declarations and filings as may be required under applicable federal and state securities Laws, neither Parent nor any of its Subsidiaries is or will be required to make any filing with or give any notice to, or to obtain any Consent from, any Governmental Body in connection with (x) the execution, delivery or performance of this Agreement, or (y) the consummation of the Contemplated Transactions, which if individually or in the aggregate were not given or obtained, would reasonably be expected to prevent or materially delay the ability of Parent and Merger Sub to consummate the Contemplated Transactions.

(c) The Parent Board and the Merger Sub Board have 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, the Parent Stockholder Support Agreements and the Parent Lock-Up Agreements and to the consummation of the Contemplated Transactions. No other state takeover statute or similar Law applies or purports to apply to the Merger, this Agreement, the Parent Stockholder Support Agreements, the Parent Lock-Up Agreements or any of the Contemplated Transactions.

3.6 Capitalization.

(a) The authorized capital stock of Parent as of the date of this Agreement consists of (i) 200,000,000 shares of Parent Common Stock, par value \$0.001 per share, of which 54,855,514 shares have been issued and are outstanding as of the close of business on the Reference Date and (ii) 5,000,000 shares of preferred stock of Parent, par value \$0.001 per share, of which no shares have been issued and are outstanding as of the date of this Agreement. Parent does not hold any shares of its capital stock in its treasury.

(b) All of the outstanding shares of Parent Common Stock have been duly authorized and validly issued, and are fully paid and nonassessable. None of the outstanding shares of Parent Common Stock is entitled or subject to any preemptive right, right of participation, right of maintenance or any similar right and none of the outstanding shares of Parent Common Stock is subject to any right of first refusal in favor of Parent. Except as contemplated herein and as set forth in Section 3.6(b)(i) of the Parent Disclosure Schedule, there is no Parent Contract relating to the voting or registration of, or restricting any Person from purchasing, selling, pledging or otherwise disposing of (or granting any option or similar right with respect to), any shares of Parent Common Stock. Except as set forth in Section 3.6(b)(ii) of the Parent Disclosure Schedule, Parent is not under any obligation, nor is it bound by any Contract pursuant to which it may become obligated, to repurchase, redeem or otherwise acquire any outstanding shares of Parent Common Stock or other securities.

(c) Except for the Parent Equity Incentive Plans, Parent does not have any stock option plan or any other plan, program, agreement or arrangement providing for any equity-based compensation for any Person. As of the close of business on the Reference Date, Parent has (i) reserved 10,976,425 shares of Parent Common Stock for issuance under the Parent 2014 Plan, of which 0 shares are subject to Parent's right of repurchase, 4,086,079 shares have been reserved for issuance upon exercise of Parent Options previously granted and currently outstanding under the Parent 2014 Plan, 959,049 shares have been reserved for issuance upon the settlement of Parent RSUs granted under the Parent 2014 Plan that are outstanding as of the close of business on the Reference Date, and 5,931,297 shares remain available for future issuance pursuant to the Parent 2014 Plan; and (ii) reserved 300,000 shares of Parent Common Stock for issuance under the Parent 2019 Plan, of which 0 shares have been issued and are currently outstanding, of which 0 shares are subject to Parent's right of repurchase, 0 shares have been reserved for issuance upon exercise of Parent Options previously granted and currently outstanding under the Parent 2019 Plan, 0 shares have been reserved for issuance upon the settlement of Parent RSUs granted under the Parent 2019 Plan that are outstanding as of the close of business on the Reference Date, and 300,000 shares remain available for future issuance pursuant to the Parent 2019 Plan.

(d) Except for the Parent Options and the Parent RSUs, there is no: (i) outstanding subscription, option, call, warrant or right (whether or not currently exercisable) to acquire any shares of the capital stock or other securities of Parent or any of its Subsidiaries; (ii) outstanding security, instrument or obligation that is or may become convertible into or exchangeable for any shares of the capital stock or other securities of Parent or any of its Subsidiaries; or (iii) condition or circumstance that could be reasonably likely to give rise to or provide a basis for the assertion of a claim by any Person to the effect that such Person is entitled to acquire or receive any shares of capital stock or other securities of Parent or any of its Subsidiaries. There are no outstanding or authorized stock appreciation, phantom stock, profit participation or other similar rights with respect to Parent or any of its Subsidiaries.

(e) All outstanding shares of Parent Common Stock, Parent Options, Parent RSUs and other securities of Parent have been issued and granted in material compliance with (i) all applicable securities Laws and other applicable Laws, and (ii) all requirements set forth in applicable Contracts.

### 3.7 SEC Filings; Financial Statements.

(a) Other than such documents that can be obtained on the SEC's website at [www.sec.gov](http://www.sec.gov), Parent has delivered or made available to the Company accurate and complete copies of all registration statements, proxy statements, Certifications and other statements, reports, schedules, forms and other documents filed by Parent with the SEC since January 1, 2021 (the "**Parent SEC Documents**"). All material statements, reports, schedules, forms and other documents required to have been filed by Parent or its officers with the SEC have been so filed on a timely basis. As of the time it was filed with the SEC (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing), each of the Parent SEC Documents complied in all material respects with the applicable requirements of the Securities Act or the Exchange Act (as the case may be) and, as of the time they were filed, 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. The certifications and statements required by (i) Rule 13a-14 under the Exchange Act and (ii) 18 U.S.C. §1350 (Section 906 of the Sarbanes-Oxley Act) relating to the Parent SEC Documents (collectively, the "**Certifications**") are accurate and complete and comply as to form and content with all applicable Laws. As used in this Section 3.7, the term "file" and variations thereof shall be broadly construed to include any manner in which a document or information is furnished, supplied or otherwise made available to the SEC.

(b) The financial statements (including any related notes) contained or incorporated by reference in the Parent SEC Documents: (i) complied as to form in all material respects with the published rules and regulations of the SEC applicable thereto; (ii) were prepared in accordance with GAAP (except as may be indicated in the notes to such financial statements or, in the case of unaudited financial statements, except as permitted by the SEC on Form 10-Q under the Exchange Act, and except that the unaudited financial statements may not contain footnotes and are subject to normal and recurring year-end adjustments) applied on a consistent basis unless otherwise noted therein throughout the periods indicated; and (iii) fairly present, in all material respects, the financial position of Parent and its consolidated Subsidiaries as of the respective dates thereof and the results of operations and cash flows of Parent and its consolidated Subsidiaries for the periods covered thereby. Other than as expressly disclosed in the Parent SEC Documents filed prior to the date of this Agreement, there has been no material change in Parent's accounting methods or principles that would be required to be disclosed in Parent's financial statements in accordance with GAAP. The books of account and other financial records of Parent and each of its Subsidiaries are true and complete in all material respects.



(c) Except as set forth on Section 3.7(c) of the Parent Disclosure Schedule, as of the date of this Agreement, Parent is in compliance in all material respects with the applicable provisions of the Sarbanes-Oxley Act and the applicable current listing and governance rules and regulations of Nasdaq.

(d) Parent maintains a system of internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP and to provide reasonable assurance (i) that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, (ii) that receipts and expenditures are made only in accordance with authorizations of management and the Parent Board, and (iii) regarding prevention or timely detection of the unauthorized acquisition, use or disposition of Parent's assets that could have a material effect on Parent's financial statements. Parent has evaluated the effectiveness of Parent's internal control over financial reporting as of December 31, 2023, 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 internal control over financial reporting as of the end of the period covered by such report or amendment based on such evaluation. Parent has disclosed, based on its most recent evaluation of internal control over financial reporting, to Parent's auditors and audit committee (and made available to the Company a summary of the significant aspects of such disclosure) (A) all significant deficiencies, if any, in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect Parent's ability to record, process, summarize and report financial information, and (B) any known fraud that involves management or other employees who have a significant role in Parent's internal control over financial reporting. Parent has not identified, based on its most recent evaluation of internal control over financial reporting, any material weaknesses in the design or operation of Parent's internal control over financial reporting.

(e) Parent maintains "disclosure controls and procedures" (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) that are reasonably designed to ensure that information required to be disclosed by Parent in the periodic reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the required time periods, and that all such information is accumulated and communicated to Parent's management as appropriate to allow timely decisions regarding required disclosure and to make the Certifications.

(f) To the Knowledge of Parent, Parent's auditor has at all times since the date of enactment of the Sarbanes-Oxley Act been: (i) a registered public accounting firm (as defined in Section 2(a)(12) of the Sarbanes-Oxley Act); (ii) with respect to Parent, "independent" with respect to Parent within the meaning of Regulation S-X under the Exchange Act; and (iii) to the Knowledge of Parent, in compliance with subsections (g) through (l) of Section 10A of the Exchange Act and the rules and regulations promulgated by the SEC and the Public Company Accounting Oversight Board thereunder.

(g) Except as set forth in Section 3.7(g) of the Parent Disclosure Schedule, since January 1, 2021, Parent has not received any comment letter from the SEC or the Staff thereof or any correspondence from Nasdaq or the staff thereof relating to the delisting or maintenance of listing of the Parent Common Stock on Nasdaq that has not been disclosed in the Parent SEC Documents. Parent has not disclosed any unresolved comments.

(h) Since January 1, 2021, there have been no formal internal investigations regarding financial reporting or accounting policies and practices discussed with, reviewed by or initiated at the direction of the chief executive officer, chief financial officer, or general counsel of Parent, the Parent Board or any committee thereof, other than ordinary course audits or reviews of accounting policies and practices or internal controls required by the Sarbanes-Oxley Act.

(i) Schedule II sets forth a true, complete and correct document containing the components of Parent Net Cash, with the calculations set forth therein assuming the date hereof as the Anticipated Closing Date.

3.8 Absence of Changes.

(a) Between the date of the Parent Balance Sheet and the date of this Agreement, Parent has conducted its business only in the Ordinary Course of Business (except for the execution and performance of this Agreement and the discussions, negotiations and transactions related thereto, including the Contemplated Transactions).

(b) Between the date of the Parent Balance Sheet and the date of this Agreement, there has not been any Parent Material Adverse Effect.

(c) Between the date of the Parent Balance Sheet and the date of this Agreement, there has not been any action, event or occurrence that would have required the consent of the Company pursuant to Section 4.1(b) had such action, event or occurrence taken place after the execution and delivery of this Agreement.

3.9 Absence of Undisclosed Liabilities. As of the date of this Agreement, neither Parent nor any of its Subsidiaries has any Liability, individually or in the aggregate, of a type required to be recorded or reflected on Parent's balance sheet or disclosed in the footnotes thereto under GAAP except for: (a) Liabilities disclosed, reflected or reserved against in the Parent Balance Sheet; (b) Liabilities that have been incurred by Parent or any of its Subsidiaries since the date of the Parent Balance Sheet in the Ordinary Course of Business; (c) Liabilities for performance of obligations of Parent or any of its Subsidiaries under Parent Material Contracts which have not resulted from a breach of such Parent Material Contracts, breach of warranty, tort, infringement or violation of Law; (d) Liabilities incurred in connection with the Contemplated Transactions; and (e) Liabilities which would not, individually or in the aggregate, reasonably be expected to be material to Parent.

3.10 Title to Assets. Parent and each of its Subsidiaries owns, and has good and valid title to, or, in the case of leased properties and assets, valid leasehold interests in, all tangible properties or tangible assets and equipment used or held for use in its business or operations or purported to be owned by it, including: (a) all tangible assets reflected on the Parent Balance Sheet; and (b) all other tangible assets reflected in the books and records of Parent or any of its Subsidiaries as being owned by Parent or such Subsidiary. All of such assets are owned or, in the case of leased assets, leased by Parent or its applicable Subsidiary free and clear of any Encumbrances, other than Permitted Encumbrances.

3.11 Real Property; Leasehold. Neither Parent nor any of its Subsidiaries owns any real property. Parent has terminated, with no remaining Liability to Parent or any of its Subsidiaries, all leasehold interest for any real property it has ever held, directly or indirectly, and neither Parent nor any of its Subsidiaries has any Liability with respect to, and has no real estate that is in the possession of or leased by Parent or any of its Subsidiaries.

3.12 Intellectual Property.

(a) Section 3.12(a) of the Parent Disclosure Schedule accurately identifies (i) the name of the applicant/registrant, (ii) the jurisdiction of application/registration, (iii) the application or registration number and (iv) any other co-owners, for each item of Registered IP owned in whole or in part by Parent or its Subsidiaries ("**Parent Owned Registered IP**"). To Parent's Knowledge, each of the patents and patent applications included in the Parent Owned Registered IP properly identifies by name each and every inventor of the inventions claimed therein as determined in accordance with applicable Laws of the United States. To Parent's Knowledge, (A) the Parent Owned Registered IP is valid, enforceable and subsisting, and in full force and effect, (B) none of the Parent Owned Registered IP has been misused, withdrawn, cancelled, expired, or abandoned, and (C) all application, registration, issuance, renewal and maintenance fees due for the Parent Owned Registered IP and each patent application from which such Parent Owned Registered IP claims priority, all statements made and information presented to the applicable patent office by or on behalf of the Parent or any inventor thereof, or its respective patent counsel during the prosecution thereof are accurate and complete and comply with 37 CFR 1.56. As of the date of this Agreement, no interference, opposition, reissue, reexamination, derivation, *inter partes* review, or other proceeding of any nature (other than initial examination proceedings and other than in the ordinary course of prosecution and maintenance) is pending or, to Parent's Knowledge, threatened in writing, in which the scope, validity, enforceability or ownership of any Parent Owned Registered IP is being or has been contested or challenged.

(b) Except as set forth on Section 3.12(b) of the Parent Disclosure Schedule, Parent or its Subsidiaries owns or co-owns all right, title and interest in and to all Parent IP, free and clear of all Encumbrances other than Permitted Encumbrances. To Parent's Knowledge, each Parent Associate has the right, pursuant to a Parent In-bound License to use all other material Intellectual Property Rights used by the Company in its businesses as currently conducted. The Parent IP and the Intellectual Property Rights licensed to Parent or its Subsidiaries pursuant to a Parent In-bound License (the "**Parent In-Licensed IP**") are all the Intellectual Property Rights necessary to operate the business of Parent or its Subsidiaries as currently conducted and as proposed to be conducted as of the date of this Agreement. No Parent Associate owns or has any claim, right (whether or not currently exercisable) or interest to or in any Parent IP, and each Parent Associate involved in the creation or development of any material Parent IP, pursuant to such Parent Associate's activities on behalf of Parent or its Subsidiaries, has signed or has an obligation to sign a valid, enforceable written agreement containing a present assignment of all such Parent Associate's rights in such material Parent IP to Parent or its Subsidiaries (without further payment being owed to any such Parent Associate and without any restrictions or obligations on Parent's or its Subsidiaries' ownership or use thereof (except for the obligation to pay service fee pursuant to the terms of the applicable service agreements that is not based on the revenues or profits of Parent or any of its Subsidiaries)) and confidentiality provisions protecting the Parent IP, which, to Parent's Knowledge, has not been materially breached by such Parent Associate. Without limiting the foregoing, Parent and its Subsidiaries have taken commercially reasonable steps to protect, maintain and enforce all Parent IP and Parent In-Licensed IP, including the secrecy, confidentiality and value of trade secrets and other confidential information therein, and to Parent's Knowledge there have been no authorized disclosures of any Parent IP or Parent In-Licensed IP. Neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated hereby will conflict with, alter or impair any of Parent's or, following the Closing, the Company's, rights in or to any Parent IP or Parent In-Licensed IP or cause any payments of any kind to be due or payable to any Person.

(c) To Parent's Knowledge, no funding, facilities or personnel of any Governmental Body or any university, college, research institute or other educational or academic institution has been used, in whole or in part, to create any Parent IP or Parent In-Licensed IP, except for any such funding or use of facilities or personnel that does not result in such Governmental Body or institution obtaining ownership or other rights (including any "march in" rights or a right to direct the location of manufacturing of products) to such Parent IP or Parent In-Licensed IP or the right to receive royalties or other consideration for the practice of such Parent IP or Parent In-Licensed IP. To the Parent's Knowledge, no Parent Associate who was involved in, or who contributed to, the creation or development of any Parent IP or any Parent In-Licensed IP, has performed services for a Governmental Body or any university, college, research institute or other educational or academic institution in a manner that would affect Parent's interest in the Parent IP or any Parent In-Licensed IP.

(d) Section 3.12(d) of Parent Disclosure Schedule sets forth each license agreement pursuant to which Parent or any of its Subsidiaries (i) is granted a license under any material Intellectual Property Right owned by any third party that is used by Parent or any of its Subsidiaries in its business as currently conducted (each a "**Parent In-bound License**") or (ii) grants to any third party a license, option, covenant not to sue or other right under any Parent IP or any Parent In-Licensed IP (each a "**Parent Out-bound License**") (provided, that, Parent In-bound Licenses shall not include material transfer agreements, clinical trial agreements, services agreements, non-disclosure agreements, commercially-available Software-as-a-Service offerings, off-the-shelf software licenses or generally-available patent license agreements entered into in the Ordinary Course of Business on a non-exclusive basis and where the license is incidental to the primary purpose of the relevant Contracts; and Parent Out-bound Licenses shall not include material transfer agreements, clinical trial agreements, services agreements, non-disclosure agreements, or non-exclusive outbound licenses entered into in the Ordinary Course of Business on a non-exclusive basis and that do not grant any commercial rights to any products or services of Parent or any of its Subsidiaries). Neither Parent nor its Subsidiaries nor, to Parent's Knowledge, any other party to any Parent In-bound License or Parent Out-bound License has breached or is in breach of any of its obligations under any Parent In-bound License or Parent Out-bound License.

(e) To Parent's Knowledge: (i) the operation of the businesses of Parent and its Subsidiaries as currently conducted does not infringe or misappropriate or otherwise violate any Intellectual Property Right owned by any other Person; and (ii) no other Person is infringing, misappropriating or otherwise violating any Parent IP or Parent In-Licensed IP. No Legal Proceeding is pending (or, to Parent's Knowledge, is threatened) (A) against Parent or any of its Subsidiaries alleging that the operation of the businesses of Parent or its Subsidiaries infringes or constitutes the misappropriation or other violation of any Intellectual Property Rights of another Person or (B) by Parent or any of its Subsidiaries alleging that another Person has infringed, misappropriated or otherwise violated any of Parent IP or any Parent In-Licensed IP. Since January 1, 2021, neither Parent nor any of its Subsidiaries has received any written notice or other written communication alleging that the operation of the businesses of Parent or any of its Subsidiaries infringes or constitutes the misappropriation or other violation of any Intellectual Property Right of another Person.

(f) None of the Parent IP or, to Parent's Knowledge, any Parent In-Licensed IP is subject to any pending or outstanding injunction, directive, order, decree, settlement, judgment or other disposition of dispute that adversely and materially restricts the use, transfer, registration or licensing by Parent or any of its Subsidiaries of any such Parent IP or Parent In-Licensed IP or otherwise would reasonably be expected to adversely affect the validity, scope, use, registrability, or enforceability of any Parent IP or Parent In-Licensed IP.

(g) Except as would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, Parent and its Subsidiaries and the operation of Parent's and its Subsidiaries' businesses are in substantial compliance with all applicable Laws pertaining to data privacy and data security of Sensitive Data. To Parent's Knowledge, since January 1, 2021, there have been (i) no material losses or thefts of data or security breaches relating to Sensitive Data used in the business of Parent or its Subsidiaries, (ii) no violations of any security policy of Parent or its Subsidiaries regarding any such Sensitive Data, (iii) no unauthorized access or unauthorized use of any Sensitive Data used in the business of Parent or its Subsidiaries, and (iv) no unintended or improper disclosure of any personally identifiable information in the possession, custody or control of Parent or its Subsidiaries or a contractor or agent acting on behalf of Parent or its Subsidiaries, in each case of clauses (i) through (iv), except as would not reasonably be expected to, individually or in the aggregate, have a Parent Material Adverse Effect.

(h) None of Parent or its Subsidiaries is now or has ever been a member or promoter of, or a contributor to, any industry standards body or any similar organization that would reasonably be expected to require or obligate Parent or any of its Subsidiaries to grant or offer to any other Person any license or right to any Parent IP or Parent In-Licensed IP.

(i) Solely with respect to Intellectual Property Rights for which Parent or any of its Subsidiaries controls the filing, prosecution, or maintenance and to Parent's Knowledge: (i) all information to the Knowledge of Parent and its subsidiaries relating to the subject matter of the claims of the Parent IP or Parent In-Licensed IP has been disclosed to the United States Patent and Trademark Office ("USPTO") to the extent required by 37 C.F.R. § 1.56 or any applicable patent office in any other jurisdiction to the extent required by the applicable rules and regulations in such jurisdiction; (ii) all material information submitted to the USPTO and any applicable patent office in any other jurisdiction in connection with the Parent IP or Parent In-Licensed IP, and in connection with the prosecution thereof, was accurate in all material respects at the time it was submitted; (iv) parent and its subsidiaries, with respect to any of the Parent IP or Parent In-Licensed IP, has not made any material misrepresentation or concealed any material information from the USPTO in violation of 37 C.F.R. Section § 1.56 or from any applicable patent office in any other jurisdiction in violation of the applicable rules and regulations in such jurisdiction; and (iv) each item of Parent IP or Parent In-Licensed IP is valid, subsisting, enforceable and in full force and effect; and has not been cancelled, expired, or abandoned.

3.13 Agreements, Contracts and Commitments

(a) Section 3.13 of the Parent Disclosure Schedule lists the following Parent Contracts in effect as of the date of this Agreement (other than any Parent Benefit Plan) (each, a "*Parent Material Contract*" and collectively, the "*Parent Material Contracts*"):

(i) Each Parent Contract that would be a material contract as defined in Item 601(b)(10) of Regulation S-K as promulgated under the Securities Act;

(ii) each Parent Contract relating to any agreement of indemnification or guaranty not entered into in the Ordinary Course of Business;

(iii) each Parent Contract containing (A) any covenant limiting the freedom of Parent or any of its Subsidiaries to engage in any line of business or compete with any Person, (B) any "most-favored nations" pricing provision or marketing or distribution rights related to any products or territory, (C) any exclusivity provision, (D) any agreement to purchase minimum quantity of goods or services, or (E) any material non-solicitation provision applicable to Parent or any of its Subsidiaries;

(iv) each Parent Contract relating to capital expenditures and requiring payments after the date of this Agreement in excess of \$50,000 pursuant to its express terms and not cancelable without penalty;

(v) each Parent Contract relating to the disposition or acquisition of material assets or any ownership interest in any Entity;

(vi) each Parent Contract relating to any mortgages, indentures, loans, notes or credit agreements, security agreements or other agreements or instruments relating to the borrowing of money or extension of credit or creating any material Encumbrances with respect to any assets of Parent or any of its Subsidiaries or any loans or debt obligations with officers or directors of Parent or any of its Subsidiaries;

(vii) each Parent Contract requiring payment by or to Parent or any of its Subsidiaries after the date of this Agreement in excess of \$50,000 pursuant to its express terms relating to: (A) any distribution agreement (identifying any that contain exclusivity provisions); (B) any agreement involving provision of services or products with respect to any pre-clinical or clinical development activities of Parent or any of its Subsidiaries; (C) any dealer, distributor, joint marketing, alliance, joint venture, cooperation, development or other agreement currently in force under which Parent or any of its Subsidiaries has continuing obligations to develop or market any product, technology or service, or any agreement pursuant to which Parent or any of its Subsidiaries has continuing obligations to develop any Intellectual Property Rights that will not be owned, in whole or in part, by Parent or any of its Subsidiaries; or (D) any Contract to license any third party to manufacture or produce any product, service or technology of Parent or any of its Subsidiaries or any Contract to sell, distribute or commercialize any products or service of Parent or any of its Subsidiaries, in each case, except for Contracts entered into in the Ordinary Course of Business;

Contemplated Transactions;

- (viii) each Parent Contract with any Person, including any financial advisor, broker, finder, investment banker or other Person, providing advisory services to Parent in connection with the
- (ix) each Parent Contract with any Governmental Body;
- (x) each Parent Out-bound License and Parent In-bound License;
- (xi) each Parent Contract containing any royalty, dividend or similar arrangement based on the revenues or profits of Parent or any of its Subsidiaries; or
- (xii) any other Parent Contract that is not terminable at will (with no penalty or payment) by Parent or its Subsidiaries, as applicable, and (A) which involves payment or receipt by Parent or its Subsidiaries after the date of this Agreement under any such Parent Contract of more than \$50,000 in the aggregate or obligations after the date of this Agreement in excess of \$50,000 in the aggregate, or (B) that is material to the business or operations of Parent and its Subsidiaries, taken as a whole.

(b) Parent has delivered or made available to the Company accurate and complete copies of all Parent Material Contracts, including all amendments thereto. There are no Parent Material Contracts that are not in written form. None of Parent, any of its Subsidiaries nor, to Parent's Knowledge, any other party to a Parent Material Contract, has breached, violated or defaulted under, or received notice that it breached, violated or defaulted under, any of the terms or conditions of, or Laws applicable to, any Parent Material Contract in such manner as would permit any other party to cancel or terminate any such Parent Material Contract, or would permit any other party to seek damages or pursue other legal remedies which would reasonably be expected to be material to Parent or its business or operations. As to Parent and its Subsidiaries, each Parent Material Contract is valid, binding, enforceable and in full force and effect, subject to the Enforceability Exceptions. No Person is renegotiating, or has a right pursuant to the terms of any Parent Material Contract to change, any material amount paid or payable to Parent or any of its Subsidiaries under any Parent Material Contract or any other material term or provision of any Parent Material Contract.

#### 3.14 Compliance; Permits; Restrictions.

(a) Parent and each of its Subsidiaries are, and since January 1, 2021, have been, in compliance in all material respects with all applicable Laws, including applicable provisions of the FDCA, the FDA regulations adopted thereunder, the PHSA and any other similar Law administered or promulgated by the FDA or other Drug Regulatory Agency, except for any noncompliance, either individually or in the aggregate, which would not be material to Parent. No investigation, claim, suit, proceeding, audit or, to Parent's Knowledge, investigation or other action by any Governmental Body is pending or, to Parent's Knowledge, threatened against Parent or any of its Subsidiaries. There is no agreement, judgment, injunction, order or decree binding upon Parent or any of its Subsidiaries which (i) has or would reasonably be expected to have the effect of prohibiting or materially impairing any business practice of Parent or any of its Subsidiaries, any acquisition of material property by Parent or any of its Subsidiaries or the conduct of business by Parent or any of its Subsidiaries as currently conducted, (ii) is reasonably likely to have an adverse effect on Parent's ability to comply with or perform any covenant or obligation under this Agreement, or (iii) is reasonably likely to have the effect of preventing, delaying, making illegal or otherwise interfering with the Contemplated Transactions.

(b) Parent and its Subsidiaries hold all required Governmental Authorizations that are material to the operation of the business of Parent and its Subsidiaries as currently conducted (the "**Parent Permits**"). Section 3.14(b) of the Parent Disclosure Schedule identifies each Parent Permit. Parent and its Subsidiaries hold all right, title and interest in and to all Parent Permits free and clear of any Encumbrance. Parent and each of its Subsidiaries is in material compliance with the terms of the Parent Permits. No Legal Proceeding is pending or, to Parent's Knowledge, threatened, which seeks to revoke, limit, suspend, or materially modify any Parent Permit.

(c) There are no proceedings pending or, to Parent's Knowledge, threatened with respect to an alleged material violation by Parent or any of its Subsidiaries of the FDCA, the FDA regulations adopted thereunder, the PHSA or any other similar Law administered or promulgated by any Drug Regulatory Agency. Neither Parent nor any of its Subsidiaries is currently conducting or addressing, and, to Parent's Knowledge, there is no basis to expect that it will be required to conduct or address, any corrective actions, including product recalls or clinical holds.

(d) All clinical, nonclinical and other studies and tests conducted by or on behalf of, or sponsored by, Parent or any of its Subsidiaries, or in which Parent or any of its Subsidiaries or their respective current products or product candidates have participated, were and, if still pending, are being conducted in compliance in all material respects with the applicable regulations of any applicable Drug Regulatory Agency and other applicable Law, including 21 C.F.R. Parts 50, 54, 58 and 312. Since January 1, 2021, neither Parent nor any of its Subsidiaries has received any notices, correspondence, or other communications from any Drug Regulatory Agency requiring or threatening to initiate the termination or suspension of any clinical studies conducted by or on behalf of, or sponsored by, Parent or any of its Subsidiaries or in which Parent or any of its Subsidiaries or their respective current product candidates have participated.

(e) Neither Parent nor any of its Subsidiaries is the subject of any pending or to Parent's Knowledge, threatened investigation in respect of its business or products by the FDA pursuant to its "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. To Parent's Knowledge, neither Parent nor any of its Subsidiaries has committed any acts, made any statement, or failed to make any statement, in each case in respect of its business or products that would violate the FDA's "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" Final Policy, and any amendments thereto. None of Parent, any of its Subsidiaries or any of their respective officers, employees or agents has been convicted of any crime or engaged in any conduct that could result in a debarment or exclusion (i) under 21 U.S.C. Section 335a or (ii) under 42 U.S.C. §§ 1320a-7 or 1320a-7a or any similar applicable Law. No debarment or exclusionary claims, actions, proceedings or investigations in respect of their business or products are pending, or to Parent's Knowledge, threatened against Parent, any of its Subsidiaries or any of their respective officers, employees or, to the Parent's Knowledge, agents.



3.15 Legal Proceedings; Orders.

(a) There is no pending Legal Proceeding and, to Parent's Knowledge, no Person has threatened to commence any Legal Proceeding: (i) that involves (A) Parent, (B) any of its Subsidiaries, (C) any Parent Associate (in his or her capacity as such), or (D) any of the material assets owned or used by Parent or its Subsidiaries; or (ii) that challenges, or that would reasonably be expected to have the effect of preventing, delaying, making illegal or otherwise interfering with, the Contemplated Transactions.

(b) Since January 1, 2021, no Legal Proceeding has been pending against Parent or any of its Subsidiaries that resulted in material liability to Parent or any of its Subsidiaries.

(c) There is no order, writ, injunction, judgment or decree to which Parent or any of its Subsidiaries, or any of the material assets owned or used by Parent or any of its Subsidiaries, is subject. To Parent's Knowledge, no officer or employee of Parent or any of its Subsidiaries is subject to any order, writ, injunction, judgment or decree that prohibits such officer or employee from engaging in or continuing any conduct, activity or practice relating to the business of Parent or any of its Subsidiaries or to any material assets owned or used by Parent or any of its Subsidiaries.

3.16 Tax Matters.

(a) Parent and each of its Subsidiaries have timely filed all income Tax Returns and other material Tax Returns that they were required to file under applicable Law. All such Tax Returns are correct and complete in all material respects and have been prepared in compliance with all applicable Law. No written claim has ever been made by any Governmental Body in any jurisdiction where Parent or any of its Subsidiaries does not file a particular Tax Return or pay a particular Tax that Parent or such Subsidiary is subject to taxation by that jurisdiction.

(b) All income and other material Taxes due and owing by Parent or any of its Subsidiaries on or before the date of this Agreement (whether or not shown on any Tax Return) have been fully paid. The unpaid Taxes of Parent and its Subsidiaries did not, as of the date of the Parent Balance Sheet, materially exceed the reserve for Tax liability (excluding any reserve for deferred Taxes established to reflect timing differences between book and Tax items) set forth on the face of the Parent Balance Sheet. Since the date of the Parent Balance Sheet, neither Parent nor any of its Subsidiaries has incurred any material Liability for Taxes outside the Ordinary Course of Business.

(c) All Taxes that Parent or any of its Subsidiaries are or were required by Law to withhold or collect have been duly and timely withheld or collected in all material respects on behalf of its respective employees, independent contractors, stockholders, equityholders, lenders, customers or other third-parties, and have been timely paid to the proper Governmental Body or other Person or properly set aside in accounts for this purpose.

(d) There are no Encumbrances for material Taxes (other than Taxes not yet due and payable) upon any of the assets of Parent or any of its Subsidiaries.

(e) No deficiencies for income or other material Taxes with respect to Parent or any of its Subsidiaries have been claimed, proposed or assessed by any Governmental Body in writing. There are no pending or ongoing, and, to Parent's Knowledge, threatened audits, assessments or other actions for or relating to any liability in respect of a material amount of Taxes of Parent or any of its Subsidiaries. Neither Parent nor any of its Subsidiaries (or any of their predecessors) has waived any statute of limitations in respect of any income or other material Taxes or agreed to any extension of time with respect to any income or other material Tax assessment or deficiency.

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

(g) Neither Parent nor any of its Subsidiaries is a party to any Tax allocation agreement, Tax sharing agreement, Tax indemnity agreement, or similar agreement or arrangement, other than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes.

(h) Neither Parent nor any of its Subsidiaries will be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any Tax period (or portion thereof) ending after the Closing Date as a result of any: (i) change in method of accounting for Tax purposes made on or prior to the Closing Date; (ii) use of an improper method of accounting for a Tax period ending on or prior to the Closing Date; (iii) "closing agreement" as described in Section 7121 of the Code (or any similar provision of state, local or foreign Law) executed on or prior to the Closing Date; (iv) intercompany transaction or excess loss account described in Treasury Regulations under Section 1502 of the Code (or any similar provision of state, local or foreign Law) entered into on or prior to the Closing Date; (v) installment sale or open transaction disposition made on or prior to the Closing Date; (vi) prepaid amount received or deferred revenue accrued on or prior to the Closing Date; (vii) application of Section 367(d) of the Code to any transfer of intangible property on or prior to the Closing Date; (viii) application of Sections 951 or 951A of the Code (or any similar provision of state, local or foreign Law) to any income received or accrued on or prior to the Closing Date; or (ix) election under Section 108(i) of the Code (or any similar provision of state, local or foreign Law) made on or prior to the Closing Date. Parent has not made any election under Section 965(h) of the Code.

(i) Neither Parent nor any of its Subsidiaries has ever been (i) a member of a consolidated, combined or unitary Tax group (other than such a group the common parent of which is Parent) or (ii) a party to any joint venture, partnership, or other arrangement that is treated as a partnership for U.S. federal income Tax purposes. Neither Parent nor any of its Subsidiaries has any Liability for any material Taxes of any Person (other than Parent and any of its Subsidiaries) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local, or foreign Law), or as a transferee or successor.

(j) Neither Parent nor any of its Subsidiaries (i) is a “controlled foreign corporation” as defined in Section 957 of the Code; (ii) is a “passive foreign investment company” within the meaning of Section 1297 of the Code; or (iii) has ever had a permanent establishment (within the meaning of an applicable Tax treaty) or otherwise had an office or fixed place of business in a country other than the country in which it is organized.

(k) Neither Parent nor any of its Subsidiaries has participated in or been a party to a transaction that, as of the date of this Agreement, constitutes a “listed transaction” that is required to be reported to the IRS pursuant to Section 6011 of the Code and applicable Treasury Regulations thereunder.

(l) Neither Parent nor any of its Subsidiaries has taken any action or knows of any fact that would reasonably be expected to prevent the Contemplated Transactions from qualifying for the Intended Tax Treatment.

(m) Neither Parent nor any of its Subsidiaries has availed itself of any Tax relief pursuant to any Pandemic Response Laws that could reasonably be expected to materially impact the Tax payment or Tax reporting obligations of Parent and its Affiliates (including the Company) after the Closing Date.

(n) No material claim has been made in writing by any Governmental Body in a jurisdiction where the Parent or any of its Subsidiaries do not currently file or have filed a Tax Return that the Parent or any of its Subsidiaries are or may be subject to taxation by such jurisdiction.

(o) The Parent is a corporation for U.S. federal income Tax purposes under Section 7701 of the Code.

(p) The Parent has not distributed stock of another Person, nor had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Section 355 of the Code or Section 361 of the Code.

(q) To the Parent’s Knowledge, the Parent has not been, is not, and immediately prior to the Closing Date will not be, treated as an “investment company” within the meaning of Section 368(a)(2)(F) of the Code.

For purposes of this Section 3.16, each reference to Parent or any of its Subsidiaries shall be deemed to include any Person that was liquidated into, merged with, or is otherwise a predecessor to, Parent or any of its Subsidiaries.

### 3.17 Employee and Labor Matters; Benefit Plans.

(a) Section 3.17(a) of the Parent Disclosure Schedule lists, as of the date of this Agreement, all Parent Benefit Plans, including each Parent Benefit Plan that provides for retirement, change in control, stay or retention deferred compensation, incentive compensation, severance or retiree medical or life insurance benefits. “*Parent Benefit Plan*” means each (i) “employee benefit plan” as defined in Section 3(3) of ERISA and (ii) other pension, retirement, deferred compensation, excess benefit, profit sharing, bonus, incentive, equity or equity-based, phantom equity, employment, consulting, severance, change-of-control, retention, health, life, disability, group insurance, paid-time off, holiday, welfare and fringe benefit plan, program, agreement, contract, or arrangement (other than regular salary or wages) (whether written or unwritten, qualified or nonqualified, funded or unfunded and including any that have been frozen or terminated), in any case, maintained, contributed to, or required to be contributed to, by Parent, any of its Subsidiaries or Parent ERISA Affiliates for the benefit of any current or former employee, director, officer or independent contractor of Parent or any of its Subsidiaries or under which Parent or any of its Subsidiaries has any actual or contingent liability (including as to the result of it being treated as a single employer under Section 414 of the Code with any other person).

(b) As applicable with respect to each material Parent Benefit Plan, Parent has made available to the Company, true and complete copies of (i) each material Parent Benefit Plan, including all amendments thereto, and in the case of an unwritten material Parent Benefit Plan, a written description thereof, (ii) all current trust documents, investment management contracts, custodial agreements, administrative services agreements and insurance and annuity contracts relating thereto, (iii) the current summary plan description and each summary of material modifications thereto, (iv) the three (3) most recently filed annual reports with any on Form 5500 and all schedules thereto, (v) the most recent IRS determination, opinion or advisory letter, (vi) the three (3) most recent, nondiscrimination testing reports, actuarial reports and financial statements, (vii) all records, notices and filings concerning IRS or United States Department of Labor or other Governmental Body audits or investigations since January 1, 2021, and (viii) all material written materials provided to employees or participants relating to the amendment, termination, establishment, or increase or decrease in benefits under any Parent Benefit Plan.

(c) Each Parent Benefit Plan has been maintained, operated and administered in compliance in all material respects with its terms and any related documents or agreements and the applicable provisions of ERISA, the Code and all other applicable Laws.

(d) The Parent Benefit Plans which are “employee pension benefit plans” within the meaning of Section 3(2) of ERISA and which are intended to meet the qualification requirements of Section 401(a) of the Code have received determination or opinion letters from the IRS on which they may currently rely to the effect that such plans are qualified under Section 401(a) of the Code and the related trusts are exempt from federal income Taxes under Section 501(a) of the Code, respectively, and, to Parent’s Knowledge, nothing has occurred that would reasonably be expected to materially adversely affect the qualification of such Parent Benefit Plan or the tax exempt status of the related trust.

(e) None of Parent, any of its Subsidiaries nor any Parent ERISA Affiliate sponsors, maintains, contributes to, is required to contribute to, or has any actual or contingent liability with respect to or has within the past six (6) years sponsored, maintained, contributed to, or been required to contribute to, (i) any “employee pension benefit plan” (within the meaning of Section 3(2) of ERISA) that is subject to Title IV or Section 302 of ERISA or Section 412 of the Code, (ii) any “multiemployer plan” (within the meaning of Section 3(37) of ERISA), (iii) any “multiple employer plan” (within the meaning of Section 413 of the Code) or (iv) any “multiple employer welfare arrangement” (within the meaning of Section 3(40) of ERISA), and none of the Parent, any of its Subsidiaries or any of their respective ERISA Affiliates has, within the preceding six (6) years, incurred a complete or partial withdrawal from any “multiemployer plan” or otherwise incurred any liability under Section 4202 of ERISA.

(f) There are no pending audits or investigations by any Governmental Body involving any Parent Benefit Plan, and no pending or, to Parent's Knowledge, threatened claims (except for individual claims for benefits payable in the normal operation of the Parent Benefit Plans), suits or proceedings involving any Parent Benefit Plan, any fiduciary thereof or service provider thereto. All contributions and premium payments required to have been made under any of the Parent Benefit Plans or by applicable Law (without regard to any waivers granted under Section 412 of the Code), have been timely made and neither Parent nor any Parent ERISA Affiliate has any liability for any unpaid contributions with respect to any Parent Benefit Plan (other than contributions which may continue to be accrued in the Ordinary Course of Business).

(g) None of Parent, any of its Subsidiaries nor any Parent ERISA Affiliates, nor, to Parent's Knowledge, any fiduciary, trustee or administrator of any Parent Benefit Plan, has engaged in, or in connection with the Contemplated Transactions will engage in, any transaction with respect to any Parent Benefit Plan which would subject any such Parent Benefit Plan, Parent, any of its Subsidiaries or Parent ERISA Affiliates or the Company to a Tax, penalty or liability for a "prohibited transaction" under Section 406 of ERISA or Section 4975 of the Code.

(h) Except as set forth on Section 3.17(h) of the Parent Disclosure Schedule, no Parent Benefit Plan provides (i) death, medical, dental, vision, life insurance or other welfare benefits beyond termination of service or retirement, other than coverage mandated by Law or (ii) death or retirement benefits under a Parent Benefit Plan qualified under Section 401(a) of the Code, and none of Parent, any of its Subsidiaries or any Parent ERISA Affiliates has made a written or oral representation promising the same.

(i) Except as set forth on Section 3.17(i) of the Parent Disclosure Schedule, neither the execution of this Agreement, nor the consummation of the Contemplated Transactions will either alone or in connection with any other event(s) (i) result in any payment becoming due to any current or former employee, director, officer, independent contractor or other service provider of Parent or any of its Subsidiaries, (ii) increase any amount of compensation or benefits otherwise payable to any current or former employee, director, officer, independent contractor or other service provider of Parent or any of its Subsidiaries, (iii) result in the acceleration of the time of payment, funding or vesting of any benefits under any Parent Benefit Plan, (iv) require any contribution or payment to fund any obligation under any Parent Benefit Plan or (v) limit the right to merge, amend or terminate any Parent Benefit Plan.

(j) Neither the execution of this Agreement, nor the consummation of the Contemplated Transactions (either alone or when combined with the occurrence of any other event, including a termination of employment) will result in the receipt or retention by any person who is a "disqualified individual" (within the meaning of Section 280G of the Code) with respect to Parent and its Subsidiaries of any payment or benefit that is or could be characterized as a "parachute payment" (within the meaning of Section 280G of the Code), determined without regard to the application of Section 280G(b)(5) of the Code.

(k) To Parent's Knowledge, each Parent Benefit Plan providing for deferred compensation that constitutes a "nonqualified deferred compensation plan" (as defined in Section 409A(d)(1) of the Code and the regulations promulgated thereunder) is, and has been, established, administered and maintained in compliance with the requirements of Section 409A of the Code and the regulations promulgated thereunder.

(l) No Person has any "gross up" agreements with Parent or any of its Subsidiaries or other assurance of reimbursement or compensation by Parent or any of its Subsidiaries for any Taxes imposed under Section 409A or Section 4999 of the Code.

(m) Parent does not have any Parent Benefit Plan that is maintained for service providers located outside of the United States.

(n) Neither Parent nor any of its Subsidiaries is a party to or bound by, or has a duty to bargain under, any collective bargaining agreement or other Contract with a labor union or labor organization representing any of its employees, and there is no labor union or labor organization representing or, to Parent's Knowledge, purporting to represent or seeking to represent any employees of Parent or its Subsidiaries, including through the filing of a petition for representation election.

(o) Parent and each of its Subsidiaries is, and since January 1, 2021 has been, in material compliance with all applicable Laws respecting labor, employment, employment practices, and terms and conditions of employment, including worker classification, discrimination, wrongful termination, harassment and retaliation, equal employment opportunities, fair employment practices, meal and rest periods, immigration, employee safety and health, wages (including overtime wages), unemployment and workers' compensation, leaves of absence, and hours of work. Except as would not be reasonably likely to result in a material liability to Parent or any of its Subsidiaries, with respect to employees of Parent or any of its Subsidiaries, each of Parent and its Subsidiaries, since January 1, 2021: (i) has withheld and reported all amounts required by Law or by agreement to be withheld and reported with respect to wages, salaries and other payments, benefits, or compensation to employees, (ii) is not liable for any arrears of wages (including overtime wages), severance pay or any Taxes or any penalty for failure to comply with any of the foregoing, and (iii) is not liable for any payment to any trust or other fund governed by or maintained by or on behalf of any Governmental Body, with respect to unemployment compensation benefits, disability, social security or other benefits or obligations for employees (other than routine payments to be made in the Ordinary Course of Business). There are no actions, suits, claims, charges, demands, lawsuits, investigations, audits, administrative matters or other Legal Proceedings pending or, to Parent's Knowledge, threatened against Parent or any of its Subsidiaries relating to any current or former employee, applicant for employment, consultant, employment agreement or Parent Benefit Plan (other than routine claims for benefits). Except as set forth on [Section 3.18\(g\)](#) of the Parent Disclosure Schedule, all employees of Parent and its Subsidiaries are employed "at will" and their employment can be terminated without advance notice or payment of severance.

(p) Except as would not be reasonably likely to result in a material liability to Parent or any of its Subsidiaries, with respect to each individual who currently renders services to Parent or any of its Subsidiaries, Parent and each of its Subsidiaries has accurately classified each such individual as an employee, independent contractor, or otherwise under all applicable Laws and, for each individual classified as an employee, Parent has accurately classified him or her as overtime eligible or overtime ineligible under all applicable Laws. Neither Parent nor any of its Subsidiaries has any material liability with respect to any misclassification of: (a) any Person as an independent contractor rather than as an employee, (b) any employee leased from another employer, or (c) any employee currently or formerly classified as exempt from overtime wages.

(q) There is not and has not been since January 1, 2021, nor is there or has there been since January 1, 2021, any threat of, any strike, slowdown, work stoppage, lockout, union election petition, demand for recognition, or any similar activity or dispute, or, to Parent's Knowledge, any union organizing activity, against Parent or any of its Subsidiaries. No event has occurred, and, to Parent's Knowledge, no condition or circumstance exists, that might directly or indirectly be likely to give rise to or provide a basis for the commencement of any such strike, slowdown, work stoppage, lockout, union election petition, demand for recognition, or any similar activity or dispute.

(r) Each Contract entered into by and between Parent and its Affiliates and any professional employer organization is terminable at will without triggering any liquidation charges, surrender charges or other fees.

3.18 Environmental Matters. Parent and each of its Subsidiaries are in compliance, and since January 1, 2021, have complied, with all applicable Environmental Laws, which compliance includes the possession by Parent and its Subsidiaries of all permits and other Governmental Authorizations required under applicable Environmental Laws and compliance with the terms and conditions thereof, except for any failure to be in such compliance that, either individually or in the aggregate, would not reasonably be expected to be material to Parent or its business. Neither Parent nor any of its Subsidiaries has received since January 1, 2021 (or prior to that time, which is pending and unresolved), any written notice or other communication (in writing or otherwise), whether from a Governmental Body or other Person, that alleges that Parent or any of its Subsidiaries is not in compliance with or has liability pursuant to any Environmental Law and, to Parent's Knowledge, there are no circumstances that would reasonably be expected to prevent or interfere with Parent's or any of its Subsidiaries' compliance in any material respects with any Environmental Law, except where such failure to comply would not reasonably be expected to be material to Parent or its business. To the Parent's Knowledge, no current or (during the time a prior property was leased or controlled by Parent or any of its Subsidiaries) prior property leased or controlled by Parent or any of its Subsidiaries has had a release of or exposure to Hazardous Materials in material violation of or as would reasonably be expected to result in any material liability of Parent or any of its Subsidiaries pursuant to any applicable Environmental Law. No consent, approval or Governmental Authorization of or registration or filing with any Governmental Body is required by any applicable Environmental Laws in connection with the execution and delivery of this Agreement or the consummation of the Contemplated Transactions. Prior to the date of this Agreement, Parent has provided or otherwise made available to the Company true and correct copies of all material environmental reports, assessments, studies and audits in the possession or control of Parent or any of its Subsidiaries with respect to any property leased or controlled by Parent or any of its Subsidiaries or any business operated by them.

3.19 Transactions with Affiliates. Since the date of Parent's proxy statement filed in 2024 with the SEC, no event has occurred that would be required to be reported by Parent pursuant to Item 404 of Regulation S-K as promulgated under the Securities Act.

3.20 Insurance. Parent has delivered or made available to the Company accurate and complete copies of all material insurance policies and all material self-insurance programs and arrangements relating to the business, assets, liabilities and operations of Parent and each of its Subsidiaries, as of the date of this Agreement. Each of such insurance policies is in full force and effect and Parent and each of its Subsidiaries are in compliance in all material respects with the terms thereof. Other than customary end of policy notifications from insurance carriers, since January 1, 2021, neither Parent nor any of its Subsidiaries has received any notice or other communication regarding any actual or possible: (i) cancellation or invalidation of any insurance policy; or (ii) refusal or denial of any coverage, reservation of rights or rejection of any material claim under any insurance policy. Parent and each of its Subsidiaries have provided timely written notice to the appropriate insurance carrier(s) of each Legal Proceeding that is currently pending against Parent or any of its Subsidiaries for which Parent or such Subsidiary has insurance coverage, and no such carrier has issued a denial of coverage or a reservation of rights with respect to any such Legal Proceeding, or informed Parent or any of its Subsidiaries of its intent to do so.

3.21 No Financial Advisors. Except for Piper Sandler & Co., no broker, finder or investment banker is entitled to any brokerage fee, finder's fee, opinion fee, success fee, transaction fee or other fee or commission in connection with the Contemplated Transactions based upon arrangements made by or on behalf of Parent or any of its Subsidiaries.

3.22 Disclosure. The information supplied by or on behalf of Parent and each of its Subsidiaries for inclusion or incorporation by reference in the Registration Statement, or to be included or supplied by or on behalf of Parent and each of its Subsidiaries for inclusion in any Regulation M-A Filing, shall not at the time the Registration Statement or any such Regulation M-A Filing is filed with the SEC, at any time it is amended or supplemented or at the time the Registration Statement is declared effective by the SEC contain any statement that, at such time and in light of the circumstances under which it shall be made, is false or misleading with respect to any material fact, or omit to state any material fact necessary in order to make the statements therein not false or misleading, or omit to state any material fact necessary to correct any statement therein that has become false or misleading. The information supplied by or on behalf of Parent and each of its Subsidiaries for inclusion or incorporation by reference in the Proxy Statement, which information shall be deemed to include all information about or related to Parent and each of its Subsidiaries, the Parent Stockholder Matters and the Parent Stockholder Meeting, shall not, on the date the Proxy Statement is first mailed to Parent's stockholders, or at the time of the Parent Stockholders' Meeting or as of the Effective Time, contain any statement that, at such time and in light of the circumstances under which it shall be made, is false or misleading with respect to any material fact, or omit to state any material fact necessary in order to make the statements made in the Proxy Statement not false or misleading, or omit to state any material fact necessary to correct any statement in any earlier communication with respect to the solicitation of proxies for the Parent Stockholders' Meeting that has become false or misleading.



3.23 Anti-Bribery. None of Parent, any of its Subsidiaries nor any of their respective directors, officers, employees or, to Parent's Knowledge, agents or any other Person acting on its behalf has directly or indirectly made any bribes, rebates, payoffs, influence payments, kickbacks, illegal payments, illegal political contributions, or other payments, in the form of cash, gifts, or otherwise, or taken any other action, in violation of Anti-Bribery Laws. Neither Parent nor any of its Subsidiaries is or has been the subject of any investigation or inquiry by any Governmental Body with respect to potential violations of Anti-Bribery Laws.

3.24 Valid Issuance. The Parent Common Stock to be issued in the Merger will, when issued in accordance with the provisions of this Agreement, be validly issued, fully paid and nonassessable.

3.25 Opinion of Financial Advisor. The Parent Board has received an opinion of Piper Sandler & Co. to the effect that, as of December 17, 2024, and subject to the assumptions, qualifications, limitations and other matters set forth therein, the Exchange Ratio (without giving effect to the Nasdaq Reverse Split) is fair, from a financial point of view, to Parent. It is agreed and understood that such opinion is for the benefit of the Parent Board and may not be relied upon by the Company.

3.26 Disclaimer of Other Representations or Warranties. Except as previously set forth in this Section 3 or in any certificate delivered by Parent or Merger Sub to the Company pursuant to this Agreement, neither Parent nor Merger Sub makes any representation or warranty, express or implied, at law or in equity, with respect to it or any of its assets, liabilities or operations, and any such other representations or warranties are hereby expressly disclaimed. Parent and Merger Sub each hereby acknowledges and agrees that, except as previously set forth in Section 2 or in any certificate delivered by the Company to Parent or Merger Sub pursuant to this Agreement, the Company makes no representation or warranty, express or implied, at law or in equity, with respect to it or any of its assets, liabilities or operations, and neither Parent nor Merger Sub has relied on any representation or warranty except as set forth in Section 2 or in any certificate delivered by the Company to Parent or Merger Sub pursuant to this Agreement and any such other representations or warranties are hereby expressly disclaimed.

#### **Section 4. CERTAIN COVENANTS OF THE PARTIES**

##### **4.1 Operation of Parent's Business**

(a) Except (i) as set forth on Section 4.1(a) of the Parent Disclosure Schedule, (ii) as expressly permitted by or required in accordance with this Agreement including in connection with the Asset Dispositions pursuant to Section 4.7, (iii) as required by applicable Law, or (iv) as may be consented to in writing by the Company (which consent shall not be unreasonably withheld, conditioned or delayed), during the period commencing on the date of this Agreement and continuing until the earlier to occur of the termination of this Agreement pursuant to Section 9 and the Effective Time (the "**Pre-Closing Period**"): each of Parent and its Subsidiaries shall (A) conduct its business and operations in the Ordinary Course of Business and in compliance in all material respects with all applicable Laws and the requirements of all Contracts that constitute Parent Material Contracts, and (B) continue to pay material outstanding accounts payable and other material current Liabilities (including payroll) in the Ordinary Course of Business.

(b) Except (i) as expressly permitted by this Agreement, (ii) as set forth on Section 4.1(b) of the Parent Disclosure Schedule, (iii) as required by applicable Law, (iv) in connection with the Asset Dispositions pursuant to Section 4.7 or the winding down of Parent's prior research and development activities (including the termination of ongoing contractual obligations related to Parent's current products or product candidates), or (v) with the prior written consent of the Company (which consent shall not be unreasonably withheld, conditioned or delayed), at all times during the Pre-Closing Period, Parent shall not, nor shall it cause or permit any of its Subsidiaries to, do any of the following:

(i) declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of its capital stock or repurchase, redeem or otherwise reacquire any shares of its capital stock or other securities (except repurchases from terminated employees, directors or consultants of Parent or in connection with the payment of the exercise price or withholding Taxes incurred upon the exercise, settlement or vesting of any award or purchase rights granted under the Parent Equity Incentive Plans in accordance with the terms of such award in effect on the date of this Agreement);

(ii) sell, issue, grant, pledge or otherwise dispose of or encumber or authorize any of the foregoing with respect to: (A) any capital stock or other security of Parent or any of its Subsidiaries (except for shares of Parent Common Stock issued upon the valid exercise of Parent Options or upon settlement of Parent RSUs); (B) any option, warrant or right to acquire any capital stock or any other security; or (C) any instrument convertible into or exchangeable for any capital stock or other security of Parent or any of its Subsidiaries;

(iii) (A) amend the terms of any outstanding Parent Options to extend the exercise period or the exercise price of any such Parent Option or (B) permit the net settlement of any Parent Options in any manner in which cash of Parent is to be remitted or paid by Parent rather than the relevant holder of any such Parent Options;

(iv) except as required to give effect to anything in contemplation of the Closing, amend any of its or its Subsidiaries' Organizational Documents, or effect or be a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, the Contemplated Transactions;

(v) form any Subsidiary or acquire any equity interest or other interest in any other Entity or enter into a joint venture with any other Entity;

(vi) (A) lend money to any Person, (B) incur or guarantee any indebtedness for borrowed money, (C) guarantee any debt securities of others, (D) other than the incurrence or payment of Transaction Expenses, make any capital expenditure in excess of \$5,000, or (E) forgive any loans to any Persons, including Parent's employees, officers, directors or Affiliates;

(vii) other than as required by applicable Law or the terms of any Parent Benefit Plan as in effect on the date of this Agreement or as set forth on Schedule 4.1(b)(vii): (A) adopt, terminate, establish or enter into any Parent Benefit Plan; (B) cause or permit any Parent Benefit Plan to be amended; (C) pay any bonus or make any profit-sharing or similar payment to, or increase the amount of the wages, salary, fringe benefits, commissions, bonus, or other compensation or benefits payable to any of its directors, officers, consultants, or employees; (D) hire any (x) officer or (y) employee (1) whose annual base salary is or is expected to be more than \$200,000 per year, (2) who is entitled to severance benefits, or (3) who is not hired on an at-will basis; (E) increase the severance or change-of-control benefits offered to any current or new employees, directors or consultants (other than acceleration of Parent Options or Parent RSUs as contemplated by this Agreement), or (F) grant any new, or increase any existing, severance, retention benefits, change in control award, or similar compensation or benefit to any Person;

(viii) recognize any labor union or labor organization;

(ix) acquire any material asset or sell, lease or otherwise irrevocably dispose of any of its material assets or properties, or grant any Encumbrance with respect to such material assets or properties;

(x) sell, assign, transfer, license, sublicense or otherwise dispose of any Parent IP or any Parent In-Licensed IP;

(xi) make, change or revoke any material Tax election, fail to pay any income or other material Tax as such Tax becomes due and payable, file any amendment making any material change to any Tax Return, settle or compromise any income or other material Tax liability or submit any voluntary disclosure application, enter into any Tax allocation, sharing, indemnification or other similar agreement or arrangement (other than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes), request or consent to any extension or waiver of any limitation period with respect to any claim or assessment for any income or other material Taxes (other than pursuant to an extension of time to file any Tax Return granted in the Ordinary Course of Business of not more than seven (7) months), or adopt or change any material accounting method in respect of Taxes;

(xii) enter into, materially amend or terminate any Parent Material Contract or Contract that would be deemed a Parent Material Contract if entered into prior to the date hereof;

(xiii) other than as required by Law or GAAP, take any action to change accounting policies or procedures;

(xiv) initiate or settle any Legal Proceeding;

(xv) (A) fail to maintain any material insurance policies in full force and effect prior to the renewal period of any such material insurance policies or (B) fail to use commercially reasonable efforts to renew any such material insurance policies following the applicable expiration or acquire substantially similar insurance policies;

(xvi) enter into or amend a Contract that would reasonably be expected to prevent or materially impede, interfere with, hinder or delay the consummation of the Contemplated Transactions;

(xvii) enter into a new line of business or start to conduct a line of business; or

(xviii) agree, resolve or commit to do any of the foregoing.

(c) Nothing contained in this Agreement shall give the Company, directly or indirectly, the right to control or direct the operations of Parent prior to the Effective Time. Prior to the Effective Time, Parent shall exercise, consistent with the terms and conditions of this Agreement, complete unilateral control and supervision over its business operations.

#### 4.2 Operation of the Company's Business.

(a) Except (i) as set forth on Schedule 4.2(a), (ii) as expressly permitted by or required in accordance with this Agreement, (iii) as required by applicable Law, or (iv) as may be consented to in writing by Parent (which consent shall not be unreasonably withheld, conditioned or delayed), during the Pre-Closing Period: the Company shall (A) conduct its business and operations in the Ordinary Course of Business and in compliance in all material respects with all applicable Laws and the requirements of all Contracts that constitute Company Material Contracts, and (B) continue to pay material outstanding accounts payable and other material current Liabilities (including payroll) in the Ordinary Course of Business.

(b) Except (i) as expressly permitted by this Agreement, (ii) as set forth on Schedule 4.2(b), (iii) as required by applicable Law or (iv) with the prior written consent of Parent (which consent shall not be unreasonably withheld, conditioned or delayed), at all times during the Pre-Closing Period, the Company shall not do any of the following:

(i) declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of its capital stock or repurchase, redeem or otherwise reacquire any shares of its capital stock or other securities (except repurchases from terminated employees, directors or consultants of the Company or in connection with the payment of the exercise price or withholding Taxes incurred upon the exercise, settlement or vesting of any award granted under the Company Plan in accordance with the terms of such award in effect on the date of this Agreement);

(ii) sell, issue, grant, pledge or otherwise dispose of or encumber or authorize any of the foregoing with respect to: (A) any capital stock or other security of the Company (except for shares of Company Common Stock issued upon the valid exercise of Company Options); (B) any option, warrant or right to acquire any capital stock or any other security, other than stock options or restricted stock unit awards granted to employees and service providers in the Ordinary Course of Business which are included in the calculation of the Company Outstanding Shares; or (C) any instrument convertible into or exchangeable for any capital stock or other security of the Company;

(iii) except as required to give effect to anything in contemplation of the Closing, amend any of its Organizational Documents, or effect or be a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, the Contemplated Transactions;

(iv) form any Subsidiary or acquire any equity interest or other interest in any other Entity or enter into a joint venture with any other Entity;

(v) (A) lend money to any Person (except for the advancement of reasonable and customary expenses to employees, directors and consultants in the Ordinary Course of Business), (B) incur or guarantee any indebtedness for borrowed money, (C) guarantee any debt securities of others, or (D) other than the incurrence or payment of Transaction Expenses, make any capital expenditure in excess of \$250,000 of the budgeted capital expenditure amounts set forth in the Company operating budget delivered to Parent concurrently with the execution of this Agreement (the "**Company Budget**") or (E) forgive any loans to any Persons, including the Company's employees, officers, directors or Affiliates;

(vi) other than as required by applicable Law or the terms of any Company Benefit Plan as in effect on the date of this Agreement: (A) adopt, terminate, establish or enter into any Company Benefit Plan; (B) cause or permit any Company Benefit Plan to be amended in any material respect; (C) pay any bonus or make any profit-sharing or similar payment to, or increase the amount of the wages, salary, commissions, benefits or other compensation or remuneration payable to, any of its directors, officers or employees, other than increases in base salary and annual cash bonus opportunities and payments made in the Ordinary Course of Business consistent with past practice; (D) increase the severance or change-of-control benefits offered to any current or new employees, directors or consultants or (E) terminate or give notice of termination to any officer other than for cause;

(vii) recognize any labor union or labor organization;

(viii) acquire any material asset or sell, lease or otherwise irrevocably dispose of any of its material assets or properties, or grant any Encumbrance with respect to such material assets or properties, except in the Ordinary Course of Business;

(ix) sell, assign, transfer, license, sublicense or otherwise dispose of any Company IP (other than pursuant to non-exclusive licenses in the Ordinary Course of Business) or any Company In-Licensed IP;

(x) make, change or revoke any material Tax election, fail to pay any income or other material Tax as such Tax becomes due and payable, file any amendment making any material change to any Tax Return, settle or compromise any income or other material Tax liability or submit any voluntary disclosure application, enter into any Tax allocation, sharing, indemnification or other similar agreement or arrangement (other than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes), request or consent to any extension or waiver of any limitation period with respect to any claim or assessment for any income or other material Taxes (other than pursuant to an extension of time to file any Tax Return granted in the Ordinary Course of Business of not more than seven (7) months), or adopt or change any material accounting method in respect of Taxes;

(xi) enter into, materially amend or terminate any Company Material Contract or Contract that would be deemed a Company Material Contract if entered into prior to the date hereof (other than in connection with the Ordinary Course of Business);

(xii) except as otherwise set forth in the Company Budget and the incurrence or payment of any Transaction Expenses, make any expenditures or discharge or satisfy any Liabilities, in each case, in amounts that exceed the aggregate amount anticipated in the Company Budget by \$1,500,000;

(xiii) other than as required by Law or GAAP, take any action to change accounting policies or procedures;

(xiv) initiate or settle any Legal Proceeding;

(xv) (A) fail to maintain any material insurance policies in full force and effect prior to the renewal period of any such material insurance policies or (B) fail to use commercially reasonable efforts to renew any such material insurance policies following the applicable expiration or acquire substantially similar insurance policies;

(xvi) enter into or amend a Contract that would reasonably be expected to prevent or materially impede, interfere with, hinder or delay the consummation of the Contemplated Transactions;

(xvii) enter into a new line of business in a new geographic area where it was not previously conducted; or

(xviii) agree, resolve or commit to do any of the foregoing.

(c) Nothing contained in this Agreement shall give Parent, directly or indirectly, the right to control or direct the operations of the Company prior to the Effective Time. Prior to the Effective Time, the Company shall exercise, consistent with the terms and conditions of this Agreement, complete unilateral control and supervision over its business operations.

#### 4.3 Access and Investigation

(a) Subject to the terms of the Confidentiality Agreement, which the Parties agree will continue in full force following the date of this Agreement, during the Pre-Closing Period, upon reasonable notice, Parent, on the one hand, and the Company, on the other hand, shall use commercially reasonable efforts to cause such Party's Representatives to: (a) provide the other Party and such other Party's Representatives with reasonable access during normal business hours to such Party's Representatives, personnel, property and assets and to all existing books, records, Tax Returns, work papers and other documents and information relating to such Party and its Subsidiaries; (b) provide the other Party and such other Party's Representatives with such copies of the existing books, records, Tax Returns, work papers, product data, and other documents and information relating to such Party and its Subsidiaries, and with such additional financial, operating and other data and information regarding such Party and its Subsidiaries as the other Party may reasonably request; (c) permit the other Party's officers and other employees to meet, upon reasonable notice and during normal business hours, with the chief financial officer and other officers and managers of such Party responsible for such Party's financial statements and the internal controls of such Party to discuss such matters as the other Party may reasonably deem necessary or appropriate; and (d) make available to the other Party copies of unaudited financial statements, material operating and financial reports prepared for senior management or the board of directors of such Party, and any material notice, report or other document filed with or sent to or received from any Governmental Body in connection with the Contemplated Transactions. Any investigation conducted by either Parent or the Company pursuant to this Section 4.3 shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of the other Party.

(b) Notwithstanding the foregoing, any Party may restrict the foregoing access to the extent that any Law applicable to such Party requires such Party to restrict or prohibit access to any such properties or information or may redact any of the foregoing documents or reports to the extent necessary to preserve the attorney-client privilege under any circumstances in which such privilege may be jeopardized by such access or the disclosure of such document or report.

#### 4.4 Parent Non-Solicitation

(a) Parent agrees that, during the Pre-Closing Period, neither it nor any of its Subsidiaries shall, nor shall it or any of its Subsidiaries authorize any of their respective Representatives to, directly or indirectly, other than relating to communicating, discussing, negotiating or consummating the Asset Dispositions: (i) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (ii) furnish any non-public information regarding Parent or any of its Subsidiaries to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (iii) engage in discussions (other than to inform any Person of the existence of the provisions in this Section 4.4) or negotiations with any Person with respect to any Acquisition Proposal or Acquisition Inquiry; (iv) approve, endorse or recommend any Acquisition Proposal (subject to Section 5.3); (v) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction (other than a confidentiality agreement permitted under this Section 4.4(a)); or (vi) publicly propose to do any of the foregoing; *provided, however*, that, notwithstanding anything contained in this Section 4.4 and subject to compliance with this Section 4.4, prior to obtaining the Required Parent Stockholder Vote, Parent and its Subsidiaries may furnish non-public information regarding Parent or any of its Subsidiaries to, and enter into discussions or negotiations with, any Person in response to a *bona fide* Acquisition Proposal by such Person, which the Parent Board determines in good faith, after consultation with Parent's outside financial advisors and outside legal counsel, constitutes, or is reasonably likely to result in, a Superior Offer (and is not withdrawn) if: (A) none of Parent, any of its Subsidiaries or any of their respective Representatives shall have breached this Section 4.4 in any material respect, (B) the Parent Board concludes in good faith based on the advice of outside legal counsel, that the failure to take such action would be inconsistent with the fiduciary duties of the Parent Board under applicable Law; (C) Parent receives from such Person an executed confidentiality agreement containing provisions (including nondisclosure provisions, use restrictions, non-solicitation provisions, no hire and "standstill" provisions), in the aggregate, at least as favorable to Parent as those contained in the Confidentiality Agreement; and (D) substantially contemporaneously with furnishing any such non-public information to such Person, Parent gives the Company notice of Parent's intention to furnish nonpublic information to, or enter into discussions with, such Person and furnishes such non-public information to the Company (to the extent such information has not been previously furnished by Parent to the Company). Without limiting the generality of the foregoing, Parent acknowledges and agrees that, in the event any Representative of Parent or any of its Subsidiaries (whether or not such Representative is purporting to act on behalf of Parent or any of its Subsidiaries) takes any action that, if taken by Parent or any of its Subsidiaries, would constitute a breach of this Section 4.4, the taking of such action by such Representative shall be deemed to constitute a breach of this Section 4.4 by Parent for purposes of this Agreement.

(b) If Parent, any of its Subsidiaries or any of their respective Representatives receives an Acquisition Proposal or Acquisition Inquiry at any time during the Pre-Closing Period, then Parent shall promptly (and in no event later than one (1) Business Day after Parent becomes aware of such Acquisition Proposal or Acquisition Inquiry) (i) advise the Company orally and in writing of such Acquisition Proposal or Acquisition Inquiry (including the identity of the Person making or submitting such Acquisition Proposal or Acquisition Inquiry), (ii) in the case of a written Acquisition Proposal or Acquisition Inquiry, furnish any written documentation and correspondence to or from Parent, any of its Subsidiaries or any of their respective Representatives, including any subsequent modifications or amendments, and (iii) in the case of an oral Acquisition Proposal or Acquisition Inquiry, provide a written summary of the terms thereof. Parent shall keep the Company reasonably and promptly informed with respect to the status and material terms of any such Acquisition Proposal or Acquisition Inquiry, any material modification, amendment or proposed material modification thereto (including any revision in the amount, form or mix of consideration) and of all verbal or written communications related thereto, together with copies of new written documentation and correspondence to or from Parent, any of its Subsidiaries or any of their respective Representatives as well as written summaries of any material oral communications).

(c) Parent shall immediately cease and cause to be terminated any existing discussions, negotiations and communications with any Person that relate to any Acquisition Proposal or Acquisition Inquiry (other than any Asset Disposition) that has not already been terminated as of the date of this Agreement, immediately terminate access to any non-public information of Parent provided to such Person via an electronic or physical data room and within three (3) Business Days after the date of this Agreement, request the destruction or return of any non-public information of Parent or any of its Subsidiaries provided to such Person as soon as practicable after the date of this Agreement.

#### 4.5 Company Non-Solicitation

(a) The Company agrees that, during the Pre-Closing Period, it shall not, nor shall it authorize any of their respective Representatives to, directly or indirectly: (i) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (ii) furnish any non-public information regarding the Company to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (iii) engage in discussions (other than to inform any Person of the existence of the provisions in this Section 4.5) or negotiations with any Person with respect to any Acquisition Proposal or Acquisition Inquiry; (iv) approve, endorse or recommend any Acquisition Proposal; (v) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction; or (vi) publicly propose to do any of the foregoing. Without limiting the generality of the foregoing, the Company acknowledges and agrees that, in the event any Representative of the Company (whether or not such Representative is purporting to act on behalf of the Company) takes any action that, if taken by the Company, would constitute a breach of this Section 4.5, the taking of such action by such Representative shall be deemed to constitute a breach of this Section 4.5 by the Company for purposes of this Agreement.



(b) If the Company or any of their respective Representatives receives an Acquisition Proposal or Acquisition Inquiry at any time during the Pre-Closing Period, then the Company shall promptly (and in no event later than one (1) Business Day after the Company becomes aware of such Acquisition Proposal or Acquisition Inquiry) (i) advise Parent orally and in writing of such Acquisition Proposal or Acquisition Inquiry (including the identity of the Person making or submitting such Acquisition Proposal or Acquisition Inquiry), (ii) in the case of a written Acquisition Proposal or Acquisition Inquiry, furnish any written documentation and correspondence to or from the Company or any of its Representatives, including any subsequent modifications or amendments, and (iii) in the case of an oral Acquisition Proposal or Acquisition Inquiry, provide a written summary of the terms thereof. The Company shall keep Parent reasonably and promptly informed with respect to the status and material terms of any such Acquisition Proposal or Acquisition Inquiry, any material modification, amendment or proposed material modification thereto (including any revision in the amount, form or mix of consideration) and of all verbal or written communications related thereto, together with copies of new written documentation and correspondence to or from the Company or any of its respective Representatives as well as written summaries of any material oral communications).

(c) The Company shall immediately cease and cause to be terminated any existing discussions, negotiations and communications with any Person that relate to any Acquisition Proposal or Acquisition Inquiry that has not already been terminated as of the date of this Agreement, immediately terminate access to any non-public information of the Company provided to such Person via an electronic or physical data room and within three (3) Business Days after the date of this Agreement, request the destruction or return of any non-public information of the Company provided to such Person as soon as practicable after the date of this Agreement.

#### 4.6 Notification of Certain Matters.

(a) During the Pre-Closing Period, the Company shall promptly (and in no event later than two (2) Business Days after the Company becomes aware of the same) notify Parent (and, if in writing, furnish copies of any relevant documents) if any of the following occurs: (i) any notice or other communication is received from any Person alleging that the Consent of such Person is or may be required in connection with any of the Contemplated Transactions; (ii) any Legal Proceeding against or involving or otherwise affecting the Company is commenced, or, to the Company's Knowledge, threatened against the Company or, to the Company's Knowledge, any director or officer of the Company; (iii) the Company becomes aware of any inaccuracy in any representation or warranty made by it in this Agreement; or (iv) the failure of the Company to comply with any covenant or obligation of the Company; in each case of clauses (i) through (iv), that could reasonably be expected to make the timely satisfaction of any of the conditions set forth in Sections 6 or 7, as applicable, impossible or materially less likely. No notification given to Parent pursuant to this Section 4.6(a) shall change, limit or otherwise affect any of the representations, warranties, covenants or obligations of the Company contained in this Agreement or the Company Disclosure Schedule for purposes of Sections 6 and 7, as applicable.

(b) During the Pre-Closing Period, Parent shall promptly (and in no event later than two (2) Business Days after Parent becomes aware of the same) notify the Company (and, if in writing, furnish copies of any relevant documents) if any of the following occurs: (i) any notice or other communication is received from any Person alleging that the Consent of such Person is or may be required in connection with any of the Contemplated Transactions; (ii) any Legal Proceeding against or involving or otherwise affecting Parent or any of its Subsidiaries is commenced, or, to Parent's Knowledge, threatened against Parent or any of its Subsidiaries or, to Parent's Knowledge, any director or officer of Parent or any of its Subsidiaries; (iii) Parent becomes aware of any inaccuracy in any representation or warranty made by it in this Agreement; or (iv) the failure of Parent to comply with any covenant or obligation of Parent or Merger Sub; in each case of clauses (i) through (iv), that could reasonably be expected to make the timely satisfaction of any of the conditions set forth in Sections 6 or 8, as applicable, impossible or materially less likely. No notification given to the Company pursuant to this Section 4.6(b) shall change, limit or otherwise affect any of the representations, warranties, covenants or obligations of Parent or any of its Subsidiaries contained in this Agreement or the Parent Disclosure Schedule for purposes of Sections 6 and 8, as applicable.

4.7 Potentially Transferable Assets. Parent shall use commercially reasonable efforts to sell, transfer, license, assign or otherwise divest the Potentially Transferable Assets to one or more third parties in one or a series of transactions concurrently with, or immediately following the Closing (each an "Asset Disposition" and collectively, the "Asset Dispositions"); *provided, that* any such Asset Disposition shall require, to the extent consistent with applicable Laws, the prior written consent of the Company (which consent shall be in the sole discretion of the Company) if such Asset Disposition would create any post-disposition Liabilities or indemnity obligations for Parent following the Closing; *provided, however*, that the prior written consent of the Company shall not be required in connection with any Asset Disposition if Parent agrees that the maximum aggregate dollar value of any post-disposition Liabilities or indemnity obligation shall be considered as a reduction to Parent Net Cash as set forth in this Agreement. Notwithstanding anything herein to the contrary, in no event shall Parent enter into any Asset Disposition that would result in excess of \$100,000 of indemnity obligations or post-disposition Liabilities to, or obligations of, Parent following the Closing; *provided, however*, that the Parties acknowledge and agree that the CSL Asset Purchase Agreement shall not require consent by the Company (to the extent not amended by the parties thereto after the date hereof other than as set forth on Section 4.7 of the Parent Disclosure Schedules).

**Section 5. ADDITIONAL AGREEMENTS OF THE PARTIES**

**5.1 Registration Statement; Proxy Statement.**

(a) As promptly as practicable after the date of this Agreement, the Parties shall prepare, and Parent shall cause to be filed with the SEC, the Registration Statement, in which the Proxy Statement will be included as a prospectus. Parent covenants and agrees that the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith) will not, at the time that the Proxy Statement or any amendments or supplements thereto are filed with the SEC, at the time the Proxy Statement or any amendments or supplements thereto are first mailed to Parent's stockholders and at the time of the Parent Stockholder Meeting, 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. The Company covenants and agrees that the information provided by or on behalf of the Company or their respective Representatives to Parent for inclusion in the Registration Statement (including the Company Audited Financial Statements or the Company Interim Financial Statements, as the case may be) 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 such information not misleading. Parent makes no covenant, representation or warranty with respect to statements made in the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith), if any, based on information provided by or on behalf of the Company or any of its Representatives for inclusion therein, and the Company makes no covenant, representation or warranty with respect to statements made in the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith), if any, other than with respect to the information provided by or on behalf of the Company, or any of its Representatives for inclusion therein. The Company and its legal counsel shall be given reasonable opportunity to review and comment on the Registration Statement, including all amendments and supplements thereto, prior to the filing thereof with the SEC, and on the response to any comments of the SEC on the Registration Statement, prior to the filing thereof with the SEC. Parent shall provide the Company with copies of any written comments, and shall inform the Company of any oral comments, that Parent receives from the SEC or its staff with respect to the Registration Statement promptly after the receipt of such comments. Parent shall use commercially reasonable efforts to respond promptly to any comments of the SEC or its staff and to have the Registration Statement declared effective under the Securities Act as promptly as practicable after it is filed with the SEC. Each of the Parties shall use commercially reasonable efforts to cause the Proxy Statement to be mailed to Parent's stockholders as promptly as practicable after the Registration Statement is declared effective under the Securities Act. Each Party shall promptly furnish to the other Party all information concerning such Party and such Party's Affiliates and such Party's stockholders that may be required or reasonably requested in connection with any action contemplated by this Section 5.1. If Parent, Merger Sub or the Company become aware of any event or information that, pursuant to the Securities Act or the Exchange Act, should be disclosed in an amendment or supplement to the Registration Statement or Proxy Statement, as the case may be, then such Party, as the case may be, shall promptly inform the other Parties thereof and shall cooperate with such other Parties in filing such amendment or supplement with the SEC and, if appropriate, in mailing such amendment or supplement to Parent's stockholders. The Company and Parent shall each use commercially reasonable efforts to cause the Registration Statement and the Proxy Statement to comply with the applicable rules and regulations promulgated by the SEC and applicable federal and state securities Laws requirements.

(b) The Parties shall reasonably cooperate with each other and provide, and require their respective Representatives to provide, the other Party and its Representatives, with all true, correct and complete information regarding such Party or its Subsidiaries that is required by Law to be included in the Registration Statement and the Proxy Statement or reasonably requested by the other Party to be included in the Registration Statement and the Proxy Statement.

(c) If, in connection with the preparation and filing of the Registration Statement, the SEC requests or requires that a tax opinion be prepared and submitted regarding the Intended Tax Treatment (“**Tax Opinion**”) (i) each of Parent and the Company shall deliver to Cooley LLP and Mintz, Cohn, Ferris, Glovsky and Popeo, P.C., respectively, customary tax representation letters satisfactory to its counsel, dated and executed as of the date the Registration Statement that shall have been declared effective by the SEC and such other date(s) as determined reasonably necessary by such counsel in connection with the preparation and filing of the Registration Statement, which counsel shall be entitled to rely upon in rendering the Tax Opinion, and (ii) the Company and Parent shall each use its reasonable best efforts to cause Cooley LLP and Mintz, Cohn, Ferris, Glovsky and Popeo, P.C. to furnish a Tax Opinion with respect to the Intended Tax Treatment. For the avoidance of doubt, in no event shall any such Tax Opinion be a condition to Closing.

5.2 Company Information Statement; Stockholder Written Consent

(a) Promptly after the Registration Statement shall have been declared effective under the Securities Act, and in any event no later than three (3) Business Days thereafter, the Company shall prepare, with the cooperation of Parent, and cause to be mailed to its stockholders an information statement, which shall include a copy of the Proxy Statement (the “**Information Statement**”), to solicit the approval by written consent from the Company Signatories (within seven (7) Business Days after the Registration Statement shall have been declared effective), including the Company stockholders sufficient for the Required Company Stockholder Vote in lieu of a meeting pursuant to Section 228 of the DGCL, for purposes of: (i) adopting and approving this Agreement and the Contemplated Transactions, (ii) acknowledging that the approval given thereby is irrevocable and that such stockholder is aware of its rights to demand appraisal for its shares of Company Capital Stock pursuant to Section 262 of the DGCL, a true and correct copy of which will be attached thereto, and that such stockholder has received and read a copy of Section 262 of the DGCL, (iii) acknowledging that by its approval of the Merger it is not entitled to appraisal rights with respect to its shares of Company Capital Stock in connection with the Merger and thereby waives any rights to receive payment of the fair value of its shares of Company Capital Stock under the DGCL, and (iv) electing an automatic conversion of each share of Company Preferred Stock into shares of Company Common Stock immediately prior to the Effective Time in accordance with the relevant provisions of the Company’s Organizational Documents (the “**Preferred Stock Conversion**”) (collectively, the “**Company Stockholder Matters**”). Under no circumstances shall the Company assert that any approval or consent other than the Required Company Stockholder Vote is necessary for its stockholders or otherwise to approve this Agreement and the Contemplated Transactions. All materials (including any amendments thereto) submitted to the stockholders of the Company in accordance with this Section 5.2(a) shall be subject to Parent’s advance review and reasonable approval. The Parties shall reasonably cooperate with each other and provide, and require their respective Representatives to provide, the other Party and its Representatives with all true, correct and complete information regarding such Party or its Subsidiaries that is required by applicable Law to be included in the Information Statement or reasonably requested by the other Party to be included in the Information Statement.

(b) The Company covenants and agrees that the Information Statement, including any pro forma financial statements included therein (and the letter to stockholders and form of Company Stockholder Written Consent included therewith), will not, at the time that the Information Statement or any amendment or supplement thereto is first mailed, distributed or otherwise made available to the stockholders of the Company, at the time of receipt of the Required Company Stockholder Vote and at the Effective Time, 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. Notwithstanding the foregoing, the Company makes no covenant, representation or warranty with respect to statements made in the Information Statement (and the letter to the stockholders and form of Company Stockholder Written Consent included therewith), if any, based on information furnished in writing by Parent or any of its Representatives specifically for inclusion therein. Each of the Parties shall use commercially reasonable efforts to cause the Information Statement to comply with the applicable rules and regulations promulgated by the SEC and applicable federal and state securities Laws requirements.

(c) Promptly following receipt of the Required Company Stockholder Vote, the Company shall prepare and mail a notice (the "**Stockholder Notice**") to every stockholder of the Company that did not execute the Company Stockholder Written Consent. The Stockholder Notice shall (i) be a statement to the effect that the Company Board determined that the Merger is advisable in accordance with Section 251(b) of the DGCL and in the best interests of the stockholders of the Company and authorized, approved and adopted this Agreement, the Merger and the other Contemplated Transactions, (ii) provide the stockholders of the Company to whom it is sent with notice of the actions taken in the Company Stockholder Written Consent, including the adoption and approval of this Agreement, the Merger and the other Contemplated Transactions in accordance with Section 228(e) of the DGCL and the Organizational Documents of the Company, and (iii) include a description of the appraisal rights of the Company's stockholders available under the DGCL, along with such other information as is required thereunder and pursuant to applicable Law. All materials (including any amendments thereto) submitted to the stockholders of the Company in accordance with this Section 5.2(c) shall be subject to Parent's advance review and reasonable approval.

(d) The Company agrees that: (i) the Company Board shall recommend that the Company's stockholders vote to approve the Company Stockholder Matters and shall use reasonable best efforts to solicit such approval from the Company's stockholders within the time set forth in Section 5.2(a) (the recommendation of the Company Board that the Company's stockholders vote to adopt and approve the Company Stockholder Matters being referred to as the "**Company Board Recommendation**"); and (ii)(1) the Company Board Recommendation shall not be withdrawn or modified, (2) the Company Board shall not publicly propose to withdraw or modify the Company Board Recommendation and (3) no resolution by the Company Board or any committee thereof to withdraw or modify the Company Board Recommendation or to adopt, approve or recommend (or publicly propose to adopt, approve or recommend) any Acquisition Proposal shall be adopted or proposed (the actions set forth in the foregoing clause (ii), if taken, shall constitute, in each case, a "**Company Board Adverse Recommendation Change**").

(e) The Company's obligation to solicit the consent of its stockholders to sign the Company Stockholder Written Consent in accordance with Section 5.2(a) and Section 5.2(d) shall not be limited or otherwise affected by the commencement, disclosure, announcement or submission of any Superior Offer or other Acquisition Proposal.

5.3 Parent Stockholders' Meeting.

(a) Promptly after the Registration Statement has been declared effective by the SEC under the Securities Act, Parent shall take all action necessary under applicable Law to call, give notice of and hold a meeting of the holders of Parent Common Stock for the purpose of seeking approval of this Agreement and the Contemplated Transactions, including:

(i) (A) the issuance of Parent Common Stock or other securities of Parent that represent (or are convertible into) more than twenty percent (20%) of the shares of Parent Common Stock outstanding immediately prior to the Merger to the holders of Company Capital Stock and Company Options in connection with the Contemplated Transactions pursuant to the Nasdaq rules (the "**Parent Share Issuance**") and (B) the change of control of Parent resulting from the Merger pursuant to the Nasdaq rules;

(ii) the amendment of Parent's certificate of incorporation to effect the Nasdaq Reverse Split;

(iii) the amendment of Parent's certificate of incorporate to effect the Authorized Share Increase;

(iv) the Equity Plan Proposals; and

(v) any other proposals the Parties deem necessary or desirable to consummate the Contemplated Transactions.

(the matters contemplated by Section 5.3(a)(i) through Section 5.3(a)(iii) are referred to as the "**Parent Stockholder Matters**," and such meeting, the "**Parent Stockholders' Meeting**").

(b) The Parent Stockholders' Meeting shall be held as promptly as practicable after the Registration Statement is declared effective under the Securities Act and, in any event, no later than forty-five (45) calendar days after the effective date of the Registration Statement. Parent shall take reasonable measures to ensure that all proxies solicited in connection with the Parent Stockholders' Meeting are solicited in compliance with all applicable Laws. Notwithstanding anything to the contrary contained herein, if on the date of the Parent Stockholders' Meeting, or a date preceding the date on which the Parent Stockholders' Meeting is scheduled, Parent reasonably believes that (i) it will not receive proxies sufficient to obtain the Required Parent Stockholder Vote, whether or not a quorum would be present, or (ii) it will not have sufficient shares of Parent Common Stock represented (whether in person or by proxy) to constitute a quorum necessary to conduct the business of the Parent Stockholders' Meeting, Parent may postpone or adjourn, or make one or more successive postponements or adjournments of, the Parent Stockholders' Meeting as long as the date of the Parent Stockholders' Meeting is not postponed or adjourned more than an aggregate of thirty (30) calendar days in connection with any postponements or adjournments.

(c) Parent agrees that, subject to Section 5.3(d): (i) the Parent Board shall recommend that the holders of Parent Common Stock vote to approve the Parent Stockholder Matters and the Equity Plan Proposals and shall use commercially reasonable efforts to solicit such approval within the timeframe set forth in Section 5.3(b) above; (ii) the Proxy Statement shall include a statement to the effect that the Parent Board recommends that Parent's stockholders vote to approve the Parent Stockholder Matters and the Equity Plan Proposals (the recommendation of the Parent Board with respect to the Parent Stockholder Matters being referred to as the "**Parent Board Recommendation**"); and (iii)(1) the Parent Board Recommendation shall not be withheld, amended, withdrawn or modified, (2) the Parent Board shall not publicly propose to withhold, amend, withdraw or modify the Parent Board Recommendation, (3) no resolution by the Parent Board or any committee thereof to withdraw or modify the Parent Board Recommendation or to adopt, approve or recommend (or publicly propose to adopt, approve or recommend) any Acquisition Proposal shall be adopted or proposed, and (4) the Parent Board shall not publicly announce an intention or resolution to effect any of the foregoing (the actions set forth in the foregoing clause (iii), if taken, shall constitute, in each case, a "**Parent Board Adverse Recommendation Change**").

(d) Notwithstanding anything to the contrary contained in this Agreement, and subject to compliance with Section 4.4 and this Section 5.3(d), if at any time prior to the approval of the Parent Stockholder Matters at the Parent Stockholders' Meeting by the Required Parent Stockholder Vote:

(i) If Parent has received a *bona fide* Acquisition Proposal (which Acquisition Proposal did not arise out of a material breach of Section 4.4) from any Person that has not been withdrawn and after consultation with outside legal counsel, the Parent Board shall have determined, in good faith, that such Acquisition Proposal is a Superior Offer, the Parent Board may make a Parent Board Adverse Recommendation Change if and only if: (A) the Parent Board determines in good faith, after consultation with Parent's outside legal counsel and financial advisor, that the failure to do so would be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under applicable Law; (B) Parent shall have given the Company prior written notice of its intention to consider making a Parent Board Adverse Recommendation Change at least four (4) Business Days prior to making any such Parent Board Adverse Recommendation Change (a "**Determination Notice**"); and such period the "**Parent Notice Period**") (which notice shall not constitute a Parent Board Adverse Recommendation Change); and (C)(1) Parent shall have provided to the Company a description in reasonable detail of the reasons for such Parent Board Adverse Recommendation Change, the identity of the party making the Acquisition Proposal, a summary of the material terms and conditions of the Acquisition Proposal and written copies of any relevant proposed transaction documents (including with respect to financing arrangements), in accordance with Section 4.4(b), (2) Parent shall have given the Company the three (3) Business Days after the Determination Notice to propose revisions to the terms of this Agreement or make another proposal and shall have made its Representatives reasonably available to negotiate in good faith with the Company (to the extent the Company desires to negotiate) with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by the Company, if any, after consultation with outside legal counsel, the Parent Board shall have determined, in good faith, that such Acquisition Proposal is a Superior Offer and that the failure to make the Parent Board Adverse Recommendation Change would be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under applicable Law; *provided* during any Parent Notice Period, the Company shall be entitled to deliver to Parent one or more counterproposals to such Acquisition Proposal and Parent will, and cause its Representatives to, negotiate with the Company in good faith (to the extent the Company desires to negotiate) to enable the Company to propose in writing an offer binding on the Company to effect such adjustments to the terms and conditions of this Agreement so that the applicable Acquisition Proposal ceases to constitute a Superior Offer. For the avoidance of doubt, the provisions of this Section 5.3(d)(i) shall also apply to any material change to the facts and circumstances relating to such Acquisition Proposal or any amendment to such Acquisition Proposal (including any revision in the amount, form or mix of consideration), and require a new Determination Notice and Parent shall be required to provide the Company with notice of such material change or amendment, except that the references to four (4) Business Days shall be deemed to be two (2) Business Days.

(ii) Other than in connection with an Acquisition Proposal, the Parent Board may make a Parent Board Adverse Recommendation Change in response to a Parent Change in Circumstance, if and only if: (A) the Parent Board determines in good faith, after consultation with Parent's outside legal counsel, that the failure to do so would be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under applicable Law; (B) Parent shall have given the Company a Determination Notice at least four (4) Business Days prior to making any such Parent Board Adverse Recommendation Change; and (C)(1) Parent shall have specified the Parent Change in Circumstance in reasonable detail, including the material facts and circumstances related to the applicable Parent Change in Circumstance, (2) Parent shall have given the Company the four (4) Business Days after the Determination Notice to propose revisions to the terms of this Agreement or make another proposal, and shall have made its Representatives reasonably available to negotiate in good faith with the Company (to the extent the Company desires to do so) with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by the Company, if any, after consultation with outside legal counsel, the Parent Board shall have determined, in good faith, that the failure to make the Parent Board Adverse Recommendation Change in response to such Parent Change in Circumstance would be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under applicable Law. For the avoidance of doubt, the provisions of this Section 5.3(d)(ii) shall also apply to any material change to the facts and circumstances relating to such Parent Change in Circumstance, and require a new Determination Notice and Parent shall be required to provide the Company with notice of such material change, except that the references to four (4) Business Days shall be deemed to be two (2) Business Days.

(e) Nothing contained in this Agreement shall prohibit Parent or the Parent Board from (i) complying with Rules 14d-9 and 14e-2(a) promulgated under the Exchange Act, (ii) issuing a "stop, look and listen" communication or similar communication of the type contemplated by Section 14d-9(f) under the Exchange Act or (iii) otherwise making any disclosure to Parent's stockholders; *provided however*, that, in the case of the foregoing clause (iii), the Parent Board determines in good faith, after consultation with its outside legal counsel, that failure to make such disclosure would be inconsistent with applicable Law, including its fiduciary duties under applicable Law.

(f) Unless this Agreement is otherwise terminated pursuant to Section 9.1, Parent's obligation to call, give notice of and hold the Parent Stockholders' Meeting in accordance with Section 5.3(b) shall not be limited or otherwise affected by the commencement, disclosure, announcement or submission of any Acquisition Proposal or by any Parent Board Adverse Recommendation Change.



5.4 Regulatory Approvals. Each Party shall use reasonable best efforts to file or otherwise submit, as soon as practicable after the date of this Agreement, all applications, notices, reports, filings and other documents required to be filed by such Party with or otherwise submitted by such Party to any Governmental Body with respect to the Contemplated Transactions, to submit promptly any additional information requested by any such Governmental Body, and to keep the other Party promptly informed of any communication from or to any Governmental Body.

5.5 Company Options.

(a) At the Effective Time, each Company Option that is outstanding and unexercised immediately prior to the Effective Time under the Company Plan, whether or not vested, shall be converted into and become an option to purchase Parent Common Stock, and Parent shall assume the Company Plan and each such Company Option in accordance with the terms (as in effect as of the date of this Agreement) of the Company Plan and the terms of the stock option agreement by which such Company Option is evidenced (but with changes to such documents as Parent in good faith determines are appropriate to reflect the substitution of the Company Options by Parent to purchase shares of Parent Common Stock). All rights with respect to Company Common Stock under Company Options assumed by Parent shall thereupon be converted into rights with respect to Parent Common Stock. Accordingly, from and after the Effective Time: (i) each Company Option assumed by Parent may be exercised solely for shares of Parent Common Stock; (ii) the number of shares of Parent Common Stock subject to each Company Option assumed by Parent shall be determined by multiplying (A) the number of shares of Company Common Stock that were subject to such Company Option, as in effect immediately prior to the Effective Time, by (B) the Exchange Ratio, and rounding the resulting number down to the nearest whole number of shares of Parent Common Stock; (iii) the per share exercise price for the Parent Common Stock issuable upon exercise of each Company Option assumed by Parent shall be determined by dividing (A) the per share exercise price of Company Common Stock subject to such Company Option, as in effect immediately prior to the Effective Time, by (B) the Exchange Ratio, and rounding the resulting exercise price up to the nearest whole cent; and (iv) any restriction on the exercise of any Company Option assumed by Parent shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions of such Company Option shall otherwise remain unchanged; *provided, however*, that: (A) to the extent provided under the terms of the respective grant agreements governing the Company Options and the Company Plan, Parent may amend the terms of the Company Options and the Company Plan, in accordance with the terms thereof to reflect Parent's substitution of the Company Options with options to purchase Parent Common Stock (such as by making any change in control or similar definition relate to Parent and having any provision that provides for the adjustment of Company Options upon the occurrence of certain corporate events relate to corporate events that relate to Parent or Parent Common Stock); and (B) the Parent Board or a committee thereof shall succeed to the authority and responsibility of the Company Board or any committee thereof with respect to each Company Option assumed by Parent. Each Company Option so assumed by Parent is intended to qualify following the Effective Time as an incentive stock option as defined in Section 422 of the Code to the extent permitted under Section 422 of the Code and to the extent such Company Option qualified as an incentive stock option prior to the Effective Time, and, further, the assumption of such Company Option pursuant to this Section 5.5(a) shall be effected in a manner that satisfies the requirements of Sections 409A and 424(a) of the Code and the Treasury Regulations promulgated thereunder, and this Section 5.5(a) will be construed consistent with this intent.

(b) Parent shall file with the SEC, promptly, but no later than thirty (30) calendar days after the Effective Time, a registration statement on Form S-8 (or any successor form), if available for use by Parent, relating to the shares of Parent Common Stock that are either (i) issuable with respect to Company Options assumed by Parent in accordance with Section 5.5(a) or (ii) reserved for future grants under the Company Plan.

(c) Prior to the Effective Time, the Company shall take all actions that may be necessary (under the Company Plan and otherwise) to effectuate the provisions of this Section 5.5 and to ensure that, from and after the Effective Time, holders of Company Options have no rights with respect thereto other than those specifically provided in this Section 5.5.

#### 5.6 Indemnification of Officers and Directors.

(a) From the Effective Time through the sixth (6<sup>th</sup>) anniversary of the date on which the Effective Time occurs, each of Parent and the Surviving Corporation, jointly and severally, 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, officer, fiduciary or agent of Parent or any of its Subsidiaries or the Company, 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, officer, fiduciary or agent of Parent or of the Company or their respective Subsidiaries, whether asserted or claimed prior to, at or after the Effective Time, in each case, to the fullest extent permitted by Parent's Organizational Documents or the Company's Organizational Documents, as applicable, or pursuant to indemnification agreements set forth on Schedule 5.6(a), as applicable. 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 and the Surviving Corporation, jointly and severally, upon receipt by Parent or the Surviving Corporation 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, 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 Organizational Documents of Parent or any of its Subsidiaries with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers of Parent or any of its Subsidiaries that are set forth in the Organizational Documents of Parent or any of its Subsidiaries as of the date of this Agreement shall not be amended, modified or repealed for a period of six (6) 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 or any of its Subsidiaries. The Organizational Documents of the Surviving Corporation shall contain, and Parent shall cause the Organizational Documents of the Surviving Corporation 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 set forth in the Organizational Documents of the Company as of the date of this Agreement.

(c) From and after the Effective Time, (i) the Surviving Corporation 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 the Organizational Documents of the Company 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 or any of its Subsidiaries to its D&O Indemnified Parties as of immediately prior to the Closing pursuant to any indemnification provisions under the Organizational Documents of Parent or any of its Subsidiaries and pursuant to any indemnification agreements between Parent or any of its Subsidiaries 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, Parent shall maintain directors' and officers' liability insurance policies, with an effective date as of the Closing Date, on commercially available terms and conditions and with coverage limits customary for U.S. public companies similarly situated to Parent. In addition, Parent shall purchase, prior to the Effective Time, a six (6)-year prepaid "tail policy" for the non-cancellable extension of the directors' and officers' liability coverage of Parent's and any of its Subsidiaries' existing directors' and officers' insurance policies and Parent's existing fiduciary liability insurance policies (if any), in each case, for a claims reporting or discovery period of at least six (6) years from and after the Effective Time with respect to any claim related to any period of time at or prior to the Effective Time. During the term of the "tail" policy, Parent shall not take any action following the Effective Time to cause such "tail" policy to be cancelled or any provision therein to be amended or waived in any manner that would adversely affect in any material respect the rights of its or any of its Subsidiaries' former and current officers and directors.

(e) From and after the Effective Time, Parent shall pay all expenses, including reasonable attorneys' fees, that are incurred by the persons referred to in this [Section 5.6](#) in connection with their successful enforcement of the rights provided to such persons in this [Section 5.6](#).

(f) All rights to exculpation, indemnification and advancement of expenses for acts or omissions occurring at or prior to the Effective Time, whether asserted or claimed prior to, at or after the Closing, now existing in favor of the current or former directors, officers or employees, as the case may be, of Parent or the Company or any of their respective Subsidiaries as provided in their respective Organizational Documents or in any agreement shall survive the Merger and shall continue in full force and effect. The provisions of this [Section 5.6](#) are intended to be in addition to the rights otherwise available to the current and former officers and directors of Parent and the Company and any of their respective Subsidiaries by Law, charter, statute, bylaw or Contract, and shall operate for the benefit of, and shall be enforceable by, each of the D&O Indemnified Parties, their heirs and their representatives.

(g) From and after the Effective Time, in the event Parent or the Surviving Corporation 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 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 Surviving Corporation, as the case may be, shall succeed to the obligations set forth in this Section 5.6. Parent shall cause the Surviving Corporation to perform all of the obligations of the Surviving Corporation under this Section 5.6.

(h) The obligations set forth in this Section 5.6 shall not be terminated, amended or otherwise modified in any manner that adversely affects any D&O Indemnified Party, or any person who is a beneficiary under the policies referred to in this Section 5.6 and their heirs and representatives, without the prior written consent of such affected D&O Indemnified Party or such other beneficiary.

5.7 Additional Agreements. The Parties shall (a) use commercially reasonable efforts to cause to be taken all actions necessary to consummate the Contemplated Transactions and (b) reasonably cooperate with the other Parties and provide the other Parties with such assistance as may be reasonably requested for the purpose of facilitating the performance by each Party of its respective obligations under this Agreement and to enable the Surviving Corporation to continue to meet its obligations under this Agreement following the Closing. Without limiting the generality of the foregoing, each Party shall use reasonable best efforts to: (i) make all filings and other submissions (if any) and give all notices (if any) required to be made and given by such Party in connection with the Contemplated Transactions, (ii) obtain each Consent (if any) reasonably required to be obtained (pursuant to any applicable Law or Contract, or otherwise) by such Party in connection with the Contemplated Transactions or for such Contract (with respect to Contracts set forth in Section 5.7 of the Company Disclosure Schedule) to remain in full force and effect, (iii) lift any injunction prohibiting, or any other legal bar to, the Contemplated Transactions and (iv) satisfy the conditions precedent to the consummation of the Merger.

5.8 Public Announcement. The initial press release relating to this Agreement shall be a joint press release issued by the Company and Parent and thereafter Parent and the Company shall consult with each other before issuing any further press release(s) or otherwise making any public statement or making any announcement to Parent Associates or Company Associates (to the extent not previously issued or made in accordance with this Agreement) with respect to the Contemplated Transactions and shall not issue any such press release, public statement or announcement to Parent Associates or Company Associates without the other Party's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed). Notwithstanding the foregoing: (a) each Party may, without such consultation or prior written consent, make any public statement in response to questions from the press, analysts, investors or those attending industry conferences, make internal announcements to employees and make disclosures in Parent SEC Documents, so long as such statements are consistent with and do not disclose material information not previously disclosed in previous press releases, public disclosures or public statements made jointly by the Parties (or individually, if approved by the other Party); (b) a Party may, without the prior written consent of the other Party but subject to giving advance notice to the other Party of, and consulting with the other Party regarding, the text of such press release, announcement or statement, issue any such press release or make any such public announcement or statement which Parent shall have determined in good faith, upon the advice of legal counsel, is required by any applicable Law; and (c) Parent need not consult with the Company in connection with such portion of any press release, public statement or filing to be issued or made pursuant to Section 5.3(g) or with respect to any Acquisition Proposal or Parent Board Adverse Recommendation Change.

5.9 Listing. Parent shall use its commercially reasonable efforts, (a) to maintain its existing listing on Nasdaq until the Closing Date and to obtain approval of the listing of the combined company on Nasdaq; (b) without derogating from the generality of the requirements of the foregoing clause (a) and to the extent required by the rules and regulations of Nasdaq, to prepare and submit to Nasdaq a notification form for the listing of the shares of Parent Common Stock to be issued in connection with the Contemplated Transactions, and to cause such shares to be approved for listing (subject to official notice of issuance), (c) to effect the Nasdaq Reverse Split, and (d) to the extent required by Nasdaq Marketplace Rule 5110, to file an initial listing application for the Parent Common Stock on Nasdaq (the "Nasdaq Listing Application") and to cause such Nasdaq Listing Application to be conditionally approved prior to the Effective Time. The Parties will use commercially reasonable efforts to coordinate with respect to compliance with Nasdaq rules and regulations and will reasonably promptly inform the other Party of all verbal or written communications between Nasdaq and such Party or its representatives. The Company agrees to pay all Nasdaq fees associated with the Nasdaq Listing Application. The Company will cooperate with Parent as reasonably requested by Parent with respect to the Nasdaq Listing Application and promptly furnish to Parent all information concerning the Company and its stockholders that may be required or reasonably requested in connection with any action contemplated by this Section 5.9.

5.10 Tax Matters.

(a) For United States federal income Tax purposes, (i) the Parties intend that the Merger qualify as a "reorganization" within the meaning of Section 368(a) of the Code (the "Intended Tax Treatment"), and (ii) this Agreement is intended to be, and is hereby adopted as, a "plan of reorganization" for purposes of Section 354 and 361 of the Code and Treasury Regulations Section 1.368-2(g) and 1.368-3(a), to which Parent, Merger Sub and the Company are parties under Section 368(b) of the Code.

(b) The Parties shall use their respective reasonable best efforts to cause the Merger to qualify, and will not take (or knowingly fail to take) any action or cause (or knowingly fail to cause) any action to be taken which action would reasonably be expected to prevent the Merger from qualifying, for the Intended Tax Treatment. The Parties shall use commercially reasonable efforts to operate the Surviving Corporation so as to meet the "continuity of business enterprise" requirement and any other requirements pursuant to Section 368(a)(2)(E) of the Code. The Parties shall not file any U.S. federal, state or local Tax Return in a manner that is inconsistent with the treatment of the Merger as a reorganization within the meaning of Section 368(a) of the Code for U.S. federal, state and other relevant Tax purposes, unless otherwise required by a "determination" within the meaning of Section 1313(a) of the Code.

(c) At least ten (10) Business Days prior to Closing, Parent will provide the Company with its determinations regarding the applicability of Section 280G of the Code and reasonable supporting calculations to any employee, officer, director or other service provider of Parent or any of its Subsidiaries that, in connection with the Contemplated Transactions (i) may receive the payment of any "parachute payment" within the meaning of Section 280G of the Code or (ii) may receive a benefit in the form of accelerated vesting, payment, funding or delivery of, or increase the amount or value of, any payment or benefit received.

(d) Each Party, shall cooperate and shall cause its respective Affiliates to cooperate with each other Party and with each other Party's agents, including accounting firms and legal counsel, in connection with any Tax Proceeding in respect of Taxes assessed or proposed to be assessed against the Company or any of its Subsidiaries or the preparation of any Tax Return. Such cooperation shall include each Party making such information and documents in its possession relating to the Company or any of its Subsidiaries reasonably necessary in connection with any such Tax Proceeding available to the other Party. The Parties shall retain all Tax Returns, schedules, and work papers, and all material records and other documents relating thereto, until the expiration of the applicable statute of limitations (including, to the extent noticed by any Party, any extensions thereof) of the Tax period to which such Tax Returns and other documents and information relate. Each of the Parties shall also make available to the other Party, as reasonably requested and available on a mutually convenient basis, personnel responsible for preparing, maintaining, and interpreting information and documents relevant to Taxes to provide reasonable explanation of any documents or information provided hereunder. Any information or documents provided under this Agreement shall be kept confidential by the Party receiving such information or documents, except as may otherwise be necessary in connection with the filing of Tax Returns or in connection with a Tax Proceeding.

(e) Fifty percent (50%) of any Transfer Taxes shall be borne and paid by each of Parent and the Company if and when due. Each of Parent and the Company shall, at its own expense, timely file any Tax Return or other documents with respect to such Taxes or fees.

5.11 Directors and Officers. The Parties shall take all necessary action so that immediately after the Effective Time, (a) the Parent Board is comprised of seven (7) members, with one (1) such member designated by Parent and six (6) such members designated by the Company, (b) the Persons listed on Schedule 5.11 under the heading "Officers" are elected or appointed, as applicable, to the positions of officers of Parent, as set forth therein, to serve in such positions effective as of the Effective Time until successors are duly appointed and qualified in accordance with applicable Law and (c) the Persons listed on Schedule 5.11 under the heading "Directors" are elected or appointed, as applicable, to the positions of directors of Parent, as set forth therein, and to the classes of such director positions as set forth therein, to serve in such positions effective as of the Effective Time until successors are duly appointed and qualified in accordance with applicable Law. If any Person listed on Schedule 5.11 under the heading "Officers" is unable or unwilling to serve as an officer of Parent, as set forth therein, as of the Effective Time, the Parties shall mutually agree upon a successor. If any Person listed on Schedule 5.11 is unable or unwilling to serve as a director of Parent, as set forth therein, as of the Effective Time, the Party appointing such Person (as set forth on Schedule 5.11) shall designate a successor. The Person listed on Schedule 5.11 under the heading "Board Designee – Parent" shall be Parent's designee pursuant to clause (c) of this Section 5.11 (which may be changed by Parent at any time prior to the Closing by written notice to the Company to include a different board designee who is reasonably acceptable to the Company) (the "*Parent Designee*"). The Persons listed on Schedule 5.11 under the heading "Board Designees – Company" shall be the Company's designees pursuant to clause (c) of this Section 5.11 (which initial list may include vacancies and be supplemented or changed by the Company at any time prior to the Closing by written notice to Parent to include different board designees who are reasonably acceptable to Parent).

5.12 Termination of Certain Agreements and Rights.

(a) The Company shall cause the Investor Agreements set forth on Schedule 5.12(a), to be terminated immediately prior to the Effective Time, without any liability being imposed on the part of Parent or the Surviving Corporation.

(b) In addition to its obligations with respect to the Asset Disposition under Section 4.7, Parent agrees to use commercially reasonable efforts to (i) terminate, assign or fully perform all Parent Contracts, including as set forth on Schedule 5.12(b)(1), (except (x) Parent Contracts set forth and indicated as such on Schedule 5.12(b)(2) and (y) any other Parent Contract agreed to by Parent and Company) (the "**Specified Parent Contracts**") and (ii) fully satisfy, waive or otherwise discharge all obligations of Parent under all Specified Parent Contracts, in each case prior to the Closing.

5.13 Section 16 Matters. Prior to the Effective Time, Parent and the Company shall take all such steps as may be required (to the extent permitted under applicable Laws) to cause any acquisitions of Parent Common Stock, restricted stock awards to acquire Parent Common Stock and any options to purchase Parent Common Stock in connection with the Contemplated Transactions, by each individual who is reasonably expected to become subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Parent, to be exempt under Rule 16b-3 promulgated under the Exchange Act. At least ten (10) days prior to the Closing Date, the Company shall furnish the following information to Parent for each individual who, immediately after the Effective Time, will become subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Parent: (a) the number of shares of Company Capital Stock owned by such individual and expected to be exchanged for shares of Parent Common Stock pursuant to the Merger, and (b) the number of other derivative securities (if any) with respect to Company Capital Stock owned by such individual and expected to be converted into shares of Parent Common Stock, restricted stock awards to acquire Parent Common Stock or derivative securities with respect to Parent Common Stock in connection with the Merger.

5.14 Cooperation. Each Party shall cooperate reasonably with the other Party and shall provide the other Party with such assistance as may be reasonably requested for the purpose of facilitating the performance by each Party of its respective obligations under this Agreement and to enable the combined entity to continue to meet its obligations following the Effective Time.

5.15 Allocation Certificate; Parent Outstanding Shares Certificate.

(a) The Company will prepare and deliver to Parent at least ten (10) Business Days prior to the Closing Date a certificate signed by the Chief Financial Officer of the Company in a form reasonably acceptable to Parent setting forth (as of immediately prior to the Effective Time) (i) each holder of Company Capital Stock and Company Options, (ii) such holder's name and address; (iii) the number and type of Company Capital Stock held or underlying the Company Options as of the immediately prior to the Effective Time for each such holder; and (iv) the number of shares of Parent Common Stock to be issued to such holder, or to underlie any Parent Option to be issued to such holder, pursuant to this Agreement in respect of the Company Capital Stock or Company Options held by such holder as of immediately prior to the Effective Time (the "**Allocation Certificate**").

(b) Parent will prepare and deliver to the Company at least ten (10) Business Days prior to the Closing Date a certificate signed by the Chief Financial Officer of Parent in a form reasonably acceptable to the Company, setting forth, as of immediately prior to the Effective Time (i) each record holder of Parent Common Stock, Parent Options or Parent RSUs, (ii) such record holder's name and address, and (iii) the number of shares of Parent Common Stock held or underlying the Parent Options or Parent RSUs as of the Effective Time for such holder (the "**Parent Outstanding Shares Certificate**").

5.16 **Company Financial Statements.** To the extent required, the Company will use commercially reasonable efforts to, (i) no later than March 31, 2025, furnish to Parent audited financial statements for the fiscal year ended 2024 for inclusion in the Proxy Statement and the Registration Statement (the "**Company 2024 Audited Financial Statements**") and, collectively with the Company 2023 and 2022 Audited Financial Statements, the "**Company Audited Financial Statements**") and (ii) and no later than May 14, 2025, furnish to Parent unaudited interim financial statements for each interim period completed prior to the Closing that would be required to be included in the Registration Statement or any periodic report due prior to the Closing if the Company were subject to the periodic reporting requirements under the Securities Act or the Exchange Act (the "**Company 2025 Interim Financial Statements**") and collectively with the Company 2024 Interim Financial Statements, the "**Company Interim Financial Statements**"). Each of the Company 2024 Audited Financial Statements and the Company 2025 Interim Financial Statements will be suitable for inclusion in the Proxy Statement and the Registration Statement and prepared in accordance with GAAP as applied on a consistent basis during the periods involved (except in each case as described in the notes thereto) and on that basis will present fairly, in all material respects, the consolidated financial position and the results of operations, changes in stockholders' equity, and cash flows of the Company as of the dates of and for the periods referred to in the Company 2024 Audited Financial Statements or the Company 2025 Interim Financial Statements, as the case may be.

5.17 **Takeover Statutes.** If any Takeover Statute is or may become applicable to the Contemplated Transactions, each of the Company, the Company Board, Parent and the Parent Board, as applicable, shall grant such approvals and take such actions as are necessary so that the Contemplated Transactions may be consummated as promptly as practicable on the terms contemplated by this Agreement and otherwise act to eliminate or minimize the effects of such Takeover Statute on the Contemplated Transactions.

5.18 **Stockholder Litigation.** Until the earlier of the termination of this Agreement in accordance with its terms or the Effective Time, Parent shall (a) promptly advise the Company in writing of any stockholder litigation or investigation against it or its directors relating to this Agreement, the Merger or the Contemplated Transactions and keep the Company fully informed regarding such stockholder litigation and (b) give the Company the opportunity to participate in the defense or settlement of any stockholder litigation or investigation relating to this Agreement or any of the Contemplated Transactions, and not settle any such litigation or investigation without the Company's written consent, which will not be unreasonably withheld, conditioned or delayed.



5.19 Equity Plans. Prior to or as of the Effective Time, Parent shall approve, adopt and submit for approval by the stockholders of Parent, and recommend and use commercially reasonable efforts to cause the stockholders of Parent to approve, (a) the 2025 Equity Incentive Plan in the form attached hereto as Exhibit F (the “2025 Plan”) which will provide for new awards for a number of shares of Parent Common Stock not exceeding 10% of the Parent Common Stock issued and expected to be outstanding immediately after the Effective Time, as mutually agreed upon by Parent and the Company, and subject to approval by the Parent Board (for avoidance of doubt, such number of shares shall be in addition to the number of shares of Parent Common Stock subject to outstanding Parent Options or subject to Company Options assumed by Parent as contemplated by Section 5.5), and which may include an annual increase pursuant to an “evergreen” provision to provide for optional annual increases of up to 5% of the total number of fully diluted shares of capital stock of Parent as of the day prior to such increase; and (b) the 2025 Employee Stock Purchase Plan (the “2025 ESPP”), in the form attached hereto as Exhibit G, with a total pool of shares of Parent Common Stock not exceeding 1% of the Parent Common Stock issued and expected to be outstanding immediately after the Effective Time, and may include an annual increase pursuant to an “evergreen” provision providing for an annual increase of up to 1% of the total number of fully diluted shares of capital stock of Parent outstanding as of the day prior to such increase ((a) and (b), collectively, the “Equity Plan Proposals”). Subject to the approval of the 2025 Plan by the stockholders of Parent, Parent shall file with the SEC, promptly after the Effective Time, a registration statement on Form S-8 (or any successor form), if available for use by Parent, relating to the shares of Parent Common Stock issuable with respect to the 2025 Plan.

5.20 Parent SEC Documents. From the date of this Agreement until the Effective Time, Parent shall use commercially reasonable efforts to timely file with the SEC all Parent SEC Documents. As of its filing date, or if amended after the date of this Agreement, as of the date of the last such amendment, each Parent SEC Document filed by Parent with the SEC shall comply in all material respects with the applicable requirements of the Exchange Act and the Securities Act.

5.21 Parent Options and RSUs. Before the Effective Time, Parent shall take all actions necessary to provide that all Parent Options and Parent RSUs shall be fully vested as of the Effective Time and that no Parent Option shall be exercised later than ninety (90) days following the termination of service of the holder of the Parent Option.

#### **Section 6. CONDITIONS PRECEDENT TO OBLIGATIONS OF EACH PARTY**

The obligations of each Party to effect the Merger and otherwise consummate the Contemplated Transactions to be consummated at the Closing are subject to the satisfaction (or, to the extent permitted by applicable Law, written waiver by each of the Parties) of each of the following conditions:

6.1 No Restraints. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the Contemplated Transactions shall have been issued by any court of competent jurisdiction or other Governmental Body of competent jurisdiction and remain in effect and there shall not be any Law which has the effect of making the consummation of the Contemplated Transactions illegal.

6.2 Stockholder Approval. (a) Parent shall have obtained the Required Parent Stockholder Vote and (b) the Company shall have obtained the Required Company Stockholder Vote and such Required Company Stockholder Vote shall remain in full force and effect and shall not have been revoked.

6.3 Listing. (a) The existing shares of Parent Common Stock shall have been continually listed on Nasdaq as of and from the date of this Agreement through the Closing Date and (b) the shares of Parent Common Stock to be issued in the Merger pursuant to this Agreement shall have been approved for listing (subject to official notice of issuance) on Nasdaq as of the Closing.

6.4 Effectiveness of Registration Statement. The Registration Statement shall have become effective in accordance with the provisions of the Securities Act and shall not be subject to any stop order or proceeding (or threatened proceeding by the SEC) seeking a stop order with respect to the Registration Statement that has not been withdrawn.

6.5 Parent Net Cash Determination. Parent Net Cash shall have been finally determined in accordance with Section 1.6.

**Section 7. ADDITIONAL CONDITIONS PRECEDENT TO OBLIGATIONS OF PARENT AND MERGER SUB**

The obligations of Parent and Merger Sub to effect the Merger and otherwise consummate the Contemplated Transactions to be consummated at the Closing are subject to the satisfaction (or, to the extent permitted by applicable Law, written waiver by Parent) of each of the following conditions:

7.1 Accuracy of Representations. (i) The representation and warranty of the Company set forth in Section 2.8(b) shall have been true and correct in all respects as of the date of this Agreement and shall be true and correct in all respects on and as of the Closing Date with the same force and effect as if made on and as of such date; (ii) the Company Fundamental Representations shall have been true and correct in all material respects as of the date of this Agreement and shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as if made on and as of such date (except to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties shall be true and correct in all material respects as of such date); and (iii) the representations and warranties of the Company contained in this Agreement (other than the Company Fundamental Representations and Section 2.8(b)) shall have been true and correct as of the date of this Agreement and shall be true and correct on and as of the Closing Date with the same force and effect as if made on and as of the Closing Date except (a) in each case, or in the aggregate, where the failure to be so true and correct would not reasonably be expected to have a Company Material Adverse Effect (without giving effect to any references therein to any Company Material Adverse Effect or other materiality qualifications), or (b) for those representations and warranties which address matters only as of a particular date (which representations shall have been true and correct, subject to the qualifications as set forth in the preceding clause (a), as of such particular date) (it being understood that, for purposes of determining the accuracy of such representations and warranties, any update of or modification to the Company Disclosure Schedule made or purported to have been made after the date of this Agreement shall be disregarded).

7.2 Performance of Covenants. The Company shall have performed or complied with in all material respects all agreements and covenants required to be performed or complied with by it under this Agreement at or prior to the Effective Time.

7.3 Documents. Parent shall have received the following documents, each of which shall be in full force and effect:

(a) a certificate executed by the Chief Executive Officer or Chief Financial Officer of the Company certifying (i) that the conditions set forth in Sections 7.1, 7.2, 7.4 and 7.5 have been duly satisfied and (ii) that the information set forth in the Allocation Certificate delivered by the Company in accordance with Section 5.15 is true and accurate in all respects as of the Closing Date; and

(b) the Allocation Certificate.

7.4 FIRPTA Certificate. Parent shall have received (i) an original signed statement from the Company that the Company is not, and has not been at any time during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code, a "United States real property holding corporation," as defined in Section 897(c)(2) of the Code, conforming to the requirements of Treasury Regulations Section 1.1445-2(c)(3) and 1.897-2(h), and (ii) an original signed notice to be delivered to the IRS in accordance with the provisions of Treasury Regulations Section 1.897-2(h)(2), together with written authorization for Parent to deliver such notice to the IRS on behalf of the Company following the Closing, each dated as of the Closing Date, duly executed by an authorized officer of the Company, and in form and substance reasonably acceptable to Parent.

7.5 No Company Material Adverse Effect. Since the date of this Agreement, there shall not have occurred any Company Material Adverse Effect that is continuing.

7.6 Termination of Investor Agreements. The Investor Agreements set forth on Schedule 5.12(a) shall have been terminated (or will be terminated as of the Closing).

7.7 Company Lock-Up Agreements. Parent shall have received the Company Lock-Up Agreements duly executed by each of the Company Lock-Up Signatories and each executive officer and director of the Company who is elected or appointed, as applicable, as an executive officer and director of Parent as of immediately following the Closing, each of which shall be in full force and effect as of immediately following the Effective Time.

**Section 8. ADDITIONAL CONDITIONS PRECEDENT TO OBLIGATION OF THE COMPANY**

The obligation of the Company to effect the Merger and otherwise consummate the Contemplated Transactions to be consummated at the Closing is subject to the satisfaction (or, to the extent permitted by applicable Law, written waiver by the Company) of each of the following conditions:

8.1 Accuracy of Representations. (i) The representations and warranties of Parent and Merger Sub set forth in Section 3.8(b) shall have been true and correct in all respects as of the date of this Agreement and shall be true and correct in all respects on and as of the Closing Date with the same force and effect as if made on and as of such date; (ii) the Parent Fundamental Representations shall have been true and correct in all material respects as of the date of this Agreement and shall be true and correct in all material respects on and as of the Closing Date with the same force and effect as if made on and as of such date (except to the extent such representations and warranties are specifically made as of a particular date, in which case such representations and warranties shall be true and correct in all material respects as of such date); and (iii) the representations and warranties of Parent and Merger Sub contained in this Agreement (other than the Parent Fundamental Representations and Section 3.8(b)) shall have been true and correct as of the date of this Agreement and shall be true and correct on and as of the Closing Date with the same force and effect as if made on and as of the Closing Date except (a) in each case, or in the aggregate, where the failure to be so true and correct would not reasonably be expected to have a Parent Material Adverse Effect (without giving effect to any references therein to any Parent Material Adverse Effect or other materiality qualifications), or (b) for those representations and warranties which address matters only as of a particular date (which representations shall have been true and correct, subject to the qualifications as set forth in the preceding clause (a), as of such particular date) (it being understood that, for purposes of determining the accuracy of such representations and warranties, any update of or modification to the Parent Disclosure Schedule made or purported to have been made after the date of this Agreement shall be disregarded).

8.2 Performance of Covenants. Parent and Merger Sub shall have performed or complied with in all material respects all of their agreements and covenants required to be performed or complied with by each of them under this Agreement at or prior to the Effective Time.

8.3 Documents. The Company shall have received the following documents, each of which shall be in full force and effect:

- (a) a certificate executed by the Chief Executive Officer or Chief Financial Officer of Parent certifying that the conditions set forth in Sections 8.1, 8.2, and 8.4 have been duly satisfied;
- (b) the Parent Outstanding Shares Certificate;
- (c) the Parent Closing Financial Certificate, a draft of which shall have been provided at least five (5) Business Days prior to the Closing, which certificate shall be accompanied by such supporting documentation, information and calculations as are reasonably requested by the Company to verify and determine the information contained therein; and

(d) a written resignation, in a form reasonably satisfactory to the Company, dated as of the Closing Date and effective as of the Effective Time, executed by each of the directors of Parent who are not to continue as directors of Parent after the Effective Time pursuant to Section 5.11 hereof.

8.4 No Parent Material Adverse Effect. Since the date of this Agreement, there shall not have occurred any Parent Material Adverse Effect that is continuing.

8.5 Parent Net Cash. Parent Net Cash determined in accordance with Section 1.6 shall be greater than or equal to \$18,000,000.

8.6 Termination of Contracts. The Company shall have received evidence, in form and substance reasonably satisfactory to it, that (a) the Specified Parent Contracts (except, for the avoidance of doubt, (i) any Parent Contracts set forth on Schedule 5.12(b)(2) and (ii) any other Parent Contract agreed to by Parent and Company) have been terminated, assigned, or fully performed by Parent, (b) all obligations of Parent under the Specified Parent Contracts have been fully satisfied, waived or otherwise discharged, including as set forth on Schedule 5.12(b), if applicable and (c) the Asset Disposition will be consummated substantially concurrently with the Closing.

8.7 Parent Lock-Up Agreements. Parent shall have received the Parent Lock-Up Agreements duly executed by each of the Parent Lock-Up Signatories, each of which shall be in full force and effect as of immediately following the Effective Time.

#### **Section 9. TERMINATION**

9.1 Termination. This Agreement may be terminated prior to the Effective Time (whether before or after approval of the Company Stockholder Matters by the Company's stockholders and whether before or after approval of the Parent Stockholder Matters by Parent's stockholders, unless otherwise specified below):

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

(b) by either Parent or the Company if the Contemplated Transactions shall not have been consummated by June 30, 2025 (subject to possible extension as provided in this Section 9.1(b), the "*End Date*"); *provided, however*, that the right to terminate this Agreement under this Section 9.1(b) shall not be available to the Company, on the one hand, or to Parent, on the other hand, if such Party's action or failure to act has been a principal cause of the failure of the Contemplated Transactions to occur on or before the End Date and such action or failure to act constitutes a breach of this Agreement, *provided, further, however*, that, in the event that the SEC has not declared the Registration Statement effective under the Securities Act by the date which is thirty (30) calendar days prior to the End Date, then Parent shall be entitled to extend the End Date for an additional sixty (60) calendar days by written notice to the Company;

(c) by either Parent or the Company if a court of competent jurisdiction or other Governmental Body shall have issued a final and nonappealable order, decree or ruling, or shall have taken any other action, having the effect of permanently restraining, enjoining or otherwise prohibiting the Contemplated Transactions;

(d) by Parent if the Company Stockholder Written Consent executed by each Company Signatory shall not have been obtained within seven (7) Business Days of the Registration Statement becoming effective in accordance with the provisions of the Securities Act; *provided, however*, that once the Company Stockholder Written Consent has been obtained, Parent may not terminate this Agreement pursuant to this [Section 9.1\(d\)](#);

(e) by either Parent or the Company if (i) the Parent Stockholders' Meeting (including any adjournments and postponements thereof) shall have been held and completed and Parent's stockholders shall have taken a final vote on the Parent Stockholder Matters and (ii) the Parent Stockholder Matters shall not have been approved at the Parent Stockholders' Meeting (or at any adjournment or postponement thereof) by the Required Parent Stockholder Vote *provided, however*, that the right to terminate this Agreement under this [Section 9.1\(e\)](#) shall not be available to Parent where the failure to obtain the Required Parent Stockholder Vote shall have been caused by the action or failure to act of Parent and such action or failure to act constitutes a material breach by Parent of this Agreement;

(f) by the Company (at any time prior to the approval of the Parent Stockholder Matters by the Required Parent Stockholder Vote) if a Parent Triggering Event shall have occurred;

(g) by Parent (at any time prior to the Required Company Stockholder Vote being obtained) if a Company Triggering Event shall have occurred;

(h) by the Company, upon a breach of any representation, warranty, covenant or agreement set forth in this Agreement by Parent or Merger Sub or if any representation or warranty of Parent or Merger Sub shall have become inaccurate, in either case, such that the conditions set forth in [Section 8.1](#) or [Section 8.2](#) would not be satisfied as of the time of such breach or as of the time such representation or warranty shall have become inaccurate; *provided* that the Company is not then in material breach of any representation, warranty, covenant or agreement under this Agreement; *provided, further*, that if such inaccuracy in Parent's or Merger Sub's representations and warranties or breach by Parent or Merger Sub is curable by the End Date by Parent or Merger Sub, then this Agreement shall not terminate pursuant to this [Section 9.1\(h\)](#) as a result of such particular breach or inaccuracy until the earlier of (i) the End Date and (ii) the expiration of a thirty (30) calendar day period commencing upon delivery of written notice from the Company to Parent of such breach or inaccuracy and its intention to terminate pursuant to this [Section 9.1\(h\)](#) (it being understood that this Agreement shall not terminate pursuant to this [Section 9.1\(h\)](#) as a result of such particular breach or inaccuracy if such breach by Parent or Merger Sub is cured prior to such termination becoming effective); or

(i) by Parent, upon a breach of any representation, warranty, covenant or agreement set forth in this Agreement by the Company or if any representation or warranty of the Company shall have become inaccurate, in either case, such that the conditions set forth in Section 7.1 or Section 7.2 would not be satisfied as of the time of such breach or as of the time such representation or warranty shall have become inaccurate; *provided* that neither Parent nor Merger Sub is then in material breach of any representation, warranty, covenant or agreement under this Agreement; *provided, further*, that if such inaccuracy in the Company's representations and warranties or breach by the Company is curable by the End Date by the Company then this Agreement shall not terminate pursuant to this Section 9.1(f) as a result of such particular breach or inaccuracy until the earlier of (i) the End Date and (ii) the expiration of a thirty (30) calendar day period commencing upon delivery of written notice from Parent to the Company of such breach or inaccuracy and its intention to terminate pursuant to this Section 9.1(f) (it being understood that this Agreement shall not terminate pursuant to this Section 9.1(f) as a result of such particular breach or inaccuracy if such breach by the Company is cured prior to such termination becoming effective).

The Party desiring to terminate this Agreement pursuant to this Section 9.1, shall give the other Party written notice of such termination, specifying the provisions hereof pursuant to which such termination is made and the basis therefor described in reasonable detail.

9.2 Effect of Termination. In the event of the termination of this Agreement as provided in Section 9.1, this Agreement shall be of no further force or effect; *provided, however*, that (a) this Section 9.2, Section 5.8, Section 9.3, Section 10 and the definitions of the defined terms in such Sections (including the definitions of such defined terms set forth in Exhibit A) shall survive the termination of this Agreement and shall remain in full force and effect following such termination, and (b) the termination of this Agreement and the provisions of Section 9.3 shall not relieve any Party of any liability for fraud or for any willful and material breach of any representation, warranty, covenant, obligation or other provision contained in this Agreement.

9.3 Expenses; Termination Fees.

(a) Except as set forth in this Section 9.3, Section 1.6(g) and Section 5.9, the Transaction Expenses shall be paid by the Party incurring such expenses, whether or not the Merger is consummated; *provided* that Parent and the Company shall each pay 50% of all fees and expenses incurred in relation to (i) the printing and filing with the SEC of the Registration Statement and Proxy Statement and any amendments and supplements thereto and paid to a financial printer or the SEC, and (ii) the proxy solicitation firm engaged in connection with the Parent Stockholders' Meeting. It is understood and agreed that all fees and expenses incurred or to be incurred by or payable by the Company in connection with the Contemplated Transactions and preparing, negotiating and entering into this Agreement and the performance of its obligations under this Agreement shall be paid by the Company in cash at or prior to the Closing.

(b) If:

(i) (A) this Agreement is terminated pursuant to Section 9.1(b), Section 9.1(e) or Section 9.1(h), (B) an Acquisition Proposal with respect to Parent shall have been publicly announced, disclosed or otherwise communicated to Parent or the Parent Board at any time after the date of this Agreement but prior to the termination of this Agreement (which shall not have been withdrawn) and (C) within twelve (12) months after the date of such termination, Parent enters into a definitive agreement with respect to a Subsequent Transaction or consummates a Subsequent Transaction in respect of the Acquisition Proposal referred to in clause (B) or in respect of any other Acquisition Proposal; or

(ii) this Agreement is terminated by the Company pursuant to [Section 9.1\(f\)](#) (or, at the time this Agreement is terminated, the Company had the right to terminate this Agreement pursuant to [Section 9.1\(f\)](#));

then Parent shall pay to the Company a nonrefundable fee in an amount equal to \$2,250,000 (the "**Company Termination Fee**"), in the case of [Section 9.3\(b\)\(i\)](#), upon the consummation of such Subsequent Transaction or, in the case of [Section 9.3\(b\)\(ii\)](#), concurrently with the termination of this Agreement plus any amount payable to the Company pursuant to [Section 9.3\(f\)](#).

(c) If:

(i) (A) this Agreement is terminated pursuant to [Section 9.1\(b\)](#), [Section 9.1\(d\)](#), or [Section 9.1\(i\)](#), (B) an Acquisition Proposal with respect to the Company shall have been publicly announced, disclosed or otherwise communicated to the Company or the Company Board at any time after the date of this Agreement but prior to obtaining the Required Company Stockholder Vote (which shall not have been withdrawn, (1) in the case of a termination pursuant to [Section 9.1\(b\)](#) or [Section 9.1\(i\)](#), at the time the Required Company Stockholder Vote is obtained and (2) in the case of a termination pursuant to [Section 9.1\(d\)](#), at the time of such termination) and (C) within twelve (12) months after the date of such termination, the Company enters into a definitive agreement with respect to a Subsequent Transaction or consummates a Subsequent Transaction in respect of the Acquisition Proposal referred to in clause (B) or in respect of any other Acquisition Proposal; or

(ii) this Agreement is terminated by Parent pursuant to [Section 9.1\(g\)](#) (or, at the time this Agreement is terminated, Parent had the right to terminate this Agreement pursuant to [Section 9.1\(g\)](#));

then the Company shall pay to Parent an amount equal to \$2,250,000 (the "**Parent Termination Fee**"), in the case of [Section 9.3\(c\)\(i\)](#), upon the consummation of such Subsequent Transaction or, in the case of [Section 9.3\(c\)\(ii\)](#), concurrently with the termination of this Agreement, plus any amount payable to Parent pursuant to [Section 9.3\(f\)](#).

(d) (i) If this Agreement is terminated pursuant to [Section 9.1\(e\)](#), [Section 9.1\(f\)](#), or [Section 9.1\(h\)](#) or (ii) in the event of the failure of the Company to consummate the transactions to be contemplated at the Closing solely as a result of a Parent Material Adverse Effect as set forth in [Section 8.4](#) (provided, that at such time all of the other conditions precedent to Parent's obligation to close set forth in [Section 6](#) and [Section 7](#) have been satisfied by the Company, are capable of being satisfied by the Company or have been waived by Parent), then Parent shall reimburse the Company for all reasonable out-of-pocket fees and expenses incurred by the Company in connection with this Agreement and the Contemplated Transactions (such expenses, collectively, the "**Third Party Expenses**"), up to a maximum of \$750,000, by wire transfer of same-day funds within ten (10) Business Days following the date on which the Company submits to Parent true and correct copies of reasonable documentation supporting such Third Party Expenses; *provided, however*, that such Third Party Expenses shall not include any amounts for financial advisors to the Company except for reasonably documented out-of-pocket expenses otherwise reimbursable by the Company to such financial advisors pursuant to the terms of the Company's engagement letter or similar arrangement with such financial advisors. For the avoidance of doubt, to the extent any Third Party Expenses are paid, such amounts shall be credited against any Company Termination Fee which becomes payable thereafter.



(e) (i) If this Agreement is terminated pursuant to Section 9.1(d), Section 9.1(g), or Section 9.1(i) or (ii) in the event of the failure of Parent to consummate the transactions to be consummated to the Closing solely as a result of a Company Material Adverse Effect as set forth in Section 7.5 provided, that at such time all of the other conditions precedent to the Company's obligation to close set forth in Section 6 and Section 8 have been satisfied by Parent are capable of being satisfied by Parent or have been waived by the Company, the Company shall reimburse Parent for all Third Party Expenses incurred by Parent up to a maximum of \$750,000, by wire transfer of same-day funds within ten (10) Business Days following the date on which Parent submits to the Company true and correct copies of reasonable documentation supporting such Third Party Expenses; *provided, however*, that such Third Party Expenses shall not include any amounts for financial advisors to Parent except for reasonably documented out-of-pocket expenses otherwise reimbursable by Parent to such financial advisors pursuant to the terms of Parent's engagement letter or similar arrangement with such financial advisors. For the avoidance of doubt, to the extent any Third Party Expenses are paid, such amounts shall be credited against any Parent Termination Fee which becomes payable thereafter.

(f) Any Company Termination Fee or Parent Termination Fee due under this Section 9.3 shall be paid by wire transfer of same day funds. If a Party fails to pay when due any amount payable by it under this Section 9.3, then (i) such Party shall reimburse the other Party for reasonable out-of-pocket costs and expenses (including reasonable and out-of-pocket fees and disbursements of counsel) incurred in connection with the collection of such overdue amount and the enforcement by the other Party of its rights under this Section 9.3, and (ii) such Party shall pay to the other Party interest on such overdue amount (for the period commencing as of the date such overdue amount was originally required to be paid and ending on the date such overdue amount is actually paid to the other Party in full) at a rate per annum equal to the "prime rate" (as published in *The Wall Street Journal* or any successor thereto) in effect on the date such overdue amount was originally required to be paid plus three percent (3%).

(g) The Parties agree that, (i) subject to Section 9.2, payment of the Company Termination Fee shall, in the circumstances in which it is owed in accordance with the terms of this Agreement, constitute the sole and exclusive remedy of the Company following the termination of this Agreement under the circumstances described in Section 9.3(b), it being understood that in no event shall Parent be required to pay the amounts payable pursuant to this Section 9.3 on more than one occasion and (ii) following payment of the Company Termination Fee (x) Parent shall have no further liability to the Company in connection with or arising out of this Agreement or the termination thereof, any breach of this Agreement by Parent giving rise to such termination, or the failure of the Contemplated Transactions to be consummated, (y) neither the Company nor any of its Affiliates shall be entitled to bring or maintain any other claim, action or proceeding against Parent or Merger Sub or seek to obtain any recovery, judgment or damages of any kind against such Parties (or any partner, member, stockholder, director, officer, employee, Subsidiary, Affiliate, agent or other Representative of such Parties) in connection with or arising out of this Agreement or the termination thereof, any breach by any such Parties giving rise to such termination or the failure of the Contemplated Transactions to be consummated and (z) the Company and its Affiliates shall be precluded from any other remedy against Parent, Merger Sub and their respective Affiliates, at law or in equity or otherwise, in connection with or arising out of this Agreement or the termination thereof, any breach by such Party giving rise to such termination or the failure of the Contemplated Transactions to be consummated; *provided, however*, that nothing in this Section 9.3(g) shall limit the rights of Parent and Merger Sub under Section 10.11.

(h) The Parties agree that, (i) subject to Section 9.2, payment of the Parent Termination Fee shall, in the circumstances in which it is owed in accordance with the terms of this Agreement, constitute the sole and exclusive remedy of Parent following the termination of this Agreement under the circumstances described in Section 9.3(c), it being understood that in no event shall the Company be required to pay the amounts payable pursuant to this Section 9.3 on more than one occasion and (ii) following payment of the Parent Termination Fee (x) the Company shall have no further liability to Parent in connection with or arising out of this Agreement or the termination thereof, any breach of this Agreement by the Company giving rise to such termination, or the failure of the Contemplated Transactions to be consummated, (y) neither Parent nor any of its Affiliates shall be entitled to bring or maintain any other claim, action or proceeding against the Company or seek to obtain any recovery, judgment or damages of any kind against the Company (or any partner, member, stockholder, director, officer, employee, Subsidiary, Affiliate, agent or other Representative of the Company) in connection with or arising out of this Agreement or the termination thereof, any breach by the Company giving rise to such termination or the failure of the Contemplated Transactions to be consummated and (z) Parent and its Affiliates shall be precluded from any other remedy against the Company and its Affiliates, at law or in equity or otherwise, in connection with or arising out of this Agreement or the termination thereof, any breach by such Party giving rise to such termination or the failure of the Contemplated Transactions to be consummated; *provided, however*, that nothing in this Section 9.3(h) shall limit the rights of the Company under Section 10.11.

(i) Each of the Parties acknowledges that (i) the agreements contained in this Section 9.3 are an integral part of the Contemplated Transactions, (ii) without these agreements, the Parties would not enter into this Agreement and (iii) any amount payable pursuant to this Section 9.3 is not a penalty, but rather is liquidated damages in a reasonable amount that will compensate the applicable Party in the circumstances in which such amount is payable.

#### **Section 10. MISCELLANEOUS PROVISIONS**

10.1 Non-Survival of Representations and Warranties. The representations, warranties and covenants of the Company, Parent and Merger Sub contained in this Agreement or any certificate or instrument delivered pursuant to this Agreement shall terminate at the Effective Time, and only the covenants that by their terms survive the Effective Time and this Section 10 shall survive the Effective Time.

10.2 Amendment. This Agreement may be amended with the approval of the Company, Merger Sub and Parent at any time (whether before or after obtaining the Required Company Stockholder Vote or before or after obtaining the Required Parent Stockholder Vote); *provided, however*, that after any such approval of this Agreement by a Party's stockholders, no amendment shall be made which by Law requires further approval of such stockholders without the further approval of such stockholders. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Company, Merger Sub and Parent.

10.3 Waiver.

(a) No failure on the part of any Party to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Party in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

(b) No Party shall be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of such Party and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

10.4 Entire Agreement; Counterparts; Exchanges by Electronic Transmission. This Agreement, the Company Disclosure Schedule, the Parent Disclosure Schedule and the other agreements referred to in this Agreement constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, among or between any of the Parties with respect to the subject matter hereof and thereof; *provided, however*, that the Confidentiality Agreement shall not be superseded and shall remain in full force and effect in accordance with its terms. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by all Parties by electronic transmission in PDF format shall be sufficient to bind the Parties to the terms and conditions of this Agreement.

10.5 Applicable Law; Jurisdiction; WAIVER OF JURY TRIAL. This Agreement shall be governed by, and construed in accordance with, the Laws of the State of Delaware, regardless of the Laws that might otherwise govern under applicable principles of conflicts of laws. In any action or proceeding between any of the Parties arising out of or relating to this Agreement or any of the Contemplated Transactions, each of the Parties: (a) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the State of Delaware or, to the extent such court does not have subject matter jurisdiction, the United States District Court for the District of Delaware or, to the extent that neither of the foregoing courts has jurisdiction, the Superior Court of the State of Delaware; (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in accordance with clause (a) of this Section 10.5; (c) waives any objection to laying venue in any such action or proceeding in such courts; (d) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any Party; (e) agrees that service of process upon such Party in any such action or proceeding shall be effective if notice is given in accordance with Section 10.8 of this Agreement; and (f) IRREVOCABLY AND UNCONDITIONALLY WAIVES THE RIGHT TO TRIAL BY JURY.

10.6 Attorneys' Fees. In any action at law or suit in equity to enforce this Agreement or the rights of any of the Parties, the prevailing Party in such action or suit (as determined by a court of competent jurisdiction) shall be entitled to recover its reasonable out-of-pocket attorneys' fees and all other reasonable costs and expenses incurred in such action or suit.

10.7 Assignability. This Agreement shall be binding upon, and shall be enforceable by and inure solely to the benefit of, the Parties and their respective successors and permitted assigns; *provided, however*, that neither this Agreement nor any of a Party's rights or obligations hereunder may be assigned or delegated by such Party without the prior written consent of the other Party, and any attempted assignment or delegation of this Agreement or any of such rights or obligations by such Party without the other Party's prior written consent shall be void and of no effect.

10.8 Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly delivered and received hereunder (a) one (1) Business Day after being sent for next Business Day delivery, fees prepaid, via a reputable international overnight courier service, (b) upon delivery in the case of delivery by hand, or (c) on the date delivered in the place of delivery if sent by email (provided that no bounceback or similar "undeliverable" message is received by such sender) prior to 5:00 p.m. Eastern Time, otherwise on the next succeeding Business Day, in each case to the intended recipient as set forth below:

if to Parent or Merger Sub:

Cara Therapeutics, Inc.  
400 Atlantic Street, Suite 500  
Stamford, Connecticut 06901  
Attention: Scott Terrillion, Esq.  
Email: [\*\*\*]

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

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.  
919 Third Avenue  
New York, NY 10012  
Attention: Daniel Bagliebter; Kenneth Koch  
Email: [\*\*\*]

if to the Company:

Tvardi Therapeutics, Inc.  
3 Sugar Creek Ctr. Blvd. Ste. 525  
Sugar Land, TX 77478  
Attention: Legal Department  
Email: [\*\*\*]

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

Coolley LLP  
10265 Science Center Dr  
San Diego, CA 92121  
Attention: Rama Padmanabhan  
Email: [\*\*\*]

10.9 Cooperation. Each Party agrees to cooperate fully with the other Party and to execute and deliver such further documents, certificates, agreements and instruments and to take such other actions as may be reasonably requested by the other Party to evidence or reflect the Contemplated Transactions and to carry out the intent and purposes of this Agreement.

10.10 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision of this Agreement is invalid or unenforceable, the Parties agree that the court making such determination shall have the power to limit such term or provision, to delete specific words or phrases or to replace such term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be valid and enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the Parties agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.

10.11 Other Remedies: Specific Performance. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy. The Parties agree that irreparable damage for which monetary damages, even if available, would not be an adequate remedy, would occur in the event that any Party does not perform the provisions of this Agreement (including failing to take such actions as are required of it hereunder to consummate this Agreement) in accordance with their specified terms or otherwise breaches such provisions. Accordingly, the Parties acknowledge and agree that the Parties 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 any court of the United States or any state thereof having jurisdiction, in addition to any other remedy to which they are entitled at law or in equity. Each of the Parties agrees that it will not oppose the granting of an injunction, specific performance or other equitable relief on the basis that any other Party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity. Any Party seeking an injunction or injunctions to prevent breaches of this Agreement shall not be required to provide any bond, surety or other security in connection with any such order or injunction.

10.12 No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person (other than the Parties and the D&O Indemnified Parties to the extent of their respective rights pursuant to Section 5.6) any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

10.13 Construction.

(a) References to “cash,” “dollars” or “\$” are to U.S. dollars.

(b) For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include masculine and feminine genders.

(c) The Parties have participated jointly in the negotiating and drafting of this Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be applied in the construction or interpretation of this Agreement, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

(d) As used in this Agreement, the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.”

(e) As used in this Agreement, the word “extent” in the phrase “to the extent” means the degree to which a subject extends and does not simply mean “if.”

(f) As used in this Agreement, the word “or” shall not be exclusive (*i.e.*, “or” shall be deemed to mean “and/or”).

(g) Except as otherwise indicated, all references in this Agreement to “Sections,” “Exhibits” and “Schedules” are intended to refer to Sections of this Agreement and Exhibits and Schedules to this Agreement, respectively.

(h) Any reference to legislation or to any provision of any legislation shall include any modification, amendment, re-enactment thereof, any legislative provision substituted therefore and all rules, regulations, and statutory instruments issued or related to such legislations.

(i) The bold-faced headings and table of contents contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

(j) The Parties agree that each of the Company Disclosure Schedule and the Parent Disclosure Schedule shall be arranged in sections and subsections corresponding to the numbered and lettered sections and subsections contained in this Agreement. The disclosures in any section or subsection of the Company Disclosure Schedule or the Parent Disclosure Schedule shall qualify other sections and subsections in this Agreement to the extent it is readily apparent on its face from a reading of the disclosure that such disclosure is applicable to such other sections and subsections.

(k) Each of “delivered” or “made available” means, with respect to any documentation, that prior to 11:59 p.m. Eastern Time on the date that is two (2) calendar days prior to the date of this Agreement (i) 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 (ii) 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.

(l) 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.

(m) Unless otherwise indicated, (i) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period will be excluded; (ii) if the last day of such period is not a Business Day, then the period in question will end on the next Business Day; (iii) if any action (other than any action described in Section 5.4) must be taken on or by a day that is not a Business Day, then such action may be validly taken on or by the next day that is a Business Day; (iv) the measure of a period of one month or year for purposes of this Agreement will be the day of the following month or year corresponding to the starting date; and (v) if no corresponding date exists, then the end date of such period being measured will be the next actual day of the following month or year (for example, one month following February 18 is March 18 and one month following March 31 is May 1). References to “from” or “through” any date mean, unless otherwise specified, from and including or through and including such date, respectively.

10.14 Defined Terms Defined Elsewhere

<u>Term</u>	<u>Section</u>
2025 ESPP	5.19
2025 Plan	5.19
Accounting Firm	1.6(e)
Agreement	Preamble
Allocation Certificate	5.15(a)
Anti-Bribery Laws	2.23
Anticipated Closing Date	1.6(a)
Asset Disposition(s)	4.7
Certificate of Merger	1.3
Certifications	3.7(a)
Closing	1.3
Closing Date	1.3
Company	Preamble
Company Benefit Plan	2.17(a)
Company Board Adverse Recommendation Change	5.2(d)

<u>Term</u>	<u>Section</u>
Company Board Recommendation	5.2(d)
Company Budget	4.2(b)(v)
Company Disclosure Schedule	Section 2
Company Financials	2.7(a)
Company In-Licensed IP	2.12(b)
Company In-bound License	2.12(d)
Company Lock-Up Agreement	Recitals
Company Lock-Up Signatories	Recitals
Company Material Contract	2.13(a)
Company Material Contracts	2.13(a)
Company Out-bound License	2.12(d)
Company Owned Registered IP	2.12(a)
Company Permits	2.14(b)
Company Real Estate Leases	2.11
Company Stock Certificate	1.7
Company Stockholder Matters	5.2(a)
Company Stockholder Support Agreement	Recitals
Company Stockholder Written Consent(s)	Recitals
Company Termination Fee	9.3(b)
Determination Notice	5.3(d)(i)
Dispute Notice	1.6(b)
Dissenting Shares	1.9(a)
D&O Indemnified Parties	5.6(a)
Drug Regulatory Agency	2.14(a)
Effective Time	1.3
End Date	9.1(b)
Equity Plan Proposals	5.19
Exchange Agent	1.8(a)
Exchange Fund	1.8(a)
FDA	2.14(a)
FDCA	2.14(a)
Information Statement	5.2(a)
Intended Tax Treatment	5.10(a)
Investor Agreements	2.22(b)
Liability	2.9
Merger	Recitals
Merger Sub	Preamble
Nasdaq Listing Application	5.9
Net Cash Calculation	1.6(a)
Net Cash Schedule	1.6(a)
Parent	Preamble
Parent Benefit Plan	3.17(a)
Parent Board Adverse Recommendation Change	5.3(c)
Parent Board Recommendation	5.3(c)



<u>Term</u>	<u>Section</u>
Parent Designees	5.11
Parent Disclosure Schedule	3
Parent In-bound License	3.12(d)
Parent Lock-Up Agreement	Recitals
Parent Material Contract	3.13(a)
Parent Material Contracts	3.13(a)
Parent Notice Period	5.3(d)(i)
Parent Out-bound License	3.12(d)
Parent Outstanding Shares Certificate	5.15(b)
Parent Owned Registered IP	3.12(a)
Parent Permits	3.14(b)
Parent SEC Documents	3.7(a)
Parent Share Issuance	5.3(a)(ii)
Parent Stockholder Matters	5.3(a)(viii)
Parent Stockholders' Meeting	5.3(a)(viii)
Parent Stockholder Support Agreement	Recitals
Parent Termination Fee	9.3(c)
Pre-Closing Period	4.1(a)
Regulation M-A Filing	2.21
Required Company Stockholder Vote	2.4
Required Parent Stockholder Vote	3.4
Response Date	1.6(b)
Sensitive Data	2.12(g)
Specified Parent Contracts	5.12(b)
Stockholder Notice	5.2(c)
Surviving Corporation	1.1
Tax Opinion	5.1(c)
Third Party Expenses	9.3(d)

[Signature pages follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

**CARA THERAPEUTICS, INC.**

By: /s/ Christopher Posner  
Name: Christopher Posner  
Title: President and Chief Executive Officer

**CT CONVERGENCE MERGER SUB, INC.**

By: /s/ Christopher Posner  
Name: Christopher Posner  
Title: President and Chief Executive Officer

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

**TVARDI THERAPEUTICS, INC.**

By: /s/ Imran Alibhai, Ph.D.

Name: Imran Alibhai, Ph.D.

Title: Chief Executive Officer

**EXHIBIT A**  
**CERTAIN DEFINITIONS**

**For purposes of this Agreement (including this Exhibit A):**

“**Acquisition Inquiry**” means, with respect to a Party, an inquiry, indication of interest or request for information (other than an inquiry, indication of interest or request for information made or submitted by the Company or any of its Affiliates, on the one hand, or Parent or any of its Affiliates, on the other hand, to the other Party) that could reasonably be expected to lead to an Acquisition Proposal; *provided, however*, that the term “**Acquisition Inquiry**” shall not include the Merger or the other Contemplated Transactions or any transactions related to the Asset Dispositions.

“**Acquisition Proposal**” means, with respect to a Party, any offer or proposal, whether written or oral (other than an offer or proposal made or submitted by or on behalf of the Company or any of its Affiliates, on the one hand, or by or on behalf of Parent or any of its Affiliates, on the other hand, to the other Party) contemplating or otherwise relating to any Acquisition Transaction with such Party, other than the Asset Dispositions.

“**Acquisition Transaction**” means any transaction or series of related transactions (other than the Asset Dispositions) involving:

any merger, consolidation, amalgamation, share exchange, business combination, issuance of securities, acquisition of securities, reorganization, recapitalization, tender offer, exchange offer or other similar transaction: (i) in which a Party is a constituent entity; (ii) in which a Person or “group” (as defined in the Exchange Act) of Persons directly or indirectly acquires beneficial or record ownership of securities representing more than 20% of the outstanding securities of any class of voting securities of a Party or any of its Subsidiaries; or (iii) in which a Party or any of its Subsidiaries issues securities representing more than 20% of the outstanding securities of any class of voting securities of such Party or any of its Subsidiaries; *provided, however*, that the Bridge Note Conversion shall not be, nor shall securities to be acquired thereby, be deemed or trigger an “**Acquisition Transaction**”; or

any sale, lease, exchange, transfer, license, acquisition or disposition of any business or businesses or assets that constitute or account for 20% or more of the consolidated book value or the fair market value of the assets of a Party and its Subsidiaries, taken as a whole.

“**Affiliate**” means, with respect to a Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term “**control**” (including the corollary terms “**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.

“**Agreement**” means the Agreement and Plan of Merger and Reorganization to which this **Exhibit A** is attached, as it may be amended from time to time.

---

“**Authorized Share Increase**” means an amendment to Parent’s amended and restated certificate of incorporation to increase the number of authorized shares of Parent Common Stock.

“**Bridge Note Conversion**” means the automatic conversion of the Bridge Notes and any other outstanding convertible notes of the Company into shares of Parent Common Stock at the Effective Time in accordance with the relevant provisions of the Bridge Notes.

“**Business Day**” means any day other than a Saturday, Sunday or other day on which banks in New York, New York are authorized or obligated by Law to be closed.

“**Cash and Cash Equivalents**” means cash, currency, and cash equivalents as determined in accordance with GAAP, including (a) all cash and cash equivalents in deposit accounts or other similar accounts, (b) marketable securities with maturities of three (3) months or less, (c) checks, money orders, and other negotiable instruments, and (d) cash in transit. Cash and Cash Equivalents shall be net of the amount of any outstanding checks or other payment obligations that have been issued but not yet cleared. For the avoidance of doubt, “Cash and Cash Equivalents” excludes any restricted cash, escrowed amounts, or amounts held as collateral for obligations, including letters of credit and performance bonds.

“**Code**” means the Internal Revenue Code of 1986.

“**Company Associate**” means any current or former employee, independent contractor, officer or director of the Company.

“**Company Board**” means the board of directors of the Company.

“**Company Capital Stock**” means the Company Common Stock and the Company Preferred Stock.

“**Company Common Stock**” means the Common Stock, \$0.001 par value per share, of the Company.

“**Company Contract**” means any Contract: (a) to which the Company is a party; (b) by which the Company or any Company IP or any other asset of the Company is or may become bound or under which the Company or any of its Subsidiaries has, or may become subject to, any obligation; or (c) under which the Company has or may acquire any right or interest.

“**Company ERISA Affiliate**” means any corporation or trade or business (whether or not incorporated) which is (or at any relevant time was) treated with the Company as a single employer within the meaning of Section 414 of the Code.

“**Company Fundamental Representations**” means the representations and warranties of the Company set forth in Sections 2.1 (Due Organization; Subsidiaries), 2.3 (Authority; Binding Nature of Agreement), 2.4 (Vote Required), 2.6(a) and (c) (Capitalization) and 2.20 (No Financial Advisors).

---

“**Company IP**” means all Intellectual Property Rights that are owned or co-owned or purported to be owned or co-owned by the Company.

“**Company Material Adverse Effect**” means any Effect that, considered together with all other Effects, has or would reasonably be expected to have a material adverse effect on the business, condition (financial or otherwise), assets, liabilities or results of operations of the Company, taken as a whole; *provided, however*, that any Effect, individually or together with other Effects, arising or resulting from the following shall not be taken into account in determining whether there has been a Company Material Adverse Effect: (a) general business, political, or economic conditions generally affecting the industry in which the Company operates; (b) acts of war, the outbreak or escalation of armed hostilities, acts of terrorism, earthquakes, wildfires, hurricanes or other natural disasters, health emergencies, including pandemics (including COVID-19 and any evolutions or mutations thereof) and related or associated epidemics, disease outbreaks or quarantine restrictions; (c) changes in financial, banking or securities markets; (d) any change in, or any compliance with or action taken for the purpose of complying with, any Law or GAAP (or interpretations of any Law or GAAP); (e) the announcement of this Agreement or the pendency of the Contemplated Transactions; (f) resulting from the taking of any action expressly required to be taken by this Agreement; or (g) continued losses from operations or decreases in cash balances of the Company; except, with respect to clauses (a) through (d), to the extent such Effect disproportionately affects the Company, taken as a whole, relative to other similarly situated companies in the industries in which the Company operate, in which case, such Effect shall be taken into account to the extent of such disproportionate effect on the Company.

“**Company Option**” means any option or other right to purchase shares of Company Capital Stock issued by the Company.

“**Company Preferred Stock**” means the Series A Preferred Stock, \$0.001 par value per share, and the Series B Preferred Stock, \$0.001 par value per share, of the Company.

“**Company Signatories**” means the officers, directors and stockholders of the Company set forth on **Schedule A** hereto.

“**Company Triggering Event**” shall be deemed to have occurred if: (a) the Company Board shall have made a Company Board Adverse Recommendation Change; (b) the Company Board or any committee thereof shall have publicly approved, endorsed or recommended any Acquisition Proposal; or (c) following the date of this Agreement, the Company shall have entered into any letter of intent or similar document or any Contract relating to any Acquisition Proposal.

“**Company Unaudited Interim Balance Sheet**” means the unaudited consolidated balance sheet of the Company for the period ended September 30, 2024 provided to Parent prior to the date of this Agreement.

“**Company’s Knowledge**” means the actual knowledge of Imran Alibhai, Ph.D., Dan Conn and John Kauh and such knowledge as such Persons would reasonably be expected to have obtained in the course of their performance of their duties to the Company (after due inquiry). With respect to matters involving Intellectual Property Rights, knowledge requires consultation with external intellectual property counsel but does not require that such Persons conduct or have conducted or obtain or have obtained any freedom-to-operate opinions or similar opinions of counsel or any intellectual property clearance searches, and no knowledge of any third party intellectual property that would have been revealed by such inquiries, opinions or searches will be imputed to such Persons.

---

“**Confidentiality Agreement**” means the Non-Disclosure Agreement, dated as of July 28, 2024, by and between the Company and Parent.

“**Consent**” means any approval, consent, ratification, permission, waiver or authorization (including any Governmental Authorization).

“**Contemplated Transactions**” means the Merger and the other transactions and actions contemplated by this Agreement, including the Bridge Note Conversion, the Nasdaq Reverse Split and the Asset Dispositions.

“**Contract**” means, with respect to any Person, any agreement, contract, subcontract, lease (whether for real or personal property), mortgage, license, sublicense or other legally binding commitment or undertaking of any nature to which such Person is a party or by which such Person or any of its assets are bound or affected under applicable Law.

“**COVID-19**” means the novel coronavirus (SARS-CoV-2) and related variants thereof.

“**CSL Asset Purchase Agreement**” means that certain Asset Purchase Agreement by and among Parent, Cara Royalty Sub, LLC and Vifor Fresenius Medical Care Renal Pharma, Ltd, dated as of December 17, 2024.

“**DGCL**” means the General Corporation Law of the State of Delaware.

“**Effect**” means any effect, change, event, circumstance or development.

“**Encumbrance**” means any lien, pledge, hypothecation, charge, mortgage, security interest, lease, license, option, easement, reservation, servitude, adverse title, claim, infringement, interference, option, right of first refusal, preemptive right, community property interest or restriction or encumbrance of any nature (including any restriction on the voting of any security, any restriction on the transfer of any security or other asset, any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset and any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset).

“**Enforceability Exceptions**” means the (a) Laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (b) rules of law governing specific performance, injunctive relief and other equitable remedies.

“**Entity**” means any corporation (including any non-profit corporation), partnership (including any general partnership, limited partnership or limited liability partnership), joint venture, estate, trust, company (including any company limited by shares, limited liability company or joint stock company), firm, society or other enterprise, association, organization or entity, and each of its successors.

---

“**Environmental Law**” means any federal, state, local or foreign Law relating to pollution or protection of human health or the environment (including ambient air, surface water, ground water, land surface or subsurface strata), including any Law or regulation relating to emissions, discharges, releases or threatened releases of Hazardous Materials, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials.

“**ERISA**” means the Employee Retirement Income Security Act of 1974.

“**Exchange Act**” means the Securities Exchange Act of 1934.

“**Exchange Ratio**” means, subject to Section 1.5(f), the following ratio (rounded to four decimal places): the quotient obtained by *dividing* (a) the Company Merger Shares by (b) the Company Outstanding Shares, in which:

- “**Aggregate Convertible Note Valuation**” means the aggregate principal amount of the Bridge Notes plus all accrued and unpaid interest.
  - “**Aggregate Post-Bridge Valuation**” means the sum of (i) the Company Valuation, *plus* (ii) the Parent Valuation *plus* (iii) the Implied Note Valuation.
  - “**Aggregate Valuation**” means the sum of (i) the Company Valuation, *plus* (ii) the Parent Valuation *plus* (iii) the Aggregate Convertible Note Valuation.
  - “**Company Allocation Percentage**” means 1.00 *minus* the Parent Allocation Percentage.
  - “**Company Merger Shares**” means the Total Company Merger Shares less the Conversion Shares.
  - “**Company Valuation**” means \$210,000,000.
  - “**Company Outstanding Shares**” means the total number of shares of Company Capital Stock outstanding immediately prior to the Effective Time, after giving effect to the Preferred Stock Conversion and excluding any Conversion Shares, expressed on a fully diluted and as-converted to Company Common Stock basis, expressed on a fully-diluted and as-converted to Company Common Stock basis and using the treasury stock method, but assuming, without limitation or duplication, (i) the exercise of all Company Options outstanding as of immediately prior to the Effective Time, and (ii) the issuance of shares of Company Capital Stock in respect of all other outstanding options, restricted stock awards, restricted stock units, warrants or rights to receive such shares, whether conditional or unconditional and including any outstanding options, warrants, restricted stock awards, restricted stock units or rights triggered by or associated with the consummation of the Merger (but excluding any shares of Company Capital Stock reserved for issuance other than with respect to outstanding Company Options under the Company Plan as of immediately prior to the Effective Time).
-



- “**Conversion Shares**” means the product obtained by multiplying (a) the Post-Closing Parent Shares by (b) the quotient obtained by *dividing* (i) the Implied Note Valuation by (ii) the Aggregate Post-Bridge Valuation.
  - “**Implied Note Valuation**” means the quotient obtained by *dividing* (a) (i) the principal amount of the Bridge Notes plus (ii) all accrued and unpaid interest by (b) 80%.
  - “**Parent Allocation Percentage**” means the Parent Valuation *divided by* the Aggregate Valuation.
  - “**Parent Equity Value**” means \$20,000,000.
  - “**Parent Outstanding Shares**” means, subject to [Section 1.5\(f\)](#) (that addresses, among other things, the possibility to effect the Nasdaq Reverse Split) and the immediately following sentence, the total number of shares of Parent Common Stock outstanding immediately prior to the Effective Time, but excluding any Conversion Shares, expressed on a fully-diluted basis and using the treasury stock method (and shall include, for the avoidance of doubt, all In the Money Parent Options), but assuming, without limitation or duplication, the issuance of shares of Parent Common Stock in respect of all Parent Options, Parent RSUs and other outstanding options, warrants or rights to receive such shares, in each case, outstanding as of immediately prior to the Effective Time (assuming cashless exercise), whether conditional or unconditional and including any outstanding options, warrants or rights triggered by or associated with the consummation of the Merger (but excluding any shares of Parent Common Stock reserved for issuance other than with respect to outstanding Parent Options and Parent RSUs as of immediately prior to the Effective Time and as set forth above) and assuming issuance of such shares on a per share basis assuming the Aggregate Post-Bridge Valuation. For the avoidance of doubt, no Out-of-the-Money Parent Options shall be included in the total number of shares of Parent Common Stock outstanding for purposes of determining the Parent Outstanding Shares.
  - “**Parent Valuation**” means (i) if Parent Net Cash is greater than \$23,125,000, the sum of (w) the Parent Equity Value plus (x) \$23,000,000 plus (y) the amount by which Parent Net Cash exceeds \$23,125,000, (ii) if Parent Net Cash is greater than or equal to \$22,875,000 but less than or equal to \$23,125,000, the sum of (x) the Parent Equity Value plus (y) \$23,000,000, or (iii) if Parent Net Cash is less than \$22,875,000, the sum of (w) the Parent Equity Value plus (x) \$23,000,000 minus (y) the amount by which \$22,875,000 exceeds Parent Net Cash.
-

- “**Post-Closing Parent Shares**” means the quotient obtained by *dividing* the Parent Outstanding Shares *by* the Parent Allocation Percentage.
- “**Total Company Merger Shares**” means the product determined by *multiplying* (a) the Post-Closing Parent Shares *by* (b) the Company Allocation Percentage.

Set forth on Schedule I is an illustrative example of Exchange Ratio calculations as of the date of this Agreement.

“**GAAP**” means generally accepted accounting principles and practices in effect from time to time within the United States applied consistently throughout the period involved.

“**Governmental Authorization**” means any: (a) permit, license, certificate, franchise, permission, variance, exception, order, clearance, registration, qualification or authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Body or pursuant to any Law; or (b) right under any Contract with any Governmental Body.

“**Governmental Body**” means any: (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, department, agency, commission, bureau, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or Entity and any court or other tribunal, and for the avoidance of doubt, any taxing authority); or (d) self-regulatory organization (including Nasdaq).

“**Hazardous Material**” means any pollutant, chemical, substance and any toxic, infectious, carcinogenic, reactive, corrosive, ignitable or flammable chemical, or chemical compound, or hazardous substance, material or waste, whether solid, liquid or gas, that is subject to regulation, control or remediation under any Environmental Law, including crude oil or any fraction thereof and any petroleum product or by-product.

“**Intellectual Property Rights**” means all past, present, and future rights, titles, and interests of the following types, which may exist or be created under the laws of any jurisdiction in the world: (a) rights associated with works of authorship, including exclusive exploitation rights, copyrights, moral rights, software, databases, and mask works; (b) trademarks, service marks, trade dress, logos, trade names and other source identifiers, domain names and URLs and similar rights and any goodwill associated therewith; (c) rights associated with trade secrets, know how, inventions, invention disclosures, methods, processes, protocols, specifications, techniques and other forms of technology; (d) patents and industrial property rights; and (e) other similar proprietary rights in intellectual property of every kind and nature; (f) rights of privacy and publicity; and (g) all registrations, renewals, extensions, statutory invention registrations, provisionals, continuations, continuations-in-part, divisions, or reissues of, and applications for, any of the rights referred to in clauses (a) through (f) (whether or not in tangible form and including all tangible embodiments of any of the foregoing, such as samples, studies and summaries), along with all rights to prosecute and perfect the same through administrative prosecution, registration, recordation or other administrative proceeding, and all causes of action and rights to sue or seek other remedies arising from or relating to the foregoing.

---

**"In the Money Parent Options"** shall mean any Parent Options with an exercise price less than or equal to \$0.66 (subject to adjustment to reflect any stock split, division or subdivision of shares, stock dividend, reverse stock split, consolidation of shares, reclassification, recapitalization or other similar transaction with respect to Parent Common Stock).

**"IRS"** means the United States Internal Revenue Service.

**"Law"** means any federal, state, national, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, regulation, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body (including under the authority of Nasdaq or the Financial Industry Regulatory Authority).

**"Legal Proceeding"** means any action, suit, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, inquiry, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any court or other Governmental Body or any arbitrator or arbitration panel.

**"Merger Consideration"** means, on a per share basis, the number of shares of Parent Common Stock (and cash in lieu of any fractional shares of Parent Common Stock) issuable in exchange for each share of Company Capital Stock, as applicable, in accordance with [Section 1.5\(a\)](#).

**"Merger Sub Board"** means the board of directors of Merger Sub.

**"Nasdaq"** means the Nasdaq Stock Market, including the Nasdaq Global Select Market or such other Nasdaq market on which shares of Parent Common Stock are then listed.

**"Nasdaq Reverse Split"** means a reverse stock split of all outstanding shares of Parent Common Stock at a reverse stock split ratio in the range of 1:2 to 1:12 or as otherwise mutually agreed to by Parent and the Company that is effected by Parent for the purpose of maintaining compliance with Nasdaq listing standards.

**"Ordinary Course of Business"** means, in the case of each of the Company and Parent, such actions taken in the ordinary course of its and its Subsidiaries' normal operations and consistent with its and its Subsidiaries' past practices and the Ordinary Course of Business of Parent shall also include actions required to effect the Asset Dispositions or effect the winding down of Parent's prior research and development activities (including the termination of ongoing contractual obligations relating to Parent's current products or product candidates).

---

“**Organizational Documents**” means, with respect to any Person (other than an individual), (a) the certificate or articles of association or incorporation or organization or limited liability company, and any joint venture, limited liability company, operating or partnership agreement and other similar documents adopted or filed in connection with the creation, formation or organization of such Person and (b) all bylaws, regulations and similar documents or agreements relating to the organization or governance of such Person, in each case, as amended or supplemented.

“**Out of the Money Parent Options or Parent Warrants**” shall mean Parent Options with an exercise price greater than \$0.66 (subject to adjustment to reflect any stock split, division or subdivision of shares, stock dividend, reverse stock split, consolidation of shares, reclassification, recapitalization or other similar transaction with respect to Parent Common Stock).

“**Pandemic Response Laws**” means the Coronavirus Aid, Relief, and Economic Security Act, the Families First Coronavirus Response Act, the COVID-related Tax Relief Act of 2020, the Presidential Memorandum on Deferring Payroll Tax Obligations in Light of the Ongoing COVID-19 Disaster (as issued on August 8, 2020 and including any administrative or other guidance published with respect thereto by any Tax authority (including IRS Notice 2020-65)), and any other similar or additional U.S. federal, state, or local or non-U.S. Law, or administrative guidance intended to benefit taxpayers in response to the COVID-19 pandemic and associated economic downturn.

“**Parent Associate**” means any current or former employee, independent contractor, officer or director of Parent or any of its Subsidiaries.

“**Parent Balance Sheet**” means the unaudited balance sheet of Parent as of September 30, 2024 included in Parent’s Report on Form 10-Q for the quarterly period ended September 30, 2024, as filed with the SEC.

“**Parent Board**” means the board of directors of Parent.

“**Parent Change in Circumstance**” means a change in circumstances (other than any such event, development or change to the extent related to (A) any Acquisition Proposal, Acquisition Inquiry or the consequences thereof, or (B) the fact, in and of itself, that Parent meets or exceeds internal budgets, plans or forecasts of its revenues, earnings or other financial performance or results of operations) that affects the business, assets or operations of Parent or any of its Subsidiaries that occurs or arises after the date of this Agreement.

“**Parent Closing Financial Certificate**” means a certificate executed by the Chief Financial Officer of Parent, on behalf of Parent and not in his or her personal capacity, certifying Parent Net Cash as of the Anticipated Closing Date.

“**Parent Closing Price**” means the average closing trading price of a share of Parent Common Stock on Nasdaq for the five (5) consecutive trading days ending three (3) trading days immediately prior to the date of the public announcement of this Agreement.

---

“**Parent Common Stock**” means the Common Stock, \$0.001 par value per share, of Parent.

“**Parent Contract**” means any Contract: (a) to which Parent or any of its Subsidiaries is a party; (b) by which Parent or any of its Subsidiaries or any Parent IP or any other asset of Parent or its Subsidiaries is or may become bound or under which Parent or any of its Subsidiaries has, or may become subject to, any obligation; or (c) under which Parent or any of its Subsidiaries has or may acquire any right or interest.

“**Parent Equity Incentive Plans**” means (a) Parent’s 2014 Equity Incentive Plan and (b) Parent’s 2019 Inducement Plan.

“**Parent ERISA Affiliate**” means any corporation or trade or business (whether or not incorporated) which is (or at any relevant time was) treated with Parent or any of its Subsidiaries as a single employer within the meaning of Section 414 of the Code.

“**Parent Fundamental Representations**” means the representations and warranties of Parent and Merger Sub set forth in Sections 3.1(a) (*Due Organization; Subsidiaries*), 3.3 (*Authority; Binding Nature of Agreement*), 3.4 (*Vote Required*), 3.6(a) and (c) (*Capitalization*) and 3.21 (*No Financial Advisors*).

“**Parent IP**” means all Intellectual Property Rights that are owned or co-owned or purported to be owned or co-owned by Parent or its Subsidiaries.

“**Parent Material Adverse Effect**” means any Effect that, considered together with all other Effects, has or would reasonably be expected to have a material adverse effect on the business, condition (financial or otherwise), assets, liabilities or results of operations of Parent or its Subsidiaries, taken as a whole; *provided, however*, that any Effect, individually or together with other Effects, arising or resulting from the following shall not be taken into account in determining whether there has been a Parent Material Adverse Effect: (a) general business, political or economic conditions generally affecting the industry in which Parent or any of its Subsidiaries operate; (b) acts of war, the outbreak or escalation of armed hostilities, acts of terrorism, earthquakes, wildfires, hurricanes or other natural disasters, health emergencies, including pandemics (including COVID-19 and any evolutions or mutations thereof) and related or associated epidemics, disease outbreaks or quarantine restrictions; (c) changes in financial, banking or securities markets; (d) any change in, or any compliance with or action taken for the purpose of complying with, any Law or GAAP (or interpretations of any Law or GAAP); (e) any change in the stock price or trading volume of Parent Common Stock (it being understood, however, that any Effect causing or contributing to any change in stock price or trading volume of Parent Common Stock may be taken into account in determining whether a Parent Material Adverse Effect has occurred, unless such Effects are otherwise excepted from this definition); (f) the failure of Parent to meet internal or analysts’ expectations or projections or the results of operations of Parent (it being understood, however, that any Effect causing or contributing to the failure of Parent to meet internal or analysts’ expectations or projections or the results of operations of Parent may be taken into account in determining whether a Parent Material Adverse Effect has occurred, unless such Effects are otherwise excepted from this definition); (g) any changes in or affecting clinical trial programs or studies conducted by or on behalf of Parent or its Subsidiaries, including any adverse data, event or outcome arising out of or related to any such programs or studies; (h) the announcement of this Agreement or the pendency of the Contemplated Transactions; (i) the Asset Dispositions; (j) any reduction in the amount of Parent’s Cash and Cash Equivalents as a result of expenditures made by Parent related to wind down activities of Parent associated with the termination of its research and development activities (including the termination of ongoing contractual obligations relating to Parent current products or product candidates); or (k) the taking of any action expressly required to be taken by this Agreement; except, with respect to clauses (a) through (d), to the extent disproportionately affecting Parent and its Subsidiaries, taken as a whole, relative to other similarly situated companies in the industries in which Parent and its Subsidiaries operate, in which case, such Effect shall be taken into account to the extent of such disproportionate effect on Parent and its Subsidiaries.

---

**“Parent Net Cash”** means, without duplication and with an illustrative example as of the date of this Agreement set forth Schedule II, including the principles set forth therein, (a) the sum of (i) Parent’s Cash and Cash Equivalents as of the Anticipated Closing Date, (ii) the prepaid expenses and deposits, (iii) expenses paid, or liabilities incurred, prior to Closing, that are approved in writing prior to the Response Date by the insurance carrier prior to Closing (with such evidence delivered to the Company) to be covered pursuant to any directors’ and officers’ insurance policy in excess of any applicable deductible and reasonably expected to be received by Parent within 90 days of the Anticipated Closing Date, (iv) any tax receivables reasonably expected to be received by Parent within 90 days of the Anticipated Closing Date, (v) any net proceeds of the Asset Dispositions (which amount may be positive or negative) which Parent will pay or receive, as applicable, on or about the Anticipated Closing Date, (vi)(A) if the Net Cash Calculation is prepared pursuant to Section 1.6 before February 28, 2025, if Parent delivers to the Company (I) the royalty report received from Maruishi Pharmaceutical Co. Ltd. or its Affiliates and (II) a certificate signed by the Chief Financial Officer of Parent in a form reasonably acceptable to the Company to the effect that the milestone has been earned pursuant to Parent’s agreement with HCRX Investments Holdco, L.P. and Healthcare Royalty Partners IV, L.P. or their respective Affiliates (collectively, **“HCR”**), then the amount set forth in this clause (vi) shall be up to \$2,500,000 as indicated in the certificate required by clause (II) above, (B) if the Net Cash Calculation is prepared pursuant to Section 1.6 after February 28, 2025 but before May 1, 2025, if Parent delivers to the Company the report and certificate required by clauses **“(I)”** and **“(II)”**, respectively, and the officer’s certificate delivered from Parent to HCR pursuant to Parent’s agreement with HCR, then the amount set forth in this clause (vi) shall be up to \$2,500,000 as indicated in the certificate required by clause (II) above, or (C) if the Net Cash Calculation is prepared pursuant to Section 1.6 on or after May 1, 2025, then the amount set forth in this clause (vi) shall be equal to \$0 and Parent shall only receive credit for any amounts collected from HCR on or prior to the Closing Date as included in the definition of **“Cash and Cash Equivalents”** in clause (i) above, and (vii) profit sharing payments received by Parent at least fifteen (15) calendar days prior to the Parent Stockholders’ Meeting from CSL Vifor or its Affiliates (collectively, **“CSL”**), which amount shall be net of any Taxes and, for the avoidance of doubt, shall be equal to \$0 unless included in the definition of **“Cash and Cash Equivalents”** in clause (i) above, minus (b) the sum of (i) Parent’s accounts payable, accrued expenses (including legal settlements that are not covered by any directors’ and officers’ insurance policy, Parent’s unpaid Transaction Expenses and the costs of any tail policy associated with any directors’ and officers’ insurance policy to be bound at the Closing) and other bona fide current and long-term liabilities payable in cash that would be required to be set forth in a balance sheet prepared in accordance with GAAP, (ii) notice payments, fines or other payments to be made by Parent in order to terminate, assign or fully perform all Specified Parent Contracts and to discharge of all other Liabilities of Parent as contemplated by Section 8.6 (for any existing agreement to which Parent is a party and to wind down any current and future clinical trial obligations and research and development activities), (iii) 50% of the aggregate costs (excluding any legal fees incurred by Parent) related to any outstanding stockholder litigation brought or threatened in writing against Parent or its directors or officers relating to the Contemplated Transaction (not covered by any directors’ and officers’ insurance policy) (the **“Parent Litigation Cost”**); provided that in no event shall Parent pay the Parent Litigation Cost more than once, (iv) all costs and expenses of continuing to fund Parent’s operations, including all activities required to continue to develop the Potentially Transferable Assets (including without limitation any PDUFA fees that become due and payable), including (A) unpaid costs and expenses incurred or reasonably expected to be incurred by Parent in connection with the Asset Dispositions (including, if applicable, any such amounts that would come due post-Closing) and (B) unpaid costs and expenses incurred or reasonably expected to be incurred by Parent in connection with the realization of any milestone payments to be received from HCR or profit sharing payments to be received from CSL, (v) the fees and expenses of the Accounting Firm in accordance with Section 1.6(g), (vi) 50% of all fees and expenses incurred in relation to the printing and filing with the SEC of the Registration Statement and Proxy Statement and any amendments and supplements thereto and paid to a financial printer or the SEC, and (vii) any bonus, severance, change-in-control or retention payments or similar payment obligations (including payments pursuant to **“single-trigger”** or **“double-trigger”** provisions triggered at and as of the Closing) that become due or payable to any director, officer, employee or consultant of Parent or any of its Subsidiaries or other Person in connection with the consummation of the Contemplated Transactions. Notwithstanding the foregoing, in no case shall Parent Net Cash be reduced for any costs or expenses, including attorney’s fees or settlement costs, incurred in connection with any Dissenting Shares.

---

“**Parent Option**” means any option or other right to purchase shares of Parent Common Stock granted pursuant to the Parent Equity Incentive Plans or otherwise.

“**Parent Preferred Stock**” means the Preferred Stock, \$0.001 par value per share, of Parent.

“**Parent RSU**” means any restricted stock unit award granted pursuant to the Parent Equity Incentive Plans or otherwise.

“**Parent Triggering Event**” shall be deemed to have occurred if: (a) Parent shall have failed to include in the Proxy Statement the Parent Board Recommendation or shall have made a Parent Board Adverse Recommendation Change; (b) the Parent Board or any committee thereof shall have publicly approved, endorsed or recommended any Acquisition Proposal; (c) following the date of this Agreement, Parent shall have entered into any letter of intent or similar document or Contract relating to any Acquisition Proposal (other than a confidentiality agreement permitted pursuant to Section 4.4) in violation of the terms of this Agreement; (d) Parent or any director or officer of Parent shall have willfully and intentionally breached the provisions set forth in Section 4.4 or Section 5.3; or (e) the Parent Board shall have failed to publicly reaffirm the Parent Board Recommendation within ten (10) Business Days after the Company so requests in writing, *provided*, that the Company may only make such request once every thirty (30) days unless there has been a publicly disclosed change regarding an Acquisition Proposal.

---

“**Parent’s Knowledge**” means the actual knowledge of Christopher Posner, Ryan Maynard and Scott M. Terrillion, such knowledge as such Persons would reasonably be expected to have obtained in the course of their performance of their duties to Parent or any of its Subsidiaries (after due inquiry). With respect to matters involving Intellectual Property Rights, knowledge requires consultation with external intellectual property counsel but does not require that such Persons conduct or have conducted or obtain or have obtained any freedom-to-operate opinions or similar opinions of counsel or any intellectual property clearance searches.

“**Party**” or “**Parties**” means, each of or collectively, as applicable, the Company, Merger Sub and Parent.

“**Permitted Alternative Agreement**” means a definitive agreement that contemplates or otherwise relates to an Acquisition Transaction that constitutes a Superior Offer.

“**Permitted Encumbrance**” means: (a) any liens for current Taxes not yet due and payable or for Taxes that are being contested in good faith and for which adequate reserves have been made on the Company Unaudited Interim Balance Sheet or the Parent Balance Sheet, as applicable; (b) minor liens that have arisen in the Ordinary Course of Business and that do not (in any case or in the aggregate) materially detract from the value of the assets or properties subject thereto or materially impair the operations of the Company or Parent or any of its Subsidiaries, as applicable; (c) statutory liens to secure obligations to landlords, lessors or renters under leases or rental agreements; (d) deposits or pledges made in connection with, or to secure payment of, workers’ compensation, unemployment insurance or similar programs mandated by Law; (e) non-exclusive licenses of Intellectual Property Rights granted by the Company or Parent or any of its Subsidiaries, as applicable, in the Ordinary Course of Business and that do not (in any case or in the aggregate) materially detract from the value of the Intellectual Property Rights subject thereto; and (f) statutory liens in favor of carriers, warehousemen, mechanics and materialmen, to secure claims for labor, materials or supplies.

“**Person**” means any individual, Entity or Governmental Body.

“**Potentially Transferable Assets**” means all assets, technology and Intellectual Property of Parent as they existed at any time prior to the date of this Agreement.

“**Proxy Statement**” means the definitive proxy statement/prospectus to be sent to Parent’s stockholders in connection with the Parent Stockholders’ Meeting.

“**Reference Date**” means December 16, 2024.

“**Registered IP**” means any Intellectual Property Rights that are registered or issued under the authority of any Governmental Body, including any patents, registered copyrights, registered mask works, and registered trademarks, service marks and trade dress, registered domain names and any applications for any of the foregoing.

---



“**Registration Statement**” means the registration statement on Form S-4 (or any other applicable form under the Securities Act to register Parent Common Stock) to be filed with the SEC by Parent registering the public offering and sale of Parent Common Stock to some or all holders of Company Capital Stock in the Merger and holders of Bridge Notes, including all shares of Parent Common Stock to be issued in exchange for all shares of Company Capital Stock in the Merger and upon the Bridge Note Conversion, as such registration statement may be amended prior to the time it is declared effective by the SEC.

“**Representatives**” means, with respect to a Person, such Person’s directors, officers, employees, agents, attorneys, accountants, investment bankers, advisors and representatives.

“**Sarbanes-Oxley Act**” means the Sarbanes-Oxley Act of 2002.

“**SEC**” means the United States Securities and Exchange Commission.

“**Securities Act**” means the Securities Act of 1933.

“**Subsequent Transaction**” means any Acquisition Transaction (with all references to 20% in the definition of Acquisition Transaction being treated as references to greater than 50% for these purposes).

“**Subsidiary**” means, with respect to a Person, an Entity that such Person directly or indirectly owns or purports to own, beneficially or of record, (a) an amount of voting securities or other interests in such Entity that is sufficient to enable such Person to elect at least a majority of the members of such Entity’s board of directors or other governing body, or (b) at least 50% of the outstanding equity, voting, beneficial or financial interests in such Entity.

“**Superior Offer**” means an unsolicited bona fide written Acquisition Proposal (with all references to 20% in the definition of Acquisition Transaction being treated as references to greater than 50% for these purposes) that: (a) was not obtained or made as a result of a breach of (or in violation of) this Agreement; and (b) is on terms and conditions that the Parent Board determines in good faith, based on such matters that it deems relevant (including the likelihood of consummation thereof and the financing terms thereof), as well as any written offer by the Company to amend the terms of this Agreement, and following consultation with its outside legal counsel and outside financial advisors, are more favorable, from a financial point of view, to Parent’s stockholders than the terms of the Contemplated Transactions and is not subject to any financing condition (and if financing is required, such financing is then fully committed to the third party).

“**Takeover Statute**” means any “fair price,” “moratorium,” “control share acquisition” or other similar anti-takeover Law.

“**Tax**” means any federal, state, local, foreign or other tax, including any income, capital gain, gross receipts, capital stock, profits, transfer, estimated, registration, stamp, premium, escheat, unclaimed property, customs duty, ad valorem, occupancy, occupation, alternative, add-on, windfall profits, value added, severance, property, business, production, sales, use, license, excise, franchise, employment, payroll, social security, disability, unemployment, workers’ compensation, national health insurance, withholding or other taxes, duties, fees, assessments or governmental charges, surtaxes or deficiencies thereof in the nature of a tax, however denominated, and including any fine, penalty, addition to tax or interest imposed by a Governmental Body with respect thereto.

---

**"Tax Proceeding"** means any proposed audit, assessment, examination, claim or other controversy or proceeding relating to an amount of Taxes of the Company or any of its Subsidiaries.

**"Tax Return"** means any return (including any information return), report, statement, declaration, estimate, schedule, notice, notification, form, election, certificate or other document or information, and any amendment or supplement to any of the foregoing, filed with or submitted to, or required to be filed with or submitted to, any Governmental Body in connection with the determination, assessment, collection or payment of any Tax or in connection with the administration, implementation or enforcement of or compliance with any Law relating to any Tax.

**"Transaction Expenses"** means, with respect to each Party, all fees and expenses incurred by such Party at or prior to the Effective Time in connection with the Contemplated Transactions and this Agreement, including (a) any fees and expenses of legal counsel and accountants and the maximum amount of fees and expenses payable to financial advisors, investment bankers, brokers, consultants, and other advisors of such Party; (b) fees paid to the SEC in connection with filing the Registration Statement, the Proxy Statement, and any amendments and supplements thereto, with the SEC; (c) any fees and expenses in connection with the printing, mailing and distribution of the Registration Statement and any amendments and supplements thereto; (d) any fees and expenses payable to Nasdaq.

**"Treasury Regulations"** means the United States Treasury regulations promulgated under the Code.

---

## SUPPORT AGREEMENT

This SUPPORT AGREEMENT (this "*Agreement*"), is made as of December 17, 2024, by and between TVARDI THERAPEUTICS, INC., a Delaware corporation (the "*Company*"), and the Person set forth on Schedule A hereto (the "*Stockholder*").

WHEREAS, as of the date hereof, the Stockholder is the holder of the number of shares of common stock, par value \$0.001 per share ("*Parent Shares*"), of CARA THERAPEUTICS, INC., a Delaware corporation ("*Parent*"), set forth opposite the Stockholder's name on Schedule A (all Parent Shares owned by the Stockholder, or hereafter issued to or otherwise acquired, whether beneficially or of record, or owned by the Stockholder prior to the termination of this Agreement, as well as shares set forth on Schedule A, being referred to herein as the "*Subject Shares*");

WHEREAS, the Company, Parent and CT CONVERGENCE MERGER SUB, INC., a Delaware corporation and wholly owned subsidiary of Parent ("*Merger Sub*"), propose to enter into an Agreement and Plan of Merger and Reorganization, dated as of the date hereof (the "*Merger Agreement*"), which provides, among other things, for the merger of Merger Sub with and into the Company, with the Company continuing as the surviving company (the "*Merger*"), upon the terms and subject to the conditions set forth in the Merger Agreement (capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement); and

WHEREAS, as a condition to its willingness to enter into the Merger Agreement, the Company has required that the Stockholder, and as an inducement and in consideration therefor, the Stockholder (in the Stockholder's capacity as a holder of the Subject Shares) has agreed to, enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

**ARTICLE I**  
**VOTING AGREEMENT; GRANT OF PROXY**

The Stockholder hereby covenants and agrees that:

1.1. **Voting of Subject Shares.** From and after the date hereof, at every meeting of the holders of Parent Shares (the "*Parent Stockholders*"), however called, and at every adjournment or postponement thereof (or pursuant to a written consent if the Parent Stockholders act by written consent in lieu of a meeting), the Stockholder shall, or shall cause the holder of record on any applicable record date to, be present (in person or by proxy) and to vote or cause to be voted the Subject Shares (a) in favor of adopting the Merger Agreement and approving the Merger, the other Contemplated Transactions, the Parent Stockholder Matters, and the other actions contemplated by the Merger Agreement, including, without limitation, the issuance of Parent Common Stock pursuant to the Merger Agreement, (b) against approval of any proposal made in opposition to, or in competition with, the Merger Agreement or the consummation of the Merger, and (c) against any Acquisition Proposal. Except as permitted under clauses (A) through (K) of Section 1.2 below, Stockholder shall retain at all times the right to vote the Subject Shares in Stockholder's sole discretion and without any other limitation on those matters other than those set forth in this Section 1.1 that are at any time or from time to time presented for consideration to the Parent Stockholders.

---

1.2. **No Inconsistent Arrangements.** Except as provided hereunder or under the Merger Agreement, prior to Parent obtaining the Required Parent Stockholder Vote, the Stockholder shall not, directly or indirectly, (a) create any Encumbrance other than restrictions imposed by Law or pursuant to this Agreement on any Subject Shares; (b) transfer, sell, assign, gift or otherwise dispose of (collectively, "**Transfer**"), or enter into any contract with respect to any Transfer of, the Subject Shares or any interest therein; (c) grant or permit the grant of any proxy, power of attorney or other authorization in or with respect to the Subject Shares; (d) deposit or permit the deposit of the Subject Shares into a voting trust or enter into a voting agreement or arrangement with respect to the Subject Shares; or (e) take any action that, to the knowledge of the Stockholder, would make any representation or warranty of the Stockholder herein untrue or incorrect in any material respect or have the effect of preventing the Stockholder from performing the Stockholder's obligations hereunder. Any action taken in violation of the foregoing sentence shall be null and void *ab initio*. Notwithstanding the foregoing, the Stockholder may (A) Transfer Subject Shares as a *bona fide* charitable contribution, gift or donation; (B) Transfer the Subject Shares to any trust for the direct or indirect benefit of the Stockholder or the immediate family of the Stockholder; (C) Transfer the Subject Shares by will, other testamentary document or intestate succession to the legal representative, heir, beneficiary or a member of the immediate family of the Stockholder; (D) Transfer the Subject Shares to stockholders, direct or indirect affiliates (within the meaning set forth in Rule 405 under the Securities Act), current or former partners (general or limited), members or managers of the Stockholder, as applicable, or to the estates of any such stockholders, affiliates, partners, members or managers, or to another corporation, partnership, limited liability company or other business entity that controls, is controlled by or is under common control with the Stockholder; (E) make Transfers that occur by operation of law pursuant to a qualified domestic relations order or in connection with a divorce settlement, (F) make Transfers not involving a change in beneficial ownership; (G) if the Stockholder is a trust, Transfer Subject Shares to any beneficiary of the Stockholder or the estate of any such beneficiary; (H) exercise an option or warrant to purchase Parent Shares or settle a restricted stock unit or other equity award (including a net or cashless exercise of such option or warrant); (I) Transfer Parent Shares to Parent to cover tax withholding obligations of the Stockholder in connection with the vesting, settlement or exercise of any options, warrants, restricted stock units or other equity awards, as applicable, provided that in each such case, the underlying Parent Shares shall continue to be subject to the restrictions on transfer set forth in this Agreement; (J) establish a trading plan pursuant to Rule 10b5-1 under the Exchange Act ("**10b5-1 Plan**") for the Transfer of Parent Shares; (K) Transfer Parent Shares to Parent pursuant to arrangements under which Parent has the option to repurchase such Parent Shares; and (L) Transfer the Subject Shares in open market transactions (including, without limitation, the establishment of a 10b5-1 Plan and any Transfers pursuant to such 10b5-1 Plan) during the Restricted Period to generate such amount of net proceeds to the Stockholder from such Transfer (after deducting commissions) in an aggregate amount up to the total amount of taxes or estimated taxes (as applicable) that become due as a result of the vesting and/or settlement of restricted stock units held by the Stockholder that are scheduled to vest and/or settle immediately prior to or during the term of this Agreement; provided that, with respect to clauses (A) through (G) above, the transferee agrees in writing to be bound by the terms and conditions of this Agreement and either the Stockholder or the transferee provides the Company with a copy of such agreement promptly upon consummation of any such Transfer; provided, further that no filing under the Exchange Act or other public announcement shall be required or shall be made voluntarily in connection with such Transfer (other than filings made in respect of involuntary Transfers and, in the case of clause (L), filings under Section 16(a) of the Exchange Act shall only be permissible if such filing clearly indicates in the footnotes thereto that the filing relates to securities being sold to generate net proceeds up to the total amount of taxes or estimated taxes (as applicable) that become due as a result of the vesting and/or settlement of Parent equity awards); provided that reasonable notice shall be provided to Parent prior to any such filing and that the underlying Parent Shares shall continue to be subject to the restrictions on Transfer set forth in this Agreement (other than with respect to Transfers pursuant to clause (L)). For purposes of this Agreement, "immediate family" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

---

1.3. **Documentation and Information.** The Stockholder shall permit and hereby authorizes the Company and Parent to publish and disclose in all documents and schedules filed with the SEC, and any press release or other disclosure document that the Company or Parent reasonably determines to be necessary in connection with the Merger and any of the Contemplated Transactions, the Stockholder's identity and ownership of the Subject Shares and the nature of the Stockholder's commitments and obligations under this Agreement. Parent is an intended third-party beneficiary of this [Section 1.3](#).

1.4. **Irrevocable Proxy.** The Stockholder hereby revokes (or agrees to cause to be revoked) any proxies that the Stockholder has heretofore granted with respect to the Subject Shares. The Stockholder hereby irrevocably appoints the Company as attorney-in-fact and proxy for and on behalf of the Stockholder, for and in the name, place and stead of the Stockholder, to: (a) attend any and all meetings of the Parent Stockholders, (b) vote, express consent or dissent or issue instructions to the record holder to vote the Subject Shares in accordance with the provisions of [Section 1.1](#) at any and all meetings of the Parent Stockholders or in connection with any action sought to be taken by written consent of the Parent Stockholders without a meeting and (c) grant or withhold, or issue instructions to the record holder to grant or withhold, consistent with the provisions of [Section 1.1](#), all written consents with respect to the Subject Shares at any and all meetings of the Parent Stockholders or in connection with any action sought to be taken by written consent of the Parent Stockholders without a meeting. The Company agrees not to exercise the proxy granted herein for any purpose other than the purposes described in this Agreement. The foregoing proxy shall be deemed to be a proxy coupled with an interest, is irrevocable (and as such shall survive and not be affected by the death, incapacity, mental illness or insanity of the Stockholder, as applicable) until the termination of this Agreement and shall not be terminated by operation of law or upon the occurrence of any other event other than the termination of this Agreement pursuant to [Section 4.2](#). The Stockholder authorizes such attorney and proxy to substitute any other Person to act hereunder, to revoke any substitution and to file this proxy and any substitution or revocation with the Secretary of Parent. The Stockholder hereby affirms that the proxy set forth in this [Section 1.4](#) is given in connection with and granted in consideration of and as an inducement to the Company, Parent and Merger Sub to enter into the Merger Agreement and that such proxy is given to secure the obligations of the Stockholder under [Section 1.1](#). The proxy set forth in this [Section 1.4](#) is executed and intended to be irrevocable, subject, however, to its automatic termination upon the termination of this Agreement pursuant to [Section 4.2](#). With respect to any Subject Shares that are owned beneficially by the Stockholder but are not held of record by the Stockholder (other than shares beneficially owned by the Stockholder that are held in the name of a bank, broker or nominee), the Stockholder shall take all action necessary to cause the record holder of such Subject Shares to grant the irrevocable proxy and take all other actions provided for in this [Section 1.4](#) with respect to such Subject Shares.

1.5. **No Ownership Interest.** Nothing contained in this Agreement will be deemed to vest in the Company any direct or indirect ownership or incidents of ownership of or with respect to the Subject Shares. All rights, ownership and economic benefits of and relating to the Subject Shares will remain and belong to the Stockholder, and the Company will have no authority to manage, direct, superintend, restrict, regulate, govern or administer any of the policies or operations of Parent or exercise any power or authority to direct Stockholder in the voting of any of the Subject Shares, except as otherwise expressly provided herein with respect to the Subject Shares and except as otherwise expressly provided in the Merger Agreement.

## ARTICLE II REPRESENTATIONS AND WARRANTIES OF THE STOCKHOLDER

The Stockholder represents and warrants to the Company that:

2.1. **Organization; Authorization; Binding Agreement.** The Stockholder, if not a natural person, is duly incorporated or organized, as applicable, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization. The Stockholder has full legal capacity and power, right and authority to execute and deliver this Agreement and to perform the Stockholder's obligations hereunder and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by the Stockholder, and constitutes a legal, valid and binding obligation of the Stockholder enforceable against the Stockholder in accordance with its terms, subject to the Enforceability Exceptions.

---

2.2. **Ownership of Subject Shares: Total Shares.** The Stockholder is the record or beneficial owner of the Subject Shares and has good and marketable title to the Subject Shares free and clear of any Encumbrances (including any restriction on the right to vote or otherwise transfer the Subject Shares), except (a) as provided hereunder, (b) pursuant to any applicable restrictions on transfer under the Securities Act, (c) subject to any risk of forfeiture or repurchase rights of Parent with respect to any Parent Shares granted to the Stockholder under an employee benefit plan of Parent, and (d) as provided in the bylaws of Parent. The Subject Shares listed on Schedule A opposite the Stockholder's name constitute all Parent Shares owned by the Stockholder as of the date hereof. Except pursuant to Parent's bylaws and the right of Parent to purchase or acquire any Parent Shares pursuant to an employee benefit plan of Parent, no Person has any contractual or other right or obligation to purchase or otherwise acquire any of the Subject Shares. For purposes of this Agreement "**Beneficial Ownership**" shall be interpreted as defined in Rule 13d-3 under the Exchange Act; *provided* that for purposes of determining Beneficial Ownership, a Person shall be deemed to be the Beneficial Owner of any securities that may be acquired by such Person pursuant to any Contract or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise (irrespective of whether the right to acquire such securities is exercisable immediately or only after the passage of time, including the passage of time in excess of 60 days, the satisfaction of any conditions, the occurrence of any event or any combination of the foregoing).

2.3. **Voting Power.** The Stockholder has full voting power, with respect to the Subject Shares, and full power of disposition, full power to issue instructions with respect to the matters set forth herein and full power to agree to all the matters set forth in this Agreement, in each case, with respect to all of the Subject Shares. None of the Subject Shares are subject to any proxy, voting trust or other agreement or arrangement with respect to the voting of the Subject Shares, except as provided hereunder.

2.4. **Reliance.** The Stockholder has had the opportunity to review the Merger Agreement, including the provisions relating to the payment and allocation of the consideration to be paid to the equityholders of the Company, and this Agreement with counsel of the Stockholder's own choosing. The Stockholder has had an opportunity to review with its own tax advisors the tax consequences of the Merger and the transactions contemplated by the Merger Agreement. The Stockholder understands that it must rely solely on its advisors and not on any statements or representations made by Parent, the Company or any of their respective agents or representatives. The Stockholder understands that such Stockholder (and not Parent, the Company or the Surviving Corporation) shall be responsible for such Stockholder's tax liability that may arise as a result of the Merger or the transactions contemplated by the Merger Agreement. The Stockholder understands and acknowledges that the Company, Parent and Merger Sub are entering into the Merger Agreement in reliance upon the Stockholder's execution, delivery and performance of this Agreement.

2.5. **Absence of Litigation.** With respect to the Stockholder, as of the date hereof, there is no action, suit, investigation or proceeding pending against, or, to the knowledge of the Stockholder, threatened against, the Stockholder or any of the Stockholder's properties or assets (including the Subject Shares) that could reasonably be expected to prevent, delay or impair the ability of the Stockholder to perform the Stockholder's obligations hereunder or to consummate the transactions contemplated hereby.

2.6. **Non-Contravention.** The execution and delivery of this Agreement by the Stockholder and the performance of the transactions contemplated by this Agreement by the Stockholder does not and will not violate, conflict with, or result in a breach of: (a) the organizational documents of such Stockholder, (b) any applicable Law or any injunction, judgment, order, decree, ruling, charge, or other restriction of any Governmental Body to which the Stockholder is subject, or (c) any Contract to which the Stockholder is a party or is bound or to which the Subject Shares are subject, such that it could reasonably be expected to prevent, delay or impair the ability of the Stockholder to perform the Stockholder's obligations hereunder or to consummate the transactions contemplated hereby.

---

**ARTICLE III  
REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

The Company represents and warrants to the Stockholder that:

3.1. **Organization: Authorization.** The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. The consummation of the transactions contemplated hereby is within the Company's corporate powers and has been duly authorized by all necessary corporate actions on the part of the Company. The Company has full power and authority to execute, deliver and perform this Agreement.

3.2. **Binding Agreement.** This Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to the Enforceability Exceptions.

**ARTICLE IV  
MISCELLANEOUS**

4.1. **Notices.** All notices, requests and other communications to either party hereunder shall be in writing (including electronic mail) and shall be given, (a) if to the Company, in accordance with the provisions of the Merger Agreement and (b) if to the Stockholder, to the Stockholder's address or electronic mail address set forth on a signature page hereto, or to such other address or electronic mail address as the Stockholder may hereafter specify in writing to the Company.

4.2. **Termination.** This Agreement shall terminate automatically, without any notice or other action by any Person, upon the earlier of (a) the termination of the Merger Agreement in accordance with its terms, (b) the Effective Time and (c) the amendment of the Merger Agreement, without the prior written consent of the Stockholder, in a manner that affects the economics or material terms of the Merger Agreement in a manner that is adverse to the Stockholder. Upon termination of this Agreement, neither party shall have any further obligations or liabilities under this Agreement, *provided, however*, that (i) nothing set forth in this [Section 4.2](#) shall relieve either party from liability for any breach of this Agreement prior to termination hereof and (ii) the provisions of this [Article IV](#) shall survive any termination of this Agreement.

4.3. **Confidentiality.** Except to the extent required by applicable Law, the Stockholder shall hold any non-public information regarding this Agreement, the Merger Agreement and the Merger in strict confidence and shall not divulge any such information to any third person until Parent has publicly disclosed its entry into the Merger Agreement and this Agreement; *provided, however*, that the Stockholder may disclose such information (a) to its attorneys, accountants, consultants, trustees, beneficiaries and other representatives (*provided* such representatives are subject to confidentiality obligations at least as restrictive as those contained herein), and (b) to any Affiliate, partner, member, stockholder, parent or subsidiary of Stockholder, *provided* in each case that the Stockholder informs the Person receiving the information that such information is confidential and such Person agrees in writing to abide by the terms of this [Section 4.3](#). Neither the Stockholder nor any of its Affiliates (other than Parent, whose actions shall be governed by the Merger Agreement), shall issue or cause the publication of any press release or other public announcement with respect to this Agreement, the Merger, the Merger Agreement or the other transactions contemplated hereby or thereby without the prior written consent of the Company and Parent, except as may be required by applicable Law in which circumstance such announcing party shall make reasonable efforts to consult with the Company and Parent to the extent practicable. Parent is an intended third-party beneficiary of this [Section 4.3](#).

---

4.4. **Amendments and Waivers.** Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement, or in the case of a waiver, by the party against whom the waiver is to be effective. No failure or delay by either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

4.5. **Binding Effect; Benefit; Assignment.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Except as set forth in Section 1.3 and Section 4.3, no provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns. Neither party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other party hereto, except that the Company may transfer or assign its rights and obligations under this Agreement, in whole or from time to time in part, to one or more of its Affiliates at any time; provided that such transfer or assignment shall not relieve the Company of any of its obligations hereunder.

4.6. **Governing Law; Jurisdiction.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws. In any action or proceeding between any of the parties hereto arising out of or relating to this Agreement, each party hereto: (a) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the State of Delaware or, to the extent such court does not have subject matter jurisdiction, the United States District Court for the District of Delaware or, to the extent that neither of the foregoing courts has jurisdiction, the Superior Court of the State of Delaware (the "**Delaware Courts**"); (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in accordance with clause (a) of this Section 4.6; (c) waives any objection to laying venue in any such action or proceeding in such courts; (d) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any party hereto; (e) agrees that service of process upon such party in any such action or proceeding shall be effective if notice is given in accordance with Section 4.1 of this Agreement; and (f) irrevocably and unconditionally waives the right to trial by jury.

4.7. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by all parties by facsimile or electronic transmission in .PDF format shall be sufficient to bind the parties to the terms and conditions of this Agreement.

4.8. **Entire Agreement.** This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among or between any of the parties with respect to the subject matter hereof and thereof.

4.9. **Severability.** Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision of this Agreement is invalid or unenforceable, the parties hereto agree that the court making such determination will have the power to limit such term or provision, to delete specific words or phrases or to replace such term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be valid and enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.

---



4.10. **Specific Performance.** Any and all remedies herein expressly conferred upon a party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such party, and the exercise by a party of any one remedy will not preclude the exercise of any other remedy. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any Delaware Court, this being in addition to any other remedy to which they are entitled at law or in equity, and each of the parties hereto waives any bond, surety or other security that might be required of any other party with respect thereto.

4.11. **Construction.**

(a) For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include masculine and feminine genders.

(b) The parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

(c) As used in this Agreement, the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words "without limitation."

(d) Except as otherwise indicated, all references in this Agreement to "Sections," "Articles," and "Schedules" are intended to refer to Sections or Articles of this Agreement and Schedules to this Agreement, respectively.

(e) The bold-faced headings contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

4.12. **Further Assurances.** Each of the parties hereto will execute and deliver, or cause to be executed and delivered, all further documents and instruments and use their respective reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary under applicable Law to perform their respective obligations as expressly set forth under this Agreement.

4.13. **Capacity as Stockholder.** The Stockholder signs this Agreement solely in the Stockholder's capacity as a holder of Parent Shares, and not in the Stockholder's capacity as a director, officer or employee of Parent or in the Stockholder's capacity as a trustee or fiduciary of any employee benefit plan or trust. Notwithstanding anything herein to the contrary, nothing herein shall in any way restrict a director or officer of Parent in the exercise of his or her fiduciary duties as a director or officer of Parent or in his or her capacity as a trustee or fiduciary of any employee benefit plan or trust or prevent or be construed to create any obligation on the part of any director or officer of Parent or any trustee or fiduciary of any employee benefit plan or trust from taking any action in his or her capacity as such director, officer, trustee or fiduciary.

---

4.14. **No Agreement Until Executed.** Irrespective of negotiations among the parties or the exchanging of drafts of this Agreement, this Agreement shall not constitute or be deemed to evidence a contract, agreement, arrangement or understanding between the parties hereto unless and until (a) the Parent Board has approved, for purposes of any applicable anti-takeover laws and regulations, and any applicable provision of Parent's organizational documents, the Merger, (b) the Merger Agreement is executed by all parties thereto, and (c) this Agreement is executed by all parties hereto.

(SIGNATURE PAGE FOLLOWS)

---

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

**TVARDI THERAPEUTICS, INC.**

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

---

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

**STOCKHOLDER**

\_\_\_\_\_  
*(Print Name of Stockholder)*

\_\_\_\_\_  
*(Signature)*

\_\_\_\_\_  
*(Name and Title of Signatory, if Signing  
on Behalf of an Entity)*

*Address for Notices:*

\_\_\_\_\_  
*Email:* \_\_\_\_\_

\_\_\_\_\_

**Schedule A**

Name of Stockholder

No. Shares

[ ]	[ ]
-----	-----

---

## SUPPORT AGREEMENT

This SUPPORT AGREEMENT (this "**Agreement**"), is made as of December 17, 2024, by and between CARA THERAPEUTICS, INC., a Delaware corporation ("**Parent**"), and the Person set forth on Schedule A hereto (the "**Stockholder**").

WHEREAS, as of the date hereof, the Stockholder is the holder of the number of shares of common stock, par value \$0.001 per share ("**Common Stock**") and preferred stock, par value \$0.001 per share ("**Preferred Stock**") and collectively with the Common Stock, the "**Company Shares**", of TVARDI THERAPEUTICS, INC., a Delaware corporation (the "**Company**"), set forth opposite the Stockholder's name on Schedule A (all Company Shares owned by the Stockholder, or hereafter issued to or otherwise acquired, whether beneficially or of record, or owned by the Stockholder prior to the termination of this Agreement, as well as shares set forth on Schedule A, being referred to herein as the "**Subject Shares**");

WHEREAS, the Company, Parent and CT CONVERGENCE MERGER SUB, INC., a Delaware corporation and wholly owned subsidiary of Parent ("**Merger Sub**"), propose to enter into an Agreement and Plan of Merger and Reorganization, dated as of the date hereof (the "**Merger Agreement**"), which provides, among other things, for the merger of Merger Sub with and into the Company, with the Company continuing as the surviving company (the "**Merger**"), upon the terms and subject to the conditions set forth in the Merger Agreement (capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement), and

WHEREAS, as a condition to its willingness to enter into the Merger Agreement, Parent has required that the Stockholder, and as an inducement and in consideration therefor, the Stockholder (in the Stockholder's capacity as a holder of the Subject Shares) has agreed to, enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

**ARTICLE I**  
**VOTING AGREEMENT; GRANT OF PROXY**

The Stockholder hereby covenants and agrees that:

1.1. **Voting of Subject Shares.** From and after the date hereof, at every meeting of the holders of Company Shares (the "**Company Stockholders**"), however called, and at every adjournment or postponement thereof (or pursuant to a written consent if the Company Stockholders act by written consent in lieu of a meeting), the Stockholder shall, or shall cause the holder of record on any applicable record date to, be present (in person or by proxy) and to vote or cause to be voted the Subject Shares (a) in favor of adopting the Merger Agreement and approving the Merger, the other Contemplated Transactions, the Company Stockholder Matters, and the other actions contemplated by the Merger Agreement, (b) against approval of any proposal made in opposition to, or in competition with, the Merger Agreement or the consummation of the Merger, and (c) against any Acquisition Proposal. Except as permitted under clauses (A) through (K) of Section 1.2 below, the Stockholder shall retain at all times the right to vote the Subject Shares in the Stockholder's sole discretion and without any other limitation on those matters other than those set forth in this Section 1.1 that are at any time or from time to time presented for consideration to the Company Stockholders.

---

1.2. **No Inconsistent Arrangements.** Except as provided hereunder or under the Merger Agreement, prior to the Effective Time, the Stockholder shall not, directly or indirectly, (a) create any Encumbrance other than restrictions imposed by Law or pursuant to this Agreement on any Subject Shares; (b) transfer, sell, assign, gift or otherwise dispose of (collectively, "**Transfer**"), or enter into any contract with respect to any Transfer of, the Subject Shares or any interest therein; (c) grant or permit the grant of any proxy, power of attorney or other authorization in or with respect to the Subject Shares; (d) deposit or permit the deposit of the Subject Shares into a voting trust or enter into a voting agreement or arrangement with respect to the Subject Shares; or (e) take any action that, to the knowledge of the Stockholder, would make any representation or warranty of the Stockholder herein untrue or incorrect in any material respect or have the effect of preventing the Stockholder from performing the Stockholder's obligations hereunder. Any action taken in violation of the foregoing sentence shall be null and void *ab initio*. Notwithstanding the foregoing, the Stockholder may (A) Transfer Subject Shares as a *bona fide* charitable contribution, gift or donation; (B) Transfer the Subject Shares to any trust for the direct or indirect benefit of the Stockholder or the immediate family of the Stockholder; (C) Transfer the Subject Shares by will, other testamentary document or intestate succession to the legal representative, heir, beneficiary or a member of the immediate family of the Stockholder; (D) Transfer the Subject Shares to stockholders, direct or indirect affiliates (within the meaning set forth in Rule 405 under the Securities Act), current or former partners (general or limited), members or managers of the Stockholder, as applicable, or to the estates of any such stockholders, affiliates, partners, members or managers, or to another corporation, partnership, limited liability company or other business entity that controls, is controlled by or is under common control with the Stockholder; (E) make Transfers that occur by operation of law pursuant to a qualified domestic relations order or in connection with a divorce settlement; (F) make Transfers not involving a change in beneficial ownership; (G) if the Stockholder is a trust, Transfer Subject Shares to any beneficiary of the Stockholder or the estate of any such beneficiary; (H) exercise an option or warrant to purchase Company Shares or settle a restricted stock unit or other equity award (including a net or cashless exercise of such option or warrant); (I) Transfer Company Shares to the Company to cover tax withholding obligations of the Stockholder in connection with the vesting, settlement or exercise of any options, warrants, restricted stock units or other equity awards, as applicable, provided that in each case, the underlying Company Shares shall continue to be subject to the restrictions on transfer set forth in this Agreement; (J) establish a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of Company Shares; and (K) Transfer Company Shares to the Company pursuant to arrangements under which the Company has the option to repurchase such Company Shares; provided that, with respect to clauses (A) through (G) above, the transferee agrees in writing to be bound by the terms and conditions of this Agreement and either the Stockholder or the transferee provides Parent with a copy of such agreement promptly upon consummation of any such Transfer; provided, further that with respect to clauses (A) through (C) and (E) through (G) above, no filing under the Exchange Act or other public announcement shall be required or shall be made voluntarily in connection with such Transfer (other than filings made in respect of involuntary Transfers); provided that reasonable notice shall be provided to Parent prior to any such filing and that the underlying Company Shares shall continue to be subject to the restrictions on Transfer set forth in this Agreement. For purposes of this Agreement, "immediate family" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

1.3. **Documentation and Information.** The Stockholder shall permit and hereby authorizes the Company and Parent to publish and disclose in all documents and schedules filed with the SEC, and any press release or other disclosure document that the Company or Parent reasonably determines to be necessary in connection with the Merger and any of the Contemplated Transactions, the Stockholder's identity and ownership of the Subject Shares and the nature of the Stockholder's commitments and obligations under this Agreement. The Company is an intended third-party beneficiary of this Section 1.3.

---

1.4. **Irrevocable Proxy.** The Stockholder hereby revokes (or agrees to cause to be revoked) any proxies that the Stockholder has heretofore granted with respect to the Subject Shares. The Stockholder hereby irrevocably appoints Parent as attorney-in-fact and proxy for and on behalf of the Stockholder, for and in the name, place and stead of the Stockholder, to: (a) attend any and all meetings of the Company Stockholders, (b) vote, express consent or dissent or issue instructions to the record holder to vote the Subject Shares in accordance with the provisions of Section 1.1 at any and all meetings of the Company Stockholders or in connection with any action sought to be taken by written consent of the Company Stockholders without a meeting and (c) grant or withhold, or issue instructions to the record holder to grant or withhold, consistent with the provisions of Section 1.1, all written consents with respect to the Subject Shares at any and all meetings of the Company Stockholders or in connection with any action sought to be taken by written consent of the Company Stockholders without a meeting. Parent agrees not to exercise the proxy granted herein for any purpose other than the purposes described in this Agreement. The foregoing proxy shall be deemed to be a proxy coupled with an interest, is irrevocable (and as such shall survive and not be affected by the death, incapacity, mental illness or insanity of the Stockholder, as applicable) until the termination of this Agreement and shall not be terminated by operation of law or upon the occurrence of any other event other than the termination of this Agreement pursuant to Section 4.2. The Stockholder authorizes such attorney and proxy to substitute any other Person to act hereunder, to revoke any substitution and to file this proxy and any substitution or revocation with the Secretary of the Company. The Stockholder hereby affirms that the proxy set forth in this Section 1.4 is given in connection with and granted in consideration of and as an inducement to Parent, the Company to enter into the Merger Agreement and that such proxy is given to secure the obligations of the Stockholder under Section 1.1. The proxy set forth in this Section 1.4 is executed and intended to be irrevocable, subject, however, to its automatic termination upon the termination of this Agreement pursuant to Section 4.2. With respect to any Subject Shares that are owned beneficially by the Stockholder but are not held of record by the Stockholder (other than shares beneficially owned by the Stockholder that are held in the name of a bank, broker or nominee), the Stockholder shall take all action necessary to cause the record holder of such Subject Shares to grant the irrevocable proxy and take all other actions provided for in this Section 1.4 with respect to such Subject Shares.

1.5. **No Ownership Interest.** Nothing contained in this Agreement will be deemed to vest in Parent any direct or indirect ownership or incidents of ownership of or with respect to the Subject Shares. All rights, ownership and economic benefits of and relating to the Subject Shares will remain and belong to the Stockholder, and Parent will have no authority to manage, direct, superintend, restrict, regulate, govern or administer any of the policies or operations of the Company or exercise any power or authority to direct the Stockholder in the voting of any of the Subject Shares, except as otherwise expressly provided herein with respect to the Subject Shares and except as otherwise expressly provided in the Merger Agreement.

1.6. **No Exercise of Appraisal Rights; Waivers.** In connection with the Contemplated Transactions, the Stockholder hereby expressly (a) waives, to the extent permitted under applicable Law, any and all rights under Section 262 of the Delaware General Corporation Law, a copy of which is attached hereto as Appendix I, with respect to any Subject Shares and any and all rights under any other applicable Law granting the Stockholder the right to have any Subject Shares appraised in connection with the Contemplated Transactions or to otherwise dissent from the Contemplated Transactions, (b) agrees that the Stockholder will not, under any circumstances in connection with the Contemplated Transactions, exercise any dissenters' or appraisal rights in respect of any Subject Shares, and (c) agrees that the Stockholder will not bring, commence, institute, maintain, prosecute, participate in or voluntarily aid any action, claim, suit or cause of action, in law or in equity, in any court or before any Governmental Body, which (i) challenges the validity of or seeks to enjoin the operation of any provision of this Agreement or (ii) alleges that the execution and delivery of this Agreement by the Stockholder, or the approval of the Merger Agreement by the board of directors of the Company (the "**Company Board**"), breaches any fiduciary duty of the Company Board or any member thereof, *provided* that the Stockholder may defend against, contest or settle any such action, claim, suit or cause of action brought against the Stockholder that relates solely to the Stockholder's capacity as a director, officer or securityholder of the Company.

---



1.7. **No Solicitation of Transactions.** The Stockholder hereby agrees that, during the Pre Closing Period (as defined in the Merger Agreement), the Stockholder shall not, directly or indirectly: (a) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (b) furnish any non-public information regarding the Company to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (c) engage in discussions (other than to inform any Person of the existence of the provisions in this [Section 1.7](#)) or negotiations with any Person with respect to any Acquisition Proposal or Acquisition Inquiry; (d) approve, endorse or recommend any Acquisition Proposal; (e) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction; or (f) publicly propose to do any of the foregoing. The Stockholder hereby represents and warrants that the Stockholder has read Section 4.5 (Company Non-Solicitation) of the Merger Agreement and agrees not to engage in any actions prohibited thereby.

## ARTICLE II REPRESENTATIONS AND WARRANTIES OF THE STOCKHOLDER

The Stockholder represents and warrants to Parent that:

2.1. **Organization; Authorization; Binding Agreement.** The Stockholder, if not a natural person, is duly incorporated or organized, as applicable, validly existing and in good standing under the laws of its jurisdiction of incorporation or organization. The Stockholder has full legal capacity and power, right and authority to execute and deliver this Agreement and to perform the Stockholder's obligations hereunder and to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by the Stockholder, and constitutes a legal, valid and binding obligation of the Stockholder enforceable against the Stockholder in accordance with its terms, subject to the Enforceability Exceptions.

2.2. **Ownership of Subject Shares; Total Shares.** The Stockholder is the record or beneficial owner of the Subject Shares and has good and marketable title to the Subject Shares free and clear of any Encumbrances (including any restriction on the right to vote or otherwise transfer the Subject Shares), except (a) as provided hereunder, (b) pursuant to any applicable restrictions on transfer under the Securities Act, (c) subject to any risk of forfeiture or repurchase rights of the Company with respect to any Company Shares granted to the Stockholder under an employee benefit plan of Company and (d) as provided in the certificate of incorporation or bylaws of the Company or that certain Amended and Restated Investors' Rights Agreement, dated as of June 3, 2021, by and among the Company and certain stockholders of the Company, that certain Amended and Restated Right of First Refusal and Co-Sale Agreement, dated June 3, 2021, by and among the Company and certain stockholders of the Company, and that certain Amended and Restated Voting Agreement, dated as of June 3, 2021, by and among the Company and certain stockholders of the Company (the "**Voting Agreement**"). The Subject Shares listed on [Schedule A](#) opposite the Stockholder's name constitute all of the Company Shares owned by the Stockholder as of the date hereof. Except pursuant to the Company's certificate of incorporation, bylaws and the right of the Company to purchase or acquire any Company Shares pursuant to an employee benefit plan of the Company, no Person has any contractual or other right or obligation to purchase or otherwise acquire any of the Subject Shares. For purposes of this Agreement "**Beneficial Ownership**" shall be interpreted as defined in Rule 13d-3 under the Exchange Act; *provided* that for purposes of determining Beneficial Ownership, a Person shall be deemed to be the Beneficial Owner of any securities that may be acquired by such Person pursuant to any Contract or upon the exercise of conversion rights, exchange rights, warrants or options, or otherwise (irrespective of whether the right to acquire such securities is exercisable immediately or only after the passage of time, including the passage of time in excess of 60 days, the satisfaction of any conditions, the occurrence of any event or any combination of the foregoing).

---

2.3. **Voting Power.** The Stockholder has full voting power, with respect to the Subject Shares, and full power of disposition, full power to issue instructions with respect to the matters set forth herein and full power to agree to all of the matters set forth in this Agreement, in each case, with respect to all of the Subject Shares. None of the Subject Shares are subject to any proxy, voting trust or other agreement or arrangement with respect to the voting of the Subject Shares, except as provided in the Voting Agreement and as provided hereunder.

2.4. **Reliance.** The Stockholder has had the opportunity to review the Merger Agreement, including the provisions relating to the payment and allocation of the consideration to be paid to the Company Stockholders, and this Agreement with counsel of the Stockholder's own choosing. The Stockholder has had an opportunity to review with its own tax advisors the tax consequences of the Merger and the transactions contemplated by the Merger Agreement. The Stockholder understands that it must rely solely on its advisors and not on any statements or representations made by Parent, the Company or any of their respective agents or representatives. The Stockholder understands that such Stockholder (and not Parent, the Company or the Surviving Corporation) shall be responsible for such Stockholder's tax liability that may arise as a result of the Merger or the transactions contemplated by the Merger Agreement. The Stockholder understands and acknowledges that the Company, Parent and Merger Sub are entering into the Merger Agreement in reliance upon the Stockholder's execution, delivery and performance of this Agreement.

2.5. **Absence of Litigation.** With respect to the Stockholder, as of the date hereof, there is no action, suit, investigation or proceeding pending against, or, to the knowledge of the Stockholder, threatened against, the Stockholder or any of the Stockholder's properties or assets (including the Subject Shares) that could reasonably be expected to prevent, delay or impair the ability of the Stockholder to perform the Stockholder's obligations hereunder or to consummate the transactions contemplated hereby.

2.6. **Non-Contravention.** The execution and delivery of this Agreement by the Stockholder and the performance of the transactions contemplated by this Agreement by the Stockholder does not and will not violate, conflict with, or result in a breach of: (a) the organizational documents of such Stockholder, (b) any applicable Law or any injunction, judgment, order, decree, ruling, charge, or other restriction of any Governmental Body to which the Stockholder is subject, or (c) any Contract to which the Stockholder is a party or is bound or to which the Subject Shares are subject, such that it could reasonably be expected to prevent, delay or impair the ability of the Stockholder to perform the Stockholder's obligations hereunder or to consummate the transactions contemplated hereby.

### ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Parent represents and warrants to the Stockholder that:

3.1. **Organization; Authorization.** Parent is a corporation duly incorporated, validly existing and in good standing under the laws of the State of Delaware. The consummation of the transactions contemplated hereby is within Parent's corporate powers and has been duly authorized by all necessary corporate actions on the part of Parent. Parent has full power and authority to execute, deliver and perform this Agreement.

---

3.2. **Binding Agreement.** This Agreement has been duly authorized, executed and delivered by Parent and constitutes a valid and binding obligation of Parent enforceable against Parent in accordance with its terms, subject to the Enforceability Exceptions.

#### ARTICLE IV MISCELLANEOUS

4.1. **Notices.** All notices, requests and other communications to either party hereunder shall be in writing (including electronic mail) and shall be given, (a) if to Parent, in accordance with the provisions of the Merger Agreement and (b) if to the Stockholder, to the Stockholder's address or electronic mail address set forth on a signature page hereto, or to such other address or electronic mail address as the Stockholder may hereafter specify in writing to Parent.

4.2. **Termination.** This Agreement shall terminate automatically, without any notice or other action by any Person, upon the earlier of (a) the termination of the Merger Agreement in accordance with its terms, (b) the Effective Time, and (c) the amendment of the Merger Agreement, without the prior written consent of the Stockholder, in a manner that affects the economics or material terms of the Merger Agreement in a manner that is adverse to the Stockholder. Upon termination of this Agreement, neither party shall have any further obligations or liabilities under this Agreement; *provided, however*, that (i) nothing set forth in this [Section 4.2](#) shall relieve either party from liability for any breach of this Agreement prior to termination hereof, and (ii) the provisions of this [Article IV](#) shall survive any termination of this Agreement.

4.3. **Confidentiality.** Except to the extent required by applicable Law, the Stockholder shall hold any non-public information regarding this Agreement, the Merger Agreement and the Merger in strict confidence and shall not divulge any such information to any third person until Parent has publicly disclosed its entry into the Merger Agreement and this Agreement; *provided, however*, that the Stockholder may disclose such information (a) to its attorneys, accountants, consultants, trustees, beneficiaries and other representatives (*provided* such representatives are subject to confidentiality obligations at least as restrictive as those contained herein), and (b) to any Affiliate, partner, member, stockholder, parent or subsidiary of the Stockholder, *provided* in each case that the Stockholder informs the Person receiving the information that such information is confidential and such Person agrees in writing to abide by the terms of this [Section 4.3](#). Neither the Stockholder nor any of its Affiliates (other than the Company, whose actions shall be governed by the Merger Agreement), shall issue or cause the publication of any press release or other public announcement with respect to this Agreement, the Merger, the Merger Agreement or the other transactions contemplated hereby or thereby without the prior written consent of the Company and Parent, except as may be required by applicable Law in which circumstance such announcing party shall make reasonable efforts to consult with the Company and Parent to the extent practicable. The Company is an intended third-party beneficiary of this [Section 4.3](#).

4.4. **Amendments and Waivers.** Any provision of this Agreement may be amended or waived if such amendment or waiver is in writing and is signed, in the case of an amendment, by each party to this Agreement, or in the case of a waiver, by the party against whom the waiver is to be effective. No failure or delay by either party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

4.5. **Binding Effect; Benefit; Assignment.** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns. Except as set forth in [Section 1.3](#) and [Section 4.3](#), no provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the parties hereto and their respective successors and assigns. Neither party may assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the consent of the other party hereto, except that Parent may transfer or assign its rights and obligations under this Agreement, in whole or from time to time in part, to one or more of its Affiliates at any time; *provided* that such transfer or assignment shall not relieve Parent of any of its obligations hereunder; *provided however* that the Stockholder may transfer the Company Shares to stockholders, direct or indirect affiliates (within the meaning set forth in Rule 405 under the Securities Act), current or former partners (general or limited), members or managers of the Stockholder, so long as the transferee agrees in writing to be bound by the terms and conditions of this Agreement and either the Stockholder or the transferee provides Parent with a copy of such Agreement promptly upon consummation of any such transfer.

---

4.6. **Governing Law; Jurisdiction.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws. In any action or proceeding between any of the parties hereto arising out of or relating to this Agreement, each party hereto: (a) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the State of Delaware or, to the extent such court does not have subject matter jurisdiction, the United States District Court for the District of Delaware or, to the extent that neither of the foregoing courts has jurisdiction, the Superior Court of the State of Delaware (the "**Delaware Courts**"); (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in accordance with clause (a) of this **Section 4.6**; (c) waives any objection to laying venue in any such action or proceeding in such courts; (d) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any party hereto; (e) agrees that service of process upon such party in any such action or proceeding shall be effective if notice is given in accordance with **Section 4.1** of this Agreement; and (f) irrevocably and unconditionally waives the right to trial by jury.

4.7. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by all parties by facsimile or electronic transmission in .PDF format shall be sufficient to bind the parties to the terms and conditions of this Agreement.

4.8. **Entire Agreement.** This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both written and oral, among or between any of the parties with respect to the subject matter hereof and thereof.

4.9. **Severability.** Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision of this Agreement is invalid or unenforceable, the parties hereto agree that the court making such determination will have the power to limit such term or provision, to delete specific words or phrases or to replace such term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be valid and enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.

4.10. **Specific Performance.** Any and all remedies herein expressly conferred upon a party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such party, and the exercise by a party of any one remedy will not preclude the exercise of any other remedy. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any Delaware Court, this being in addition to any other remedy to which they are entitled at law or in equity, and each of the parties hereto waives any bond, surety or other security that might be required of any other party with respect thereto.

---

4.11. **Construction.**

- (a) For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include masculine and feminine genders.
- (b) The parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.
- (c) As used in this Agreement, the words “include” and “including,” and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words “without limitation.”
- (d) Except as otherwise indicated, all references in this Agreement to “Sections,” “Articles,” and “Schedules” are intended to refer to Sections or Articles of this Agreement and Schedules to this Agreement, respectively.
- (e) The bold-faced headings contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

4.12. **Further Assurances.** Each of the parties hereto will execute and deliver, or cause to be executed and delivered, all further documents and instruments and use their respective reasonable best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary under applicable Law to perform their respective obligations as expressly set forth under this Agreement.

4.13. **Capacity as Stockholder.** The Stockholder signs this Agreement solely in the Stockholder’s capacity as a holder of Company Shares, and not in the Stockholder’s capacity as a director, officer or employee of the Company or in the Stockholder’s capacity as a trustee or fiduciary of any employee benefit plan or trust. Notwithstanding anything herein to the contrary, nothing herein shall in any way restrict a director or officer of the Company in the exercise of his or her fiduciary duties as a director or officer of the Company or in his or her capacity as a trustee or fiduciary of any employee benefit plan or trust or prevent or be construed to create any obligation on the part of any director or officer of the Company or any trustee or fiduciary of any employee benefit plan or trust from taking any action in his or her capacity as such director, officer, trustee or fiduciary.

4.14. **No Agreement Until Executed.** Irrespective of negotiations among the parties or the exchanging of drafts of this Agreement, this Agreement shall not constitute or be deemed to evidence a contract, agreement, arrangement or understanding between the parties hereto unless and until (a) the Company Board has approved, for purposes of any applicable anti-takeover laws and regulations, and any applicable provision of the Company’s organizational documents, the Merger, (b) the Merger Agreement is executed by all parties thereto, and (c) this Agreement is executed by all parties hereto.

(SIGNATURE PAGE FOLLOWS)

---

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

CARA THERAPEUTICS, INC.

By:

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

Title:

*[Signature Page to Support Agreement]*

---

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first written above.

**STOCKHOLDER**

(Print Name of Stockholder)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Name and Title of Signatory, if Signing on Behalf of an Entity)

Address for Notices:

\_\_\_\_\_  
Email: \_\_\_\_\_

*[Signature Page to Support Agreement]*

---

Schedule A

Name of Stockholder

No. Shares

[ ]	[ ]
-----	-----

---



**Appendix I**

**§ 262. Appraisal rights [For application of this section, see § 17; 82 Del. Laws, c. 45, § 23; 82 Del. Laws, c. 256, § 24; and 83 Del. Laws, c. 377, § 22].**

(a) Any stockholder of a corporation of this State who holds shares of stock on the date of the making of a demand pursuant to subsection (d) of this section with respect to such shares, who continuously holds such shares through the effective date of the merger, consolidation, or conversion, who has otherwise complied with subsection (d) of this section and who has neither voted in favor of the merger, consolidation or conversion nor consented thereto in writing pursuant to § 228 of this title shall be entitled to an appraisal by the Court of Chancery of the fair value of the stockholder's shares of stock under the circumstances described in subsections (b) and (c) of this section. As used in this section, the word "stockholder" means a holder of record of stock in a corporation; the words "stock" and "share" mean and include what is ordinarily meant by those words; the words "depository receipt" mean a receipt or other instrument issued by a depository representing an interest in 1 or more shares, or fractions thereof, solely of stock of a corporation, which stock is deposited with the depository; the words "beneficial owner" mean a person who is the beneficial owner of shares of stock held either in voting trust or by a nominee on behalf of such person; and the word "person" means any individual, corporation, partnership, unincorporated association or other entity.

(b) Appraisal rights shall be available for the shares of any class or series of stock of a constituent or converting corporation in a merger, consolidation or conversion to be effected pursuant to § 251 (other than a merger effected pursuant to § 251(g) of this title), § 252, § 254, § 255, § 256, § 257, § 258, § 263, § 264 or § 266 of this title (other than, in each case and solely with respect to a domesticated corporation, a merger, consolidation or conversion authorized pursuant to and in accordance with the provisions of § 388 of this title):

(1) Provided, however, that no appraisal rights under this section shall be available for the shares of any class or series of stock, which stock, or depository receipts in respect thereof, at the record date fixed to determine the stockholders entitled to receive notice of the meeting of stockholders, or at the record date fixed to determine the stockholders entitled to consent pursuant to § 228 of this title, to act upon the agreement of merger or consolidation or the resolution providing for conversion (or, in the case of a merger pursuant to § 251(h) of this title, as of immediately prior to the execution of the agreement of merger), were either: (i) listed on a national securities exchange or (ii) held of record by more than 2,000 holders; and further provided that no appraisal rights shall be available for any shares of stock of the constituent corporation surviving a merger if the merger did not require its approval the vote of the stockholders of the surviving corporation as provided in § 251(f) of this title.

(2) Notwithstanding paragraph (b)(1) of this section, appraisal rights under this section shall be available for the shares of any class or series of stock of a constituent or converting corporation if the holders thereof are required by the terms of an agreement of merger or consolidation, or by the terms of a resolution providing for conversion, pursuant to § 251, § 252, § 254, § 255, § 256, § 257, § 258, § 263, § 264 or § 266 of this title to accept for such stock anything except:

- a. Shares of stock of the corporation surviving or resulting from such merger or consolidation, or of the converted entity if such entity is a corporation as a result of the conversion, or depository receipts in respect thereof;
  - b. Shares of stock of any other corporation, or depository receipts in respect thereof, which shares of stock (or depository receipts in respect thereof) or depository receipts at the effective date of the merger, consolidation or conversion will be either listed on a national securities exchange or held of record by more than 2,000 holders;
-

c. Cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a. and b. of this section; or

d. Any combination of the shares of stock, depository receipts and cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a., b. and c. of this section.

(3) In the event all of the stock of a subsidiary Delaware corporation party to a merger effected under § 253 or § 267 of this title is not owned by the parent immediately prior to the merger, appraisal rights shall be available for the shares of the subsidiary Delaware corporation.

(4) [Repealed.]

(c) Any corporation may provide in its certificate of incorporation that appraisal rights under this section shall be available for the shares of any class or series of its stock as a result of an amendment to its certificate of incorporation, any merger or consolidation in which the corporation is a constituent corporation, the sale of all or substantially all of the assets of the corporation or a conversion effected pursuant to § 266 of this title. If the certificate of incorporation contains such a provision, the provisions of this section, including those set forth in subsections (d),(e), and (g) of this section, shall apply as nearly as is practicable.

(d) Appraisal rights shall be perfected as follows:

(1) If a proposed merger, consolidation or conversion for which appraisal rights are provided under this section is to be submitted for approval at a meeting of stockholders, the corporation, not less than 20 days prior to the meeting, shall notify each of its stockholders who was such on the record date for notice of such meeting (or such members who received notice in accordance with § 255(c) of this title) with respect to shares for which appraisal rights are available pursuant to subsection (b) or (c) of this section that appraisal rights are available for any or all of the shares of the constituent corporations or the converting corporation, and shall include in such notice either a copy of this section (and, if 1 of the constituent corporations or the converting corporation is a nonstock corporation, a copy of § 114 of this title) or information directing the stockholders to a publicly available electronic resource at which this section (and, § 114 of this title, if applicable) may be accessed without subscription or cost. Each stockholder electing to demand the appraisal of such stockholder's shares shall deliver to the corporation, before the taking of the vote on the merger, consolidation or conversion, a written demand for appraisal of such stockholder's shares; provided that a demand may be delivered to the corporation by electronic transmission if directed to an information processing system (if any) expressly designated for that purpose in such notice. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such stockholder's shares. A proxy or vote against the merger, consolidation or conversion shall not constitute such a demand. A stockholder electing to take such action must do so by a separate written demand as herein provided. Within 10 days after the effective date of such merger, consolidation or conversion, the surviving, resulting or converted entity shall notify each stockholder of each constituent or converting corporation who has complied with this subsection and has not voted in favor of or consented to the merger, consolidation or conversion, and any beneficial owner who has demanded appraisal under paragraph (d)(3) of this section, of the date that the merger, consolidation or conversion has become effective; or

---

(2) If the merger, consolidation or conversion was approved pursuant to § 228, § 251(h), § 253, or § 267 of this title, then either a constituent or converting corporation before the effective date of the merger, consolidation or conversion, or the surviving, resulting or converted entity within 10 days after such effective date, shall notify each stockholder of any class or series of stock of such constituent or converting corporation who is entitled to appraisal rights of the approval of the merger, consolidation or conversion and that appraisal rights are available for any or all shares of such class or series of stock of such constituent or converting corporation, and shall include in such notice either a copy of this section (and, if 1 of the constituent corporations or the converting corporation is a nonstock corporation, a copy of § 114 of this title) or information directing the stockholders to a publicly available electronic resource at which this section (and § 114 of this title, if applicable) may be accessed without subscription or cost. Such notice may, and, if given on or after the effective date of the merger, consolidation or conversion, shall, also notify such stockholders of the effective date of the merger, consolidation or conversion. Any stockholder entitled to appraisal rights may, within 20 days after the date of giving such notice or, in the case of a merger approved pursuant to § 251(h) of this title, within the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days after the date of giving such notice, demand in writing from the surviving or resulting entity the appraisal of such holder's shares; provided that a demand may be delivered to such entity by electronic transmission if directed to an information processing system (if any) expressly designated for that purpose in such notice. Such demand will be sufficient if it reasonably informs such entity of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such holder's shares. If such notice did not notify stockholders of the effective date of the merger, consolidation or conversion, either (i) each such constituent corporation or the converting corporation shall send a second notice before the effective date of the merger, consolidation or conversion notifying each of the holders of any class or series of stock of such constituent or converting corporation that are entitled to appraisal rights of the effective date of the merger, consolidation or conversion or (ii) the surviving, resulting or converted entity shall send such a second notice to all such holders on or within 10 days after such effective date; provided, however, that if such second notice is sent more than 20 days following the sending of the first notice or, in the case of a merger approved pursuant to § 251(h) of this title, later than the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days following the sending of the first notice, such second notice need only be sent to each stockholder who is entitled to appraisal rights and who has demanded appraisal of such holder's shares in accordance with this subsection and any beneficial owner who has demanded appraisal under paragraph (d)(3) of this section. An affidavit of the secretary or assistant secretary or of the transfer agent of the corporation or entity that is required to give either notice that such notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. For purposes of determining the stockholders entitled to receive either notice, each constituent corporation or the converting corporation may fix, in advance, a record date that shall be not more than 10 days prior to the date the notice is given, provided, that if the notice is given on or after the effective date of the merger, consolidation or conversion, the record date shall be such effective date. If no record date is fixed and the notice is given prior to the effective date, the record date shall be the close of business on the day next preceding the day on which the notice is given.

(3) Notwithstanding subsection (a) of this section (but subject to this paragraph (d)(3)), a beneficial owner may, in such person's name, demand in writing an appraisal of such beneficial owner's shares in accordance with either paragraph (d)(1) or (2) of this section, as applicable; provided that (i) such beneficial owner continuously owns such shares through the effective date of the merger, consolidation or conversion and otherwise satisfies the requirements applicable to a stockholder under the first sentence of subsection (a) of this section and (ii) the demand made by such beneficial owner reasonably identifies the holder of record of the shares for which the demand is made, is accompanied by documentary evidence of such beneficial owner's beneficial ownership of stock and a statement that such documentary evidence is a true and correct copy of what it purports to be, and provides an address at which such beneficial owner consents to receive notices given by the surviving, resulting or converted entity hereunder and to be set forth on the verified list required by subsection (f) of this section.

---

(e) Within 120 days after the effective date of the merger, consolidation or conversion, the surviving, resulting or converted entity, or any person who has complied with subsections (a) and (d) of this section hereof and who is otherwise entitled to appraisal rights, may commence an appraisal proceeding by filing a petition in the Court of Chancery demanding a determination of the value of the stock of all such stockholders. Notwithstanding the foregoing, at any time within 60 days after the effective date of the merger, consolidation or conversion, any person entitled to appraisal rights who has not commenced an appraisal proceeding or joined that proceeding as a named party shall have the right to withdraw such person's demand for appraisal and to accept the terms offered upon the merger, consolidation or conversion. Within 120 days after the effective date of the merger, consolidation or conversion, any person who has complied with the requirements of subsections (a) and (d) of this section hereof, upon request given in writing (or by electronic transmission directed to an information processing system (if any) expressly designated for that purpose in the notice of appraisal), shall be entitled to receive from the surviving, resulting or converted entity a statement setting forth the aggregate number of shares not voted in favor of the merger, consolidation or conversion (or, in the case of a merger approved pursuant to § 251(h) of this title, the aggregate number of shares (other than any excluded stock (as defined in § 251(h)(6)d. of this title)) that were the subject of, and were not tendered into, and accepted for purchase or exchange in, the offer referred to in § 251(h)(2) of this title), and, in either case, with respect to which demands for appraisal have been received and the aggregate number of stockholders or beneficial owners holding or owning such shares (provided that, where a beneficial owner makes a demand pursuant to paragraph (d)(3) of this section, the record holder of such shares shall not be considered a separate stockholder holding such shares for purposes of such aggregate number). Such statement shall be given to the person within 10 days after such person's request for such a statement is received by the surviving, resulting or converted entity or within 10 days after expiration of the period for delivery of demands for appraisal under subsection (d) of this section hereof, whichever is later.

(f) Upon the filing of any such petition by any person other than the surviving, resulting or converted entity, service of a copy thereof shall be made upon such entity, which shall within 20 days after such service file in the office of the Register in Chancery in which the petition was filed a duly verified list containing the names and addresses of all persons who have demanded appraisal for their shares and with whom agreements as to the value of their shares have not been reached by such entity. If the petition shall be filed by the surviving, resulting or converted entity, the petition shall be accompanied by such a duly verified list. The Register in Chancery, if so ordered by the Court, shall give notice of the time and place fixed for the hearing of such petition by registered or certified mail to the surviving, resulting or converted entity and to the persons shown on the list at the addresses therein stated. The forms of the notices by mail and by publication shall be approved by the Court, and the costs thereof shall be borne by the surviving, resulting or converted entity.

(g) At the hearing on such petition, the Court shall determine the persons who have complied with this section and who have become entitled to appraisal rights. The Court may require the persons who have demanded an appraisal for their shares and who hold stock represented by certificates to submit their certificates of stock to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any person fails to comply with such direction, the Court may dismiss the proceedings as to such person. If immediately before the merger, consolidation or conversion the shares of the class or series of stock of the constituent or converting corporation as to which appraisal rights are available were listed on a national securities exchange, the Court shall dismiss the proceedings as to all holders of such shares who are otherwise entitled to appraisal rights unless (1) the total number of shares entitled to appraisal exceeds 1% of the outstanding shares of the class or series eligible for appraisal, (2) the value of the consideration provided in the merger, consolidation or conversion for such total number of shares exceeds \$1 million, or (3) the merger was approved pursuant to § 253 or § 267 of this title.

---

(h) After the Court determines the persons entitled to an appraisal, the appraisal proceeding shall be conducted in accordance with the rules of the Court of Chancery, including any rules specifically governing appraisal proceedings. Through such proceeding the Court shall determine the fair value of the shares exclusive of any element of value arising from the accomplishment or expectation of the merger, consolidation or conversion, together with interest, if any, to be paid upon the amount determined to be the fair value. In determining such fair value, the Court shall take into account all relevant factors. Unless the Court in its discretion determines otherwise for good cause shown, and except as provided in this subsection, interest from the effective date of the merger, consolidation or conversion through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharge) as established from time to time during the period between the effective date of the merger, consolidation or conversion and the date of payment of the judgment. At any time before the entry of judgment in the proceedings, the surviving, resulting or converted entity may pay to each person entitled to appraisal an amount in cash, in which case interest shall accrue thereafter as provided herein only upon the sum of (1) the difference, if any, between the amount so paid and the fair value of the shares as determined by the Court, and (2) interest theretofore accrued, unless paid at that time. Upon application by the surviving, resulting or converted entity or by any person entitled to participate in the appraisal proceeding, the Court may, in its discretion, proceed to trial upon the appraisal prior to the final determination of the persons entitled to an appraisal. Any person whose name appears on the list filed by the surviving, resulting or converted entity pursuant to subsection (f) of this section may participate fully in all proceedings until it is finally determined that such person is not entitled to appraisal rights under this section.

(i) The Court shall direct the payment of the fair value of the shares, together with interest, if any, by the surviving, resulting or converted entity to the persons entitled thereto. Payment shall be so made to each such person upon such terms and conditions as the Court may order. The Court's decree may be enforced as other decrees in the Court of Chancery may be enforced, whether such surviving, resulting or converted entity be an entity of this State or of any state.

(j) The costs of the proceeding may be determined by the Court and taxed upon the parties as the Court deems equitable in the circumstances. Upon application of a person whose name appears on the list filed by the surviving, resulting or converted entity pursuant to subsection (f) of this section who participated in the proceeding and incurred expenses in connection therewith, the Court may order all or a portion of such expenses, including, without limitation, reasonable attorney's fees and the fees and expenses of experts, to be charged pro rata against the value of all the shares entitled to an appraisal not dismissed pursuant to subsection (k) of this section or subject to such an award pursuant to a reservation of jurisdiction under subsection (k) of this section.

(k) From and after the effective date of the merger, consolidation or conversion, no person who has demanded appraisal rights with respect to some or all of such person's shares as provided in subsection (d) of this section shall be entitled to vote such shares for any purpose or to receive payment of dividends or other distributions on such shares (except dividends or other distributions payable to stockholders of record at a date which is prior to the effective date of the merger, consolidation or conversion); provided, however, that if no petition for an appraisal is filed within the time provided in subsection (e) of this section, or if a person who has made a demand for an appraisal in accordance with this section shall deliver to the surviving, resulting or converted entity a written withdrawal of such person's demand for an appraisal in respect of some or all of such person's shares in accordance with subsection (e) of this section, then the right of such person to an appraisal of the shares subject to the withdrawal shall cease. Notwithstanding the foregoing, no appraisal proceeding in the Court of Chancery shall be dismissed as to any person without the approval of the Court, and such approval may be conditioned upon such terms as the Court deems just, including without limitation, a reservation of jurisdiction for any application to the Court made under subsection (j) of this section; provided, however that this provision shall not affect the right of any person who has not commenced an appraisal proceeding or joined that proceeding as a named party to withdraw such person's demand for appraisal and to accept the terms offered upon the merger, consolidation or conversion within 60 days after the effective date of the merger, consolidation or conversion, as set forth in subsection (e) of this section.

(l) The shares or other equity interests of the surviving, resulting or converted entity to which the shares of stock subject to appraisal under this section would have otherwise converted but for an appraisal demand made in accordance with this section shall have the status of authorized but not outstanding shares of stock or other equity interests of the surviving, resulting or converted entity, unless and until the person that has demanded appraisal is no longer entitled to appraisal pursuant to this section.

---

## Lock-Up Agreement

[•], 2025

Ladies and Gentlemen:

The undersigned (the "**Stockholder**") understands that: (i) **Cara Therapeutics, Inc.**, a Delaware corporation ("**Parent**"), has entered into an Agreement and Plan of Merger and Reorganization, dated as of December 17, 2024 (the "**Merger Agreement**"), with **Tvardi Therapeutics, Inc.**, a Delaware corporation (the "**Company**"), and **CT Convergence Merger Sub, Inc.**, a Delaware corporation and wholly-owned subsidiary of Parent ("**Merger Sub**"), pursuant to which at the effective time (the "**Effective Time**"), Merger Sub will be merged with and into the Company (the "**Merger**") and the separate corporate existence of Merger Sub will cease and the Company will continue as the surviving corporation; and (ii) in connection with the Merger, the stockholders of the Company will receive shares of common stock, par value \$0.001 per share, of Parent ("**Parent Common Stock**"). Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement.

As a material inducement to the willingness of each of the parties to enter into the Merger Agreement and to consummate the Contemplated Transactions, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Stockholder hereby agrees that the Stockholder will not, subject to the exceptions set forth in this letter agreement, during the period commencing upon the date hereof and ending on the date that is 180 days after the Effective Time (the "**Restricted Period**"), (a) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of, directly or indirectly, any shares of Parent Common Stock or any securities convertible into or exercisable or exchangeable for Parent Common Stock, including without limitation, Parent Common Stock or such other securities which may be deemed to be beneficially owned by the Stockholder in accordance with the rules and regulations of the U.S. Securities and Exchange Commission and securities of Parent which may be issued upon exercise of a stock option or warrant or settlement of a restricted stock unit or other equity award (collectively, "**Shares**"), (b) enter into any swap, short sale, hedge or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Shares, regardless of whether any such transaction described in clause (a) or (b) above is to be settled by delivery of Parent Common Stock or such other securities, in cash or otherwise, or (c) make any demand for or exercise any right with respect to the registration of any shares of Parent Common Stock or any security convertible into or exercisable or exchangeable for Parent Common Stock, in each case other than:

- (i) transfers of Shares as *bona fide* charitable contributions, gifts or donations;
  - (ii) transfers or dispositions of Shares to any trust for the direct or indirect benefit of the Stockholder or the immediate family of the Stockholder;
  - (iii) transfers or dispositions of Shares by will, other testamentary document or intestate succession to the legal representative, heir, beneficiary or a member of the immediate family of the Stockholder;
  - (iv) transfers of Shares to stockholders, direct or indirect affiliates (within the meaning set forth in Rule 405 under the Securities Act), current or former partners (general or limited), members or managers of the Stockholder, as applicable, or to the estates of any such stockholders, affiliates, partners, members or managers, or to another corporation, partnership, limited liability company or other business entity that controls, is controlled by or is under common control with the Stockholder;
  - (v) transfers that occur by operation of law pursuant to a qualified domestic relations order or in connection with a divorce settlement;
  - (vi) transfers or dispositions not involving a change in beneficial ownership;
-

(vii) if the Stockholder is a trust, transfers or dispositions to any beneficiary of the Stockholder or the estate of any such beneficiary; provided that, in the case of any transfer or distribution of this clause (vii) such transfer is not for value and each donee, heir, beneficiary or other transferee or distributee shall sign and deliver to Parent a lock up agreement in the form of this letter agreement with respect to the shares of Parent Common Stock or such other securities that have been transferred or distributed;

(viii) transfers pursuant to a bona fide third party tender offer, merger, consolidation or other similar transaction made to all holders of the Parent's capital stock involving a change of control of the Parent, provided that in the event that such tender offer, merger, consolidation or other such transaction is not completed, the Shares shall remain subject to the restrictions contained in this letter agreement;

(ix) any sales in open market transactions (including, without limitation, the establishment of a 10b5-1 Plan (as defined below) and any sales pursuant to such 10b5-1 Plan) during the Restricted Period to generate such amount of net proceeds to the Stockholder from such sales (after deducting commissions) in an aggregate amount up to the total amount of taxes or estimated taxes (as applicable) that become due as a result of the vesting and/or settlement of restricted stock units held by the Stockholder that are scheduled to vest and/or settle immediately prior to or during the Restricted Period;

(x) transfers of Parent Common Stock, if any, issued upon conversion of the Bridge Notes; or

(xi) transfers of Parent Common Stock, if any, issued in connection with the PIPE Investment;

provided, that in each case of clauses (i)-(vii), (a) other than with respect to clauses (i), (iv) and (vii), no filing by any party (including any donor, donee, transferor or transferee, distributor or distributee) under the Exchange Act or other public announcement shall be required or shall be made voluntarily in connection with such transfer or distribution (other than filings made in respect of involuntary transfers or dispositions or a filing on a Form 5 made after the expiration of the Restricted Period), (b) other than with respect to clause (iv), any such transfer or distribution shall not involve a disposition for value, and (c) the transferee or donee agrees in writing to be bound by the terms and conditions of this letter agreement and either the Stockholder or the transferee or donee provides Parent with a copy of such agreement promptly upon consummation of any such transfer; provided further, that in the case of clause (ix), filings under Section 16(a) of the Exchange Act shall only be permissible if such filing clearly indicates in the footnotes thereto that the filing relates to securities being sold to generate net proceeds up to the total amount of taxes or estimated taxes (as applicable) that become due as a result of the vesting and/or settlement of Parent equity awards. For purposes of this letter agreement, "immediate family" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

Notwithstanding the restrictions imposed by this letter agreement, the Stockholder may (a) exercise an option or warrant to purchase Shares or settle a restricted stock unit or other equity award (including a net or cashless exercise of such option or warrant) and provided further, that the underlying Shares shall continue to be subject to the restrictions on transfer set forth in this letter agreement, (b) transfer Shares to Parent to cover tax withholding obligations of the Stockholder in connection with the vesting, settlement or exercise of such options, warrants, restricted stock units or other equity awards, as applicable, (c) establish a trading plan pursuant to Rule 10b5-1 under the Exchange Act ("**10b5-1 Plan**") for the transfer of Shares, provided that such plan does not provide for any transfers of Shares during the Restricted Period (except as provided in clause (ix) above) and, provided further, that, no filing under the Exchange Act or other public announcement shall be made voluntarily in connection with the establishment of such a plan, (d) transfer Shares to Parent pursuant to arrangements under which Parent has the option to repurchase such Shares, or (e) transfer or dispose of Shares acquired on the open market following the Effective Time.

---

Any attempted transfer in violation of this letter agreement will be of no effect and null and void, regardless of whether the purported transferee has any actual or constructive knowledge of the transfer restrictions set forth in this letter agreement, and will not be recorded on the stock transfer books of Parent. In order to ensure compliance with the restrictions referred to herein, the Stockholder agrees that Parent may issue appropriate "stop transfer" certificates or instructions. Parent may cause the legend set forth below, or a legend substantially equivalent thereto, to be placed upon any certificate(s) or other documents or instruments evidencing ownership of the Shares:

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AND MAY ONLY BE TRANSFERRED IN COMPLIANCE WITH A LOCK-UP AGREEMENT, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL OFFICE OF THE COMPANY.

The Stockholder hereby represents and warrants that the Stockholder has full power and authority to enter into this letter agreement. All authority conferred or agreed to be conferred and any obligations of the Stockholder under this letter agreement will be binding upon the successors, assigns, heirs or personal representatives of the Stockholder.

In the event that during the Restricted Period any holder of Parent's securities that is subject to a substantially similar agreement entered into by such holder, other than the Stockholder, is permitted by Parent to sell or otherwise transfer or dispose of shares of Parent Common Stock for value other than as permitted by this or a substantially similar agreement entered into by such holder, the same percentage of shares of Parent Common Stock held by the Stockholder shall be immediately and fully released on the same terms from any remaining restrictions set forth herein (the "*Pro-Rata Release*"); *provided, however*, that such Pro-Rata Release shall not be applied unless and until permission has been granted by Parent to an equity holder or equity holders to sell or otherwise transfer or dispose of all or a portion of such equity holders' shares of Parent Common Stock in an aggregate amount in excess of 1% of the number of shares of Parent Common Stock originally subject to a substantially similar agreement.

Upon the release of any Shares from this letter agreement, Parent will cooperate with the Stockholder to facilitate the timely preparation and delivery of certificates or the establishment of book entry positions at the Parent's transfer agent representing the Shares without the restrictive legend above and the withdrawal of any stop transfer instructions at the Parent's transfer agent.

The Stockholder understands that each of Parent and the Company is relying upon this letter agreement in proceeding toward consummation of the Merger. The Stockholder further understands that this letter agreement is irrevocable and is binding upon the Stockholder's heirs, legal representatives, successors and assigns.

This letter agreement and any claim, controversy or dispute arising under or related to this letter agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflict of laws principles thereof.

The Stockholder understands that if the Merger Agreement is terminated in accordance with its terms, the Stockholder will be released from all obligations under this letter agreement.

This letter agreement may be executed by electronic (i.e., PDF) transmission, which is deemed an original.

[Signature Page Follows]

---



Very truly yours,

Print Name of  
Stockholder:

\_\_\_\_\_  
**Signature (for individuals):**

\_\_\_\_\_  
**Signature (for entities):**

By:

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

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

[SIGNATURE PAGE TO LOCK-UP AGREEMENT]

---

ASSET PURCHASE AGREEMENT

by and among

CARA THERAPEUTICS, INC.,

CARA ROYALTY SUB, LLC

and

VIFOR FRESENIUS MEDICAL CARE RENAL PHARMA, LTD.,

dated December 17, 2024

---

TABLE OF CONTENTS

	Page
ARTICLE I TRANSFERRED ASSETS; ASSUMED LIABILITIES	1
Section 1.01    General	1
Section 1.02    Transferred Assets	2
Section 1.03    Excluded Assets	3
Section 1.04    Assumed Liabilities	4
Section 1.05    Retained Liabilities	4
ARTICLE II PURCHASE PRICE; CLOSING	5
Section 2.01    Consideration	5
Section 2.02    Inventory Adjustment	5
Section 2.03    Closing	6
ARTICLE III TRANSFER OF ASSETS; FURTHER ASSURANCES	6
Section 3.01    Implementation Agreements	6
Section 3.02    Third Party Consents	6
Section 3.03    Transition Planning; Operational Readiness.	6
Section 3.04    Wrong Pockets; Further Assurances.	8
ARTICLE IV REPRESENTATION AND WARRANTIES OF SELLERS	8
Section 4.01    Organization; Standing; Power	9
Section 4.02    Authority; Execution and Delivery; Enforceability	9
Section 4.03    No Conflicts; Governmental Approvals	9
Section 4.04    Litigation	10
Section 4.05    Compliance with Laws; Regulatory Matters	10
Section 4.06    Contracts	11
Section 4.07    Title and Sufficiency of Assets	11
Section 4.08    Transferred Inventory	12
Section 4.09    Intellectual Property	12
Section 4.10    Global Safety Database; Data Privacy and Security	14
Section 4.11    Tax	15
Section 4.12    Sufficiency of Funds	16
Section 4.13    Brokers	16

**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
Section 4.14 No Outside Reliance; No Other Representations and Warranties	16
<b>ARTICLE V REPRESENTATIONS AND WARRANTIES OF PURCHASER</b>	<b>16</b>
Section 5.01 Organization; Standing	16
Section 5.02 Authority; Execution and Delivery; Enforceability	17
Section 5.03 No Conflicts; Governmental Approvals	17
Section 5.04 Litigation	17
Section 5.05 Sufficiency of Funds	17
Section 5.06 Brokers and Finders	18
Section 5.07 No Outside Reliance; No Other Representations and Warranties	18
<b>ARTICLE VI ADDITIONAL COVENANTS</b>	<b>18</b>
Section 6.01 Conduct of Business	18
Section 6.02 Access to Information	20
Section 6.03 Proxy Statement; Stockholder Meeting	21
Section 6.04 Taxes	23
Section 6.05 Publicity	24
Section 6.06 IP Matters	25
Section 6.07 Use of Seller Names and Marks	26
Section 6.08 Notification of Certain Matters	27
Section 6.09 Purchaser License Agreements	27
<b>ARTICLE VII CONDITIONS TO CLOSING</b>	<b>28</b>
Section 7.01 Conditions to Each Party's Obligation	28
Section 7.02 Conditions to Obligation of Purchaser	28
Section 7.03 Conditions to Obligation of Sellers	30
Section 7.04 Frustration of Closing Conditions	30
<b>ARTICLE VIII TERMINATION</b>	<b>30</b>
Section 8.01 Termination	30
Section 8.02 Effect of Termination	32
<b>ARTICLE IX MISCELLANEOUS</b>	<b>32</b>
Section 9.01 Notices	32

**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
Section 9.02	33
Section 9.03	33
Section 9.04	33
Section 9.05	34
Section 9.06	34
Section 9.07	34
Section 9.08	34
Section 9.09	34
Section 9.10	35
Section 9.11	35
Section 9.12	35
Section 9.13	35
Section 9.14	35
Section 9.15	36

**List of Annexes:**

Annex A – Definitions
Annex B-1 – Transferred Patents
Annex B-2 – Transferred Trademarks
Annex B-3 – Transferred Copyrights
Annex B-4 – Transferred Domain Names
Annex C – Transferred Contracts
Annex D – Transferred Inventory
Annex E – Excluded Assets
Annex F-1 – Representatives of Sellers
Annex F-2 – Representatives of Purchaser
Annex F-3 – Third Party Introductions
Annex G – Bill of Sale and Assignment and Assumption Agreement

**TABLE OF CONTENTS**  
(continued)

**Page**

Annex H – Knowledge of Sellers

Annex I – Patent Assignment Agreement

Annex J – Trademark Assignment Agreement

Annex K – Transferred Regulatory Filings

**ASSET PURCHASE AGREEMENT**

This **ASSET PURCHASE AGREEMENT** (this "**Agreement**"), dated as of December 17, 2024 (the "**Execution Date**"), is made by and among Cara Therapeutics, Inc., a Delaware corporation ("**Cara**") and Cara Royalty Sub, LLC, a Delaware limited liability company ("**Royalty Sub**"), and collectively with Cara, "**Sellers**" and each a "**Seller**", and Vifor Fresenius Medical Care Renal Pharma, Ltd, a Swiss corporation ("**Purchaser**"). In this Agreement, Sellers and Purchaser are individually referred to as a "**Party**" and collectively as the "**Parties**." Capitalized terms used herein (including in the recitals above) and not otherwise defined have the respective meanings set forth in Annex A hereto. Annex A further includes other definitions and rules of construction applicable to this Agreement.

**RECITALS:**

**WHEREAS**, Sellers are engaged in the Development of the IV Products in the Territory or control certain property rights relating to the Products;

**WHEREAS**, Sellers wish to sell to Purchaser, and Purchaser desires to purchase from Sellers, following arms'-length good faith negotiations and at a price commensurate to their value, certain assets and rights comprising or associated with the Development, Manufacture and Commercialization of the Products, upon the terms and conditions hereinafter set forth;

**WHEREAS**, at the Closing, Sellers and Purchaser intend to enter into, or cause certain of their respective Affiliates to enter into, the Ancillary Agreements;

**WHEREAS**, in connection with the Transactions, as a condition and material inducement to the Parties' willingness to enter into this Agreement, concurrently with the execution and delivery of this Agreement, Purchaser, Sellers and HCR have entered into that certain Letter Agreement, dated December 17, 2024 (the "**HCR Letter Agreement**"); and

**WHEREAS**, concurrently with the execution and delivery of this Agreement, Cara has entered into a stock merger transaction pursuant to that certain Agreement and Plan of Merger, dated December 17, 2024, by and among Cara, CT Convergence Merger Sub, Inc. and Tvardi Therapeutics, Inc. (the "**Merger Agreement**" and the transactions contemplated thereby, the "**Reverse Merger**").

**AGREEMENT:**

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

**ARTICLE I  
TRANSFERRED ASSETS; ASSUMED LIABILITIES**

**Section 1.01 General.** Pursuant to the terms and subject to the conditions set forth herein and in the Implementation Agreements, Sellers hereby sell, transfer, assign, convey, grant and deliver to Purchaser, and Purchaser hereby purchases, acquires and accepts from Sellers, at the Closing, the Transferred Assets. On the terms and subject to the conditions of this Agreement, at the Closing, Purchaser shall assume, discharge and perform all of the Assumed Liabilities.

**Section 1.02 Transferred Assets.** For purposes of this Agreement, the “*Transferred Assets*” means, collectively, all of Sellers’ right, title and interest in, to and under the following assets, properties and rights (of every kind or nature, and whether or not reflected on the books or financial statements of the applicable Seller), free and clear of any Liens (other than Permitted Liens):

(a) the Transferred Regulatory Filings;

(b) all Intellectual Property owned, purported to be owned or otherwise controlled by Sellers or their Affiliates that is used, held for use or related to the Product Compound, the Products or the Business, including (i) the Patents set forth on Annex B-1 (the “*Transferred Patents*”), (ii) the Trademarks set forth on Annex B-2 (the “*Transferred Trademarks*”), (iii) the Copyrights set forth on Annex B-3 (the “*Transferred Copyrights*”), (iv) the Domain Names set forth on Annex B-4 (the “*Transferred Domain Names*”), and (v) the Transferred Know-How, in each case, together with the rights to (1) sue and recover damages and obtain equitable relief for past, present and future infringement, misappropriation, dilution or other violation thereof, (2) collect future royalties and other payments thereunder, (3) claim priority under the laws of any jurisdiction and/or under international conventions or treaties, (4) prosecute, register, maintain and defend such Intellectual Property before any public or private agency, office or registrar, (5) with respect to any Trademarks included therein, any and all goodwill appurtenant or attributable to the use of and symbolized by such Trademarks, and (6) to fully and entirely stand in the place of Sellers in all matters related thereto (collectively, the “*Transferred IP*”), *provided* that, for clarity, the Sellers Names and Marks do not constitute Transferred IP;

(c) the Contracts set forth on Annex C hereto (the “*Transferred Contracts*”), including any amounts due or payable pursuant to a Transferred Contract for services or products to be delivered by the Business following the Closing;

(d) the Product Files;

(e) the Global Safety Database;

(f) the tangible materials set forth in Annex D hereto, as may be updated pursuant to Section 2.02(a) (the “*Transferred Inventory*”); and

(g) (i) all records, files, books and documents (“*Books and Records*”) (including for the avoidance of doubt, associated safety documentation pertaining to the Global Safety Database, all data stored in the SDTM, ADaM, SAS programs and outputs and all prosecution files, certificates, ribbon copies, litigation or prosecution files, notices and registrations and dockets pertaining to the Registered IP) in the possession or control of Sellers on the Closing Date, in such form as maintained by Sellers, that are primarily related to the Product Compound, Products and Business and (ii) copies of all Books and Records (including, for the avoidance of doubt, Tax Returns and related workpapers) that are related, but not primarily related, to the Product Compound, the Products and the Business, but excluding, in all cases, any and all Excluded Communications (the Books and Records set forth in clause (ii), the “*General Books and Records*” and, collectively, clauses (i) and (ii), the “*Transferred Books and Records*”).



**Section 1.03 Excluded Assets.** Nothing in this Agreement shall operate to transfer from Sellers, or create an obligation on Sellers, to transfer or have transferred any right, title or interest in or to any assets other than the Transferred Assets (the “*Excluded Assets*”) or create any Liability on the part of Purchaser with respect thereto. Purchaser agrees that anything to the contrary in this Agreement or any Ancillary Agreement notwithstanding, the Excluded Assets shall in all cases include:

- (a) any assets, properties, and rights of Sellers other than the Transferred Assets, including any cash, cash equivalents, checks, short term instruments, funds in time or demand deposits, marketable securities or any similar accounts;
- (b) the assets, properties, and rights set forth in Annex E;
- (c) the right under the Purchaser License Agreement to receive royalties for Licensed Product(s) (as defined in the Purchaser License Agreement) sold prior to the Closing Date, whether or not actually paid prior to the Closing Date (it being understood that the obligations of Purchaser accrued prior to the Closing under the Purchaser License Agreement, including the obligation to pay to Cara royalties for Licensed Product(s) (as defined in the Purchaser License Agreement) sold prior to the Closing Date, whether or not actually paid prior to the Closing Date, including the obligation to pay to Cara (in accordance with Section 6.09(a)), which shall remain liabilities of Purchaser);
- (d) the right under that certain License Agreement, dated as of October 15, 2020 by and between Cara and Purchaser (the “*Vifor License Agreement*”) to receive Cara’s share of Net Profit and Non-FMC Net Profit (both as defined in the Vifor License Agreement) for Licensed Product(s) (as defined in the Purchaser License Agreement) sold prior to the Closing Date, whether or not actually paid prior to the Closing Date (it being understood that the obligations of Purchaser accrued prior to the Closing under the Vifor License Agreement, including the obligation to pay to Cara (in accordance with Section 6.09(b)) its share of Net Profit and Non-FMC Net Profit (both as defined in the Vifor License Agreement) for Licensed Product(s) (as defined in the Purchaser License Agreement) sold prior to the Closing Date, whether or not actually paid prior to the Closing Date, which shall remain liabilities of Purchaser);
- (e) the Second Milestone Payment (as defined in the Original HCR PSA) accrued prior to the Closing, whether or not actually paid prior to the Closing;
- (f) without duplication, any amounts due and payable to either Seller under the Transferred Contracts prior to the Closing, whether or not actually paid prior to the Closing (except such amounts due or payable pursuant to a Transferred Contract for services or products to be delivered by the Business following the Closing and such services or products shall constitute Assumed Liabilities);
- (g) the Seller Names and Marks; and
- (h) the Excluded Communications.

**Section 1.04 Assumed Liabilities.** Purchaser agrees, effective at the Closing and from and after the Closing Date, to assume and discharge all of the Liabilities (other than the Retained Liabilities), solely to the extent resulting from the ownership of the Transferred Assets from and after the Closing (collectively, the “*Assumed Liabilities*”).

**Section 1.05 Retained Liabilities.** Notwithstanding anything to the contrary in this Agreement, and regardless of whether such Liability is disclosed in this Agreement or any Ancillary Agreement or on any schedule or exhibit hereto or thereto, Sellers shall retain and be responsible for all Liabilities that are not specifically identified in **Section 1.04** as Assumed Liabilities (collectively the “*Retained Liabilities*”), including all Liabilities of Sellers to the extent arising out of or relating to:

- (a) the Excluded Assets;
- (b) the Excluded Taxes;
- (c) the negotiation, preparation, investigation and performance of this Agreement and the Ancillary Agreements and the Transactions, including fees and expenses of counsel, accountants, consultants, advisers and others;
- (d) the Business and ownership of the Transferred Assets prior to the Closing, including any litigation, claim, assessment, action, suit, Proceeding, order, judgment, decree or investigation of any kind or nature initiated after the Closing Date with respect thereto;
- (e) the Transferred Contracts before the Closing, including (i) all accounts payable incurred or any invoices received prior to the Closing (except such accounts payable incurred or invoiced pursuant to a Transferred Contract for services or products to be delivered to the Business following the Closing and which shall constitute Transferred Assets) and (ii) all Liabilities to the extent resulting from any breach, default or violation (or action or omission that with or without the passage of time or the giving of notice or both would result in a breach, default or violation) of any Transferred Contract by Sellers prior to the Closing;
- (f) the Original HCR PSA;
- (g) any employee benefit plan program or arrangement sponsored or maintained by Sellers or their Affiliates on behalf of any employee, regardless of whether such Liabilities arise prior to or following the Closing Date;
- (h) the employment or service of any current or former employee of Sellers, including all Liabilities in respect of or relating to the failure to employ or engage, or termination of employment or service, of any current or former employee (e.g., all Liabilities for severance payments or benefits, gratuity payments, unpaid bonuses, commissions or similar incentive compensation, equity or equity-based compensation, unfunded or underfunded deferred compensation, underfunded pension liabilities, paid time off, and, in each case, the employer portion of any payroll, employment or similar Taxes due on the foregoing amounts);
- (i) any debt, loans or credit facilities of the Business; and
- (j) the Reverse Merger.

**ARTICLE II  
PURCHASE PRICE; CLOSING**

**Section 2.01 Consideration.** In consideration for the purchase and sale of the Transferred Assets and the consummation of the Transactions:

(a) Purchaser hereby agrees to (i) pay Cara at Closing, \$900,000, as may be adjusted pursuant to Section 2.02 (such price as may be adjusted, the "**Purchase Price**") by way of the set off contemplated in Section 2.01(b) and (ii) assume the Assumed Liabilities.

(b) Sellers hereby agree to pay and deliver to Purchaser an amount equal to (i) \$3,000,000 (the "**Cost Reimbursement Fee**"), to compensate Purchaser for the estimated incremental costs to be incurred by Purchaser as a result of the transfer of the Transferred Assets and assumption of the Assumed Liabilities minus (ii) the Purchase Price (the "**Closing Payment**"), by wire transfer of immediately available funds to the account designated by Purchaser at least three (3) Business Days prior to the Closing Date.

**Section 2.02 Inventory Adjustment.**

(a) Not more than twenty (20) days and not less than fifteen (15) days prior to the Closing Date, Sellers shall deliver to Purchaser (i) a list of all services or products to be delivered to or used by the Business following the Closing pursuant to any Transferred Contract, including a copy of the corresponding invoice and (ii) an updated Signing Inventory List (the "**Closing Inventory List**"), setting forth the types and amounts of the Transferred Inventory that Sellers, reasonably and in good faith, expect to be the Transferred Inventory as of the Closing Date. Following Sellers delivery of the Closing Inventory List, at Purchaser's option, Sellers shall help facilitate access for Purchaser or its Representatives to each site that stores such Transferred Inventory included on the Closing Inventory List.

(b) In the event that either (i) the Closing Inventory List delivered by Sellers indicates or (ii) Purchaser, following its review of the Transferred Inventory pursuant to Section 2.02(a), reasonably determines that (a) more than three percent (3%) of the Transferred Inventory that is Product Compound API on the Closing Inventory List does not meet the Supply Quality Standard, the Purchase Price shall be reduced *pro rata* based on the noncompliant portion relative to the total value of the Product Compound API, or (b) less than 120,995 vials of the IV Product within the Transferred Inventory meet the Supply Quality Standard, the Purchase Price shall be reduced *pro rata* based on the noncompliant portion relative to the total value of the vials of IV Product within the Transferred Inventory (the Purchase Price as adjusted in accordance with (a) and (b), the "**Pro Rata Purchase Price**"). Sellers and Purchaser shall cooperate in good faith and endeavor to resolve any disputes regarding the Closing Inventory List or any Purchase Price reduction.

(c) In the event that Sellers and Purchaser are unable to agree on the amount of any adjustment pursuant to Section 2.02(b) prior to the Closing Date, Purchaser and Sellers shall be required to consummate the Transactions at the Pro Rata Purchase Price; *provided* that such Pro Rata Purchase Price is not less than \$450,000 and Sellers shall have the right to contest the Pro Rata Purchase Price post-Closing in accordance with the dispute resolution provisions of this Agreement.

**Section 2.03 Closing.** Subject to the terms and conditions of this Agreement, the closing of the purchase and sale of the Transferred Assets and the assumption of the Assumed Liabilities (the “*Closing*”) shall take place remotely by exchange of documents and signatures at 10:00 a.m. Eastern Time, on the second (2<sup>nd</sup>) Business Day following the date on which there first occurs the satisfaction (or, to the extent permitted, the waiver) of the conditions set forth in Article VII (other than any condition which by its nature is to be waived or satisfied at the Closing, but subject to the waiver or satisfaction of all such conditions), which date shall be referred to herein as the “*Closing Date*”.

**ARTICLE III  
TRANSFER OF ASSETS; FURTHER ASSURANCES**

**Section 3.01 Implementation Agreements.** In order to implement their respective obligations to sell and purchase the Transferred Assets, the Parties shall enter into and perform their respective obligations under the Implementation Agreements (as applicable), and to implement the Transactions in accordance with the terms and conditions of this Agreement and the Ancillary Agreements.

**Section 3.02 Third Party Consents.** During the Pre-Closing Period, Sellers shall use their commercially reasonable efforts to give all notices to, and obtain all Consents required from the Persons set forth on Section 4.03 of the Seller Disclosure Schedule. If any such Consent or waiver to any Contract is not obtained prior to the Closing, from and after Closing, Purchaser and Sellers (and their applicable controlled Affiliates) shall cooperate (each at its own expense) in any lawful and commercially reasonable arrangement proposed by Purchaser under which Purchaser shall obtain (without infringing upon the legal rights of such third party or violating any applicable Contract or Law) the rights and benefits and assume the costs, liabilities and obligations with respect to the asset, claim or right with respect to which the Consent has not been obtained in accordance with this Agreement.

**Section 3.03 Transition Planning; Operational Readiness.**

(a) Sellers and Purchaser shall use their reasonable best efforts to cause the following actions (collectively, the “*Transition Steps*”) to be completed as promptly as practicable, and in any event, prior to Closing:

(i) Sellers to reasonably assist Purchaser, at Purchaser’s request and cost for any reasonable and documented expenses, in connection with Purchaser’s reasonable preparation of Intellectual Property litigation or other patent challenges with respect to the Transferred Patents, including by making Sellers’ counsel available, at Purchaser’s request and cost for any reasonable and documented expenses, to provide an overview of contributions by, and any ongoing prosecution and defense obligations of, each inventor of the Transferred Patents; *provided* that in no event shall Sellers incur expenses to be reimbursed by Purchaser pursuant to this paragraph in excess of \$100,000 without Purchaser’s prior written consent (not to be unreasonably withheld, conditioned or delayed) which, once obtained, will permit Sellers to incur additional expenses to be reimbursed by Purchaser in increments of \$100,000 (with each subsequent increment being subject to Purchaser’s prior written consent (not to be unreasonably withheld, conditioned or delayed)); *provided, further*, that Sellers shall be required to provide assistance to Purchaser pursuant to this paragraph unless Purchaser has not consented to reimburse expenses reasonably necessary in connection with providing such assistance;

- (ii) Sellers to provide a written overview, in reasonable detail, of all commitments made to the FDA, if any, and of all ongoing and planned FDA submissions, in each case with respect to the IV Product;
- (iii) Sellers and Purchaser to cooperate to prepare a plan, in reasonable detail, to facilitate the transfer of the Transferred Books and Records from Sellers to Purchaser at Closing;
- (iv) Sellers to provide Purchaser with copies of the following Transferred Books and Records (which shall in all cases, for the avoidance of doubt, exclude Excluded Communications):

- (A) all material documents and communications exchanged with the FDA with respect to the IV Product;

- (B) documentation related to the Transferred Patent, including copies of lab notebooks, reports, presentations and other documents that document the conception and reduction of the Transferred Patents pertaining to the IV Product;

- (C) all development and good manufacturing practice documentation required to support European Union and U.S. Product filings, including the chemistry, manufacturing and control documents used for regulatory filings and raw data;

- (D) the most recent audit reports from the counterparties listed on Section 3.03(a)(iv)(D) of the Seller Disclosure Schedule;

- (E) the two (2) most recent Annual Product Quality Reviews, covering drug substance and drug product testing, along with a reasonably detailed list of batches manufactured during the period not covered by the Annual Product Quality Reviews, including date of manufacture, the quantity (in units) manufactured and the disposition statement; and

- (F) all batch related documentation for batch 00013, 00014 and 00015 (including an executed master batch record, certificate of analysis, deviation and out of specification report, if applicable).

- (b) Promptly following the Execution Date, Purchaser and Sellers shall establish a transition planning team (the "*Transition Committee*"), composed of (i) representatives of Sellers set forth on Annex F-1 to the extent then currently employed by the Sellers and (ii) representatives of Purchaser set forth on Annex F-2, which Transition Committee shall use reasonable best efforts to implement the Transition Steps. Prior to Closing, the Transition Committee shall use their reasonable best efforts to meet once per week and shall discuss the status of the Transition Steps and status of the transition and integration planning.

(c) From and after the Execution Date, Sellers shall, upon Purchaser's request, introduce Purchaser or its Affiliates to the Third Parties set forth on Annex F-3, and any other suppliers, vendors, customers, distributors or counterparties that may be necessary or beneficial to transferring the ownership of the Transferred Assets. Sellers shall use commercially reasonable efforts to facilitate meetings, discussions, or other communications between Purchaser and such counterparties, including by arranging introductions and sharing relevant contact information.

(d) During the Pre-Closing Period, each of the Parties shall use their reasonable best efforts to negotiate and document the Transfer Letters.

**Section 3.04 Wrong Pockets; Further Assurances.**

(a) In the event any of the Parties discovers after the Closing that it, or its controlled Affiliates, is the owner of, receives or otherwise comes to possess any asset or is liable for any Liability that is allocated to any other Party in accordance with this Agreement, such Party shall, or shall cause its controlled Affiliates to, promptly cause such asset or Liability to be transferred and delivered to the Party so entitled or obligated thereto in accordance with this Agreement (and the Party so entitled or obligated will accept such asset or assume such Liability).

(b) Other than as may be expressly limited by any other provision of this Agreement, the Parties agree to use reasonable best efforts to take, or cause to be taken all action necessary and proper to the extent permitted under applicable Law, to consummation and make effective the Transactions. From and after the Closing, without additional consideration, each of the Parties shall execute and deliver such further instruments of conveyance and transfer and take such additional actions as may be required or reasonably requested by the other Party to consummate and give effect to the Transactions. Each Party undertakes to execute and deliver all other papers, agreements, documents and instruments that are reasonably necessary to fulfill the purpose of this Agreement.

**ARTICLE IV  
REPRESENTATION AND WARRANTIES OF SELLERS**

Except (a) as set forth in the disclosure schedules of Sellers (the "**Seller Disclosure Schedule**"), each of which disclosures, in order to be effective, shall clearly indicate the Section and, if applicable, the subsection of this Article IV to which it relates (unless to the extent the relevancy to other representations and warranties is apparent on the face of such disclosure) or (b) as disclosed in the forms, documents, statements and reports, including any amendments, supplements or modifications thereto (but excluding any disclosures set forth in any "risk factors" section and any "forward looking statements" in any other section), publicly filed with, or furnished to the Securities and Exchange Commission (the "**SEC**") by Cara from and after January 1, 2024 and available on the SEC's Electronic Data Gathering and Retrieval System; *provided* that any matters to be disclosed with respect to any Fundamental Representation must be identified with specific disclosure in the respective sections of the Seller Disclosure Schedule, Sellers jointly and severally hereby represent and warrant to Purchaser as follows:

**Section 4.01 Organization; Standing; Power**

(a) Each Seller is a legal entity duly organized, validly existing and in good standing under the Laws of its respective jurisdiction of organization. Each Seller has all requisite corporate power and authority necessary to enable it to own, lease or otherwise hold the Transferred Assets and to conduct the Business as currently conducted.

(b) Each Seller is duly qualified to do business and is in good standing (or its equivalent status) in each jurisdiction where the nature of its business or the ownership or leasing of its properties makes such qualification or good standing necessary except any such qualification that would not reasonably be expected, individually or in the aggregate, to be material to the Business or the Transferred Assets.

(c) Except for Royalty Sub, Cara has no other Affiliates.

**Section 4.02 Authority; Execution and Delivery; Enforceability**. Each Seller has the requisite corporate power and authority to execute and deliver this Agreement and the Ancillary Agreements to which it will be a party and to consummate the Transactions. Each Seller has taken all corporate action required pursuant to its organizational documents and applicable Law to authorize (a) the execution and delivery of this Agreement and (b) subject only to either (i) consummation of the Reverse Merger or (ii) receipt of the Requisite Shareholder Approval, the execution and delivery of each of the Ancillary Agreements to which it will be a party and the consummation of the Transactions. Each Seller has duly executed and delivered this Agreement and, prior to the Closing, each Seller will have duly executed and delivered each Ancillary Agreement to which it will be a party, and (assuming the due authorization, execution and delivery by the other parties thereto) this Agreement constitutes, and, as of the Closing, each such Ancillary Agreement will as of the Closing constitute, its legal, valid and binding obligation, enforceable against it in accordance with its terms (except insofar as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally or by principles governing the availability of equitable remedies).

**Section 4.03 No Conflicts; Governmental Approvals**

(a) The execution, delivery and performance by each Seller of this Agreement and each Ancillary Agreement to which it is a party, or is contemplated to be a party, and the consummation of the Transactions and compliance with the terms hereof and thereof will not (i) violate any provision of such Seller's organizational documents, (ii) violate any Judgment or Law applicable to such Seller or the Transferred Assets, or (iii) (A) conflict with or result in a violation or breach of, (B) constitute a default or an event that (with or without notice or lapse of time or both) would constitute a default under, (C) result in the acceleration of or create in any party the right to accelerate, terminate, cancel or otherwise modify, or (D) require the Consent of, or the giving of notice to, any other Person under any Business Contract, except, with respect to clauses (ii) and (iii), any such violation or conflict that would not reasonably be expected, individually or in the aggregate, to be material to the Business or the Transferred Assets.

(b) No Consent of, or registration, declaration or filing with, any Governmental Authority is required to be obtained or made by Sellers in connection with the execution, delivery and performance of this Agreement or the Ancillary Agreements or the consummation of the Transaction, other than those the failure of which to obtain or make would not reasonably be expected, individually or in the aggregate, to be material to the Business or the Transferred Assets.

**Section 4.04 Litigation.** As of the Execution Date, there are no Proceedings pending against or, to the Knowledge of Sellers, threatened in writing (or otherwise) against or by Sellers. Sellers are not subject to any outstanding order, writ, injunction, judgment or decree issued by any court or quasi-judicial or administrative agency of any Governmental Authority with respect to the Business, the Transferred Assets or the Assumed Liabilities. There is no pending amount to be paid, either to or by Sellers, with respect to any settled or adjudicated Proceeding with respect to the Business, the Transferred Assets or the Assumed Liabilities.

**Section 4.05 Compliance with Laws: Regulatory Matters.**

(a) (i) Sellers are, and have been since January 1, 2021, in material compliance with all applicable Laws, except for any noncompliance, either individually or in the aggregate, which would not be material to Sellers, (ii) Sellers have not received any written or, to the Knowledge of Sellers, oral notice alleging any material noncompliance by any Seller with respect to any such Law and (iii) Sellers have not received any written, to the Knowledge of Sellers, oral notice of any investigation by any Governmental Authority regarding an alleged violation of any such Law.

(b) (i) Sellers have not received any adverse communication from any Governmental Authority directly relating to the Product Compound or IV Product or the facilities in which the Product Compound or IV Product is manufactured that has not been fully resolved, including any FDA Form 483 or warning letters directly relating to the Product Compound or IV Product or the facilities in which the Product Compound or IV Product is manufactured or any "Notices of Adverse Findings" from the FDA or similar notices from other Governmental Authority with respect to the Product Compound or IV Product, (ii) there has not been any recall, field correction, market withdrawal or replacement (whether voluntary, involuntary or actual) or other notice of action relating to any alleged lack of safety, efficacy or regulatory compliance concerning the Product Compound or IV Product conducted by or on behalf of Sellers or, to the Knowledge of Sellers, threatened in writing product liability or warranty claim and (iii) no Product Compound or IV Product has been discontinued, suspended or seized due to safety concerns. To the Knowledge of Sellers, there are no facts existing that would be reasonably likely to result in (i) any product recall, field correct or market withdrawal or replacement or other notice of action relating to any alleged lack of safety, efficacy or regulatory compliance concerning the Product Compound or IV Products, (ii) any change in labeling of the Product Compound or IV Products due to safety or efficacy concerns or (iii) termination or suspension of marketing or testing of the Product Compound or IV Products, in each case of the foregoing clauses (i) through (iii), except as has not been and would not reasonably be expected to be, individually or in the aggregate, material to the Business or the Transferred Assets.

(c) All Transferred Regulatory Filings are valid and in full force and effect. To the Knowledge of Sellers, no event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension or limitation of any of Transferred Regulatory Filings.



**Section 4.06 Contracts**

(a) Section 4.06(a) of the Seller Disclosure Schedule sets forth each Contract to which either Seller is a party primarily relating to the Business or the Transferred Assets, other than Contracts with respect to Overhead and Shared Services (the "**Business Contracts**"). Sellers have made available to Purchaser true, correct and complete copies of each of the Business Contracts, including all amendments, ongoing statements of work, exhibits and schedules thereto.

(b) With respect to the Transferred Contracts, (i) Sellers have not received any written, or to the Knowledge of Sellers, oral notice of any default or event that (with due notice or lapse of time or both) would constitute a default by any Seller under any Transferred Contract (ii) each Transferred Contract is a legal, valid and binding obligation of any Seller and is in full force and effect (except insofar as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally or by principles governing the availability of equitable remedies), (iii) to the Knowledge of Sellers, no other party to any Transferred Contract is (with or without the lapse of time or the giving of notice, or both) in material breach of or in material default under any Transferred Contract, (iv) to the Knowledge of Sellers, Sellers have not provided or received any notice of any intention to terminate any Transferred Contract or any indication of unwillingness by any party to a Transferred Contract to contract with Purchaser or (v) no material waiver has been granted by any Seller or any of the other parties thereto under any Transferred Contract. Sellers have made available to Purchaser true, correct and complete copies of each of the Transferred Contracts, including all amendments, ongoing statements of work, exhibits and schedules thereto.

(c) The Transferred Contracts do not contain (A) any covenant limiting the freedom of the Sellers to engage in any line of business or compete with any Person, (B) any "most-favored nations" pricing provision or marketing or distribution rights related to any products or territory, (C) any exclusivity provision, (D) any agreement to purchase minimum quantity of goods or services, or (E) any material non-solicitation provision applicable to the Sellers.

**Section 4.07 Title and Sufficiency of Assets**

(a) Except with respect to Transferred IP (which is the subject of Section 4.09(b)), the applicable Seller has good and valid title to, or a valid leasehold interest in, or valid contract rights in and the right to transfer (or cause the transfer of) all of the Transferred Assets, free and clear of all Liens (other than Permitted Liens). Other than this Agreement, none of Sellers nor any of their Affiliates is a party to any option, warrant, purchase right or other Contract or commitment obligating it to sell, transfer, pledge or otherwise dispose of any Transferred Asset. Upon the consummation of the Transactions, Purchaser will acquire sole ownership of all of Transferred Assets, free and clear of all Liens (other than (i) Liens imposed or granted by Purchaser or its Affiliates and (ii) Permitted Liens).

(b) Except with respect to Transferred IP (which is the subject of Section 4.09(d)), the Transferred Assets, together with (i) the rights, assets and services provided or granted to Purchaser under this Agreement and the Ancillary Agreements, (ii) the employees, real property and general corporate, finance and support services (including quality, pharmacovigilance and supply chain management services) and similar overhead functions provided by Seller and its Affiliates to the Business prior to the Closing, (iii) Overhead and Shared Services, and (iv) the assets listed in Section 4.07(b) of the Seller Disclosure Schedules, (A) constitute all of the assets (tangible or intangible) and rights that are necessary for or used in the Business as currently conducted by Sellers and, (B) to the Knowledge of Sellers, sufficient to enable Purchaser, immediately following the Closing, to continue the Development, Manufacture, and Commercialization of the Product Compound or IV Products, in each case, in substantially the same manner as currently conducted by Sellers.

**Section 4.08 Transferred Inventory.**

(a) Section 4.08(a) of the Seller Disclosure Schedule sets forth, as of the Execution Date, the types and amounts of the Transferred Inventory and their respective quantities (the "*Signing Inventory List*").

(b) As of the Execution Date, all Transferred Inventory reflected on the Signing Inventory List meets the Supply Quality Standard.

(c) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE TRANSFERRED INVENTORY SET FORTH IN ANNEX D-2 ARE TRANSFERRED TO PURCHASER ON AN "AS-IS" BASIS, WITHOUT ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE.

**Section 4.09 Intellectual Property.**

(a) Section 4.09(a) of the Seller Disclosure Schedule sets forth an accurate and complete list of all Registered IP and all material unregistered Trademarks included in the Transferred IP as of the date hereof, including for each, jurisdiction of registration (or issuance) and registration (or issuance) or application number. With respect to each item of Registered IP: except for the items of Registered IP that are abandoned or expired or have been rejected, in each case, as set forth in Section 4.09(a) of the Seller Disclosure Schedule, (1) all necessary registration, maintenance and renewal fees have been paid, and all necessary documents and certificates have been filed with United States Patent and Trademark Office or equivalent authority or registrar anywhere in the world, as the case may be, for the purposes of maintaining such Intellectual Property and recording and perfecting its ownership by the Sellers; and (2) except for the items of Registered IP that are abandoned or expired or have been rejected, in each case, as set forth in Section 4.09(a) of the Seller Disclosure Schedule, each such item is subsisting and unexpired, and to the knowledge of Sellers, valid and enforceable.

(b) Sellers are the sole and exclusive owners of all right, title and interest in and to the Transferred IP (including the Registered IP), free and clear of all Liens, other than Permitted Liens.

(c) Section 4.09(c) of the Seller Disclosure Schedule sets forth a list of any Contract under which (i) any license or right (including any covenant not to sue or assert or any option to any of the foregoing) is granted by either Seller under any of the Transferred IP (other than non-exclusive licenses granted by either Seller to its suppliers, contract manufacturers, service providers and distributors for their provision of services to the Business), (ii) either Seller receives any license or right (including any covenant not to sue or assert or any option to any of the foregoing) under any Intellectual Property of a Third Party used in connection with the Business or Products (other than non-exclusive licenses for commercially available, non-customized, "off-the-shelf" software in object code form), or (iii) either Seller is a party to any settlement or co-existence agreements relating to the Transferred IP, the Products, or the Business (collectively, clauses (i)-(iii), the "**IP Contracts**").

(d) The Transferred IP, together with the rights granted to Sellers under the IP Contracts, constitutes all of the material Intellectual Property that is used in or held for use for the Product or used in or held for use, or necessary for the operation of the Business as currently conducted by the Sellers, and Purchaser will own or have a sufficient right to use all such Intellectual Property in substantially the same manner after the Closing, subject to any licenses granted to Third Parties in respect of the Transferred IP; *provided* that the items of Registered IP that are abandoned or expired or have been rejected, in each case, as set forth in Section 4.09(a) of the Seller Disclosure Schedule are not used for the Product, or used or necessary for the operation of the Business as currently conducted by the Sellers.

(e) Neither Seller is a party to any license or similar Contract under which it has granted a license or other rights to any Third Party in respect of the Product Compound or the Product which would conflict in any material respect with the rights being conveyed to Purchaser under this Agreement. The Transferred IP and the IP Contracts are transferrable and assignable to Purchaser without restriction and without payment of any kind to any Third Party, other than payments required in the ordinary course of business under any IP Contract or administrative fees payable to the United States Patent and Trademark Office or equivalent authority or registrar anywhere in the world.

(f) To the Knowledge of Sellers, (i) the conduct of the Business as currently conducted does not infringe, misappropriate, or otherwise violate, and has not for the last six (6) years prior to the date hereof, infringed, misappropriated, or otherwise violated, in any material respect, the Intellectual Property of any Third Party in the Territory; and (ii) for the last six (6) years prior to the date hereof, there are no and have not been any Proceedings pending before any Governmental Authority against any Seller or threatened in writing against any Seller concerning the matters described in Section 4.09(f)(i), or challenging the validity, enforceability, ownership, scope or use of the Transferred IP. No legal opinion concerning or with respect to any Intellectual Property of a Third Party relating to the Products, including any freedom to operate, product clearance, patentability, validity or right to use opinion, has been delivered to Sellers.

(g) (i) To the Knowledge of Sellers, no Third Party is infringing, misappropriating, or otherwise violating any of the Transferred IP; and (ii) for the last six (6) years prior to the date hereof, there are no and have not been any Proceedings pending against any of the Sellers before any Governmental Authority or threatened in writing by Sellers, to the extent relating to the Business, alleging the matters described in Section 4.09(g)(i) or challenging the validity, enforceability, ownership, scope or use of Intellectual Property of any Third Party.

(h) Sellers have taken commercially reasonable measures to establish and preserve their ownership of, and rights in, the Transferred IP, including by obtaining written agreements with present tense assignments of Intellectual Property from current and former employees, consultants and contractors of either Seller, as applicable, who contribute or have materially contributed to the creation, invention or development of Intellectual Property for or on behalf of the Products or the Business, and with respect to the Transferred Patents, such written agreements have been duly recorded in the United States Patent and Trademark Office or equivalent authority or registrar anywhere in the world wherein it would be necessary or advisable, as determined by the Sellers in their commercially reasonable judgement, to document such assignment.

(i) No Governmental Authority, university, educational institution or research center contributed any funding, personnel or other resources in connection with the creation, invention or development of any Intellectual Property for or on behalf of the Business or has any claim or interest in or to the same.

(j) To the Knowledge of Sellers, each individual associated with the filing and prosecution of the Transferred Patents covering the IV Product has complied in all material respects with all applicable duties of candor and good faith in dealing with the United States Patent and Trademark Office or equivalent authority or registrar, including any duty to disclose all information known by such inventors to be material to the patentability of the Transferred Patents that cover the IV Product (including any relevant prior art), in each case, in those jurisdictions where such duties exist. To the Knowledge of Sellers, there is no Person who has claimed in writing to be an inventor of any of the Transferred Patents that cover the IV Product and who is not named as an inventor on the applicable Transferred Patent.

(k) Sellers have taken reasonable measures to (i) maintain the material Transferred IP (except for the items of Registered IP that are abandoned or expired or have been rejected, in each case, as set forth in Section 4.09(a) of the Seller Disclosure Schedule) and (ii) protect and preserve the confidentiality of all material Know-How included in the Transferred IP and, to the extent relating to the Business, Know-How of any third party that has provided such Know-How to Sellers subject to confidentiality obligations. No Seller has disclosed to any Person (including any employees, contractors or consultants) any such Know-How except under a confidentiality agreement or other legally binding confidentiality obligation and, to the Knowledge of Sellers, there has not been any breach by any party to any such confidentiality agreement.

**Section 4.10 Global Safety Database; Data Privacy and Security.**

(a) The Global Safety Database operate and perform in all material respects in accordance with its documentation and functional specifications and otherwise as required in connection with its operations as used in the Business.

(b) Sellers have, in connection with the Business, implemented commercially reasonable backup and disaster recovery measures, reasonably consistent with industry practices, and have taken commercially reasonable actions designed to protect the integrity, continuous operation and security of (i) the Transferred Assets (including data stored therein) and (ii) all Personal Data Processed by the Sellers to the extent relating to the Business.

(c) To the Knowledge of Sellers, there has been no material misuse, unauthorized intrusion or breach of the security of the Transferred Assets nor any material loss, theft, or unauthorized or unlawful corruption, access to, or Processing (including through a ransomware attack) of Personal Data Processed by or on behalf of the Sellers to the extent relating to the Business.

(d) Sellers, and the Processing by them or on their behalf of any Personal Data, in each case, to the extent relating to the Business, is, and at all times in the last three (3) years has been, in material compliance with all applicable Privacy Requirements. To the extent relating to the Business, there have been no written complaints, claims or warning received by any Seller from a Governmental Authority in respect of any Processing of Personal Data by or on behalf of Sellers. To the extent relating to the Business, no written notice of enforcement or investigation, or prohibition or audit requests have been served on any Seller in relation to the Processing of Personal Data and, to the Knowledge of Sellers, no fact or circumstance exists which would reasonably be expected to give rise to any such notice or audit request.

**Section 4.11 Tax.**

(a) All material Tax Returns required to be filed with respect to the Transferred Assets or the Assumed Liabilities have been timely filed and all such Tax Returns are accurate and complete in all respects. All material Taxes required to be paid with respect to the Transferred Assets or the Assumed Liabilities (whether or not shown as due on such Tax Returns) have been timely paid in full. Neither Seller is the beneficiary of any extension of time within which to file any Tax Return with respect to the Transferred Assets or the Assumed Liabilities.

(b) No claim has ever been made by a Governmental Authority in a jurisdiction in which either Seller does not file a Tax Return of a particular type that any Seller is or may be subject to Tax of such type by that jurisdiction with respect to the Transferred Assets and the Assumed Liabilities.

(c) There are no liens for Taxes on any of the Transferred Assets (other than liens for Taxes not yet due and payable or being contested in good faith by appropriate procedures, and, in each case, for which adequate reserves have been specifically established).

(d) No Proceeding in respect of Taxes is in progress or pending that relates to the Transferred Assets or the Assumed Liabilities, and no such Proceeding has been threatened against Sellers in writing (or, to the Knowledge of Sellers, otherwise).

(e) No deficiencies for any Taxes have been proposed, asserted, threatened or assessed against by any Taxing Authority with respect to the Transferred Assets or the Assumed Liabilities that have not been paid, resolved or settled in full.

(f) Sellers have complied with all Laws relating to the payment and withholding of Taxes, and have duly and timely withheld and paid over to the appropriate Taxing Authority all amounts required to be so withheld and paid under all such Laws, in each case, to the extent related to the Transferred Assets or the Assumed Liabilities.

(g) Sellers have collected all material sales and use taxes required to be collected, and has remitted such amounts to the appropriate Taxing Authority, or have been furnished properly completed exemption certificates, to the extent relating to the Transferred Assets or the Assumed Liabilities.

(h) Sellers have complied in all material respects with all information reporting and record-keeping requirements with respect to the Transferred Assets and the Assumed Liabilities required by any U.S. federal, state, local or non-U.S. Tax Law.

(i) Sellers have no material Liability under any escheat or abandoned or unclaimed property laws with respect to the Transferred Assets.

(j) No Seller (or other Person treated as selling assets hereunder) is not a "United States Person" within the meaning of Code Section 7701(a)(30).

**Section 4.12 Sufficiency of Funds.** Sellers (a) have, as of the Execution Date, and at the Closing will have, sufficient cash available to pay the Cost Reimbursement Fee and any expenses incurred by Sellers in connection with the Transactions, (b) at the Closing will have the resources and capabilities (financial or otherwise) to perform their obligations under this Agreement and the Ancillary Agreements and (c) have not incurred any obligation, commitment, restriction or Liability of any kind, which would materially impair or adversely affect such resources or capabilities.

**Section 4.13 Brokers.** No broker, finder or investment banker who has acted on behalf of Sellers is entitled or will become entitled to any brokerage, finder's or other fee or commission from Purchaser in connection with the Transactions based upon arrangements made by or on behalf of Sellers.

**Section 4.14 No Outside Reliance; No Other Representations and Warranties.** In connection with the execution of this Agreement, Sellers agree that, except for the representations and warranties set forth in Article V, in any Ancillary Agreement or in any certificate delivered pursuant hereto or thereto, neither Purchaser nor any Representative of Purchaser makes, and Sellers acknowledge that it has not relied upon or otherwise been induced by, (a) any other express or implied representation or warranty, whether written or oral, or (b) any other information provided or made available to Sellers in connection with the Transactions, including any information, documents, projections, forecasts or other material made available to Sellers or Sellers' Representatives in written form.

**ARTICLE V  
REPRESENTATIONS AND WARRANTIES OF PURCHASER**

Purchaser hereby represents and warrants to Sellers as follows:

**Section 5.01 Organization; Standing.** Purchaser is a corporation duly organized, validly existing and in good standing under the Laws of Switzerland.

**Section 5.02 Authority; Execution and Delivery; Enforceability.** Purchaser has the requisite corporate power and authority to execute and deliver this Agreement and the Ancillary Agreements to which it will be a party and to consummate the Transactions. Purchaser has taken all corporate action required by its organizational documents and applicable Law to authorize the execution and delivery of this Agreement, and, prior to the Closing, Purchaser will have taken all corporate action required by its organizational documents and applicable Law to authorize the execution and delivery of the Ancillary Agreements to which it will be a party and the consummation of the Transactions. Purchaser has duly executed and delivered this Agreement and, prior to the Closing, Purchaser will have duly executed and delivered each Ancillary Agreement to which it will be a party, and (assuming the due authorization, execution and delivery by the other parties thereto) this Agreement constitutes, and, as of the Closing, each such Ancillary Agreement will as of the Closing constitute, its legal, valid and binding obligation, enforceable against it in accordance with its terms (except insofar as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally or by principles governing the availability of equitable remedies).

**Section 5.03 No Conflicts; Governmental Approvals.**

(a) The execution, delivery and performance by Purchaser of this Agreement and each Ancillary Agreement to which it is a party, or is contemplated to be a party, and the consummation of the Transactions and compliance with the terms hereof and thereof will not (i) violate any provision of Purchaser's organizational documents, (ii) violate any Judgment or Law applicable to Purchaser or its properties or assets, or (iii) conflict with or result in the breach of any Contract to which Purchaser is a party, except, with respect to clauses (ii) and (iii), any such violation or conflict that would not reasonably be expected, individually or in the aggregate, to material delay, materially impede or prevent Purchaser from consummating the Transactions.

(b) No Consent of, or registration, declaration or filing with, any Governmental Authority is required to be obtained or made by Purchaser in connection with the execution, delivery and performance of this Agreement or the Ancillary Agreements or the consummation of the Transaction, other than those the failure of which to obtain or make would not reasonably be expected, individually or in the aggregate, to material delay, materially impede or prevent Purchaser from consummating the Transactions.

**Section 5.04 Litigation.** As of the Execution Date, there are no Proceedings pending, or to the knowledge of Purchaser, threatened in writing against Purchaser or any of its Affiliates that, in any case, would reasonably be expected, individually or in the aggregate, to material delay, materially impede or prevent Purchaser from consummating the Transactions. Neither Purchaser nor any of its Affiliates is party or subject to or in default under any unsatisfied Judgment, other than such Judgments or defaults that would not reasonably be expected, individually or in the aggregate, to material delay, materially impede or prevent Purchaser from consummating the Transactions.

**Section 5.05 Sufficiency of Funds.** Purchaser (a) has, as of the Execution Date, and at the Closing will have, sufficient cash available to pay in cash the Purchase Price and any expenses incurred by Purchaser in connection with the Transactions, (b) at the Closing will have the resources and capabilities (financial or otherwise) to perform its obligations under this Agreement and the Ancillary Agreements and (c) has not incurred any obligation, commitment, restriction or Liability of any kind, which would materially impair or adversely affect such resources or capabilities.

**Section 5.06 Brokers and Finders** No broker, finder or investment banker who has acted on behalf of Purchaser is entitled or will become entitled to any brokerage, finder's or other fee or commission from Sellers in connection with the Transactions based upon arrangements made by or on behalf of Purchaser.

**Section 5.07 No Outside Reliance; No Other Representations and Warranties** In connection with the due diligence investigation of the Transferred Assets, the Assumed Liabilities and the Business by Purchaser, Purchaser agrees that, except for the representations and warranties set forth in Article IV, in any Ancillary Agreement or in any certificate delivered pursuant hereto or thereto, neither Sellers nor any Representative of Sellers makes, and Purchaser acknowledges that it has not relied upon or otherwise been induced by, (a) any other express or implied representation or warranty, whether written or oral, or (b) any other information provided or made available to Purchaser in connection with the Transactions, including any information, documents, projections, forecasts or other material made available to Purchaser or Purchaser's Representatives in written form, including any implied warranty or representation as to condition, merchantability, suitability or fitness for a particular purpose or trade as to any Transferred Asset. Without limiting the foregoing, Purchaser further agrees that Purchaser has made its own investigation of the Transferred Assets and Assumed Liabilities. Purchaser agrees that no representation or warranty is made as to the accuracy or completeness of any information provided to Purchaser, except to the extent any such representation or warranty is made in Article IV.

**ARTICLE VI  
ADDITIONAL COVENANTS**

**Section 6.01 Conduct of Business**

(a) During the Pre-Closing Period, except as (i) set forth on Section 6.01(a) of the Seller Disclosure Schedule, (ii) required by applicable Law or any Business Contract, (iii) consented to by Purchaser in writing (such consent not to be unreasonably withheld, conditioned or delayed) or (iv) otherwise expressly contemplated by the terms of this Agreement, Sellers shall:

(i) maintain and preserve the Transferred Assets in substantially the same condition as they were on the Execution Date, subject to ordinary wear and tear and immaterial casualty, including managing the Transferred Inventory in the Ordinary Course of Business;

(ii) operate the Business in the Ordinary Course of Business;

(iii) comply in all material respects with each of the Transferred Contracts;

(iv) maintain the Transferred Books and Records in the Ordinary Course of Business; and

(v) comply in all material respects with all Laws applicable to the operation of the Business and the Transferred Assets.



(b) Without limiting the generality of the foregoing, during the Pre-Closing Period, except as (i) set forth on Section 6.01(b) of the Seller Disclosure Schedule, (ii) required by applicable Law or any Business Contract, (iii) consented to by Purchaser in writing (such consent not to be unreasonably withheld, conditioned or delayed) or (iv) otherwise expressly contemplated by the terms of this Agreement, Sellers shall not:

(i) sell, lease, license, remove or otherwise dispose of, or enter into a Contract to sell, lease, license, remove or otherwise dispose of, any Transferred Assets, (other than with respect to Transferred IP, which is the subject of Section 6.01(b)(ii)) in each case, other than sales of inventory pursuant to existing Contracts in the Ordinary Course of Business;

(ii) (A) sell, assign, encumber, fail to continue to prosecute or defend, abandon, cancel, fail to renew or maintain or otherwise allow to lapse any Transferred IP or (B) grant to any Third Party any license, or enter into any covenant not to sue with respect to, any material Transferred IP, except, solely in the case of this clause (B), non-exclusive licenses of Intellectual Property granted to customers or service providers in the Ordinary Course of Business;

(iii) suffer nor permit the imposition of any Lien, other than a Permitted Lien, upon the Transferred Assets;

(iv) amend, modify, renew, extend, terminate or grant any release or relinquishment of any material right under any Transferred Contract, except for automatic renewals or extensions of Transferred Contracts that do not require delivery of notice or execution of any document by such Seller;

(v) enter into any Contract related to the Transferred Assets or Assumed Liabilities, other than entry into statements of work under existing Transferred Contracts in the Ordinary Course of Business (which, for the avoidance of doubt shall be provided to Purchaser in accordance with Section 2.02(a)(i)) or Contracts that shall be terminated at or prior to the Closing without ongoing obligations to the Sellers and that do not otherwise adversely impact the Transferred Assets or Assumed Liabilities;

(vi) make any capital expenditures or incur, assume or guarantee any Liability that, in each case, would constitute an Assumed Liability;

(vii) settle, pay, discharge or satisfy any Proceeding relating to a Transferred Asset or Assumed Liability or the Business;

(viii) (A) make, change or rescind any material election relating to Taxes, (B) settle or compromise any claim relating to Taxes, (C) file or amend any Tax Returns relating to material Taxes, (D) consent to any extension or waiver of the statute of limitations period applicable to any material Taxes, Tax Returns relating to material Taxes or claims for material Taxes or (E) enter into any closing agreement with any Taxing Authority with respect to material Taxes, in each case in relation to, or otherwise with an impact on, the Transferred Assets or Assumed Liabilities; or

(ix) agree or commit to do any of the foregoing.

(c) Nothing contained in this Agreement is intended to give Purchaser or its Affiliates, directly or indirectly, the right to control or direct the operations of Sellers, and nothing contained in this Agreement is intended to give Sellers, directly or indirectly, the right to control or direct Purchaser's operations. Prior to the Closing, each of Purchaser and its Affiliates, on the one hand, and Sellers, on the other hand, shall exercise, consistent with the terms and conditions of this Agreement, complete control and supervision over its and its Affiliates' respective operations.

**Section 6.02 Access to Information.**

(a) During the Pre-Closing Period, Sellers shall afford to Purchaser and its Representatives reasonable access, upon reasonable prior notice during normal business hours, to (i) the Transferred Assets, (ii) senior management of the Business, (iii) the books and records of Sellers to the extent relating to the Transferred Assets and the Assumed Liabilities (including, for the avoidance of doubt, any Tax Returns for any Pre-Closing Tax Periods or related workpapers) and (iv) any other information concerning or otherwise reasonably relating to the Transferred Assets and the Assumed Liabilities as Purchaser or its Representatives may reasonably request in furtherance of the consummation of the Transactions (including, for the avoidance of doubt, the actions contemplated by Section 3.03); *provided, however*, that, subject to Section 2.02, such access to documentary or certain informational requests may be provided through an electronic data room; *provided, further, however*, that any such access shall be afforded subject to the Confidentiality Agreement and at such times and in a manner that does not unreasonably interfere with or disrupt the normal operation of Business or any other operations of Sellers. Subject to the actions contemplated by Section 3.03, all requests for information made pursuant to this Section 6.02(a) shall be directed to such Person or Persons set forth on Section 6.02(a) of the Seller Disclosure Schedule or as may be otherwise designated by Sellers, and, other than in the ordinary course of business unrelated to the Transactions, Purchaser shall not directly or indirectly contact any officer, director, employee, agent or other Representative of Sellers or any of its respective Affiliates without the prior approval of such designated Person(s). Subject to the actions contemplated by Section 3.03, during the Pre-Closing Period, Purchaser agrees that neither it nor any of its Affiliates or Representatives is authorized to contact, and Purchaser shall not, and shall cause its Affiliates and Representatives not to, contact, any licensor, competitor, supplier, distributor or customer of Sellers or any of their respective Affiliates with respect to the Transferred Assets, the Assumed Liabilities, this Agreement or the Transactions, without the prior written consent of Sellers (which consent shall not be unreasonably withheld, conditioned or delayed), except for any such contact made in the ordinary course of business and unrelated to the Transactions. Neither the auditors and independent accountants of Sellers or any of their respective Affiliates, on the one hand, nor the auditors and independent accountants of Purchaser and its respective Affiliates, on the other hand, shall be obligated to make any work papers available to any Person under this Agreement, unless and until such Person has signed a customary confidentiality and hold harmless agreement relating to such access to work papers in form and substance reasonably acceptable to such auditors or independent accountants. If so requested by Sellers, Purchaser shall, and shall cause its Affiliates (as applicable) to, enter into a customary joint defense agreement with Seller or its Affiliates with respect to any information to be provided to Purchaser pursuant to this Section 6.02(a).

(b) From and after the Closing Date until the fourth (4<sup>th</sup>) anniversary of the Closing Date, subject to the confidentiality obligations set forth in Section 9.15, Purchaser shall and shall cause its Affiliates to, on the one hand, and Sellers shall, and shall cause their Affiliates to, on the other hand, grant to the other such access, upon reasonable prior notice during normal business hours, to financial records and other information in their possession related to the Transferred Assets and the Assumed Liabilities and such cooperation and assistance in each case as shall be reasonably required to enable them to complete their legal, regulatory, stock exchange and financial reporting requirements or as may be reasonably necessary in respect of any Proceeding (and the defense, appeal or settlement thereof) or any insurance matter (other than in connection with any Proceeding between or among the Parties or their respective Affiliates arising out of the Transactions, with respect to which applicable rules of discovery shall apply). Notwithstanding the forgoing, no Party shall not have any obligation pursuant to this Section 6.02(b) to make available to the other Party or provide the other Party with any documents, records or information that, in the opinion of such Party, are commercially sensitive. Purchaser and Sellers shall promptly reimburse the other for such other Party's reasonable out-of-pocket expenses associated with requests made by such first Party under this Section 6.02(b), but no other charges shall be payable by the requesting Party to the other Party in connection with such requests. Any access afforded pursuant to this Section 6.02(b) shall be at such times and in a manner that does not unreasonably interfere with or disrupt the normal operation of the Party providing such access.

(c) Except as otherwise specified herein, Purchaser acknowledges and agrees that (i) certain records may contain information relating to Sellers or their Affiliates, other than with respect to the Transferred Assets and Assumed Liabilities (and, notwithstanding the inclusion of such information in such records, such information shall not constitute Transferred Assets), and that Sellers and their Affiliates may retain copies thereof and (ii) prior to making any records available to Purchaser, Sellers or their Affiliates may redact any portions thereof that (A) do not relate to the Transferred Assets or the Assumed Liabilities or (B) constitute Excluded Communications.

(d) Nothing contained in Section 6.02(a) or Section 6.02(b) shall obligate any of Purchaser, Sellers or any of their respective Affiliates to, (i) breach, or take any action that could violate or breach, any fiduciary duty, duty of confidentiality owed to any Person (whether such duty arises contractually, statutorily or otherwise), Law (including any applicable antitrust Law) or Contract with any other Person, or (ii) waive any applicable privilege or work product doctrine, including attorney-client privilege; *provided* that Sellers or their respective Affiliates (as applicable) shall use commercially reasonable efforts to communicate the applicable information in a way that would not violate the applicable duty, Law or Contract or waive the applicable privilege.

### **Section 6.03 Proxy Statement; Stockholder Meeting.**

(a) Preparation. Cara shall prepare and file with the SEC a Form S-4 and proxy statement (together "*Merger Proxy*") to be sent to its stockholders in accordance with the Merger Agreement as promptly as practicable following the Execution Date. Cara shall provide Purchaser with a draft of the Merger Proxy, and any amendments thereto, in each case, at least three (3) Business Days prior to filing with the SEC and Sellers shall consider in good faith the comments of Purchaser made at least one (1) Business Day prior to the filing thereof. In the event that the Merger Agreement is validly terminated, Cara shall within ten (10) Business Days prepare and file with the SEC a preliminary proxy statement to be sent to its stockholders in connection with the Transactions (the proxy statement, including any amendments or supplements thereto, the "*Proxy Statement*"). Cara shall provide Purchaser with a draft of the Proxy Statement at least five (5) Business Days prior to filing with the SEC and Sellers shall consider in good faith the comments of Purchaser made at least two (2) Business Days prior to the filing thereof. The Proxy Statement shall include a statement to the effect that Cara's board of directors (i) determined that this Agreement and the Transactions are advisable and fair to and in the best interests of Cara and its stockholders, (ii) approved this Agreement and the Transactions, in accordance with the requirements of the DGCL and (iii) recommends that Cara's stockholders vote to adopt this Agreement at the Stockholder Meeting.

(b) If Cara files the Proxy Statement, Cara shall use its commercially reasonable efforts to solicit proxies to obtain the affirmative vote of the holders of a majority of the voting power of the outstanding shares of the common stock of Cara, par value \$0.0001 entitled to vote on the Transactions (the "**Requisite Stockholder Approval**"). Promptly (but no later than five (5) days, to the extent practicable) following the (A) confirmation by the SEC that it has no further comments or (B) expiration of the 10-day waiting period contemplated by Rule 14a-6(a) promulgated under the Exchange Act, Cara will cause the Proxy Statement in definitive form to be mailed to its stockholders. Cara shall promptly provide Purchaser with all proxy tabulation reports relating to the Requisite Stockholder Approval that have been prepared by Cara or Cara's transfer agent, proxy solicitor or other Representative, and shall otherwise keep Purchaser reasonably informed regarding the status of the solicitation and any material oral or written communications from or to Cara's stockholders with respect thereto.

(c) SEC Correspondence. If Cara files the Proxy Statement, Cara will notify Purchaser as promptly as practicable of the receipt of any comments, whether written or oral, from the SEC and of any request by the SEC for amendments or supplements to the Proxy Statement, or for additional information, and will supply each other with copies of all material correspondence between it or any of its Representatives, on the one hand, and the SEC, on the other hand, with respect to such filings. The Parties will use their respective commercially reasonable efforts to resolve all SEC comments, if any, with respect to the Proxy Statement as promptly as practicable after the receipt thereof. Notwithstanding the foregoing, prior to responding to any comments from the SEC, Cara shall promptly provide Purchaser a reasonable opportunity to review such response and consider in good faith the comments of Purchaser in connection with any such response. Cara and its Representatives shall not agree to participate in any material or substantive meeting or conference (including by telephone) with the SEC, or any member of the staff thereof, in respect of the Proxy Statement prior to consulting with Purchaser and, to the extent permitted by the SEC, allow Purchaser or its Representatives to participate.

(d) Accuracy; Supplied Information.

(i) *By Cara*. If applicable, on the date of filing with the SEC, the date of mailing to Cara's stockholders of the Proxy Statement, and at the time of the Stockholder Meeting, the Proxy Statement 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 therein, in light of the circumstances under which they are made, not false or misleading. Notwithstanding the foregoing, no covenant is made by Cara with respect to any information supplied by Purchaser or any of its Affiliates for inclusion or incorporation by reference in the Proxy Statement.

(ii) By Purchaser. If applicable, on the date of filing with the SEC, the date of mailing to Cara's stockholders of the Proxy Statement, and at the time of the Stockholder Meeting, the information supplied by Purchaser or any of its Affiliates for inclusion or incorporation by reference in the Proxy Statement 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 therein, in light of the circumstances under which they are made, not misleading. Notwithstanding the foregoing, no covenant is made by Purchaser with respect to any information supplied by Cara for inclusion or incorporation by reference in the Proxy Statement.

(e) Stockholder Meeting. If applicable, Cara will take all action necessary in accordance with applicable Law and Cara's organizational documents to establish a record date for, duly call, give notice of, convene and hold a meeting of the stockholders of Cara (including any adjournment, postponement or other delay thereof, the "**Stockholder Meeting**") as promptly as reasonably practicable following the mailing of the Proxy Statement to Cara's stockholders for the purpose of, among other things, seeking the Requisite Stockholder Approval.

(f) Transaction Litigation. Cara will (i) give Purchaser the opportunity to participate in the defense, settlement or prosecution of any Transaction Litigation; (ii) consult with Purchaser with respect to the defense, settlement and prosecution of any Transaction Litigation; and (iii) consider in good faith Purchaser's advice with respect to any Transaction Litigation. Cara may not compromise, settle or come to a binding arrangement regarding, or agree to compromise, settle or come to a binding arrangement regarding, any Transaction Litigation unless Purchaser has consented thereto in writing (which consent will not be unreasonably withheld, conditioned or delayed). For purposes of this provision, "participate" means that Purchaser will be kept apprised of proposed strategy and other significant decisions with respect to the Transaction Litigation by Cara (to the extent that the attorney-client privilege between Cara and its counsel is not undermined or otherwise affected), and Purchaser may offer comments or suggestions with respect to such Transaction Litigation, which Cara and its counsel shall consider in good faith, but will not be afforded any decision-making power or other authority over such Transaction Litigation except for the settlement or compromise consent set forth above.

#### **Section 6.04 Taxes**

(a) Withholding. Purchaser and its agents, and Sellers and their agents, shall each use commercially reasonable efforts to notify the other Party in writing of any deduction or withholding it believes is applicable to amounts payable hereunder, and shall reasonably cooperate with the other Party to reduce or eliminate any such deduction or withholding. If Purchaser (or any Affiliate of Purchaser) or Sellers (or any Affiliate of Sellers) is or are required to deduct or withhold any Taxes on any payments under this Agreement (a "**Withholding Tax**"), Purchaser or Sellers, as applicable, will (i) pay such Withholding Tax to the appropriate Governmental Authority and (ii) furnish Sellers or Purchaser (as applicable) with proof of payment of such Withholding Tax. To the extent any Withholding Tax is deducted or withheld, such amount shall be treated for all purposes of this Agreement as having been paid to the Person to whom such amount would otherwise have been paid.

(b) Transfer Taxes. Purchaser and Sellers shall cooperate in timely making all filings, returns, reports and forms as may be required to comply with the provisions of applicable Law in connection with the payment of any Transfer Taxes and Purchaser and Sellers shall cooperate in good faith to minimize, to the fullest extent permitted by applicable Law, the amount of any Transfer Taxes payable in connection with the sale and transfer of the Transferred Assets or Assumed Liabilities hereunder, including providing resale certificates or such other certifications or documents as will relieve Purchaser or Sellers from liability for any Transfer Taxes, where applicable. The party customarily responsible for filing Tax Returns on applicable Transfer Taxes will be responsible for the timely remittance of any such Transfer Taxes to the appropriate Taxing Authority and will file all necessary Tax Returns and other documentation with respect to all such Transfer Taxes.

(c) Straddle Periods. Taxes relating or imposed with respect to the Transferred Assets or the Assumed Liabilities on a periodic basis and payable for any Straddle Period, including real and personal property Taxes, *ad valorem* Taxes, and franchise fees or Taxes ("Periodic Taxes") shall be prorated between Purchaser and Sellers based on the number of days of the relevant Straddle Period the asset was owned by each respective party during the fiscal period for which Periodic Taxes were assessed by the Taxing Authority (as such fiscal period is reflected on the bill rendered by such Taxing Authority). All Taxes payable for any Straddle Period other than Periodic Taxes shall be prorated between Sellers and Purchaser on a "closing of the books" basis as of the end of the day on the Closing Date.

(d) Cooperation. Each Party shall, and shall cause its Affiliates to, cooperate with and provide to the other Party and its Affiliates such documentation, information and assistance as may reasonably be requested in connection with (i) the preparation of any Tax Return relating to the Transferred Assets or the Assumed Liabilities, (ii) the determination of liability for Taxes pursuant to this Agreement, or (iii) the conduct of any Proceeding relating to the Transferred Assets or the Assumed Liabilities.

(e) Bulk Sales. The Parties hereby waive compliance with any requirements or provisions of any "bulk transfer" laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Transferred Assets; *provided*, that any liability (other than an Assumed Liability) arising from such waiver shall constitute a Retained Liability to the extent any such liability would otherwise be treated as a Retained Liability had the Parties complied with any such "bulk transfer" laws.

(f) Intended Tax Treatment. For U.S. federal and applicable state and local income tax purposes, Purchaser's acquisition of the Transferred Assets is intended to be treated as a taxable sale by Sellers of the Transferred Assets in exchange for the Purchase Price.

(g) Tax Treatment of Certain Payments. All payments made pursuant to Article VII shall be deemed adjustments to the Purchase Price for U.S. federal and applicable local income Tax purposes to the maximum extent permitted by applicable Tax Law.

**Section 6.05 Publicity.** No public announcement shall be made by either Party with respect to the existence, terms and conditions, or performance of this Agreement, the Implementation Agreements or the Transactions without the prior written consent of the other Party, except (i) each of Cara and Purchaser may make any public statement in response to questions from the press, analysts, investors or those attending industry conferences and make internal announcements to employees, so long as such statements or announcements are consistent with (and not materially expansive of) previous press releases, public disclosures or public statements or announcements made jointly by the Parties (or individually, if approved by the other Party) or (ii) as may be required to comply with any applicable Law or the rules and regulations of any applicable stock exchange. The Parties acknowledge and agree that the determination that a disclosure is required by applicable Law, or the rules or regulations of any applicable stock exchange shall be made in the sole, but reasonably exercised, discretion of the Party making such disclosure. To the extent a Party determines that a disclosure is necessary under this Section 6.05, to the extent permissible under Law, the Parties will work in good faith to attempt to agree upon the content of such disclosure. If either Party, based on the reasonable advice of such Party's outside legal counsel, determines that this Agreement, or any Ancillary Agreement, must be filed with the SEC or any other applicable Governmental Authority, then such Party, prior to making any such filing, shall provide the other Party and its counsel with a redacted version of this Agreement (and any Ancillary Agreement) which it intends to file and any draft correspondence with the SEC (or such other Governmental Authority, as applicable) requesting the confidential treatment by the SEC or other Governmental Authority of those redacted sections, and will give due consideration to any comments and redactions provided by the other Party or its counsel and use commercially reasonable efforts to ensure the confidential treatment by the SEC or other Governmental Authority of those sections specified by the other Party or its counsel.

**Section 6.06 IP Matters.**

(a) From and within thirty (30) days after the Closing, Sellers shall, or shall cause their applicable Affiliates to: (i) execute, notarize and perform all other legalization acts in respect of any and all papers, documents, agreements or other instruments that may be reasonably necessary to effectuate the assignment, transfer, prosecution or enforcement of the Transferred IP, including duly executed assignments of the Transferred IP for recording with the applicable Governmental Authority or domain name registrar and (ii) release and transfer possession and control of the Transferred IP to Purchaser (or its designated Affiliate). Sellers hereby authorize each such registrar to transfer the ownership and control of the Registered IP within the Transferred IP to Purchaser (or its designated Affiliate).

(b) Prior to the Closing, Sellers shall (i) use commercially reasonable efforts to (A) afford Purchaser and its Representatives reasonable access to the inventors named on the Transferred Patents to the extent that they are employees of either Seller, and (B) introduce Purchaser and its Representatives to any other inventors named on the Transferred Patents who are alive and (ii) afford to Purchaser and its Representatives reasonable access to Sellers' existing supervising and local agents to assist with the matters set forth in Section 6.06(a), and to issue any waivers, as applicable, to allow for Purchaser's continued prosecution of the Transferred IP after the Closing.

(c) Prior to the Closing, Sellers shall, or shall cause their Affiliates to, terminate the Contracts set forth on Section 6.06(c) of the Seller Disclosure Schedule.

(d) At the Closing Date, Sellers shall deliver, or shall cause to be delivered to the Purchaser (i) correct and complete copies of all Trademark, Patent, and Copyright prosecution files and dockets, registration certificates, litigation files, and related opinions of counsel and correspondence relating thereto for the Transferred IP (other than the Transferred Books and Records to the extent provided pursuant to Section 1.02(g) or the Product Files) (ii) a list of outstanding maintenance, renewal and prosecution deadlines with respect to the Registered IP that fall within ninety (90) days following the Closing Date, (iii) all books, records, files, ledgers or similar documentation in Sellers' possession used to track, organize or maintain any of the Transferred IP, and (iv) tangible embodiments of all Transferred IP.

(e) As of and following the Closing, neither Sellers nor any of their Affiliates will, directly or indirectly: (i) exploit, disclose, or make use of all or any part of the Transferred IP, (provided that Sellers may use the General Books and Records and the Transferred Books and Records solely to the extent not exclusively related to the Transferred Assets or the Business in connection with the Sellers' retained business) or (ii) use or attempt to register any Trademark included in the Transferred IP or any Trademark confusingly similar thereto; and Seller and its Affiliates will consent to, and not challenge or interfere with Purchaser's or its Affiliates' efforts to apply for, defend or enforce registrations for, and rights in, any Transferred IP worldwide, or the use or ownership thereof by Purchaser or its Affiliates.

(f) Effective as of the Closing Date, Sellers hereby grant to the Purchaser and its Affiliates, a non-exclusive, fully paid-up, irrevocable, worldwide, perpetual, royalty-free, non-sublicensable (other than to customers, suppliers, contract manufacturers, service providers and distributors), non-transferable (except as set forth in Section 9.03) license, under any Intellectual Property (other than Trademarks) that is solely owned by Sellers as of the Closing Date and is or has been used in connection with the Business, in connection with the current and future operation of the Business as currently conducted and natural evolutions thereof.

**Section 6.07 Use of Seller Names and Marks.** Purchaser shall as soon as reasonably practicable, and in any event within twelve (12) months after the Closing Date, revise sales and product literature, packaging and labeling to (i) delete all references to the Sellers Names and Marks and (ii) delete all references to Sellers or any of their Affiliates' customer service address or phone number; *provided, however*, that, (a) for a period of eighteen (18) months from the Closing Date, Purchaser may continue to distribute sales and product literature that uses any of the Sellers Names and Marks, addresses or phone numbers to the extent that such sales and product literature exist on the Closing Date, and (b) for a period of thirty (30) months from the Closing Date, Purchaser may continue to distribute the Transferred Inventory that uses any of the Sellers Names and Marks to the extent that such Transferred Inventory exist on the Closing Date. Effective as of the Closing Date, Sellers hereby grant, and shall cause their applicable Affiliates to grant, to the Purchaser a limited, worldwide, non-exclusive, royalty-free, non-sublicensable license to use, on a transitional basis, the Seller Names and Marks to the extent necessary (1) to allow Purchaser to use such sales and product literature and Transferred Inventory, (2) in connection with signage on assets, vehicles, facilities, equipment, tools, and uniforms bearing the Seller Names and Marks that are in existence as of the Closing Date, and (3) to redirect customers and others from non-transferring websites (including caratherapeutics.com) to website(s) designed by the Purchaser; *provided* that Purchaser's use of the Seller Names and Marks in the foregoing clauses (1) – (3) shall terminate, with respect to the Transferred Inventory, upon the depletion of such Transferred Inventory, and with respect to such sales and product literature, signage on assets, vehicles, facilities, equipment, tools, and uniforms upon the later of (x) eighteen (18) months from the Closing Date, and (y) final regulatory approvals of the Products obtained from the relevant Governmental Authorities authorizing the applicable name change of the Products' label and packaging.



**Section 6.08 Notification of Certain Matters.**

(a) During the Pre-Closing Period, each Party shall promptly notify the other Party of the occurrence of any event that would reasonably be expected to cause any representation or warranty of Sellers or Purchaser, as applicable, contained in this Agreement to be untrue or inaccurate at or prior to the Closing or the occurrence of any event that could result in any of the conditions set forth in Article VII becoming incapable of being satisfied.

(b) From and after Closing and until the third (3<sup>rd</sup>) anniversary of the Closing Date, Sellers shall (i) notify Purchaser in writing (to the email address set forth on Section 6.08(b) of the Seller Disclosure Schedule) as promptly as possible, but no later than within three (3) Business Days of becoming aware of any Adverse Events, complaints, or other safety-related issues with respect to the IV Product, and (ii) provide the information received by Sellers or their controlled Affiliates in connection with any such Adverse Events including, to the extent available, an identifiable reporter, identifiable patient, and suspect product.

**Section 6.09 Purchaser License Agreements.**

(a) Within thirty (30) days after the Closing Date, (a) Purchaser shall submit to Cara a report listing (i) the total Net Sales (as defined in the Purchaser License Agreement) for Licensed Product (as defined in the Purchaser License Agreement) for each country in the Licensed Territory (as defined in the Purchaser License Agreement) for the applicable period up to the Closing Date, (ii) the calculation of royalties owed (including listing the deductions taken from gross sales to arrive at Net Sales (as defined in the Purchaser License Agreement)) and (iii) the royalties payable to Cara under Section 6.3 of the Purchaser License Agreement, including the basis for any adjustments taken under Sections 6.3(c) or (d) of the Purchaser License Agreement (the "**Royalties Report**") and (b) Purchaser shall pay the royalties owed under Section 6.3 of the Purchaser License Agreement promptly following, but no later than ten (10) Business Days following receipt by Cara of the Royalties Report, to HCR, as Cara's designee, in accordance with the applicable payment terms of the HCR A&R PSA.

(b) For all sales of Licensed Products (as defined in the Vifor License Agreement) to customers in the United States under the Vifor License Agreement, other than sales to FMC Dialysis Clinics (as defined in the Vifor License Agreement), during the applicable period up to the Closing Date, Purchaser shall pay to Cara 60% of the Non-FMC Net Profit (as defined in the Vifor License Agreement) resulting from such sales, and 50% of the Net Profit resulting from such sales to FMC Dialysis Clinics (as defined in the Vifor License Agreement) resulting from such sales (including taking into account any applicable offset or reductions in accordance with Sections 6.4 and 6.5 of the Vifor License Agreement, consistently applied). Purchaser shall pay such share of Non-FMC Net Profit in accordance with the process set forth in Section 6.6 of the Vifor License Agreement, *mutatis mutandis*, and shall, in any event, pay such amounts to Cara no later than forty-five (45) days following the Closing Date.

**ARTICLE VII  
CONDITIONS TO CLOSING**

**Section 7.01 Conditions to Each Party's Obligation** The obligations of Purchaser and Sellers to consummate the Closing are subject to the satisfaction at or prior to the Closing of the following conditions:

- (a) No Injunctions or Restraints. No Governmental Authority of competent jurisdiction shall have enacted, issued, promulgated or enforced any Law or preliminary or permanent Judgment which is in effect, and which prohibits, enjoins or makes illegal the Transactions (each, a "**Governmental Prohibition**").
- (b) No Proceedings. No Proceeding shall be pending or threatened in writing against Purchaser or Sellers by any Governmental Authority seeking to prohibit, enjoin or make illegal the Transactions.
- (c) Completion of Reverse Merger or Requisite Stockholder Approval. Either (i)(x) Sellers shall provide evidence, in a form reasonably acceptable to Purchaser, that the Reverse Merger will be consummated substantially concurrently with the Closing or (y) the consummation of the Reverse Merger has occurred or (ii) Requisite Stockholder Approval shall have been obtained.
- (d) HCR Agreements. (i) The HCR Letter Agreement executed and delivered on the Execution Date shall be in full force and effect and shall have not been breached or repudiated or threatened to be breached or repudiated by HCR and (ii) the HCR A&R PSA (in substantially the form attached to the HCR Letter Agreement) shall be entered into by HCR and Purchaser (or their designated Affiliates) concurrently with Closing.

**Section 7.02 Conditions to Obligation of Purchaser** The obligation of Purchaser to consummate the Closing is subject to the satisfaction (or waiver in writing by Purchaser) at or prior to the Closing of the following conditions:

- (a) Representations and Warranties. (i) Each of the representations and warranties of Sellers set forth in Article IV (other than the Fundamental Representations) shall be true and correct in all respects (without regard to any qualification as to materiality or Material Adverse Effect included therein) on and as of the Closing Date, with the same effect as though made on and as of such date (except, in each case, to the extent that such representation and warranty speaks only as of a particular date, in which case such representation and warranty shall be true and correct as of such particular date) except for such failures (considered collectively) to be true and correct that would not have a Material Adverse Effect; (ii) each of the Fundamental Representations set forth in Section 4.07(a) and Section 4.09(b) shall be true and correct in all material respects (without regard to any qualification as to materiality or Material Adverse Effect included therein) on and as of the Closing Date, with the same effect as though made on and as of such date (except, in each case, to the extent that such representation and warranty speaks only as of a particular date, in which case such representation and warranty shall be true and correct as of such particular date); and (iii) each of the Fundamental Representations (other than Section 4.07(a) and Section 4.09(b)) shall be true and correct in all but de minimis respects (without regard to any qualification as to materiality or Material Adverse Effect included therein) on and as of the Closing Date, with the same effect as though made on and as of such date (except, in each case, to the extent that such representation and warranty speaks only as of a particular date, in which case such representation and warranty shall be true and correct as of such particular date).

(b) Performance of Obligations of Sellers. Each Seller shall have performed or complied with, in all material respects, the obligations and covenants required by this Agreement to be performed or complied with by such Seller on or prior to the Closing.

(c) No MAE. Since the Execution Date, no Material Adverse Effect shall have occurred that is continuing.

(d) No Bankruptcy. No petition shall have been filed by either Seller pursuant to any chapter of title 11 of the United States Code or under any state-law equivalent relating to or in service of a bankruptcy, insolvency, liquidation, winding up, assignment for the benefit of creditors or any similar proceeding of either of the Sellers.

(e) Consents. Sellers shall have obtained and provided written evidence in a form reasonably satisfactory to Purchaser of, the Consents set forth on Section 7.02(d) of the Seller Disclosure Schedule.

(f) Closing Deliverables. At Closing, Seller shall have delivered to Purchaser:

(i) a certificate, dated as of the Closing Date and signed by an authorized officer of each Seller, certifying that each of the conditions set forth in Section 7.02(a) and Section 7.02(b) have been satisfied or waived in writing by Purchaser;

(ii) a certificate, dated as of the Closing Date, and signed by an authorized officer of Cara, certifying that that as of the Closing Date (A) each Seller has complied with all provisions and actions required under Title 21 §314.72 of the Code of Federal Regulations for all applicable applications thereunder and (B) Purchaser has received a complete and accurate copy of (1) any such approved applications under Title 21 §314.72 of the Code of Federal Regulations, (2) all records required to be maintained pursuant to Title 21, §314.81 of the Code of Federal Regulations and (3) all material documents and communications exchanged between Sellers and the FDA with respect to the IV Product (excluding, for the avoidance of doubt, any Excluded Communications).

(iii) the Closing Payment in accordance with Section 2.01(b);

(iv) a properly completed and duly executed IRS Form W-9 of Cara and Royalty Sub (or, if applicable, the regarded owner of Royalty Sub for U.S. federal income tax purposes);

(v) a duly executed counterpart to each Ancillary Agreement; and

(vi) a duly executed copy of the Seller Transfer Letter.

**Section 7.03 Conditions to Obligation of Sellers.** The obligation of Sellers to consummate the Closing is subject to the satisfaction (or waiver in writing by Sellers) on or prior to the Closing Date of the following conditions:

(a) **Representations and Warranties.** The representations and warranties of Purchaser set forth in Article V shall be true and correct in all material respects on and as of the Closing Date, with the same effect as though made on and as of such date (except, in each case, to the extent that such representation and warranty speaks only as of a particular date, in which case such representation and warranty shall be true and correct as of such particular date).

(b) **Performance of Obligations of Purchaser.** Purchaser shall have performed or complied with, in all material respects, the obligations and covenants required by this Agreement to be performed or complied with by Purchaser on or prior to the Closing.

(c) **Closing Deliverables.** At Closing, Purchaser shall have delivered to Sellers:

(i) a certificate, dated as of the Closing Date and signed by an authorized officer of Purchaser, certifying that each of the conditions set forth in Section 7.03(a) and Section 7.03(b) have been satisfied or waived in writing by Sellers;

(ii) a properly completed and duly executed IRS Form W-8 of Purchaser;

(iii) a duly executed counterpart to each Ancillary Agreement; and

(iv) a duly executed copy of the Purchaser Transfer Letter (executed by Purchaser or an Affiliate of Purchaser as designated by Purchaser with full authority to make the representations in the Purchaser Transfer Letter).

**Section 7.04 Frustration of Closing Conditions.** Neither Purchaser nor Sellers 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 or its respective Affiliates' failure to comply with its agreements set forth herein.

#### ARTICLE VIII TERMINATION

**Section 8.01 Termination.** This Agreement may be terminated, and the Transactions abandoned, at any time prior to the Closing (whether before or after the Requisite Stockholder Approval has been obtained):

(a) by mutual written consent of Cara and Purchaser;

(b) by either Cara or Purchaser:

(i) if any court of competent jurisdiction or other Governmental Authority of competent jurisdiction shall have issued a Governmental Prohibition or taken any other action permanently restraining, enjoining or otherwise prohibiting the Transactions and such Governmental Prohibition or other action shall have become final and nonappealable; or

(ii) if the Closing does not occur on or prior to June 30, 2025 (the "*End Date*"); *provided, however*, that the End Date shall automatically be extended by one month increments up to (and inclusive of) October 30, 2025 if, as of such date, (i) the condition set forth in Section 7.01(c) has not been satisfied as a result of the Stockholder Meeting (including any adjournments and postponements thereof) having not yet been held and completed and (ii) all other conditions in Article VII (other than those conditions that by their nature are to be satisfied at the Closing, but subject to their being capable of being satisfied or waived at the Closing) have been satisfied or waived; *provided, however*, that the right to terminate this Agreement under this Section 8.01(b)(ii) shall not be available to a Party whose failure to perform any of its obligations under this Agreement has been the cause of, or resulted in, the failure of the Closing not to have occurred on or before the End Date;

(iii) if: (i) the Stockholder Meeting (including any adjournments and postponements thereof) shall have been held and completed and Cara's stockholders shall have taken a final vote on a proposal to adopt this Agreement; and (ii) this Agreement shall not have been adopted at the Stockholder Meeting (and shall not have been adopted at any adjournment or postponement thereof) by the Requisite Stockholder Approval;

(c) by Purchaser, if any Seller shall have breached or failed to perform any of its representations, warranties, covenants or agreements contained in this Agreement, which breach or failure to perform (i) would give rise to the failure of a condition set forth in Section 7.01 or Section 7.02 to be satisfied, (ii) cannot be cured by such Seller by the End Date, or if capable of being cured, shall not have been cured by the earlier of (A) the thirtieth (30<sup>th</sup>) day following receipt by Sellers of written notice of such breach or failure to perform from Purchaser stating Purchaser's intention to terminate this Agreement pursuant to this Section 8.01(b)(iii) and the basis for such termination and (B) the End Date and (iii) has not been waived by Purchaser; *provided, however*, that Purchaser shall not have the right to terminate this Agreement pursuant to this Section 8.01(c) if Purchaser is then in breach of any representations, warranties, covenants or other agreements hereunder that would result in any condition to Closing set forth in Section 7.01 or Section 7.03 not being satisfied (other than any such condition that (x) by its terms is to be satisfied at the Closing or (y) the failure of which to be satisfied is attributable primarily to a breach by a Seller of its representations, warranties, covenants and agreements contained in this Agreement); or

(d) by Cara, if Purchaser shall have breached or failed to perform any of its representations, warranties, covenants or agreements contained in this Agreement, which breach or failure to perform (i) would give rise to the failure of a condition set forth in Section 7.01 or Section 7.03 to be satisfied, (ii) cannot be cured by Purchaser by the End Date, or if capable of being cured, shall not have been cured by the earlier of (A) the thirtieth (30<sup>th</sup>) day following receipt by Purchaser of written notice of such breach or failure to perform from Cara stating Cara's intention to terminate this Agreement pursuant to this Section 8.01(d), and the basis for such termination and (B) the End Date and (iii) has not been waived by Cara; *provided, however*, that Cara shall not have the right to terminate this Agreement pursuant to this Section 8.01(d) if any Seller is then in breach of any representations, warranties, covenants or other agreements hereunder that would result in any condition to Closing set forth in Section 7.01 or Section 7.02 not being satisfied (other than any such condition that (x) by its terms is to be satisfied at the Closing or (y) the failure of which to be satisfied is attributable primarily to a breach by Purchaser of its respective representations, warranties, covenants and agreements contained in this Agreement).

**Section 8.02 Effect of Termination.** In the event of termination by Cara or Purchaser pursuant to Section 8.01, written notice thereof shall forthwith be given to the other Party, specifying the provision hereof pursuant to which such termination is made, and this Agreement shall forthwith become null and void and of no further force and effect (other than the Confidentiality Agreement, Section 6.05 (Publicity), this Article VIII (Termination) and Article IX (Miscellaneous), all of which shall survive termination of this Agreement), and there shall be no liability on the part of Purchaser or Sellers or their respective Affiliates or Representatives, except that no such termination shall relieve any Party from any liability arising out of or relating to (x) Fraud by such Party or (y) any Willful Breach by such Party of any representation, warranty, covenant or agreement of such Party contained herein. "**Willful Breach**" means a deliberate act or a deliberate failure to act, which act or failure to act constitutes in and of itself a material breach of this Agreement or reasonably would be expected to cause or result in a material breach of this Agreement, where the intention of such act or failure to act was the breaching of this Agreement.

**ARTICLE IX  
MISCELLANEOUS**

**Section 9.01 Notices.** All notices, requests, permissions, waivers and other communications hereunder shall be in writing and shall be deemed to have been duly given or delivered (a) when sent, if sent by electronic mail; *provided* the sender has not received an automatic notification indicating delivery failure, (b) when delivered, if delivered personally to the intended recipient and (c) one (1) Business Day following sending by overnight delivery via a reputable international courier service that maintains record of receipt and, in each case, addressed to a party at the following address for such party:

if to Sellers, to:

Cara Therapeutics, Inc.  
400 Atlantic Street, Suite 500  
Stamford, Connecticut  
Attention: [\*\*\*]  
Email: [\*\*\*]

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

Cooley LLP  
55 Hudson Yards  
New York, NY 08540  
Attention: [\*\*\*]  
Email: [\*\*\*]

if to Purchaser, to:

[\*\*\*]  
[\*\*\*]  
[\*\*\*]  
Attention: [\*\*\*]  
Email: [\*\*\*]

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

Cleary Gottlieb Steen & Hamilton LLP  
One Liberty Plaza  
New York, NY 10006  
Attention: [\*\*\*]  
Email: [\*\*\*]

or to such other address(es) as shall be furnished in writing by any such Party to the other Party in accordance with the provisions of this [Section 9.01](#).

**Section 9.02 Amendment; Waiver.** Any provision of this Agreement and any Implementation Agreement may be amended, discharged, released or waived if, and only if, such amendment or waiver is in writing and signed by a duly authorized representative of: (a) in the case of an amendment, Purchaser and Seller, and (b) in the case of a waiver, the Party or entity against whom the discharge, release or waiver is to be effective. No failure or delay by either Party or entity in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. No waiver by one of the Parties of one or several provisions of this Agreement or any Implementation Agreement or, in the event of the violation thereof, shall constitute a precedent for another case involving this provision or any other provision. Furthermore, in the event of the waiver of a particular provision, all the other provisions of this Agreement or any Implementation Agreement shall remain in full force and effect.

**Section 9.03 Assignment.** Neither Party to this Agreement may assign any of its rights or obligations under this Agreement, including by operation of Law in connection with a merger or sale of substantially all the assets or otherwise, without the prior written consent of the other Party, except that Purchaser may, without such consent, assign its rights to, or have its obligations discharged by, an Affiliate of Purchaser, in whole or in part, *provided* that such Party shall remain liable for the timely and complete performance of its obligations hereunder, and *provided, further*, that such assignment or sublicense will not cause adverse tax consequences to the non-assigning Party (or such Party's Affiliates).

**Section 9.04 Entire Agreement.** This Agreement, the Seller Disclosure Schedules, the Ancillary Agreements and the Annexes hereto and thereto and all other documents and agreements referred to expressly herein and therein, contains the entire agreement among the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, commitments and documents, whether oral or written, with respect to such matters.

**Section 9.05 Parties in Interest.** This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer upon any Person other than Purchaser and Seller, or their successors or permitted assigns, any rights or remedies under or by reason of this Agreement.

**Section 9.06 Expenses.** Except as otherwise expressly provided in this Agreement or any Ancillary Agreement, whether or not the Transactions are consummated, all costs and expenses, including fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the Transactions shall be borne by the Party incurring such expenses.

**Section 9.07 Governing Law.** This Agreement shall be governed by and construed in accordance with the Laws of the State of Delaware, U.S.A., without regard to the choice or conflict of law principles (whether of the State of Delaware or any other jurisdiction) that would result in the application of the Laws of a different jurisdiction.

**Section 9.08 Enforcement: Specific Performance.** Each of the Parties acknowledges that the rights of each party to consummate the Transactions are unique and recognizes and affirms that in the event of a breach of this Agreement by any Party, money damages may be inadequate, and the non-breaching Party may have no adequate remedy at law. Accordingly, the Parties agree that such non-breaching Party shall have the right, in addition to any other rights and remedies existing in their favor at law or in equity, to enforce their rights and the other Party's obligations hereunder not only by an action or actions for damages but also by an action or actions for specific performance, injunctive or other equitable relief (without posting of bond or other security), and each Party hereby irrevocably waives any right it may have to require the provision, furnishing or posting of any such bond or other security. In the event that any Proceeding should be brought in equity to enforce the provisions of this Agreement, each Party agrees that it shall not allege, and each Party hereby waives the defense, that there is an adequate remedy available at law.

**Section 9.09 Consent to Jurisdiction.** All actions and Proceedings arising out of or relating to this Agreement shall be brought only in the Court of Chancery of the State of Delaware, and only if such court declines to exercise jurisdiction, the courts of the State of Delaware or in a United States District Court sitting in the State of Delaware. Each Party irrevocably consents to and confers personal jurisdiction on the courts of the State of Delaware and the United States District Courts sitting in the State of Delaware, and expressly waives any objection to the venue of such court, as the case may be, and agrees that service of process may be made on such Party by mailing a copy of the pleading or other document by registered or certified mail, return receipt requested, to its addresses for the giving of notice provided for in Section 9.01 hereof, with service being deemed to be made five (5) Business Days after the giving of such notice.



**Section 9.10 WAIVER OF JURY TRIAL.** IN CONNECTION WITH ANY DISPUTE HEREUNDER OR RELATED HERETO, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HERETO WAIVES ITS RIGHT TO TRIAL OF ANY ISSUE BY JURY. IN CONNECTION WITH ANY DISPUTE HEREUNDER, EACH PARTY HERETO WAIVES (A) ANY CLAIM TO PUNITIVE, EXEMPLARY OR MULTIPLIED DAMAGES AND (B) ANY CLAIM OF INDIRECT, INCIDENTAL OR SPECIAL DAMAGES, IN EACH CASE FROM THE OTHER PARTY HERETO (OR ANY AFFILIATE OF SUCH OTHER PARTY HERETO), EXCEPT THAT THE COURT SHALL HAVE THE POWER TO AWARD ANY RELIEF PROVIDED BY GOVERNING STATUTE. IN CONNECTION WITH ANY DISPUTE HEREUNDER, EACH PARTY HERETO WAIVES ANY CLAIM OF CONSEQUENTIAL OR LOST PROFITS DAMAGES FROM THE OTHER EXCEPT FOR CLAIMS ARISING OUT OF OR RESULTING FROM A BREACH OF CONFIDENTIALITY OR INTELLECTUAL PROPERTY RIGHTS.

**Section 9.11 Headings; Interpretation.** The heading references herein and the table of contents hereto and in the Implementation Agreements are for convenience purposes only, do not constitute a part of such agreements and shall not be deemed to limit or affect any of the provisions hereof or thereof.

**Section 9.12 Language.** This Agreement and the Implementation Agreements have been prepared in the English language and all issues of interpretation shall be determined by reference to the English language original. To the extent that the original version of any document to be provided, or any communication to be given or made, to Seller under this Agreement or any Implementation Agreement is in a language other than English, the document or communication shall be accompanied by an English translation certified by an authorized representative of Purchaser to be a true and correct translation of the original. Seller may, if it so requires, obtain an English translation of any document or communication received in another language other than English at the cost and expense of Purchaser. Seller may deem any such English translation to be the governing version between Seller and Purchaser.

**Section 9.13 Severability.** The provisions of this Agreement or any Ancillary Agreement shall be deemed severable, and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof or thereof. If any term or other provision of the Agreement or the Implementation Agreements or the application thereof to any Person or any circumstance, is held to be invalid, illegal or unenforceable, (a) such provision shall be fully severable and, to the extent practicable a suitable and equitable provision shall be substituted therefore in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of the Agreement or the Ancillary Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity, illegality or unenforceability, nor shall such invalidity, illegality or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction. To the extent permitted under applicable Law, each Party waives any legal provision making a provision of the Agreement or the Implementation Agreements invalid, illegal or non-enforceable in all respects.

**Section 9.14 Counterparts.** This Agreement and any Ancillary Agreement may be executed in one or more counterparts and in PDF format, each of which shall be deemed an original, and together shall constitute one and the same agreement and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party, it being understood that both Parties need not sign the same counterpart.

**Section 9.15 Confidentiality.**

(a) The confidentiality provisions of the Confidentiality Agreement shall be deemed incorporated herein by reference as if set forth herein and shall continue in full force and effect until the Closing (and upon Closing, the Confidentiality Agreement shall automatically terminate and have no further force or effect), unless this Agreement is terminated prior to the Closing, in which case the Confidentiality Agreement shall nonetheless continue in full force and effect in accordance with its terms.

(b) From and after the Closing, Sellers shall, and shall direct its Affiliates and Representatives to, keep confidential any and all non-public information relating to the Transactions, the Transferred Assets and the Assumed Liabilities, including the Development, Manufacturing and Commercializing of the Product Compounds and the Products and any non-public information made available pursuant to Section 6.02(b); *provided, however*, that Sellers shall not be liable hereunder with respect to any disclosure to the extent such disclosure is determined by Sellers (with the advice of counsel) to be required by any applicable Law, including applicable rules of any securities exchange. In the event that Sellers or any of their Affiliates or Representatives are required by any applicable Law to disclose any such non-public information, the applicable Seller shall, or (if applicable) direct its applicable Affiliate or Representative, (i) to the extent permissible by such applicable Law, provide Purchaser with prompt written notice of such requirement, (ii) disclose only that information that the applicable Seller, Affiliate or Representative determines (with the advice of counsel) is required by such applicable Law to be disclosed and (iii) use commercially reasonable efforts to preserve the confidentiality of such non-public information, including by, at Purchaser's request and at Purchaser's sole expense, reasonably cooperating with Purchaser to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded such non-public information. Notwithstanding the foregoing, such non-public information shall not include information that (A) is or becomes available to the public after the Closing other than as a result of a disclosure by Sellers or their Affiliates or Representatives in breach of this Section 9.15 or (B) becomes available to Sellers or their Affiliates or Representatives after the Closing from a source other than Purchaser or its Affiliates or Representatives if the source of such information is not known by Sellers or their Affiliates or Representatives to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, Purchaser with respect to such information.

(c) From and after the Closing, Purchaser shall, and shall direct its Affiliates and Representatives to, keep confidential the portion of any General Books and Records that is not related to the Product Compound, the Products or the Business and any non-public information made available pursuant to Section 6.02(b) that is not related to the Product Compound, the Products or the Business; *provided, however*, that Purchaser shall not be liable hereunder with respect to any disclosure to the extent such disclosure is determined by Purchaser (with the advice of counsel) to be required by any applicable Law, including applicable rules of any securities exchange. In the event that Purchaser or any of its Affiliates or Representatives are required by any applicable Law to disclose any such non-public information, Purchaser shall, or (if applicable) direct its applicable Affiliate or Representative, (i) to the extent permissible by such applicable Law, provide Cara with prompt written notice of such requirement, (ii) disclose only that information that Purchaser or the applicable Affiliate or Representative determines (with the advice of counsel) is required by such applicable Law to be disclosed and (iii) use commercially reasonable efforts to preserve the confidentiality of such non-public information, including by, at Cara's request and at Cara's sole expense, reasonably cooperating with Cara to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded such non-public information. Notwithstanding the foregoing, such non-public information shall not include information that (A) is or becomes available to the public after the Closing other than as a result of a disclosure by Purchaser or its Affiliates or Representatives in breach of this Section 9.15 or (B) becomes available to Purchaser or its Affiliates or Representatives after the Closing from a source other than Sellers or their Affiliates or Representatives if the source of such information is not known by Purchaser or its Affiliates or Representatives to be bound by a confidentiality agreement with, or other contractual, legal or fiduciary obligation of confidentiality to, Sellers with respect to such information.

[Signature pages follow]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement effective as of the Execution Date.

**CARA THERAPEUTICS, INC.**

By: /s/ Christopher Posner  
Name: Christopher Posner  
Title: Chief Executive Officer

---

**CARA ROYALTY SUB, LLC**

By: /s/ Christopher Posner  
Name: Christopher Posner  
Title: Chief Executive Officer

---

*[Signature Page to Asset Purchase Agreement]*

---

IN WITNESS WHEREOF, the Parties have duly executed this Agreement effective as of the Execution Date.

**VIFOR FRESENIUS MEDICAL CARE RENAL PHARMA, LTD.**

By: /s/ Florian Jehle  
Name: Florian Jehle  
Title: Chief Executive Officer

By: /s/ Juan Antonio de Lassaletta  
Name: Juan Antonio de Lassaletta  
Title: Global Head Legal & Compliance and General Secretary

*[Signature Page to Asset Purchase Agreement]*

---

Definitions, Definitional Provisions and Rules of Construction

**Section 1. Definitions.**

In this Agreement, unless the context otherwise requires:

“**Adverse Event**” means any untoward medical occurrence in a patient or subject administered a medicinal product and which does not necessarily have to have a causal relationship with this treatment. An adverse event can therefore be any unfavorable and unintended sign (for example, an abnormal laboratory finding, symptom, or disease temporally associated with the use of a medicinal product, whether or not considered related to this medicinal product).

“**Affiliate**” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with, such Person at any time during the period for which the determination of affiliation is being made. For purposes of this definition, “**control**” of a Person means the power, direct or indirect, to direct or cause the direction of the management and policies of such Person whether by contract or otherwise and, in any event and, without limitation of the previous sentence, any Person owning more than fifty percent (50%) or more of the voting securities of another Person shall be deemed to control that Person.

“**Agreement**” has the meaning set forth in the Preamble.

“**Ancillary Agreements**” means the Implementation Agreements, the HCR Letter Agreement and any agreement between Sellers and Purchaser entered, executed or delivered in accordance with, in connection with or required by this Agreement, and any other agreement or certificate specifically identified as an Ancillary Agreement for purposes of this Agreement.

“**API Supply Agreement**” means the API Supply Agreement, dated June 12, 2020, by and between Cara and Purchaser.

“**Approval**” means any approval, registration, license or authorization from any Governmental Authority in any jurisdiction required for the Manufacture, Development or Commercialization of a Product in such jurisdiction.

“**Assumed Liabilities**” has the meaning set forth in [Section 1.04](#).

“**Bill of Sale and Assignment and Assumption Agreement**” means the Bill of Sale and Assignment and Assumption Agreement attached hereto as [Annex G](#).

“**Business**” means the Development, Manufacture, and Commercialization of the Products by and on behalf of the Sellers and their Affiliates on or prior to the Execution Date.

“**Business Contract**” has the meaning set forth in [Section 4.06\(a\)](#).

“**Business Day**” means any weekday other than a day that is a public holiday in Stamford, Connecticut and Opfikon, Zürich.

“**Closing**” has the meaning set forth in [Section 2.03](#).

“**Closing Date**” has the meaning set forth in [Section 2.03](#).

“**Code**” means the Internal Revenue Code of 1986.

“**Commercial Supply Agreement**” means the Commercial Supply Agreement, dated September 27, 2021, by and between Cara and Vifor (International) LTD.

“**Commercialize**” means to market, promote, distribute, offer to sell, sell or have sold a Product or conduct other commercialization activities, and “**Commercialization**” means commercialization activities relating to a Product, including activities relating to marketing, promoting, distributing, offering for sale, or selling of such Product or having such Product sold to trade, institutional, prescriber, payer, pharmacist and patient customers or otherwise.

“**Confidentiality Agreement**” means the Confidentiality Agreement, dated July 18, 2024, by and between Cara and Purchaser.

“**Consent**” means a consent, approval or authorization.

“**Contract**” means any contract, lease, deed, mortgage, license, instrument, note, undertaking, indenture, guarantee, joint venture, employment agreement and any other legally binding agreement, commitment or arrangement, in each case whether written or oral.

“**Copyright**” has the meaning set forth in the definition of “**Intellectual Property**.”

“**Develop**” or “**Development**” means activities with respect to developing a Product and obtaining Marketing Authorization or Approvals, including pre-clinical research and development, clinical development, preparation and submission of regulatory filings, and product registration.

“**Domain Name**” has the meaning set forth in the definition of “**Intellectual Property**.”

“**Excluded Assets**” has the meaning set forth in [Section 1.02](#).

“**Excluded Communications**” means any and all (a) books, documents, records, files and other items prepared in connection with or relating to the negotiation and consummation of the Transactions or otherwise prepared in connection with the sale of the Transferred Assets; (b) attorney work product, attorney-client communications and other items protected by established legal privilege, unless the applicable books and records can be transferred without losing such privilege; (c) books or records (including human resources and any other employee books and records, and financial and accounting records) to the extent not related to the Transferred Assets or the Assumed Liabilities; (d) items to the extent applicable Law prohibits their transfer; (e) electronic communications (e.g., email) excluding those that constitute Product Files and (f) all Tax records of Seller or its Affiliates or any related documentation or records that do not relate to the Transferred Assets or Assumed Liabilities; *provided, however*, that, in the case of clauses (b), (d) and (e), Sellers shall inform Purchaser of the general nature of the information being withheld and, upon Purchaser’s request, reasonably cooperate with Purchaser to provide such information, in whole or in part.

“**Excluded Taxes**” means (a) any Taxes (i) imposed on Sellers or any of their Affiliates for any period or (ii) imposed with respect to, arising out of or relating to the Transferred Assets or the Assumed Liabilities for any Pre-Closing Tax Period or portion thereof, if applicable, allocated in accordance with Section 6.04(c) or (b) any Transfer Taxes for which Sellers are responsible pursuant to Section 6.04(b).

“**Execution Date**” has the meaning set forth in the Preamble.

“**FDA**” means the United States Food and Drug Administration and any successor agency thereto.

“**Fraud**” means actual or intentional fraud (as defined under the laws of the State of Delaware) with respect to the making of the representations or warranties contained in Article IV and Article V, in any Ancillary Agreement or in any certificate delivered pursuant hereto or thereto (and not, for the avoidance of doubt, constructive fraud, equitable fraud or promissory fraud or negligent misrepresentation or omission, or any form of fraud based on recklessness or negligence).

“**Fundamental Representations**” means the representation and warranties set forth in Section 4.01 (*Organization; Standing; Power*), Section 4.02 (*Authority; Execution and Delivery; Enforceability*), Section 4.07(a) (*Title*), Section 4.09(b) (*IP Title*) and Section 4.09(b) (*No Brokers*).

“**Global Safety Database**” means the database (or portion thereof) containing Adverse Events for the Product that supports regulatory reporting, overall drug safety surveillance and responses to safety queries relating to Product from Governmental Authorities and includes safety reports relating to Product collected worldwide.

“**Governmental Authority**” means any (i) supranational, national, regional, state, county, city, town, village, district or other jurisdiction; (ii) federal, state, local, municipal, foreign or other government; (iii) governmental or quasi-governmental authority of any nature (including any agency, branch, department or instrumentality thereof, including any business, company, enterprise or other entity owned or controlled, in whole or in part, by any government and any court or other tribunal); (iv) multinational organization; (v) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory or Taxing Authority or power of any nature; or (vi) any arbitral authority.

“**Governmental Authorization**” means all filings with any Governmental Authority, consents, approvals, or notices (to the extent required from a Governmental Authority), licenses, franchises, permits, concessions, exemptions, orders, certificates, registrations, re-registrations, applications, declarations and filings pertaining to the aforesaid issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or pursuant to any applicable Law.

“**HCR A&R PSA**” means the Amended & Restated Purchase Agreement in the form attached as Exhibit A to the HCR Letter Agreement.

**“Implementation Agreements”** means (i) the Bill of Sale and Assignment and Assumption Agreement, (ii) the Patent Assignment Agreement and (iii) the Trademark Assignment Agreement.

**“Intellectual Property”** means any and all intellectual property rights, whether registered or unregistered, in any jurisdiction throughout the world, including all such rights in: (a) trademarks, trade names, corporate names, logos, slogans, trade dress, service marks and other source identifiers, including all applications and registrations therefor and the goodwill connected with the use of and symbolized by the foregoing (**“Trademarks”**); (b) copyrights, including all applications and registrations therefor, works of authorship, whether or not copyrightable, and other copyrightable works, including rights in Software, labelling and packaging schemes, instruction manuals and leaflets, and marketing materials (**“Copyrights”**); (c) any and all trade secrets, confidential or information, knowledge and materials, whether or not in written form, including but not limited to all technical information, know-how, formulas, prototypes, specifications, directions, instructions, inventory, test protocols, procedures, processes and results, studies, analyses, raw material sources, data (including all chemical, pharmaceutical, toxicological, biochemical, and biological, technical and non-technical data, pre-clinical or clinical data), manufacturing data, formulation or production technology, inventions (whether patentable or not), patent disclosures, discoveries, techniques, systems, algorithms, processes and methods, and information relating to the results of tests, assays, methods and processes, and specifications or other documents of the foregoing or relating to preclinical, clinical, assay control, manufacturing, or regulatory information (**“Know-How”**); (d) patents, patent applications, inventions (including industrial designs) and invention disclosures, whether or not patentable, together with renewals, foreign counterparts, extensions, continuations, continuations-in-part, re-examinations, revisions, substitutions, reissues and divisionals, and all rights to claim priority from any of the foregoing (**“Patents”**); (e) websites, URLs, IP addresses and internet domain name registrations (**“Domain Names”**); (f) designs; and (g) all other intellectual property and industrial property rights and assets, and all rights, interests and protections that are associated with, similar to, or required for the exercise of, any of the foregoing.

**“IT Assets”** means computer and other information technology systems or assets, including hardware, Software, firmware, servers, workstations, computers, tablets, phones, peripheral devices, data centers (including development, test, quality assurance and customer delivery equipment and infrastructure related to the foregoing) and other similar equipment used to process, store, maintain or operate digitized data or information.

**“IV Product”** means the Product in its intravenous formulation.

**“Judgment”** means any judgment, order, writ, injunction, determination, decree or award entered by or with any Governmental Authority.

**“Know-How”** has the meaning set forth in the definition of **“Intellectual Property.”**

**“Knowledge of Sellers”** means the actual knowledge of the individuals set forth on Annex H hereto after reasonable inquiry of his or her direct reports.



“**Law**” means any applicable statute, law, ordinance, treaty, rule, code, regulation, judgment or other directive issued, promulgated or enforced by any Governmental Authority.

“**Liabilities**” means any and all debts, liabilities, assessments, expenses, deficiencies, judgments, losses, damages, fines, demands for payment, penalties and obligations of any nature, whether accrued or unaccrued, known or unknown, express or implied, primary or secondary, direct or indirect, liquidated, disputed or undisputed, absolute or contingent, matured or un-matured or determined or determinable and whether due or to become due.

“**Lien**” means, with respect to any property or asset, any charge, claim, mortgage (including equitable mortgage and mortgage by deposit of title deeds), hypothecation, servitude, easement, right of way, adverse ownership claim, title defect, covenant, equitable interest, license, lease, sub-lease or other possessory interest, lien, Tax lien, option, pledge, security interest, preference, priority, right of first refusal, restriction or other encumbrance of any kind or nature whatsoever (whether absolute or contingent).

“**Losses**” means, with respect to any Person, any and all actual losses, damages, Liabilities, costs and expenses, including reasonable out-of-pocket attorneys’ fees and expenses, imposed upon or incurred by such Person; *provided that “Losses” shall (i) not include any exemplary, consequential, special or punitive damages (except to the extent paid or payable to an unaffiliated Third Party) and (ii) shall be calculated on the basis of actual losses without regard to reductions in value, lost opportunities, speculative damages or any multiple of damages (including any multiple of revenue, EBITDA or the like).*

“**Manufacture**” or “**Manufacturing**” means any activities directed to making, having made, producing, manufacturing, processing, filling, finishing, packaging, labeling, quality assurance testing, test method development and stability testing, manufacturing process development, formulation development, delivery system development, quality assurance and quality control development, statistical analysis and release, shipping and storage of a drug or biologic product or compound, or any raw materials thereof, directly or through one or more Third Parties, whether for Development or Commercialization.

“**Marketing Authorization**” means, with respect to a country, all registrations, approvals, or other licenses, permits, pricing or reimbursement approval or other authorization granted by a Governmental Authority and held by Sellers or any sublicensees relating to a Product in each country of the Territory necessary for the marketing and sale of such Product in each country of the Territory.

“**Maruishi**” means Maruishi Pharmaceutical Co., Ltd.

“**Maruishi License Agreement**” means that certain License Agreement, dated as of April 4, 2013, by and between Cara and Maruishi, as amended from time to time.

“**Material Adverse Effect**” means any state of facts, circumstance, condition, event, change, development, occurrence, result or effect (each, an “**Effect**”) that, individually or together with other Effects, has or would reasonably be expected to have a material adverse effect on (a) the Transferred Assets and the Assumed Liabilities, taken as a whole, or (b) the ability of Sellers to perform their obligations under this Agreement and consummate the Transactions on a timely basis; *provided, however*, that, in the case of clause (a), any Effect, individually or together with other Effects, arising or resulting from the following shall not be taken into account in determining whether there has been a Material Adverse Effect: (i) general business, political, or economic conditions generally affecting the industry in which Sellers operate; (ii) acts of war, the outbreak or escalation of armed hostilities, acts of terrorism, earthquakes, wildfires, hurricanes or other natural disasters, health emergencies, including pandemics (including COVID-19 and any evolutions or mutations thereof) and related or associated epidemics, disease outbreaks or quarantine restrictions; (iii) changes in financial, banking or securities markets; (iv) any change in any Law or GAAP (or interpretations of any Law or GAAP); (v) any change in the stock price or trading volume of Cara’s common stock (it being understood, however, that any Effect causing or contributing to any change in stock price or trading volume of Cara’s common stock may be taken into account in determining whether a Material Adverse Effect has occurred, unless such Effects are otherwise excepted from this definition); (vi) the failure of Cara to meet internal or analysts’ expectations or projections or the results of operations of Cara (it being understood, however, that any Effect causing or contributing to the failure of Cara to meet internal or analysts’ expectations or projections or the results of operations of Cara may be taken into account in determining whether a Material Adverse Effect has occurred, unless such Effects are otherwise excepted from this definition); (vii) the announcement of this Agreement or the pendency of the Transactions; or (viii) the taking of any action expressly required to be taken by this Agreement; except, with respect to clauses (i) through (iv), to the extent disproportionately affecting Sellers, taken as a whole, relative to other similarly situated companies in the industries in which Sellers operate, in which case, such Effect shall be taken into account to the extent of such disproportionate effect on Sellers.

“**Ordinary Course of Business**” means the usual, regular and ordinary course of business with respect to the development or manufacturing of the IV Product consistent with the past custom and practice of Sellers.

“**Original HCR PSA**” means the Purchase and Sale Agreement, dated as of November 1, 2023, by and among Royalty Sub, HCRX Investments HoldCo, L.P (“**HCRX**”) and HealthCare Royalty Partners IV, L.P. (“**HCR IV**”, and together with HCRX, “**HCR**”).

“**Overhead and Shared Services**” means corporate shared services that are provided by a Seller to the Business and are not primarily related to the Transferred Assets.

“**Party**” has the meaning set forth in the Preamble.

“**Patent**” has the meaning set forth in the definition of “**Intellectual Property**.”

“**Patent Assignment Agreement**” means the Patent Assignment Agreement attached hereto as Annex I.

“**Permitted Lien**” means any (a) statutory or common law Lien for Taxes that is not yet delinquent or Lien for Taxes being contested in good faith through appropriate Proceedings and, in each case, for which adequate reserves have been specifically established or (b) statutory or common law Lien in favor of carriers, warehousemen, mechanics and materialmen arising or incurred in the Ordinary Course of Business that relate to obligations that are not delinquent or are being contested in good faith through appropriate Proceedings.

**"Person"** means a natural person, a limited liability company, a joint venture, a corporation, a partnership, an association, a trust, a division or an operating group of any of the foregoing or any other entity or organization, including any Governmental Authority.

**"Personal Data"** means, to the extent relating to the Business, all data Processed by or on behalf of the Sellers that constitutes personal information, personal data, sensitive personal information, personally identifiable information or equivalent term under any applicable Privacy Laws.

**"Pre-Closing Period"** means the period from the Execution Date until the earlier to occur of the Closing Date and the date of termination of this Agreement pursuant to [Section 6.01\(a\)](#).

**"Pre-Closing Tax Period"** means (a) any taxable period ending on or before the Closing Date and (b) with respect to any Straddle Period, the portion of such Straddle Period ending on (and including) the Closing Date.

**"Privacy Laws"** means, to the extent relating to the Business, all applicable Laws governing the Sellers' privacy, security, or Processing of Personal Data, including any applicable Law governing the Sellers' outbound communications and/or electronic marketing (including e-mail marketing, telemarketing and text messaging).

**"Privacy Requirements"** means, to the extent relating to the Business, all applicable Privacy Laws, contractual obligations governing the Sellers' Processing of Personal Data, and the Sellers' externally published privacy policies or notices governing the Sellers' Processing of Personal Data.

**"Processing"** or **"Processed"** means any operation or set of operations performed on any Personal Data, whether or not by automated means, including receipt, collection, compilation, use, storage, combination, sharing, safeguarding, disposal, erasure, destruction, processing, disclosure, sale or transfer (including cross-border transfer).

**"Proceeding"** means any action, arbitration, audit, examination, investigation, hearing, litigation or suit (whether civil, criminal, administrative, judicial or investigative, whether formal or informal, and whether public or private) commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Authority, excluding, in each case, routine administrative activities with respect to obtaining, maintaining and renewing MA and Governmental Authorization required for manufacturing, storage and distribution of Product, and prosecution, renewals, re-examination, inter-partes review, post-grant review or opposition proceeding and similar activities pertaining to intellectual property before the United States Patent and Trademark Office or the United States Copyright Office.

**"Product"** means any pharmaceutical product that contains any of the Product Compounds and all (current and future) forms, presentations, strengths, formulations, dosages and delivery modes thereof.

“**Product Compound**” means difelikefalin.

“**Product Compound API**” means the Product Compound in its active pharmaceutical ingredient form.

“**Product Files**” means to the extent transferable in light of practical (but not legal or contractual) considerations, all electronic and other books and records containing regulatory, scientific and technical Transferred Know-How, documents, and information existing as of the Closing, including as related to the intravenous or oral formulation of the Product in the Territory, including: (i) copies of the Marketing Authorizations and Approvals, dossiers and submissions to and correspondence to and from the Governmental Authorities responsible for the grant of the Marketing Authorizations and Approvals; (ii) the list of the composition thereof; and (iii) all scientific information underlying the Marketing Authorizations and Approvals, including pre-clinical, clinical, technical and other reports and publications related to Development, Manufacture or characterizing the intravenous or oral formulation of the Product.

“**Purchase Price**” has the meaning set forth in [Section 2.01](#).

“**Purchaser**” has the meaning set forth in Preamble.

“**Purchaser License Agreement**” means that certain License Agreement, dated as of May 17, 2018, by and between Cara and Purchaser, as amended from time to time.

“**Registered IP**” means any Transferred IP that is subject to any issuance, registration, application or other filing by, to or with any Governmental Authority or domain name registrar in any jurisdiction, including registered or issued Trademarks, Domain Names, Copyrights, and Patents, and pending applications for any of the foregoing.

“**Representative**” means any officer, director, employee, agent, advisor or other representative of a Person.

“**Retained Liability**” has the meaning set forth in [Section 1.05](#).

“**SEC**” has the meaning set forth in [Article IV](#).

“**Seller**” has the meaning set forth in the Preamble.

“**Seller Names and Marks**” means any Trademarks owned by the Sellers or any of their Affiliates as of the Closing that are listed in [Section 6.07](#) of the Seller Disclosure Schedule. For the avoidance of doubt, Seller Names and Marks shall include the names consisting of or incorporating “Cara” or “Cara Therapeutics,” and all confusingly similar variations and derivatives thereof, including all registrations and applications for registration thereof.

“**Software**” means computer programs and applications and other software, in each case in any form (including any and all software implementations of algorithms, models and methodologies, whether in source code, object code or other forms).

“**Straddle Period**” means any taxable period beginning on or before and ending after the Closing Date.

“**Supply Quality Standard**” means the quality standards applicable to the Transferred Inventory set forth in, as applicable, the Commercial Supply Agreement, the API Supply Agreement or, in each case, their respective ancillary quality agreements; *provided* that for the vials of IV Product, the Supply Quality Standard shall not imply that the vials of IV Product shall have been finally released.

“**Tax**” or “**Taxes**” means (a) any kind of tax, charge, assessment, fee, levy, duty or other similar charge in the nature of a Tax (including any tax on actual or deemed income, profits or gains, value added tax, sales tax, turnover tax, real or personal property tax, transfer tax, ad valorem tax, estimated tax, excise and custom duties, stamp duties, taxes similar to stamp duties, withholding tax, payroll tax, registration and mortgage duties and environmental taxes), any social security contributions or similar payments, charges and levies, together with all penalties, charges, increases and interests related to any of the foregoing, whether disputed or not, and (b) any obligation to indemnify or otherwise assume, succeed to or pay the Tax Liability of another Person as a transferee or successor, by contract or otherwise by operation of Law.

“**Tax Return**” means any return, report, declaration, information return, statement or other document filed or required to be filed with any Taxing Authority in connection with the determination, assessment or collection of any Tax or the administration of any applicable Law relating to any Tax.

“**Taxing Authority**” means any Governmental Authority having authority under applicable Law to assess, impose, collect, regulate or administer Taxes.

“**Territory**” means worldwide.

“**Third Party**” means any Person other than Sellers, Purchaser or one of their respective Affiliates.

“**Trademark Assignment Agreement**” means the Trademark Assignment Agreement attached hereto as [Annex I](#).

“**Trademarks**” has the meaning set forth in the definition of “**Intellectual Property**.”

“**Transaction Litigation**” means any Proceeding commenced or threatened against a Party or any of its subsidiaries, Affiliates, directors, employees or otherwise relating to, involving or affecting such Party or any of its subsidiaries, Affiliates, directors or employees, in each case in connection with, arising from or otherwise relating to the Transactions, including any Proceeding alleging or asserting any misrepresentation or omission in the Proxy Statement or any other communications to Cara’s stockholders, in each case other than any Proceedings solely among the Parties or their respective Affiliates, related to this Agreement, the Ancillary Agreements or the Transactions.

“**Transactions**” mean, collectively, the transactions contemplated by the Agreement and the Ancillary Agreements, including the purchase and sale of the Transferred Assets and the assumption of the Assumed Liabilities.

“**Transfer Letters**” means with respect to the U.S. Marketing Authorization, the letters to be filed with the FDA, in respect of Sellers (the “**Seller Transfer Letter**”) and in respect of Purchaser or its designated Affiliate (the “**Purchaser Transfer Letter**”), to transfer the U.S. Marketing Authorization for the IV Product from Sellers to Purchaser or its designated Affiliate with full authority to make the representations in the Purchaser Transfer Letter in accordance with 21 C.F.R. § 314.72.

“**Transfer Taxes**” means any U.S., state, county, local, non-U.S. and other sales, use, transfer, goods and services, value added, VAT, ad valorem, turnover, excise and customs duties, conveyance, documentary transfer, stamp duty and taxes similar to stamp duties, recording or other similar Tax imposed on or in connection with the transactions contemplated by or the instruments executed under or in connection with this Agreement or the recording of any sale, transfer, or assignment of property (or any interest therein) effected pursuant to this Agreement.

“**Transferred Assets**” has the meaning set forth in [Section 1.02](#).

“**Transferred Books and Records**” has the meaning set forth in [Section 1.02\(g\)](#).

“**Transferred Contracts**” has the meaning set forth in [Section 4.06](#).

“**Transferred Copyrights**” has the meaning set forth in [Section 1.02\(b\)](#).

“**Transferred Domain Names**” has the meaning set forth in [Section 1.02\(b\)](#).

“**Transferred IP**” has the meaning set forth in [Section 1.02\(b\)](#).

“**Transferred Know-How**” means all Know-How owned, purported to be owned or otherwise controlled by Sellers or their Affiliates that is related to the Product Compound, the Products or the Business, including Know-How which relates to the intravenous or oral form of the Products as of the Closing, including all of the Know-How relating to the manufacturing, nonclinical studies and clinical trials for the intravenous or oral form of the Product.

“**Transferred Patents**” has the meaning set forth in [Section 1.02\(b\)](#).

“**Transferred Regulatory Filings**” means the Marketing Authorizations and/or Approvals identified in [Annex K](#).

“**Transferred Trademarks**” has the meaning set forth in [Section 1.02\(b\)](#).

**Section 2. Definitional Provisions and Rules of Construction.**

(a) The meaning assigned to each capitalized term defined and used in this Agreement is equally applicable to both the singular and the plural forms of such term, and words denoting any gender include all genders. Where a word or phrase is defined in this Agreement, each of its other grammatical forms has a corresponding meaning. All terms defined in this Agreement will have the defined meanings when used in any certificate or other document made or delivered pursuant to this Agreement unless otherwise defined in such certificate or document.

(b) The words “hereof,” “herein,” “hereto” and “hereunder” and words of similar import when used herein shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(c) “Extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, and such phrase does not mean simply “if.”

(d) The term “including” shall mean “including, without limitation.”

(e) Unless the context of this Agreement otherwise requires, “neither,” “nor,” “any,” “either” and “or” are not exclusive. The rule known as the *ejusdem generis* rule will not apply, and accordingly, general words introduced by the word “other” will not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things.

(f) Unless the context of this Agreement otherwise requires, the word “threat” or “threatened” will be deemed to be immediately followed by the words “in writing.”

(g) Except as otherwise provided in this Agreement, all accounting terms used in this Agreement will be interpreted, and all accounting determinations hereunder will be made, in accordance with GAAP. An item arising with respect to a specific representation or warranty will be deemed to be “reflected on” or “set forth in” a balance sheet or financial statements, to the extent that any such phrase appears in such representation or warranty, if (i) there is a reserve, accrual or other similar item underlying a number on such balance sheet or financial statements that is related to the subject matter of such representation; (ii) such item is otherwise specifically set forth on the balance sheet or financial statements; or (iii) such item is specifically set forth on the balance sheet or financial statements and is specifically set forth in the notes thereto.

(h) When used in this Agreement, references to “\$” or “Dollars” are references to United States dollars. All amounts in this Agreement will be paid in Dollars, and if any amounts, costs, fees or expenses incurred by any Party pursuant to this Agreement are denominated in a currency other than Dollars, to the extent applicable, the Dollar equivalent for such costs, fees and expenses will be determined by converting such other currency to Dollars at the foreign exchange rates published by *Bloomberg* or, if not reported thereby, another authoritative source reasonably determined by Seller, in effect at the time that such amount, cost, fee or expense is incurred. If the resulting conversion yields a number that extends beyond two decimal points, it will be rounded to the nearest penny.

(i) Unless otherwise indicated, (i) when calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period will be excluded; (ii) if the last day of such period is not a Business Day, then the period in question will end on the next Business Day; (iii) if any action must be taken on or by a day that is not a Business Day, then such action may be validly taken on or by the next day that is a Business Day; (iv) the measure of a period of one month or year for purposes of this Agreement will be the day of the following month or year corresponding to the starting date; and (v) if no corresponding date exists, then the end date of such period being measured will be the next actual day of the following month or year (for example, one month following February 18 is March 18 and one month following March 31 is May 1). References to “from” or “through” any date mean, unless otherwise specified, from and including or through and including such date, respectively.

(j) Whenever this Agreement refers to a number of days, that number will refer to calendar days unless Business Days are specified. Any reference to a “month” means a calendar month.

(k) A reference to any specific legislation or to any provision of any legislation includes any amendment to, and any modification, re-enactment or successor thereof, any legislative provision substituted therefor and all rules, regulations and statutory instruments issued thereunder or pursuant thereto, except that, for purposes of any representations and warranties in this Agreement that are made as a specific date, references to any specific legislation will be deemed to refer to such legislation or provision (and all rules, regulations, statutory instruments and applicable guidance, guidelines, bulletins or policies issued or made in connection therewith by a Governmental Authority) as of such date. References to any agreement or Contract are to that agreement or Contract as amended, modified or supplemented from time to time, and any exhibits, schedules, annexes, statements of work, riders and other documents attached thereto.

(l) References to any Person (including any Party) include references to such Person’s successors and permitted assigns, and, in the case of any Governmental Authority, to any Person succeeding to its functions and capacities.

(m) Nothing contained in Article IV or Article V may be construed as a covenant under the terms of this Agreement, other than the acknowledgments and agreements set forth in Section 4.14 and Section 5.07 to the extent necessary to give full effect to the acknowledgments and agreements set forth therein.

(n) The Parties agree that they have been represented by legal counsel during the negotiation and execution of this Agreement. Accordingly, the Parties irrevocably waive the application of any Law, holding or rule of construction providing that ambiguities in an agreement or other document will be construed against the party drafting such agreement or document.

(o) The information contained in this Agreement and in the Seller Disclosure Schedule is disclosed solely for purposes of this Agreement, and no information contained in this Agreement or in the Seller Disclosure Schedule will be deemed to be an admission by any Party to any other Person of any matter whatsoever, including (i) any violation of Law or breach of Contract; or (ii) that such information is material or is required to be referred to or disclosed under this Agreement. Nothing in the Seller Disclosure Schedule constitutes an admission against Seller’s interest or represents Seller’s legal position or legal rights on the matter so disclosed. It is understood and agreed that (i) the specification of any dollar amount in the representations and warranties contained in this Agreement is not intended to imply that such amounts (or higher or lower amounts) are or are not material; and (ii) the inclusion of any specific item in the Seller Disclosure Schedule is not intended to imply that such items are or are not material or are within or outside of the Ordinary Course of Business. In each case, no Party may use the fact of the setting of such amounts or the fact of the inclusion of any such item in the Seller Disclosure Schedule in any dispute or controversy between the Parties as to whether any obligation, item or matter not described in this Agreement is or is not material for purposes of this Agreement or whether any obligation, item or matter included in the Seller Disclosure Schedule is or is not material for purposes of this Agreement or is within or outside of the Ordinary Course of Business.



(p) The representations and warranties in this Agreement are the product of negotiations among the Parties and are for the sole benefit of the Parties. Any inaccuracies in such representations and warranties are subject to waiver by the Parties 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 of risks associated with particular matters regardless of the knowledge of any of the Parties. Consequently, Persons other than the Parties may not rely on the representations and warranties in this Agreement as characterizations of facts or circumstances as of the Execution Date or as of any other date.

(q) The phrases “furnished,” “provided,” “delivered” or “made available” or words of similar import when used with respect to documents or other information means that such documents or information have been physically or electronically delivered to the relevant Party prior to the Execution Date, including by being (i) posted to the virtual data room managed by Cara and hosted by Box titled “Project Continuity” in connection with the Transactions prior to 12:00 p.m., Eastern Time, on the day immediately preceding the Execution Date or (ii) filed with or furnished to the SEC and available in its Electronic Data Gathering, Analysis and Retrieval (EDGAR) database prior to 12:00 p.m., Eastern Time, on the day immediately preceding the Execution Date.



### Cara Therapeutics and Tvardi Therapeutics Announce Entry into Merger Agreement

*Proposed Merger to create a Nasdaq-listed, clinical-stage biopharmaceutical company developing novel treatments targeting STAT3 to treat fibrosis-driven diseases*

*Tvardi has recently completed an approximately \$28 million private financing, which, together with Tvardi's existing cash and Cara's anticipated cash balance, is expected to fund the combined company into the second half of 2026*

*Tvardi anticipates reporting topline data in the second half of 2025 from two Phase 2 clinical programs utilizing its STAT3 inhibitor, TTI-101, including its lead program in idiopathic pulmonary fibrosis and its program in hepatocellular carcinoma*

*Companies to host investor conference call and webcast today, December 18th, at 8:30am ET*

**STAMFORD, CT and HOUSTON, TX – December 18, 2024** - Cara Therapeutics, Inc. (Nasdaq: CARA) and Tvardi Therapeutics, Inc. ("Tvardi"), a privately held, clinical-stage biopharmaceutical company focused on the development of novel, oral, small molecule therapies targeting STAT3 to treat fibrosis-driven diseases, today announced that the companies have entered into a definitive merger agreement to combine in an all-stock transaction (the "Merger").

Under the terms of the agreement, Tvardi will merge with a wholly owned subsidiary of Cara. Upon completion of the Merger, pre-Merger Cara Therapeutics stockholders are expected to own approximately 17.0% of the combined company and pre-Merger Tvardi Therapeutics investors are expected to own approximately 83.0% of the combined company, in each case, prior to adjustment from the issuance of the shares in the recently completed Tvardi financing and assuming Cara has net cash at closing of between \$22.875 million and \$23.125 million. The percentage of the combined company that pre-merger Cara stockholders and pre-merger Tvardi stockholders will own upon the closing of the merger is subject to further adjustment if Cara's net cash balance falls outside of the range. Upon completion of the Merger, the combined company is expected to operate under the name Tvardi Therapeutics, Inc. and trade on Nasdaq under the ticker symbol "TVRD".

Imran Alibhai, Ph.D., Chief Executive Officer of Tvardi Therapeutics, stated, "As we approach meaningful value inflection points next year, including two Phase 2 readouts of our lead program in idiopathic pulmonary fibrosis, followed by the readout in our hepatocellular carcinoma program, this merger, the recently completed financing, and becoming a publicly traded company give us access to the critical funding required to further advance our promising pipeline programs that address significant unmet needs. I am grateful to the Cara Board, leadership team, and shareholders who share our vision of Tvardi that is well-positioned to introduce effective, new treatment options to patients suffering from serious, chronic, fibrosis-driven diseases."

"We are very excited to enter into this merger agreement with Tvardi and combine our financial resources with their expertise in STAT3 inhibition," added Christopher Posner, President and Chief Executive Officer of Cara Therapeutics. "Our management and our Board of Directors thoroughly explored numerous strategic alternatives and believe that this merger with Tvardi is in the best interests of our stockholders and provides them with the opportunity to meaningfully participate in a company treating fibrosis-driven diseases in an innovative way."

Tvardi has recently completed an approximately \$28 million private financing from a syndicate of new and existing institutional investors. With the cash from both companies at closing and the proceeds of this financing, the combined company is expected to have sufficient cash to fund its operating expenses and capital expenditure requirements into the second half of 2026, past the anticipated Phase 2 readouts in the second half of 2025.

#### **KORSUVA/KAPRUVIA Asset Sale**

Concurrent with the entry into the merger agreement with Tvardi, Cara also entered into an asset purchase agreement with Vifor Fresenius Medical Care Renal Pharma, Ltd. (“CSL Vifor”), a company jointly owned by Fresenius Medical Care and by the CSL Vifor business unit of the CSL Group. Pursuant to such asset purchase agreement, at the consummation of the transaction, Cara will sell to CSL Vifor and CSL Vifor will acquire from Cara certain assets and rights to the development, manufacture and commercialization of Korsuva®/Kapruvia® (difelikefalin) as well as certain associated liabilities (the “Asset Disposition”) for a purchase price of \$900,000 (subject to certain adjustments with respect to inventory). Additionally, pursuant to the Asset Purchase Agreement, at the consummation of the Asset Disposition, Cara has agreed to pay CSL Vifor \$3,000,000 to compensate CSL Vifor for the estimated incremental future expenses to be incurred by CSL Vifor as a result of the transfer of the assets to be acquired and the liabilities to be assumed by it in connection with the Asset Disposition.

The Asset Disposition is subject to certain conditions to closing, including the consummation of the merger with Tvardi substantially contemporaneously with the Asset Disposition.

#### **Tvardi’s Pipeline of STAT3 Inhibitors**

The combined company will focus on advancing Tvardi’s pipeline of novel, oral, small molecule therapies targeting STAT3 to treat fibrosis-driven diseases with significant unmet need, including its lead candidate, TTI-101, which is in a Phase 2 trial for idiopathic pulmonary fibrosis (IPF) and a Phase 1b/2 trial for hepatocellular carcinoma (HCC). STAT3 is a highly validated, yet historically undruggable, transcription factor, which is a central catalyst in fibrosis-driven diseases.

#### **TTI-101**

TTI-101 is an orally bioavailable, small-molecule inhibitor of signal transducer and activator of transcription 3 (STAT3), a transcription factor whose upregulation and activation acts as a catalyst across critical pathways associated with fibrosis-driven diseases. TTI-101’s differentiated mechanism of action is designed to inhibit STAT3 to address the unmet need in fibrosis-driven diseases, without interfering with its other essential biological functions. TTI-101 has shown a robust pharmacokinetic profile, potency in inhibiting STAT3 activation and efficacy in animal models of fibrosis-driven diseases. In addition, in clinical trials performed to date, oral dosing with TTI-101 lowered levels of activated STAT3 in tumor tissue, was generally well-tolerated, and led to clinical responses in HCC and other tumor types.

The REVERT<sub>IPF</sub> ongoing clinical trial is evaluating the safety and efficacy of TTI-101 alone or in addition to nintedanib (OFEV®) in patients suffering from IPF. The clinical trial is testing two different doses of TTI-101 compared to placebo using a Phase 2, randomized, double-blind, placebo-controlled design and is being conducted in the United States. Unblinded data from the REVERT<sub>IPF</sub> study is anticipated to be reported in the second half of 2025. ClinicalTrials.gov ID: [NCT05671835](https://clinicaltrials.gov/ct2/show/study/NCT05671835)

---

The REVERTLIVER CANCER ongoing clinical trial is evaluating the safety and efficacy of TTI-101 across three cohorts of patients with HCC: alone or in combination with standard of care treatments pembrolizumab (Keytruda®) or atezolizumab (Tecentriq®) and bevacizumab (Avastin® or biosimilars Vegzelma®, Alymsys®, Zirabev®, and Mvasi®). The clinical trial is a Phase 1b/2 open-label study design being conducted in the United States. Preliminary topline data from the REVERTLIVER CANCER study is anticipated in the second half of 2025. ClinicalTrials.gov ID: [NCT05440708](https://clinicaltrials.gov/ct2/show/study/NCT05440708)

#### **TTI-109**

TTI-109, Tvardi's second product candidate, is an oral, small-molecule, which is structurally related to, yet chemically distinct from, TTI-101 and is designed to enhance the ability to target STAT3. An IND application for TTI-109's first human study is expected in the first half of 2025.

#### **Management and Organization**

Following the Merger, the combined company will be headquartered in Houston, Texas and will be led by Tvardi's CEO, Imran Alibhai, Ph.D., and other members of the Tvardi management team. The combined company's board of directors will be comprised of six directors from Tvardi's Board of Directors and one director from Cara's Board of Directors.

#### **About the Proposed Merger**

The transaction has been approved by the Boards of Directors of both companies and is expected to close in the first half of 2025, subject to certain closing conditions, including, among other things, approval by the stockholders of each company, the effectiveness of a registration statement to be filed with the SEC to register the shares of Tvardi common stock to be issued in connection with the Merger, Cara having a minimum amount of net cash as of the closing, and other customary closing conditions. In connection with the Merger, directors and officers of Cara and directors, officers and certain stockholders of Tvardi have executed support agreements, pursuant to which they have agreed to vote all their shares of capital stock in favor of the Merger.

#### **Advisors**

Piper Sandler & Co. is serving as exclusive financial advisor to Cara Therapeutics. Mintz, Levin, Cohn, Ferris, Glovsky, and Popeo, P.C. is serving as legal counsel to Cara Therapeutics. Cooley LLP and Goodwin Procter LLP are serving as legal counsel to Tvardi.

#### **Conference Call and Webcast**

The management teams of both companies will host an investor conference call and webcast today, December 18th, at 8:30am ET, to discuss the proposed Merger.

Investors dial-in: 1-844-826-3035 (domestic)  
Investors dial-in: 1-412-317-5195 (International)  
Conference ID: 10194904

To utilize the Call me™ feature, which provides instant telephone access to the event without assistance from an operator:

<https://callme.viavid.com/?SY2FsbG11PXRydWUmcGFzc2NvZGU9JmluZm89Y29tcGFueSZyPXRydWUyYj0xNg==>

Call me™ Passcode: 8242749

The webcast can be accessed here:

[https://viavid.webcasts.com/starthere.jsp?ei=1700797&tp\\_key=40e625ba72](https://viavid.webcasts.com/starthere.jsp?ei=1700797&tp_key=40e625ba72)

---



#### **About Tvardi Therapeutics**

Tvardi is a privately held, clinical-stage, biopharmaceutical company focused on the development of novel, oral small molecule therapies targeting STAT3 to treat fibrosis-driven diseases with significant unmet need. STAT3 is a central mediator across critical fibrotic signaling pathways that drive uncontrolled deposition, proliferation, survival and immune suppression. STAT3 is also positioned at the intersection of many signaling pathways integral to the survival and immune evasion of cancer cells. The company is conducting Phase 2 clinical trials in fibrosis-driven diseases with high unmet need: idiopathic pulmonary fibrosis ([NCT05671835](#)) and hepatocellular carcinoma ([NCT05440708](#)). To learn more, please visit [tvarditherapeutics.com](http://tvarditherapeutics.com) or follow us on [LinkedIn](#) and [X \(Twitter\)](#).

#### **About Cara Therapeutics**

Cara Therapeutics is a development-stage biopharmaceutical company that was leading a new treatment paradigm to improve the lives of patients suffering from pruritus. The Company developed an IV formulation of difelikefalin, which is approved in the United States, EU, and multiple other countries for the treatment of moderate-to-severe pruritus associated with advanced chronic kidney disease in adults undergoing hemodialysis. The IV formulation is out-licensed worldwide.

#### **No Offer or Solicitation**

This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No public offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

#### **Additional Information about the Proposed Merger**

In connection with the proposed transaction between Cara and Tvardi, Cara intends to file relevant materials with the SEC, including a registration statement on Form S-4 that will contain a proxy statement and prospectus. CARA URGES INVESTORS AND STOCKHOLDERS TO READ THESE MATERIALS CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT CARA, TVARDI, THE PROPOSED TRANSACTION AND RELATED MATTERS. Stockholders will be able to obtain free copies of the proxy statement, prospectus and other documents filed by Cara with the SEC (when they become available) through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). In addition, stockholders will be able to obtain free copies of the proxy statement, prospectus and other documents filed by Cara with the SEC by contacting Investor Relations by email at [investor@caratherapeutics.com](mailto:investor@caratherapeutics.com). 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 transaction.

---

#### **Participants in the Solicitation**

Cara and Tvardi, and each of their respective directors and executive officers and certain of their other members of management and employees, may be deemed to be participants in the solicitation of proxies in connection with the proposed transaction. Information about Cara's directors and executive officers, consisting of Helen M. Boudreau, Jeffrey L. Ives, Ph.D., Christopher Posner, Susan Shiff, Ph.D., Martin Vogelbaum, Lisa von Moltke, M.D., Ryan Maynard and Scott Terrillion, including a description of their interests in Cara, by security holdings or otherwise, can be found under the captions, "Security Ownership of Certain Beneficial Owners and Management," "Executive Compensation" and "Director Compensation" contained in the definitive proxy statement on Schedule 14A for Cara's 2024 annual meeting of stockholders, filed with the SEC on April 22, 2024 (the "2024 Cara Proxy Statement"). To the extent that Cara's directors and executive officers and their respective affiliates have acquired or disposed of security holdings since the applicable "as of" date disclosed in the 2024 Cara Proxy Statement, such transactions have been or will be reflected on Statements of Change in Beneficial Ownership on Form 4 filed with the SEC. Additional information regarding the persons who may be deemed participants in the proxy solicitation, including the information about the directors and executive officers of Tvardi, and a description of their direct and indirect interests, by security holdings or otherwise, will also be included in a registration statement filed on Form S-4 that will contain a proxy statement (and prospectus and other relevant materials) to be filed with the SEC when they become available. Investors should read the registration statement, proxy statement/prospectus and the other relevant materials when they become available before making any voting or investment decision with respect to the proposed transaction. These documents can be obtained free of charge from the sources indicated above.

#### **Cautionary Statement Regarding Forward-looking Statements**

Statements contained in this press release regarding matters that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Examples of these forward-looking statements include statements concerning the anticipated completion and effects of the proposed Merger and Asset Disposition and related timing, Tvardi's and the combined company's planned clinical programs, including planned clinical trials and the timing for anticipated trial results, ability to fund the combined company into the second half of 2026, the potential of Tvardi's product candidates, the expected trading of the combined company's stock on the Nasdaq Capital Market under the ticker symbol "TVRD", management of the combined company and other statements regarding management's intentions, plans, beliefs, expectations or forecasts for the future, and, therefore, you are cautioned not to place undue reliance on them.

---

Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. These forward-looking statements are subject to a number of risks, including, among other things: the risk that the conditions to the closing of the Merger are not satisfied, including that the approval of the stockholders of Cara is not obtained on the timeline expected, if at all; uncertainties as to the timing of the closing of the Merger and the ability of each of Tvardi and Cara to consummate the Merger; risks related to the ability of Tvardi and Cara to correctly estimate and manage their respective operating expenses and expenses associated with the Merger pending the closing of the Merger; risks associated with the possible failure to realize certain anticipated benefits of the Merger, including with respect to future financial and operating results; the potential for the occurrence of any event, change or other circumstance or condition that could give rise to the termination of the Merger and any agreements entered into in connection therewith; the possible effect of the announcement, pendency or completion of the Merger on Tvardi's or Cara's business relationships, operating results and business generally; the risk that as a result of adjustments to the exchange ratio, Tvardi stockholders and Cara stockholders could own more or less of the combined company than is currently anticipated; risks related to the market price of Cara's common stock relative to the value suggested by the exchange ratio; unexpected costs, charges or expenses resulting from the Merger; the uncertainties associated with Tvardi's product candidates, as well as risks associated with the clinical development and regulatory approval of product candidates, including potential delays in the completion of clinical trials; the significant net losses each of Cara and Tvardi has incurred since inception; the combined company's ability to initiate and complete ongoing and planned preclinical studies and clinical trials and advance its product candidates through clinical development; the timing of the availability of data from the combined company's clinical trials; the outcome of preclinical testing and clinical trials of the combined company's product candidates, including the ability of those trials to satisfy relevant governmental or regulatory requirements; the combined company's plans to research, develop and commercialize its current and future product candidates; the clinical utility, potential benefits and market acceptance of the combined company's product candidates; the requirement for additional capital to continue to advance these product candidates, which may not be available on favorable terms or at all; the combined company's ability to attract, hire, and retain skilled executive officers and employees; the combined company's ability to protect its intellectual property and proprietary technologies; the combined company's reliance on third parties, contract manufacturers, and contract research organizations; the possibility that Tvardi, Cara or the combined company may be adversely affected by other economic, business, or competitive factors; risks associated with changes in applicable laws or regulations; those factors discussed in Cara's filings with the Securities and Exchange Commission, including the "Risk Factors" section of the Company's Annual Report on Form 10-K for the year ending December 31, 2023, and its other documents subsequently filed with or furnished to the Securities and Exchange Commission, including its Form 10-Q for the quarter ended September 30, 2024. All forward-looking statements contained in this press release speak only as of the date on which they were made. Cara undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date on which they were made, except as required by law.

**Contacts:**

**For Tvardi:**

Tvardi Investor Relations  
[ir@tvardi.com](mailto:ir@tvardi.com)

PJ Kelleher  
LifeSci Advisors  
617-430-7579  
[pkelleher@lifesciadvisors.com](mailto:pkelleher@lifesciadvisors.com)

**For Cara Therapeutics:**

[investor@caratherapeutics.com](mailto:investor@caratherapeutics.com)

---



**Proposed  
Merger  
Overview**  
December 16, 2024



# Disclaimer and Forward-Looking Statements

This presentation and any accompanying oral commentary have been prepared by Tvardi Therapeutics, Inc. ("Tvardi") and Cara Therapeutics, Inc. ("Cara") for informational purposes only and to assist such parties in making their own evaluation with respect to the potential combination (the "Proposed Merger") of a wholly-owned subsidiary of Cara with and into Tvardi and related transactions and not for any other purpose. All statements contained in this presentation and the accompanying oral commentary, other than statements of historical facts, are forward-looking statements, including: statements about the combined company's expectations regarding the potential benefits, activity, effectiveness, and safety of its product candidate; the combined company's expectations with regard to the design and results of its research and development programs, preclinical studies, and clinical trials, including the timing and availability of data from such studies and trials; the combined company's preclinical, clinical, and regulatory development plans for its product candidates, including the timing or likelihood of regulatory filings and approvals for the combined company's product candidates; the combined company's expectations with regard to its ability to license, acquire, discover, and develop additional products candidates and advance such product candidates into, and successfully complete, preclinical studies and clinical trials; the potential market size and size of the potential patient populations for the combined company's product candidates and any future product candidates; ability to maintain existing, and establish new, strategic collaborations, licensing, or other arrangements; the scope of protection the combined company is able to establish and maintain for intellectual property rights covering its initial product candidate and any future product candidates; the combined company's business strategy; the combined company's future results of operations and financial position; the combined company's expectations with respect to future performance and anticipated financial impacts of the Proposed Merger; the satisfaction of closing conditions to the Proposed Merger and the timing of the completion of the Proposed Merger, including obtaining the approval of the Proposed Merger and issuance of shares contemplated thereby by Cara's stockholders. These statements involve substantial known and unknown risks, uncertainties and other factors that may cause the combined company's actual results, timing of results, levels of activity, performance, or achievements to be materially different from the information expressed or implied by these forward-looking statements. New risks emerge from time to time. It is not possible for Tvardi's and Cara's management to predict all risks, nor can they assess the impact of all factors on the combined company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially and adversely from those anticipated or implied in the forward-looking statements.

Tvardi and Cara may not actually achieve the plans, intentions, or expectations disclosed in their forward-looking statements, and you should not place undue reliance on such forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements Tvardi and Cara make. The forward-looking statements in this presentation represent Tvardi's and Cara's views as of the date of this presentation. Tvardi and Cara anticipate that subsequent events and developments will cause their views to change. However, while Tvardi and Cara may elect to update these forward-looking statements at some point in the future, they have no current intention of doing so except to the extent required by applicable law. Except as required by law, neither Tvardi and Cara nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements in this presentation and the accompanying oral commentary. You should, therefore, not rely on these forward-looking statements as representing Tvardi's or Cara's views as of any date subsequent to the date of this presentation.

This presentation also contains estimates and other statistical data made by independent parties and by Tvardi and Cara relating to market size and growth and other data about the combined company's industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. In addition, projections, assumptions, and estimates of the combined company's future performance and the future performance of the markets in which it will operate are necessarily subject to a high degree of uncertainty and risk.

This presentation contains trademarks, service marks, trade names and copyrights of Tvardi, Cara and other companies which are the property of their respective owners.

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

The logo for tvardi THERAPEUTICS features the word "tvardi" in a lowercase, bold, sans-serif font. A stylized flame icon, composed of three curved shapes in orange and yellow, is positioned above the letter 'v'. Below "tvardi" is the word "THERAPEUTICS" in a smaller, uppercase, sans-serif font. The background of the logo area is white with faint, light gray curved lines.

**tvardi**<sup>TM</sup>  
THERAPEUTICS

The logo for CARA THERAPEUTICS features a stylized 'C' icon on the left, composed of three curved segments in red, orange, and yellow. To the right of the icon is the word "CARA" in a bold, uppercase, sans-serif font. Below "CARA" is the word "THERAPEUTICS" in a smaller, uppercase, sans-serif font.

**CARA**  
THERAPEUTICS

**Chris Posner**  
CEO, Cara Therapeutics

# Merger of Tvardi and Cara Therapeutics

<b>Overview</b>	<ul style="list-style-type: none"><li>• Tvardi, a clinical-stage biopharmaceutical company focused on the development of novel, oral, small molecule therapies targeting STAT3 to treat fibrosis-driven diseases with significant unmet need, intends to merge with Cara Therapeutics, Inc. (Nasdaq: CARA)</li><li>• Cara exploration of strategic alternatives initiated in July 2024 evaluating several potential merger candidates</li><li>• Supported by the Board of Directors of both companies and is subject to stockholder approval and other customary closing conditions</li><li>• Combined company will focus on advancing the development of Tvardi programs</li><li>• Upon close, combined company is expected to be renamed "Tvardi Therapeutics, Inc." trading as Nasdaq: TVRD</li></ul>
<b>Transaction Summary</b>	<ul style="list-style-type: none"><li>• Merger expected to close in 1H:2025</li><li>• Pro forma company ownership: 83.0% Tvardi and 17.0% Cara, before giving effect to Tvardi financing</li><li>• Combined company will be well capitalized including \$28 million from concurrent financing, combined with Cara's anticipated cash at the closing of the merger</li><li>• Merger and combined financings would fund the company into the 2H:2026, well past multiple Phase 2 readouts in IPF and HCC (expected 2H:2025) and prepare programs for Phase 3 development</li></ul>
<b>Management &amp; Board</b>	<ul style="list-style-type: none"><li>• Tvardi management will operate pro forma company</li><li>• Combined Board of Directors to contain to contain six representatives from Tvardi and one from Cara</li></ul>



**tvardi**<sup>™</sup>  
THERAPEUTICS



**CARA**  
THERAPEUTICS

**Imran Alibhai, PhD**  
CEO, Tvardi Therapeutics

# Targeting STAT3: Central Mediator of Fibrosis-Driven Diseases



## Deep expertise in STAT3 biology

- Unlocking highly-validated, yet historically "undruggable" target within fibrosis-driven diseases



## Potential to serve as a disease-modifying therapy in IPF<sup>1</sup>

- IPF models demonstrated reversal of fibrosis and restoration of lung function
- Phase 2 blinded data suggests encouraging trends in lung function



## Well-positioned to differentiate therapeutic impact in HCC<sup>2</sup>

- Early signs of response in both mono- and combination therapy from completed and ongoing clinical trials

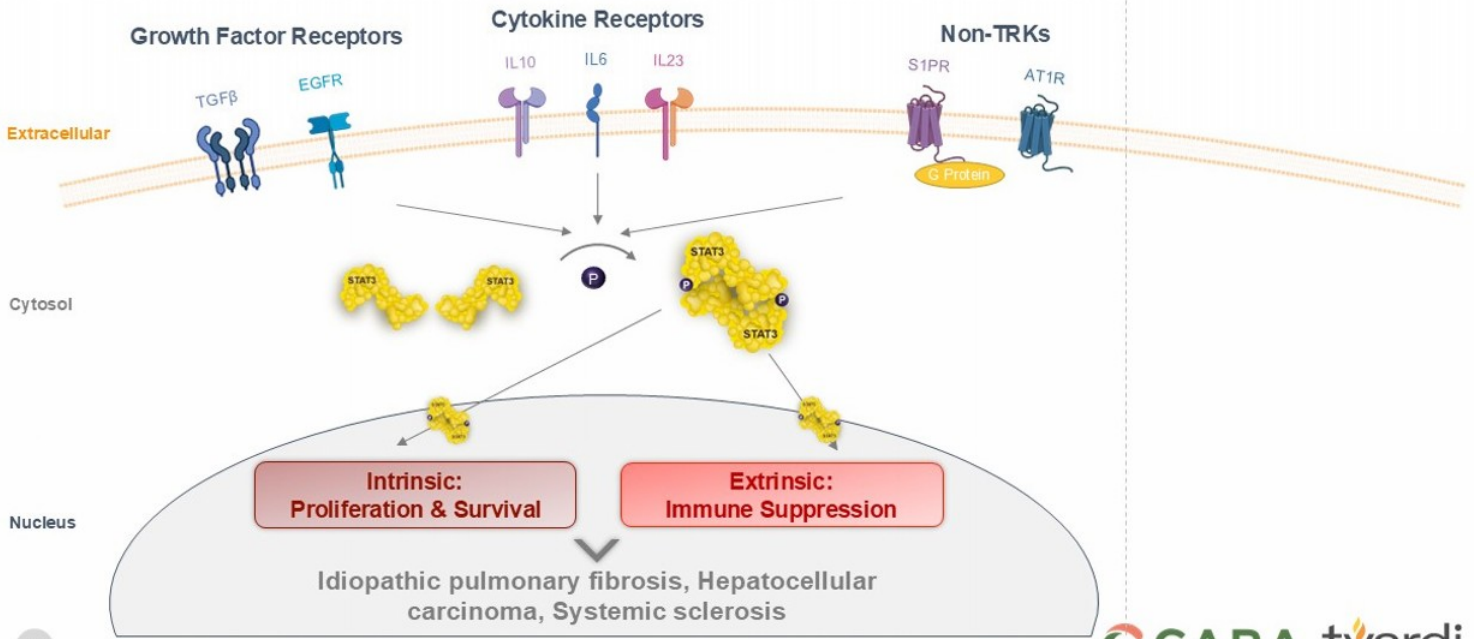


## Multiple near-term data catalysts expected

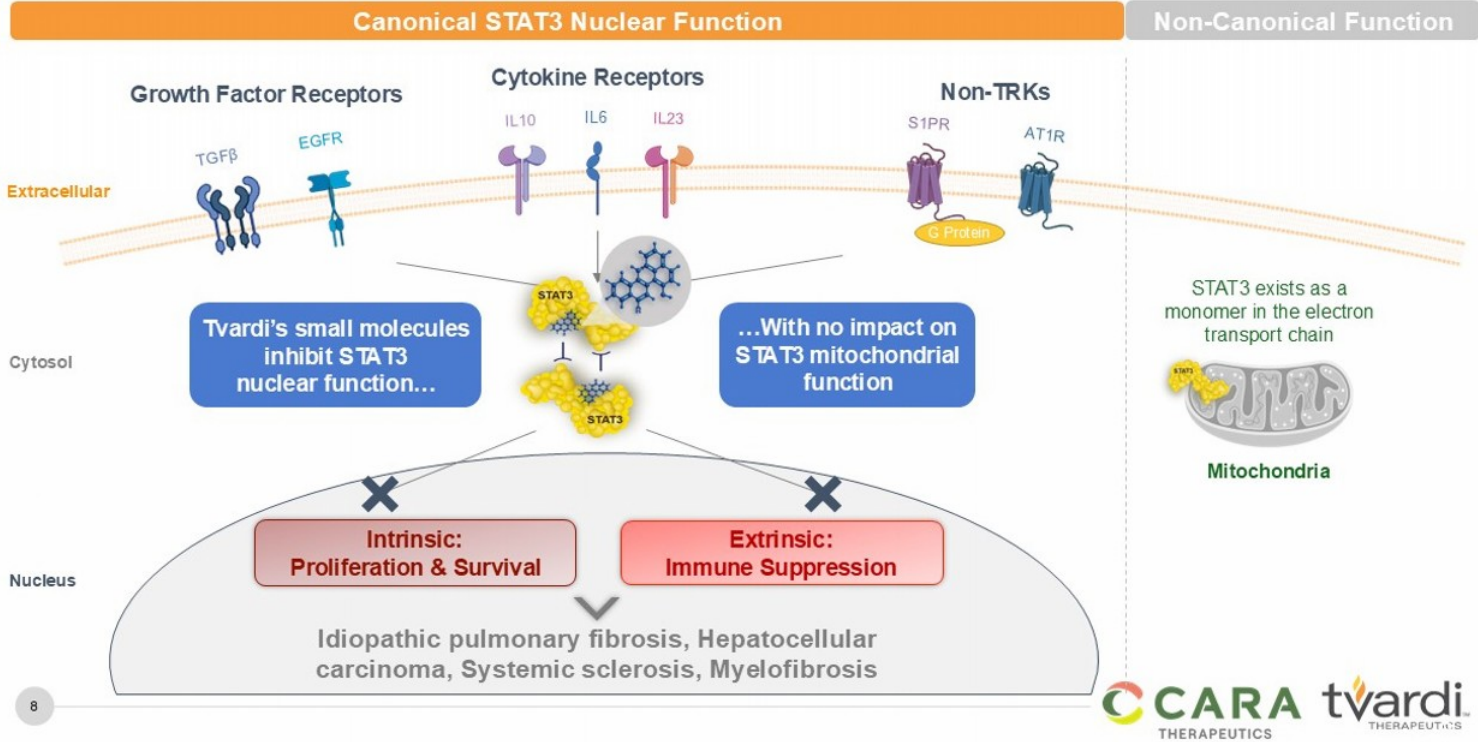
- IPF Phase 2 unblinded data in H2:2025
- HCC Phase 1b/2 topline data in H2:2025
- TTI-109 IND<sup>3</sup> submission planned for H1:2025

# STAT3's Canonical Function Plays a Central Role in Fibrosis-Driven Diseases

## Canonical STAT3 Nuclear Function



# STAT3's Canonical Function Plays a Central Role in Fibrosis-Driven Diseases



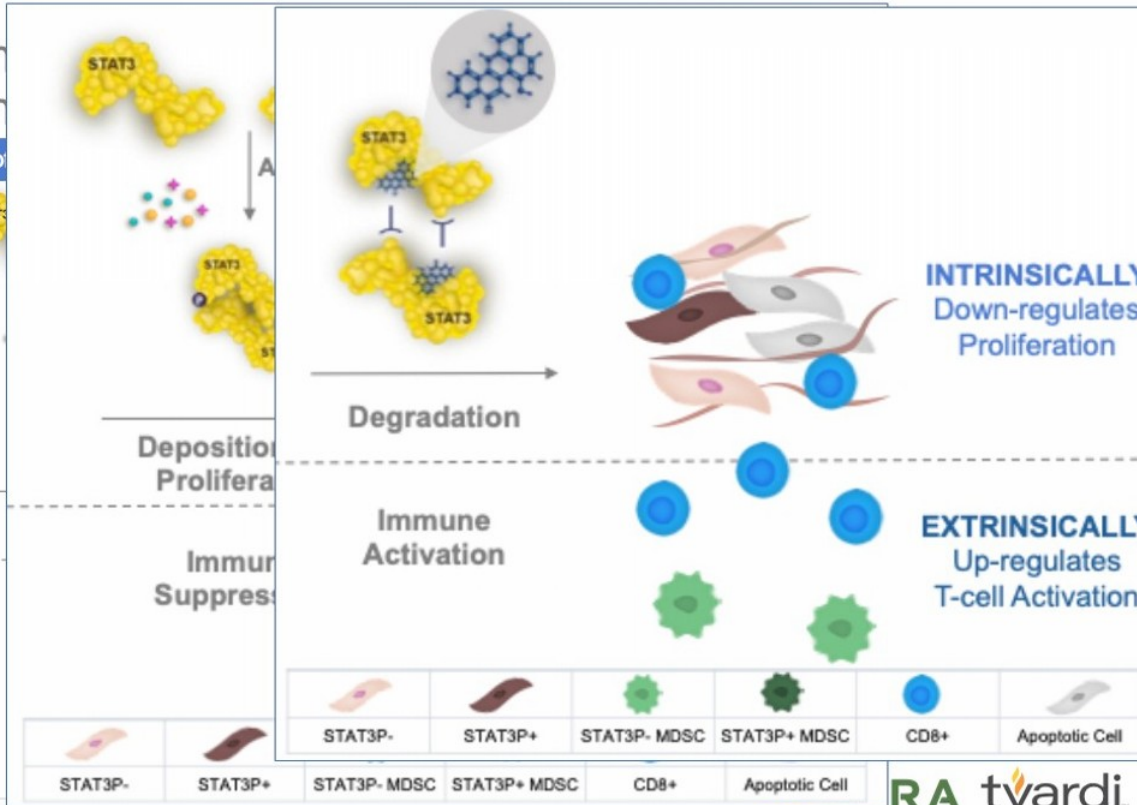
# The Dual Mechanism of the Canonical Pathway

Mechanism of Action

INTRINSIC (Cellular)

Pro-proliferative cells

EXTRINSIC (Immune)





# Seasoned Leadership: Deep R&D and Operational Expertise & Strong Existing Support

## Management Team



**Imran Alibhai, PhD CEO & Director**



**Dan Conn, JD, MBA CFO**



**John Kauh, MD CMO**



## Scientific Advisory Board

**David Tweardy, MD Founder & Advisor**



**Ron DePinho, MD Founder & Advisor**



**Keith Flaherty, MD Advisor (Oncology)**



**Lisa Lancaster, MD Advisor (IPF)**



**Jeff Swigris, DO Advisor (IPF)**



## Board of Directors

**Sujal Shah Chairman**



**Michael Wyzga Director**



**Shaheen Wirk, MD Director**



**Wallace Hall Director**



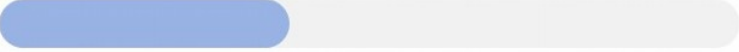
**Cara Representative Director**



## Existing Investors



# Our Pipeline

Program	Indication	Discovery & Preclinical	Phase 1	Phase 2	Phase 3	Anticipated Milestone
TTI-101	 Idiopathic Pulmonary Fibrosis					H2:2025 Phase 2 data
TTI-101	 Hepatocellular Carcinoma					H2:2025 Phase 1b/2 topline data
TTI-109	Fibrosis-driven Disease <sup>1</sup>					H1:2025 IND submission



**TTI-101 in IPF**

# IPF Unmet Need Represents a Large Commercial Opportunity



- IPF is a rare, chronic, interstitial lung disease characterized by inflammation, progressive fibrosis, and lung damage
- Patients with IPF have a poor prognosis, poor quality of life, and are at a higher risk of early mortality



**Prevalence**  
~150K in US<sup>1</sup>

**Incidence**  
~50K in US<sup>1</sup>

**Survival**  
Median <5 years<sup>2</sup> from  
time of diagnosis



## Peak Sales<sup>3</sup>



\$3.8B in 2023



\$1.1B in 2020



High unmet need remains, even with two FDA approved drugs, Ofev® (nintedanib) and Esbriet® (pirfenidone)

- Neither reverse / halt clinical decline: both only slow the progression of disease
- Only ~25%<sup>4</sup> of US IPF patients initiate standard of care
  - Estimated >40% of patients discontinue therapy<sup>4</sup>

**We believe there is a significant commercial opportunity for a differentiated IPF treatment**

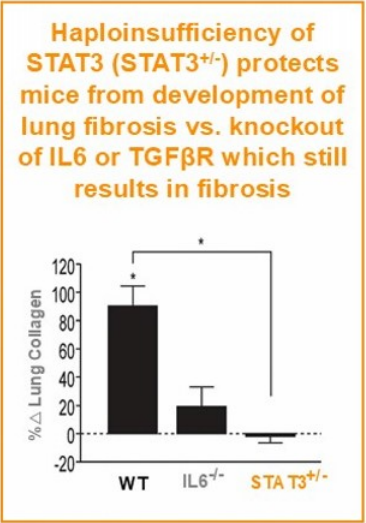
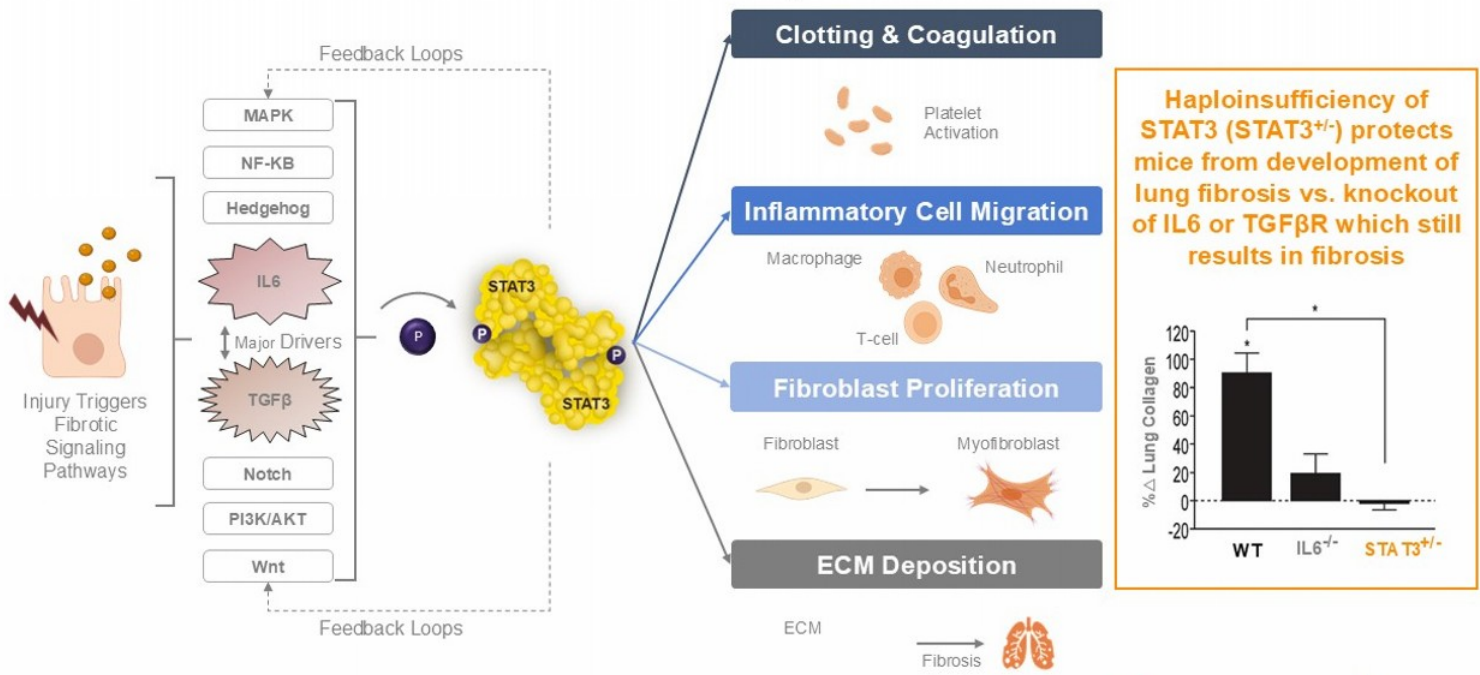
1. Raghu, G., Weycker, D., Edelsberg, J., Bradford, W. Z., & Oster, G. Incidence and prevalence of idiopathic pulmonary fibrosis. *American journal of respiratory and critical care medicine*, 174(7), 810–816 (2006). <https://doi.org/10.1184/ajrccm.2006.02.163.OC>

2. Du, K., Zhu, Y., Mao, R. et al. Medium-long term prognosis prediction for idiopathic pulmonary fibrosis patients based on quantitative analysis of fibrotic lung volume. *Respir Res* 23, 372 (2022). <https://doi.org/10.1186/s12931-022-02278-3>

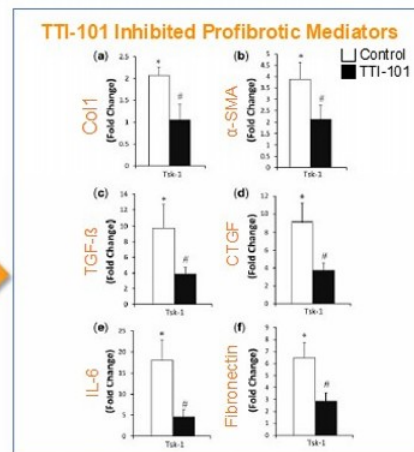
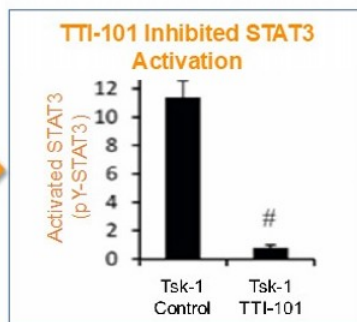
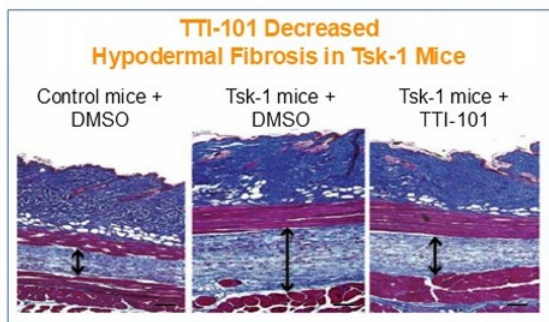
3. Based on \$3.8B in sales of Ofev and \$1.1B in sales of Esbriet from Boehringer Ingelheim and Genentech (Roche) filings.

4. Dempsey, T. M., Payne, S., Sangaralingham, L., Yao, X., Shah, N. D., & Limper, A. H. (2021). Adoption of the Antifibrotic Medications Pirfenidone and Nintedanib for Patients with Idiopathic Pulmonary Fibrosis. *Annals of the American Thoracic Society*, 18(7), 1121–1128. <https://doi.org/10.1513/AnnalsATS.2020.07-901.OC>

# STAT3 Activation is a Central Catalyst in the Fibrotic Cascade



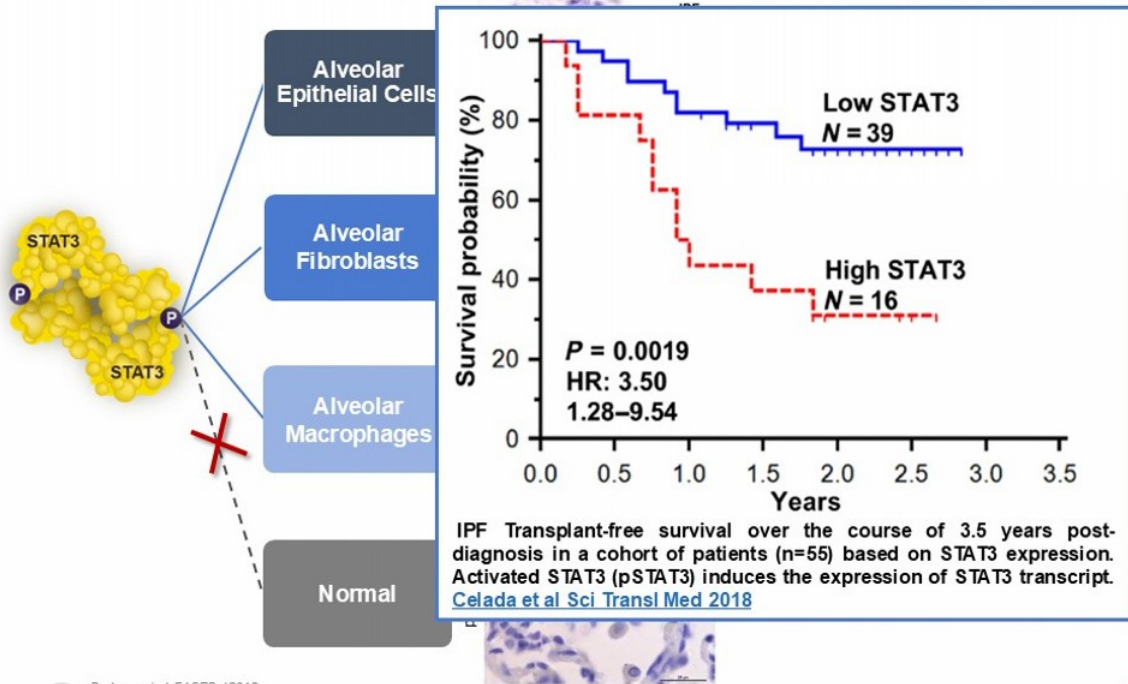
# TTI-101 Inhibited Activation of STAT3 and Key Pro-fibrotic Mediators in Sclerosis



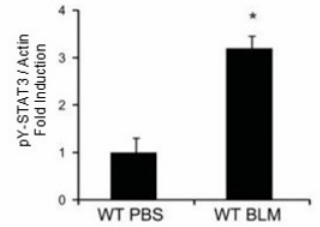
Results from this GEM model with TTI-101 also replicated in a chemically induced skin fibrosis model

These mechanisms are individually targeted in clinical trials; TTI-101 observed to down-regulate all factors simultaneously via STAT3 inhibition

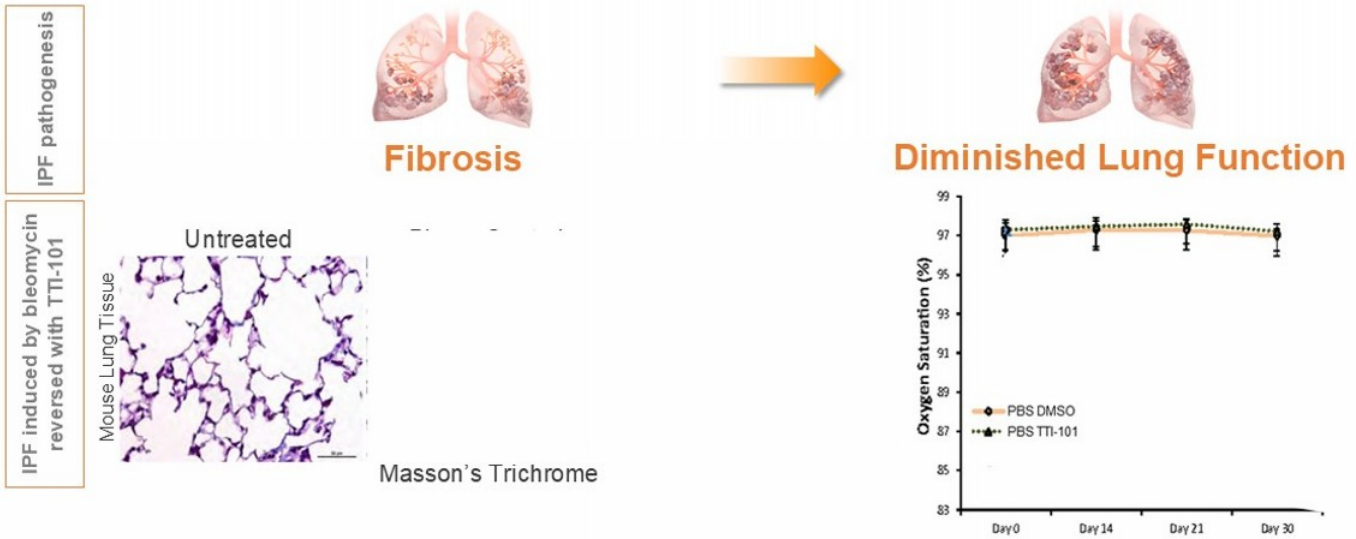
# STAT3 is Activated in Major Compartments of IPF-Affected Mouse and Human Lung Tissue



Activated STAT3 is similarly overexpressed in lung tissue of murine IPF



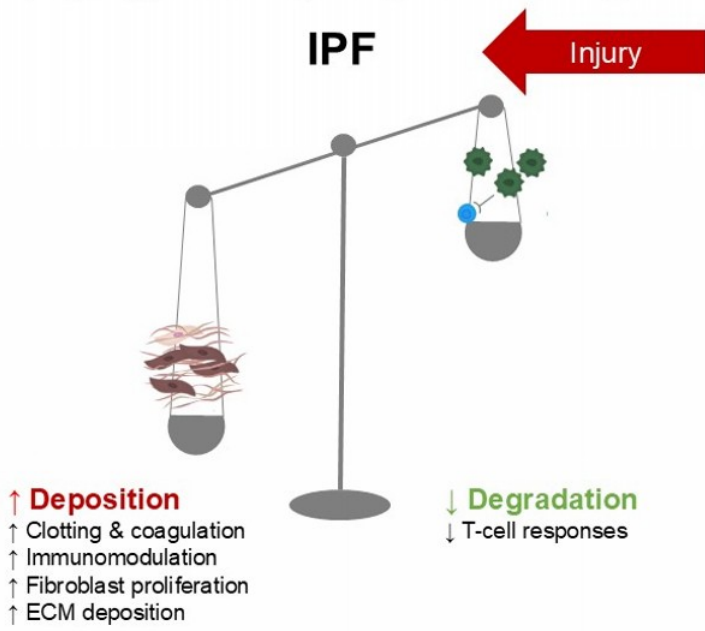
# Reduction of Lung Fibrosis and Statistically Significant Improvement of Oxygen Saturation Observed with TTI-101



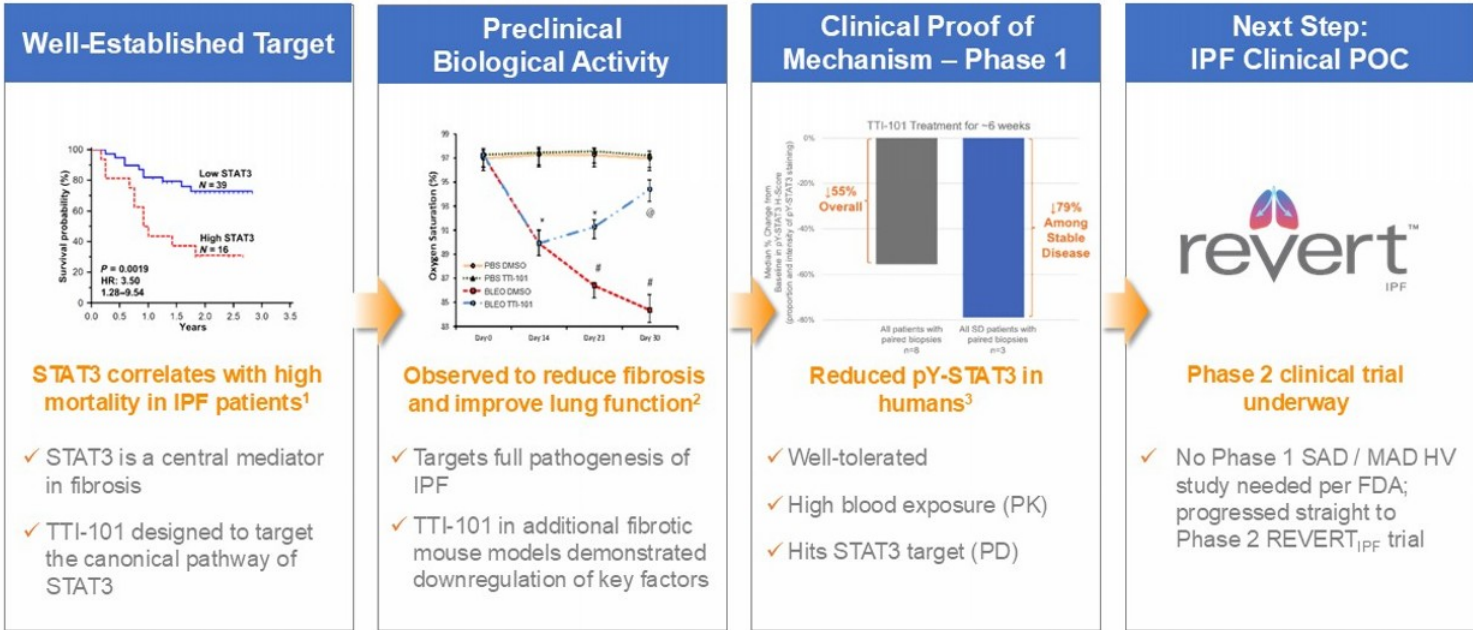
\* TTI-101 dosed therapeutically 14 days after bleomycin (Bleo) induction of fibrosis; whereas, most experimental therapeutics are dosed prophylactically to demonstrate an effect of fibrosis



# Mechanistic Data Revealed TTI-101 Down-regulated Deposition (Injury) *and* Up-regulated Degradation (Repair)



# TTI-101 is Designed to Address the Unmet Need in IPF



## STAT3 correlates with high mortality in IPF patients<sup>1</sup>

- ✓ STAT3 is a central mediator in fibrosis
- ✓ TTI-101 designed to target the canonical pathway of STAT3

## Observed to reduce fibrosis and improve lung function<sup>2</sup>

- ✓ Targets full pathogenesis of IPF
- ✓ TTI-101 in additional fibrotic mouse models demonstrated downregulation of key factors

## Reduced pY-STAT3 in humans<sup>3</sup>

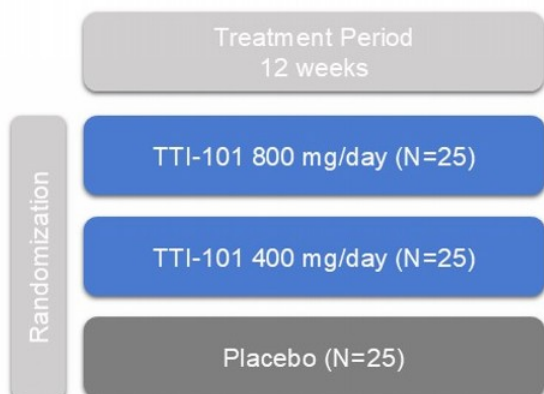
- ✓ Well-tolerated
- ✓ High blood exposure (PK)
- ✓ Hits STAT3 target (PD)

## Phase 2 clinical trial underway

- ✓ No Phase 1 SAD / MAD HV study needed per FDA; progressed straight to Phase 2 REVERT<sub>IPF</sub> trial

1. Celada et al 2018. IPF Transplant-free survival over the course of 3.5 years post-diagnosis in a cohort of patients (n=55) based on STAT3 expression. Activated STAT3 (pY-STAT3) induces the expression of STAT3 transcript. 2. Pedroza et al FASEB J 2016. 3. Tsimberidou 2024 submitted. 8/10 patients had elevated pY-STAT3 at baseline; elevated pY-STAT3 defined as H-score >30 on a 0-300 scale; Data updated December 2023.

# REVERT<sub>IPF</sub>: Double Blind Randomized Phase 2 Study of TTI-101



- Oral dosing (BID)
- 12-week double blind, randomized, placebo-controlled study
- Alone or in combination with nintedanib
- Enrollment of mild and moderate IPF subjects
- 1° & 2° Objectives: Safety & PK
- Exploratory Objectives:
  - Phase 3 endpoints:  $\Delta$ FVC,  $\Delta$ DLCO, HRCT, 6MWT
  - Biomarkers

Early blinded clinical data has demonstrated encouraging trends

# Key Takeaways: TTI-101 in IPF

## STAT3: Well-Established Biology

Compelling and validated target → central mediator in fibrosis

## Differentiated Approach

Driving inhibition of STAT3 activation to address both IPF disease pathologies (downregulating deposition and upregulating degradation)

## Clinical PoC Underway

REVERT<sub>IPF</sub> Phase 2 trial ongoing with clinically relevant endpoints and collection of STAT3-mediated biomarkers

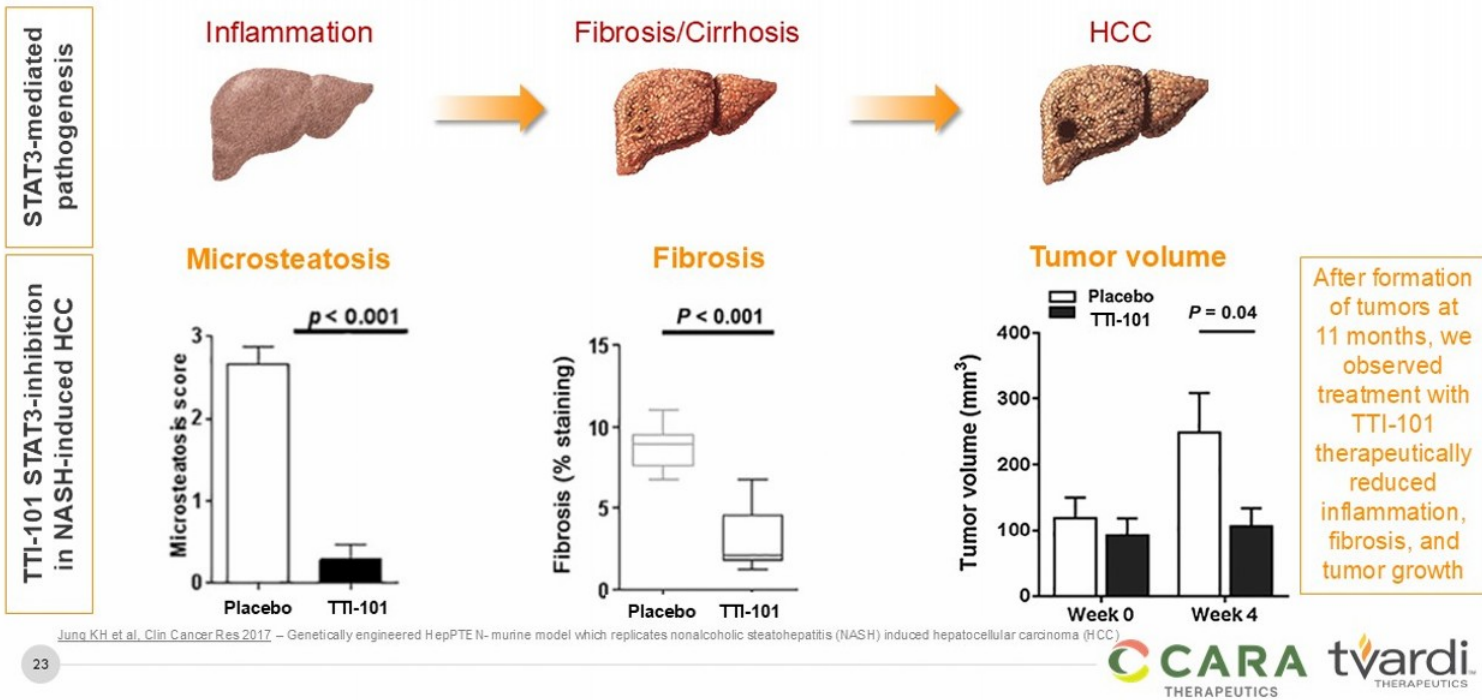
## Near-Term Clinical Milestones

Results from ongoing Phase 2 REVERT<sub>IPF</sub> trial expected in H2:2025



## TTI-101 in HCC

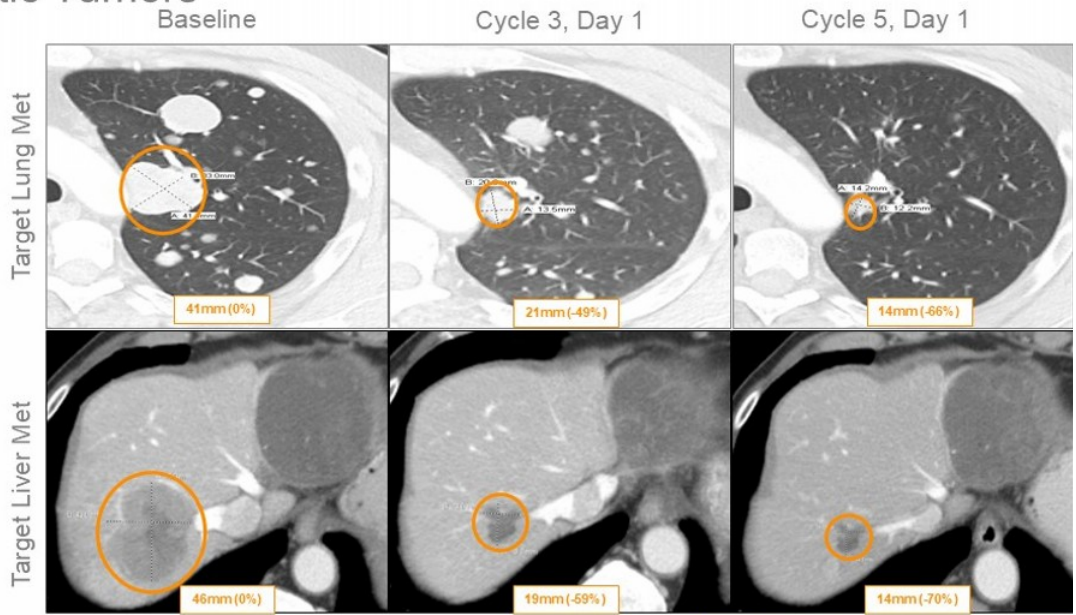
# TTI-101 Reversed Multiple Pathogenic Steps of Liver Cancer in a NASH-induced HCC Model



# Phase 1 Clinical Trial: TTI-101 Monotherapy Led to Durable Partial Responses in Fibrotic Tumors

## Partial Responder A: HCC

- Failed sorafenib, pembro, nivo, nivo+bev
- Best Response: **42% Reduction in Sum of Targets Overall**
- Sustained PR for 10 months



## Partial Responder B: HCC

- Failed lenvatinib, nivo
- Best Response: **66% Reduction in Sum of Targets Overall**
- Sustained PR for 14 months

Diameter Length in mm (% Change from Baseline)

# Phase 1: TTI-101 Monotherapy Clinical Trial Summary

### PK / PD

- Exposures in humans above the level required for efficacy in preclinical oncology and fibrosis models
- Linear PK from DL1-3
- $C_{min}$  above the  $IC_{90}$  for STAT3 induced growth
- Exposure plateaued at DL3, resulting in a RP2D of 12.8mg/kg/day
- 100% of patients with elevated pY-STAT3 levels at baseline demonstrated decrease within ~6 weeks of TTI-101 therapy
- 55% decrease in pY-STAT3 overall; 79% in SD

**Paired Biopsies after ~6 weeks of TTI-101**

Median % Change from Baseline in pY-STAT3 H-Score (proportion and intensity of pY-STAT3 staining).  
All patients with paired biopsies n=8  
All SD patients with paired biopsies n=3  
8/10 patients had elevated pY-STAT3 at baseline; elevated pY-STAT3 defined as H-score >30 on a 0-300 scale

### Tolerability

- Well-tolerated BID oral dosing
- No DLTs

**TRAEs Occurring in >10% of Patients**

Formulation	F1 N=15		F2 N=47		F3 N=7**	
	G1/2	G3	G1/2	G3	G1/2	G3
Diarrhoea	3 (20)	3 (20)	16 (34)	6 (13)	2 (29)	0 (0)
Nausea	4 (26)	0 (0)	6 (13)	1 (2)	0 (0)	1 (14)
Fatigue	6 (40)	0 (0)	4 (8)	0 (0)	0 (0)	0 (0)
Elevated ALT/AST***	1 (7)	1 (7)	1 (2)	4 (8)	1 (14)	1 (14)
Dose reduction	3 (20)		2 (4)		0 (0)	
Dose discont.	0 (0)		2 (4)		0 (0)	

\*Most severe AE counted per subject by grade (G1/2=grade 1 or 2, G3=grade 3) \*\*5 subjects started on F2 and transitioned to F3 \*\*\*Elevated alanine aminotransferase/aspartate aminotransferase (ALT/AST) is the sum of elevated ALT and AST events

### Biological Activity

- Enhanced biological activity in fibrotic cancers with ORR that exceeds current standard of care in HCC
- Current expected ORR in 2L HCC is <5%

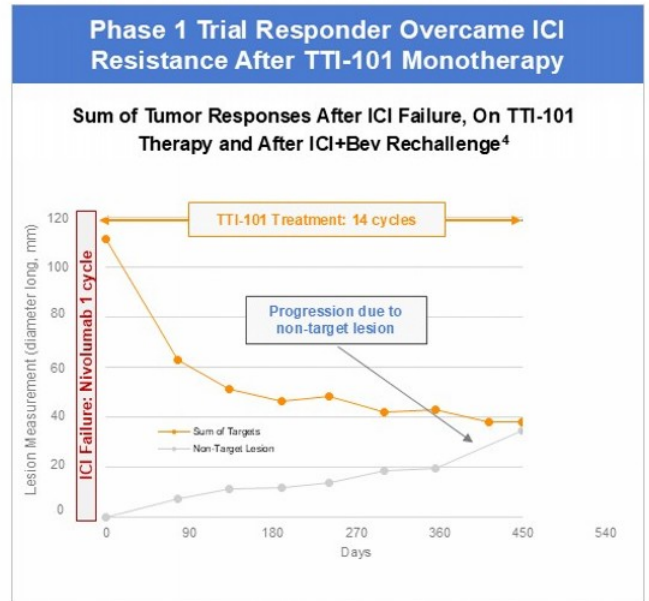
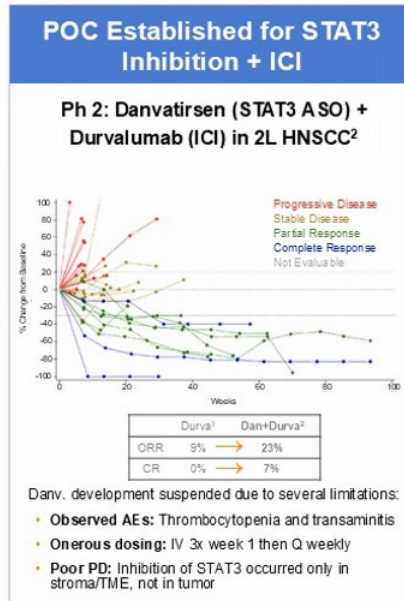
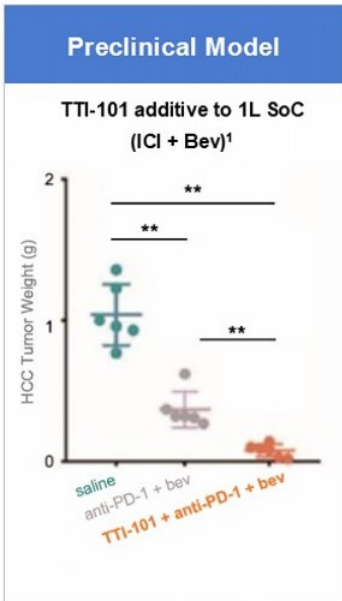
**Best Overall Response Among HCC Patients, N=17**

Median prior therapies=2

Partial Response Stable Disease Progressive Disease



# Strong Rationale for Combo Therapy with STAT3 TTI-101



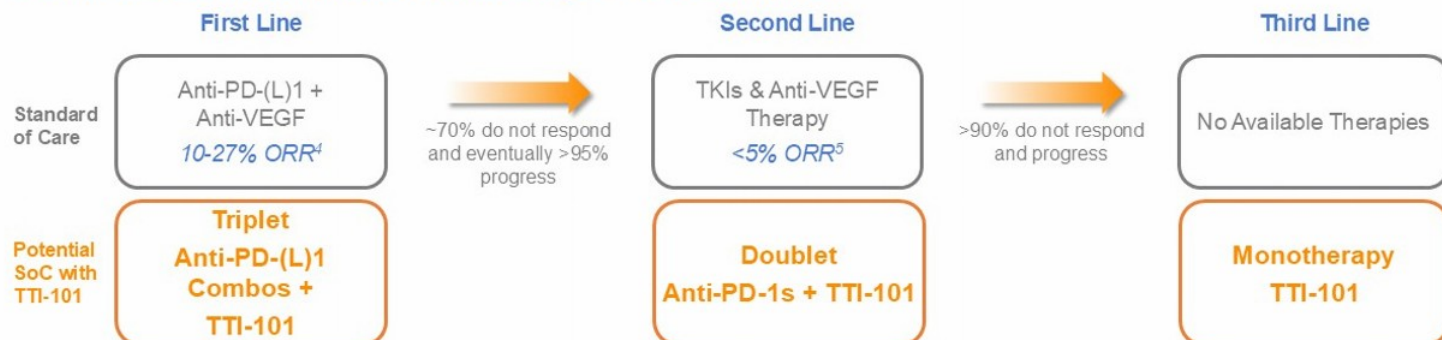
1. Adapted from Zhao, Y et al. Hepatology 2021; 2. Cohen et al 2018; 3. Siu et al 2019; ICI: Immune Checkpoint Inhibition; Bev: Bevacizumab. Certain data on this slide are based on cross study comparisons and are not based on any head to head clinical trials. Cross study comparisons are inherently limited and may suggest misleading similarities and differences. The values shown in the cross study comparisons are directional and may not be directly comparable. 4. Tsimberidou et al 2024 accepted in Clin Cancer Research

# TTI-101 is Designed to Provide a Distinct and Synergistic Mechanism for Unmet Need in HCC

## HCC Disease Overview

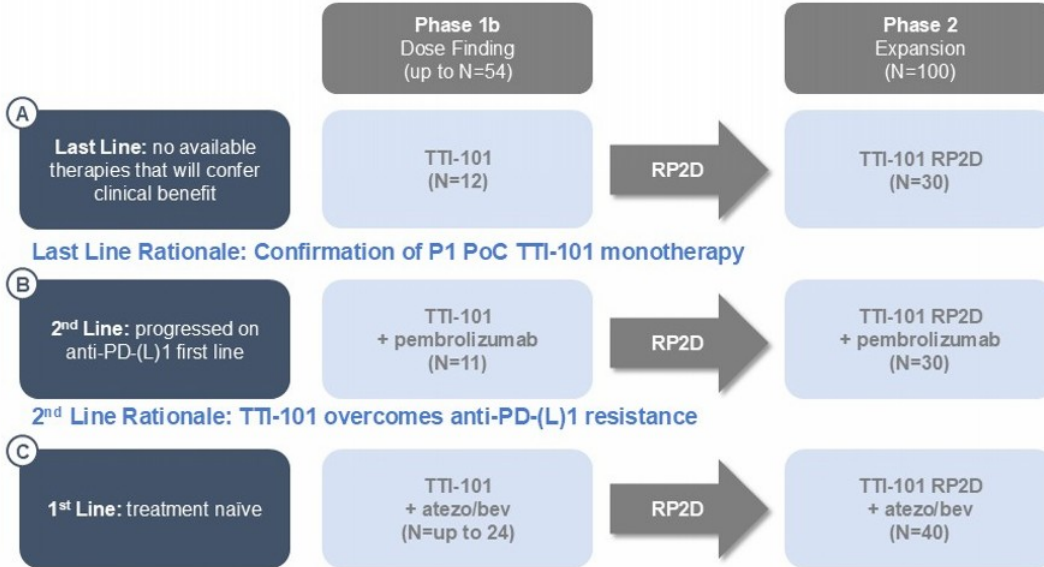
- HCC is 3<sup>rd</sup> leading cause of cancer deaths in the world<sup>1</sup>
- Annually in the US, >42,000 new cases of HCC and ~32,000 deaths recorded<sup>2</sup>
- Incidence has more than tripled since 1980<sup>3</sup>

## Overview of Current Treatment Landscape + Role of TTI-101



1. World Health Organization (WHO); 2. WHO U.S. Statistics; 3. American Cancer Society; 4. Represents range of ORRs from previous studies (MORPHE US, Tempest, IMBrave150); 5. Listed 2nd line ORR expedited to be <5% as 2nd line therapies inhibit VEGF/angiogenesis as common mechanism with bevacizumab and pembrolizumab (anti-PD-1) has common mechanism with atezolizumab (anti-PDL-1).

# REVERT<sub>HCC</sub>: Phase 2 Study of TTI-101 in HCC



**Last Line Rationale: Confirmation of P1 PoC TTI-101 monotherapy**

**2<sup>nd</sup> Line Rationale: TTI-101 overcomes anti-PD-(L)1 resistance**

**1<sup>st</sup> Line Rationale: TTI-101 is synergistic with anti-PD-L1 and anti-angiogenic inhibition**

**Early clinical data suggests clinical benefit across treatment lines**

- Overall Response Rate (ORR)
- Duration of Response (DoR)
- Progression-free survival
- Overall survival
- Liver stiffness (elastogram)
- Biomarkers (IL-6/AFP)
- pY-STAT3 in tumor

# Key Takeaways: TTI-101 in HCC

## STAT3: Well-Established Biology

STAT3 long recognized as prime target in oncology; >95% of patients with HCC have activated STAT3 in their tumors

## Differentiated Approach

Inhibition of STAT3 activation to have dual therapeutic effect on cancer cells – overcoming tumorigenesis and immune suppression

## Clinical PoC Underway

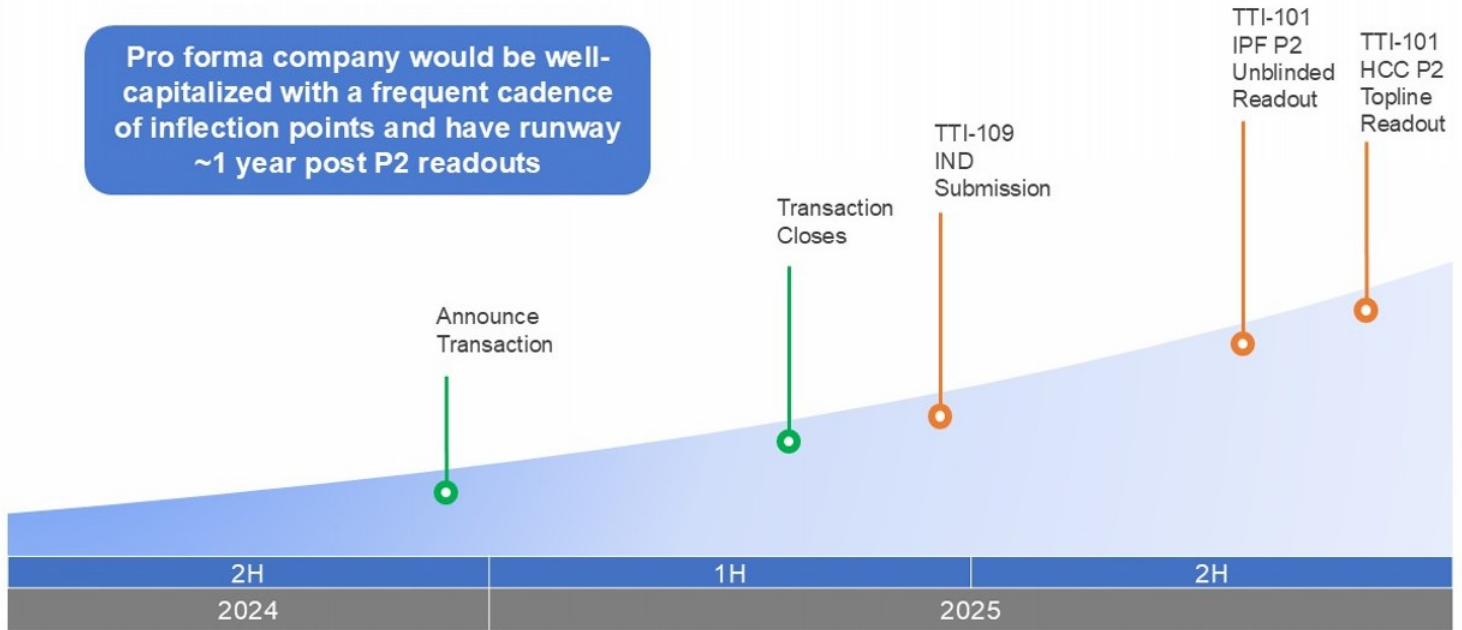
REVERT<sub>HCC</sub> trial Phase 2 assessing activity in both monotherapy and combination therapy in areas of unmet need

## Near-Term Clinical Milestones

Topline results from ongoing Phase 2 REVERT<sub>HCC</sub> trial expected in H2:2025

# Near-Term Anticipated Value-Creating Milestones

Pro forma company would be well-capitalized with a frequent cadence of inflection points and have runway ~1 year post P2 readouts



# Targeting STAT3: Central Mediator of Fibrosis-Driven Diseases



## Deep expertise in STAT3 biology

- Unlocking highly-validated, yet historically "undruggable" target within fibrosis-driven diseases



## Potential to serve as a disease-modifying therapy in IPF<sup>1</sup>

- IPF models demonstrated reversal of fibrosis and restoration of lung function
- Phase 2 Clinical PoC ongoing



## Well-positioned to differentiate therapeutic impact in HCC<sup>2</sup>

- Evaluating both mono- and combination therapy from an ongoing clinical trial



## Multiple near-term data catalysts expected

- IPF Phase 2 unblinded data in H2:2025
- HCC Phase 1b/2 topline data in H2:2025
- TTI-109 IND<sup>3</sup> submission planned for H1:2025