

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2023

OR

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

For the transition period from _____ to _____

Commission file number 001-41536

Prime Medicine, Inc.
(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

21 Erie Street, Cambridge, MA

(Address of principal executive offices)

84-3097762

(I.R.S. Employer Identification No.)

02139

(Zip code)

(617) 564-0013

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.00001 per share	PRME	Nasdaq Global Market

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

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

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

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

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

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

As of July 31, 2023, the registrant had 97,300,310 shares of common stock, par value \$0.00001 per share, outstanding.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q includes forward-looking statements that are based on our management's belief and assumptions and on information currently available to our management. These statements involve substantial risks, assumptions and uncertainties. All statements, other than statements of historical fact, contained herein, including statements regarding our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans and objectives of management, are forward-looking statements. The words "anticipate," "believe," "contemplate," "continue," "could," "estimate," "estimate," "expect," "goal," "hope," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "seek," "should," "strategy," "target," "will," "would," or the negative of these words or other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

The forward-looking statements in this Quarterly Report on Form 10-Q include statements about:

- the initiation, timing, progress and results of our research and development programs, preclinical studies and future clinical trials;
- our ability to demonstrate, and the timing of, preclinical proof-of-concept *in vivo* for multiple programs;
- our ability to advance any product candidates that we may identify and successfully complete any clinical studies, including the manufacture of any such product candidates;
- our ability to pursue our four strategic indication categories: immediate target indications, differentiation target indications, "blue sky" indications and "march up the chromosome" approaches;
- our ability to quickly leverage programs within our initial target indications and to progress additional programs to further develop our pipeline;
- the timing of our investigational new drug applications submissions;
- the ability of our Prime Editing technology to address unmet medical needs in patients;
- the implementation of our strategic plans for our business, programs and technology;
- the scope of protection we are able to establish and maintain for intellectual property rights covering our Prime Editing technology;
- developments related to our competitors and our industry;
- our ability to leverage the clinical, regulatory, and manufacturing advancements made by gene therapy and gene editing programs to accelerate our clinical trials and approval of product candidates;
- our ability to identify and enter into future license agreements and collaborations;
- developments related to our Prime Editing technology;
- regulatory developments in the United States and foreign countries;
- our ability to attract and retain key scientific and management personnel;
- our estimates of our expenses, capital requirements, and needs for additional financing; and
- general economic, industry and market conditions, including rising interest rates and inflation.

We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and these statements may be affected by inaccurate assumptions or by known or unknown risks and uncertainties. You should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make. We have included important factors in the cautionary statements included in this Quarterly Report on Form 10-Q and in subsequent SEC filings, particularly in the "Risk Factors" section, that we believe could cause actual results or events to differ materially from the forward-looking statements that we make. Unless otherwise disclosed, our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, collaborations, joint ventures or investments we may make or enter into.

You should read this Quarterly Report on Form 10-Q and the documents that we reference herein and have filed as exhibits to our other filings with the Securities and Exchange Commission (the "SEC") completely and with the understanding that our actual future results may be materially different from what we expect. The forward-looking

statements contained in this Quarterly Report on Form 10-Q are made as of the date hereof, and we do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise after the date of such statements, except as required by applicable law.

This Quarterly Report on Form 10-Q also contains estimates, projections and other information concerning our industry, our business and the markets for our product candidates. Such information is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances that are assumed in this information. Unless otherwise expressly stated, we obtained this data from our own internal estimates and research as well as from reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data and similar sources. While we are not aware of any misstatements regarding any third-party information presented in this Quarterly Report on Form 10-Q, their estimates, in particular as they relate to projections, involve numerous assumptions, are subject to risks and uncertainties and are subject to change based on various factors, including those discussed under the section titled “Risk Factors” set forth in Part II, Item 1A of this Quarterly Report on Form 10-Q, if any, our Annual Report on Form 10-K that was filed with the SEC on March 9, 2023, and in other SEC filings.

PRIME MEDICINE, INC.
FORM 10-Q
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2023
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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements (unaudited)

PRIME MEDICINE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

(in thousands, except share and per share amounts)	June 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 120,577	\$ 187,620
Short-term investments	80,645	98,467
Short-term investment — related party	6,396	7,834
Prepaid expenses and other current assets	10,872	2,697
Total current assets	218,490	296,618
Property and equipment, net	20,558	19,009
Operating lease right-of-use assets	26,505	29,545
Restricted cash	13,496	13,496
Other assets	1,816	1,646
Total assets	\$ 280,865	\$ 360,314
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 5,490	\$ 4,332
Accrued expenses and other current liabilities ⁽¹⁾	9,723	10,688
Operating lease liability	13,509	11,694
Total current liabilities	28,722	26,714
Operating lease liability, net of current	11,933	17,051
Non current deferred tax liability	108	279
Total liabilities	40,763	44,044
Commitments and contingencies		
Stockholders' equity		
Common stock, par value of \$0.00001 per share; 775,000,000 shares authorized; 97,269,915 and 97,209,213 shares issued and outstanding as of June 30, 2023 and December 31, 2022, respectively	2	2
Additional paid-in capital	615,347	609,849
Accumulated other comprehensive loss	(268)	(384)
Accumulated deficit	(374,979)	(293,197)
Total stockholders' equity	240,102	316,270
Total liabilities and stockholders' equity	\$ 280,865	\$ 360,314

(1) Includes related party amount of \$0.3 million as of June 30, 2023 and December 31, 2022.

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

PRIME MEDICINE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Unaudited)

(in thousands, except share and per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Operating expenses:				
Research and development ⁽¹⁾	\$ 34,599	\$ 18,940	\$ 65,479	\$ 32,617
General and administrative	10,658	7,365	19,811	13,586
Total operating expenses	45,257	26,305	85,290	46,203
Loss from operations	(45,257)	(26,305)	(85,290)	(46,203)
Other income (expense):				
Change in fair value of short-term investment — related party	263	(3,723)	(1,438)	(8,208)
Other income, net	2,640	238	4,775	249
Total other income (expense), net	2,903	(3,485)	3,337	(7,959)
Net loss before income taxes	(42,354)	(29,790)	(81,953)	(54,162)
(Provision for) benefit from income taxes	(31)	442	171	974
Net loss	\$ (42,385)	\$ (29,348)	\$ (81,782)	\$ (53,188)
Cumulative dividend on preferred stock	—	(6,293)	—	(12,517)
Net loss attributable to common stockholders	\$ (42,385)	\$ (35,641)	\$ (81,782)	\$ (65,705)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.47)	\$ (1.76)	\$ (0.91)	\$ (3.31)
Weighted-average common shares outstanding, basic and diluted	90,467,298	20,227,343	89,769,970	19,871,750
Comprehensive loss:				
Net loss	\$ (42,385)	\$ (29,348)	\$ (81,782)	\$ (53,188)
Change in unrealized loss on investments, net of tax	(63)	(118)	116	(123)
Comprehensive loss	\$ (42,448)	\$ (29,466)	\$ (81,666)	\$ (53,311)

(1) Includes related party amount of \$0.3 million and \$0.6 million for the three and six months ended June 30, 2023, respectively.

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

PRIME MEDICINE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(Unaudited)

(in thousands, except share amounts)	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Losses	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of December 31, 2022	97,209,213	\$ 2	\$ 609,849	\$ (384)	\$ (293,197)	\$ 316,270
Issuance of common stock upon exercise of stock options	18,596	—	68	—	—	68
Stock-based compensation expense	—	—	1,681	—	—	1,681
Change in unrealized loss on investments, net of tax	—	—	—	179	—	179
Net loss	—	—	—	—	(39,397)	(39,397)
Balance as of March 31, 2023	97,227,809	2	611,598	(205)	(332,594)	278,801
Issuance of common stock upon exercise of stock options	42,106	—	166	—	—	166
Stock-based compensation expense	—	—	3,583	—	—	3,583
Change in unrealized loss on investments, net of tax	—	—	—	(63)	—	(63)
Net loss	—	—	—	—	(42,385)	(42,385)
Balance as of June 30, 2023	97,269,915	\$ 2	\$ 615,347	\$ (268)	\$ (374,979)	\$ 240,102

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

PRIME MEDICINE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE AND CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT

(Unaudited)

(in thousands, except share amounts)	Redeemable Convertible Preferred Stock		Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Losses	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance as of December 31, 2021	115,761,842	\$ 196,157	45,658,957	\$ 199,643	32,413,860	\$ —	\$ 15,162	\$ (27)	\$ (171,376)	\$ (156,241)
Reclassification of forward contract — related party	—	—	—	—	1,101,525	—	12,020	—	—	12,020
Stock-based compensation expense	—	—	—	—	—	—	1,123	—	—	1,123
Net loss	—	—	—	—	—	—	—	—	(23,840)	(23,840)
Change in unrealized loss on investments, net of tax	—	—	—	—	—	—	—	(5)	—	(5)
Balance as of March 31, 2022	115,761,842	196,157	45,658,957	199,643	33,515,385	—	28,305	(32)	(195,216)	(166,943)
Repurchase of unvested restricted common stock	—	—	—	—	(3,116)	—	—	—	—	—
Stock-based compensation expense	—	—	—	—	—	—	1,346	—	—	1,346
Net loss	—	—	—	—	—	—	—	—	(29,348)	(29,348)
Change in unrealized loss on investments, net of tax	—	—	—	—	—	—	—	(118)	—	(118)
Balance as of June 30, 2022	115,761,842	\$ 196,157	45,658,957	\$ 199,643	33,512,269	\$ —	\$ 29,651	\$ (150)	\$ (224,564)	\$ (195,063)

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

PRIME MEDICINE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(in thousands)	Six Months Ended June 30,	
	2023	2022
Cash flows used in operating activities:		
Net loss	\$ (81,782)	\$ (53,188)
Adjustments to reconcile net loss to net cash used in operating activities		
Non cash lease expense	6,304	4,222
Stock-based compensation expense	5,264	2,468
Depreciation expense	2,170	723
Change in fair value of short-term investment — related party	1,438	8,208
Amortization of premiums and discount on short-term investments	(1,403)	249
Deferred income taxes	(171)	(974)
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(5,299)	(43)
Accounts payable	1,104	2,428
Accrued expenses and other current liabilities	(3,438)	(30,851)
Lease liabilities	(6,569)	(4,258)
Net cash used in operating activities	<u>(82,382)</u>	<u>(71,016)</u>
Cash flows provided by (used in) investing activities:		
Maturities of investments	65,000	62,000
Purchases of investments	(45,659)	(74,744)
Purchases of property and equipment	(3,975)	(6,490)
Payments of security deposits	(170)	(664)
Net cash provided by (used in) investing activities	<u>15,196</u>	<u>(19,898)</u>
Cash flows provided by (used in) financing activities:		
Payments of deferred offering costs	—	(1,896)
Net proceeds from stock option exercises	143	—
Net cash provided by (used in) financing activities	<u>143</u>	<u>(1,896)</u>
Net change in cash, cash equivalents, and restricted cash	(67,043)	(92,810)
Cash, cash equivalents, and restricted cash at beginning of period	201,116	198,545
Cash, cash equivalents, and restricted cash at end of period	<u>\$ 134,073</u>	<u>\$ 105,735</u>
Reconciliation of cash, cash equivalents and restricted cash:		
Cash, cash equivalents, and restricted cash at end of period	\$ 134,073	\$ 105,735
Less: restricted cash	13,496	13,496
Total cash, and cash equivalents	<u>\$ 120,577</u>	<u>\$ 92,239</u>

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

PRIME MEDICINE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(in thousands)	Six Months Ended June 30,	
	2023	2022
Supplemental cash flow information:		
Right-of-use assets obtained in exchange for new operating lease liabilities	\$ 3,265	\$ 28,573
Supplemental disclosure of non-cash investing and financing activities:		
Purchases of property and equipment included in accounts payable and accrued expenses	\$ 712	\$ 2,583
Settlement of forward contract — related party	\$ —	\$ 12,020
Deferred offering costs included in accounts payable and accrued expenses	\$ —	\$ 244

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

PRIME MEDICINE, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. Nature of the Business and Basis of Presentation

Prime Medicine, Inc., together with its consolidated subsidiary (the "Company") is a biotechnology company committed to deliver genetic therapies to address diseases by deploying gene editing technology, Prime Editing. The company is deploying Prime Editing technology, a versatile, precise, efficient and broad gene editing technology, which is designed to make only the right edit at the right position within a gene. With the theoretical potential to repair approximately 90 percent of known disease-causing genetic mutations across many organs and cell types, medicines based on Prime Editing, if approved, could offer a one-time curative genetic therapeutic option to a broad set of patients. The Company was incorporated in the State of Delaware in September 2019.

Reverse Stock Split

On October 12, 2022, in connection with the Company's initial public offering ("IPO"), the Company effected a 1-for-3.10880 reverse stock split of its issued and outstanding shares of common stock and a proportional adjustment to the existing conversion ratios of each series of the Company's preferred stock. Accordingly, all share and per share amounts for all periods presented in the accompanying condensed consolidated financial statements and notes thereto have been adjusted retroactively, where applicable, to reflect this stock split and adjustment of the preferred stock conversion ratios.

Liquidity and Capital Resources

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

In connection with its IPO, completed in October 2022, the Company issued and sold 11,721,456 shares of its common stock, including 1,427,338 shares pursuant to the exercise of the underwriters' option to purchase additional shares, at a price to the public of \$17.00 per share. As a result of the IPO, the Company received \$180.2 million in net proceeds, after deducting underwriting discounts, commissions and offering costs of \$19.1 million. In connection with the IPO, all outstanding shares of redeemable convertible preferred stock converted into 51,923,758 shares of the Company's common stock.

Risks and Uncertainties

The Company is subject to risks and uncertainties common to early stage companies in the biotechnology industry, including, but not limited to, completing preclinical studies and clinical trials, obtaining regulatory approval for product candidates, market acceptance of products, development by competitors of new technological innovations, dependence on key personnel, the ability to attract and retain qualified employees, reliance on third-party organizations, protection of proprietary technology, compliance with government regulations, and the ability to raise additional capital to fund operations. The Company's product candidates currently under development will require significant additional research and development efforts, including extensive preclinical and clinical testing and

regulatory approval prior to commercialization. These efforts require significant amounts of additional capital, adequate personnel and infrastructure, and extensive compliance-reporting capabilities. Even if the Company's development efforts are successful, it is uncertain when, if ever, the Company will realize significant revenue from product sales.

Since its inception, the Company has incurred substantial losses and as of June 30, 2023, the Company had an accumulated deficit of \$375.0 million. The Company expects to generate operating losses and negative operating cash flows for the foreseeable future. The Company expects that its cash, cash equivalents, and investments as of June 30, 2023 of \$207.6 million will be sufficient to fund its operations for at least the next twelve months from the date of issuance of these financial statements. The Company will need additional financing to support its continuing operations and pursue its growth strategy. Until such time as the Company can generate significant revenue from product sales, if ever, it expects to finance its operations through a combination of equity offerings, debt financings, collaborations, strategic alliances and licensing arrangements. The Company may be unable to raise additional funds or enter into such other agreements when needed on favorable terms or at all. The inability to raise capital as and when needed would have a negative impact on the Company's financial condition and its ability to pursue its business strategy. The Company will need to generate significant revenue to achieve profitability, and it may never do so.

Basis of Presentation

The accompanying condensed consolidated financial statements reflect the operations of the Company and its wholly-owned subsidiary. Intercompany balances and transactions have been eliminated in consolidation. The accompanying condensed consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States of America ("U.S. GAAP"). Any reference in these notes to applicable guidance is meant to refer to the authoritative GAAP as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASU") of the Financial Accounting Standards Board ("FASB").

The accompanying condensed consolidated financial statements of Prime Medicine, Inc. are unaudited. The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited annual consolidated financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for the fair statement of the Company's financial position as of June 30, 2023, the results of its operations for the three and six months ended June 30, 2023 and 2022, the condensed consolidated statements of stockholders' equity for the three and six months ended June 30, 2023 and 2022, and its cash flows for the six months ended June 30, 2023 and 2022. The financial data and other information disclosed in these notes related to the three and six months ended June 30, 2023 and 2022 are also unaudited. The results for the three and six months ended June 30, 2023 are not necessarily indicative of results to be expected for the year ending December 31, 2023, any other interim periods, or any future year or period. The condensed consolidated balance sheet data as of December 31, 2022 was derived from our audited financial statements, but does not include all disclosures required by U.S. GAAP. These interim financial statements should be read in conjunction with the audited financial statements as of and for the year ended December 31, 2022, and notes thereto, which are included in the Company's Annual Report on Form 10-K that was filed with the Securities and Exchange Commission (the "SEC") on March 9, 2023.

2. Summary of Significant Accounting Policies

The Company's significant accounting policies are disclosed in Note 2, *Summary of significant accounting policies*, in the audited consolidated financial statements for the year ended December 31, 2022, and notes thereto, included in the Company's Annual Report on Form 10-K that was filed with the SEC on March 9, 2023. Since the date of those financial statements, there have been no material changes to its significant accounting policies.

Use of Estimates

The preparation of the Company's condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant estimates and

assumptions reflected within these condensed consolidated financial statements include, but are not limited to the valuation of the Company's common stock and stock-based awards, and the valuation of the related party forward contract liability. The Company bases its estimates on historical experience, known trends and other market-specific or other relevant factors that it believes to be reasonable under the circumstances. On an ongoing basis, management evaluates its estimates, as there are changes in circumstances, facts and experience. Actual results may differ materially from those estimates or assumptions.

Recently Issued Accounting Pronouncements Not Yet Adopted

Accounting standards that have been issued by the FASB or other standards-setting bodies that do not require adoption until a future date are not expected to have a material impact on our financial statements upon adoption.

3. Fair Value Measurements and Investments

The following tables present the Company's fair value hierarchy for its assets that are measured at fair value on a recurring basis and indicate the level of the fair value hierarchy utilized to determine such fair value:

(in thousands)	As of June 30, 2023:			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Money market funds	\$ —	\$ 18,776	\$ —	\$ 18,776
U.S. Treasury bills and government securities	—	100,886	—	100,886
Short-term investments:				
U.S. Treasury bills and government securities	—	80,645	—	80,645
Related party short-term investment:				
Beam equity securities	6,396	—	—	6,396
Total cash equivalents and investments	\$ 6,396	\$ 200,307	\$ —	\$ 206,703

(in thousands)	As of December 31, 2022:			
	Level 1	Level 2	Level 3	Total
Cash equivalents:				
Money market funds	\$ —	\$ 120,511	\$ —	\$ 120,511
Short-term investment:				
U.S. Treasury securities	—	98,467	—	98,467
Related party short-term investment:				
Beam equity securities	7,834	—	—	7,834
Total cash equivalents and short-term investments	\$ 7,834	\$ 218,978	\$ —	\$ 226,812

The Company classifies its U.S. Treasury as short-term based on each instrument's underlying contractual maturity date. The fair value of the Company's U.S. Treasury securities and money market funds are classified as Level 2 because they are valued using observable inputs to quoted market prices, benchmark yields, reported trades, broker/dealer quotes or alternative pricing sources with reasonable levels of price transparency and U.S. Treasury securities.

Investments in Debt Securities

Unrealized gains and losses of investments in debt securities consisted of the following:

(in thousands)	As of June 30, 2023:			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Short-term investments in debt securities:				
U.S. Treasury bills and government securities	\$ 80,920	\$ —	\$ (275)	\$ 80,645
Total short-term investments in debt securities	\$ 80,920	\$ —	\$ (275)	\$ 80,645

(in thousands)	As of December 31, 2022:			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Short-term investments:				
U.S. Treasury bills and government securities	\$ 98,851	\$ —	\$ (384)	\$ 98,467
Total short-term investments in debt securities	\$ 98,851	\$ —	\$ (384)	\$ 98,467

The contractual maturities of the Company's investments in debt securities held were as follows:

(in thousands)	June 30, 2023	December 31, 2022
Due within one year	\$ 80,645	\$ 98,467

Marketable securities in unrealized loss positions consisted of the following:

(in thousands, except number of securities)	As of June 30, 2023:		
	Number of Securities	Fair Value	Gross Unrealized Losses
Investments in continuous loss position for less than 12 months:			
U.S. Treasury bills and government securities	26	\$ 80,645	\$ (275)

Based on factors such as historical experience, market data, issuer-specific factors, and current economic conditions, the Company did not record an allowance for credit losses as of June 30, 2023 related to these investments. Further, given the lack of significant change in the credit risk, the Company does not consider these investments to be impaired.

4. Property and Equipment, Net

Property and equipment, net consisted of the following:

(in thousands)	June 30, 2023	December 31, 2022
Property and equipment:		
Laboratory equipment	\$ 22,323	\$ 19,422
Leasehold improvement	578	564
Furniture and Fixture	278	235
Computer hardware and software	11	11
Construction in progress	2,369	1,608
Total property and equipment	25,559	21,840
Less: Accumulated depreciation	(5,001)	(2,831)
Total property and equipment, net	\$ 20,558	\$ 19,009

Depreciation expense related to property and equipment is as follows:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Depreciation Expense	\$ 1,118	\$ 430	\$ 2,170	\$ 723

5. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

(in thousands)	June 30, 2023	December 31, 2022
Accrued expenses and other current liabilities		
Accrued employee compensation and benefits	\$ 4,460	\$ 6,529
Accrued professional fees	3,514	2,162
Lab-related supplies and services	693	1,219
Accrued license fee–related party	250	329
Other	806	449
Total accrued expenses and other current liabilities	\$ 9,723	\$ 10,688

6. Stock-Based Compensation

2019 Equity Incentive Plan

The Company's 2019 Stock Option and Grant Plan (the "2019 Plan") provides for the Company to grant incentive stock options ("ISO"), non-qualified stock options, unrestricted stock awards, restricted stock awards ("RSA") and other stock-based awards (collectively, the "Awards") to the officers, employees, consultants and other key persons of the Company. The 2019 Plan was administered by the Board of Directors, or at the discretion of the Board of Directors, by a committee of the Board of Directors. The exercise prices, vesting and other restrictions are determined at the discretion of the Board of Directors, or its committee if so delegated.

In October 2022, in connection with the closing of the Company's IPO, the Board of Directors determined that no further awards would be granted under the 2019 Plan.

2022 Stock Option and Incentive Plan

On February 9, 2022, the Company's Board of Directors adopted, and on October 10, 2022 its stockholders approved, the 2022 Stock Option and Incentive Plan (the "2022 Plan"), which became effective immediately preceding the date on which the registration statement for the Company's IPO was declared effective by the SEC. The 2022 Plan allows the Company to make equity-based and cash-based incentive awards to its officers, employees, directors, and consultants. The 2022 Plan provides for the grant of incentive stock options, non-qualified stock options, stock appreciation rights, restricted stock awards, restricted stock units and other stock-based awards.

The shares of common stock underlying any awards under the 2022 Plan and the 2019 Plan that are forfeited, cancelled, held back upon exercise or settlement of an award to satisfy the exercise price or tax withholding, reacquired by the Company prior to vesting, satisfied without the issuance of stock, expire, or are otherwise terminated (other than by exercise) will be added back to the shares of common stock available for issuance under the 2022 Plan. The number of shares reserved and available for issuance under the 2022 Plan increased on January 1, 2023 and will increase on each January 1 hereafter, by five percent of the outstanding number of shares of common stock on the immediately preceding December 31 or such lesser number of shares as determined by the Compensation Committee. On January 1, 2023, the annual increase resulted in an additional 4,860,461 shares authorized being added to the 2022 Plan. As of June 30, 2023, the Company had 16,788,508 shares reserved under the 2022 Plan and the 2019 Plan, and 9,172,130 shares available for issuance under the 2022 Plan.

2022 Employee Stock Purchase Plan

On February 9, 2022, the Company's Board of Directors adopted, and on October 10, 2022 its stockholders approved, the 2022 Employee Stock Purchase Plan (the "2022 ESPP"), which became effective immediately preceding the date on which the registration statement for the Company's IPO was declared effective by the SEC.

The number of shares of common stock that may be issued under the 2022 ESPP cumulatively increased beginning on January 1, 2023 and shall increase on each January 1 hereafter through January 1, 2032, by the least of (i) 971,350 shares of common stock, (ii) one percent of the outstanding number of shares of common stock on the immediately preceding December 31, or (iii) such number of shares of common stock as determined by the administrator of the 2022 ESPP. On January 1, 2023, the annual increase resulted in an additional 971,350 shares authorized being added to the 2022 Plan. As of June 30, 2023, the Company had 1,942,700 shares available for issuance under the 2022 Plan.

No shares of the Company's common stock were issued during the six months ended June 30, 2023 related to the 2022 ESPP.

Stock Options

The following table summarizes the Company's stock option activity for the six months ended June 30, 2023:

	Number of Shares	Weighted-Average Exercise Price
Outstanding at December 31, 2022	3,954,265	\$ 6.43
Granted	3,504,319	12.76
Exercised	(60,702)	3.87
Cancelled or forfeited	(193,234)	8.36
Outstanding at June 30, 2023	<u>7,204,648</u>	<u>\$ 9.48</u>
Options vested and exercisable at June 30, 2023	<u>1,528,964</u>	<u>\$ 5.64</u>
Options vested and expected to vest at June 30, 2023	<u>7,204,648</u>	<u>\$ 9.48</u>

As of June 30, 2023, there was \$44.3 million of total unrecognized compensation cost related to time-based unvested stock options the Company expects to recognize such amount over a remaining weighted-average period of 3.0 years.

Performance-Based Stock Options

The following table summarizes the Company's performance-based stock option activity for the six months ended June 30, 2023:

	Number of Shares	Weighted-Average Grant Date Fair Value
Outstanding at December 31, 2022	411,730	\$ 6.65
Granted	—	—
Exercised	—	—
Cancelled or forfeited	—	—
Outstanding at June 30, 2023	411,730	\$ 6.65
Vested and exercisable at June 30, 2023	121,160	\$ 5.11

As of June 30, 2023, there was \$2.3 million of total unrecognized compensation cost related to performance-based stock options.

Restricted Common Stock Awards

The Company awarded restricted common stock to employees and non-employees under its 2019 Plan. The vesting of these restricted stock awards are time-based or performance-based.

Time-Based Restricted Common Stocks

The following table summarizes the Company's time-based restricted common stock activity for the six months ended June 30, 2023:

	Number of Shares	Weighted-Average Grant- Date Fair Value
Outstanding at December 31, 2022	5,015,034	\$ 0.10
Issued	—	—
Vested	(2,706,997)	0.08
Repurchased	—	—
Outstanding at June 30, 2023	2,308,037	\$ 0.12

As of June 30, 2023, there was \$0.3 million of total unrecognized compensation cost related to unvested time-based restricted common stock which the Company expects to recognize over a weighted-average period of 0.8 years.

Performance-Based Restricted Common Stock

The following table summarizes the Company's performance-based restricted common stock activity for the six months ended June 30, 2023:

	Number of Shares	Weighted-Average Grant-Date Fair Value
Outstanding at December 31, 2022	3,832,769	\$ 0.07
Issued	—	—
Vested	—	—
Repurchased	—	—
Outstanding at June 30, 2023	3,832,769	\$ 0.07

As of June 30, 2023, there was \$0.3 million of total unrecognized compensation cost related to unvested performance-based restricted common stock.

Stock-Based Compensation

The following table below summarizes the classification of the Company's stock-based compensation expense related to stock options and restricted common stock awards in the condensed consolidated statements of operations and comprehensive loss:

(in thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Stock-based compensation expense:				
Research and development	\$ 2,164	\$ 889	\$ 3,334	\$ 1,647
General and administrative	1,419	456	1,930	821
Total stock-based compensation expense	\$ 3,583	\$ 1,345	\$ 5,264	\$ 2,468

7. Leases

In April 2023, the Company entered into an amendment to its operating lease (the "Amended Lease") for additional office and laboratory space at 21 Erie Street, Cambridge, Massachusetts. The Amended Lease is subject to fixed-rate rent escalations. The 23-month lease term of the Amended Lease, over which the Company is obligated to pay approximately \$3.7 million, commenced in April 2023. Upon the commencement of the Amended Lease, the Company recorded a lease liability and a right-of-use asset of \$3.3 million.

The Company's building leases consist of office and laboratory space under non-cancelable operating leases. Future annual lease payments under non-cancelable operating leases as of June 30, 2023 were as follows:

(in thousands)	Undiscounted Amounts
Undiscounted lease payments:	
Remaining in 2023	\$ 6,465
2024	14,960
2025	3,915
2026	1,683
2027	567
Total undiscounted lease payments	27,590
Less: imputed interest	(2,148)
Total operating lease liability	\$ 25,442

The Company is party to a lease for office and laboratory space at 60 First Street, Cambridge, Massachusetts, with the rent commencement date expected to occur in the first quarter of 2024, subject to any credits pursuant to the terms of the lease. Also subject to any credits pursuant to the terms of the lease, the Company expects to pay up to approximately \$208.7 million over the ten-year lease term. As of June 30, 2023, the lease has not commenced in accordance with ASC 842, *Leases*; accordingly, the operating lease liabilities and operating lease right-of-use assets on the condensed consolidated balance sheet through June 30, 2023, and the table above, exclude any amounts related to this lease.

8. License and Collaboration Agreements

The Company's significant license agreements are disclosed in Note 11, *License and Collaboration Agreements*, in the audited consolidated financial statements for the year ended December 31, 2022, and notes thereto, included in the Company's Annual Report on Form 10-K that was filed with the SEC on March 9, 2023. Since the date of those financial statements, there have been no changes to its license agreements except as otherwise described herein.

9. Net Loss per Share

Basic and diluted net loss per common share attributable to common stockholders was calculated as follows:

(in thousands, except share and per share amounts)	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Numerator:				
Net loss	\$ (42,385)	\$ (29,348)	\$ (81,782)	\$ (53,188)
Cumulative dividend on preferred stock	—	(6,293)	—	(12,517)
Net loss attributable to common stockholders	\$ (42,385)	\$ (35,641)	\$ (81,782)	\$ (65,705)
Denominator:				
Weighted-average common shares outstanding, basic and diluted	90,467,298	20,227,343	89,769,970	19,871,750
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.47)	\$ (1.76)	\$ (0.91)	\$ (3.31)

Diluted net loss per share available to common stockholders was computed by giving effect to all potentially dilutive common stock equivalents outstanding for the period. For purposes of this calculation, preferred stock, unvested restricted stock and stock options to purchase common stock were considered common stock equivalents but had been excluded from the calculation of diluted net loss per share available to common stockholders as their effect was anti-dilutive. In periods in which the Company reports a net loss available to common stockholders, diluted net loss per share available to common stockholders is the same as basic net loss per share available to common stockholders, since dilutive common shares are not assumed to have been issued if their effect is anti-dilutive.

The following common stock equivalents were excluded from the calculation of diluted net loss per share applicable to common stockholders for the periods indicated because including them would have had an anti-dilutive effect:

	As of June 30,	
	2023	2022
Anti-dilutive common stock equivalents:		
Stock Options to purchase common stock	7,325,808	3,593,533
Unvested restricted common stock	6,140,806	11,995,985
Convertible preferred stock (as converted to common stock)	—	51,923,764
Total anti-dilutive common stock equivalents:	13,466,614	67,513,282

10. Related Party Transactions

Founder Consulting Services

For both the three months ended June 30, 2023 and 2022, the Company made payments of \$37,500 in each period, and for the six months ended June 30, 2023 and 2022, the Company made payments of \$75,000 in each period to one of the co-founder stockholders for scientific consulting and other expenses. As of June 30, 2023 and December 31, 2022, there were no amounts included within accounts payable.

Myeloid Therapeutics

In December 2021, the Company and Myeloid Therapeutics, Inc. ("Myeloid") entered into the Myeloid Collaboration Agreement and Myeloid Subscription Agreement. The Company and Myeloid have one common board member, who is also an affiliate of Newpath, one of the Company's holders of its common stock. The Company provided notice to Myeloid of its intent to terminate the Myeloid Collaboration Agreement during the second quarter of 2023. As of June 30, 2023 and December 31, 2022, there was \$0.3 million related to license fees included within accrued expenses and other current liabilities.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with our condensed consolidated financial statements and the related notes thereto included elsewhere in this Quarterly Report on Form 10-Q and our audited consolidated financial statements and notes and Management's Discussion and Analysis of Financial Condition and Results of Operations, included in our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC on March 9, 2023. As discussed in the section titled "Special Note Regarding Forward-Looking Statements," the following discussion and analysis contains forward-looking statements that involve risks and uncertainties, such as statements regarding our plans, objectives, expectations, intentions, or projections, as well as assumptions that, if they never materialize or prove incorrect, could cause our results to differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2022, and the "Risk Factors" section of subsequent Quarterly Reports on Form 10-Q. Our historical results are not necessarily indicative of the results that may be expected for any period in the future.

Overview

We are a biotechnology company committed to delivering a new class of differentiated one-time curative genetic therapies to address the widest spectrum of diseases. We are deploying Prime Editing technology, which we believe is a versatile, precise, efficient and broad gene editing technology designed to make only the right edit at the right position within a gene.

To maximize the potential of our Prime Editing technology to provide one-time curative genetic therapies to the broadest set of diseases possible, we have purposefully built a diversified portfolio of 18 investigational therapeutic programs organized around four strategic indication categories, each set of indications chosen to deliver a different strategic goal:

- **Immediate target indications:** Deliberately chosen as potentially the fastest, most direct path to demonstrate technological success of Prime Editing in patients. We are initially focusing on diseases of the blood via ex vivo delivery to hematopoietic stem cells and on diseases of the liver, the eye and the ear.
- **Differentiation target indications:** Aimed to create therapeutics to address the underlying cause of severe genetic diseases with therapeutics that we believe could not have been created before, especially using other gene-editing approaches. These include repeat expansion diseases and conditions where expansion of pathological DNA repeats results in serious disease.
- **"Blue sky" indications:** Intended to push new and innovative technological developments in Prime Editing and extend its application beyond rare genetic diseases and towards our goal of more broadly addressing human disease. These programs remain in the early stages of conception and will become an increasing focus over the next few years.
- **"March up the chromosome" approaches:** Represents opportunities to deliver upon our overarching vision to ultimately treat all patients with a disease and correct the full set of mutations in a particular gene. This category may overlap with other strategic indication categories, where most of our disclosed indications could accommodate expansion opportunities to address additional mutations in that disease.

We believe our Prime Editing programs are well-positioned to leverage the clinical, regulatory, and manufacturing advancements made to date across gene therapy, gene editing, and delivery modalities to accelerate progression to clinical trials and potential approval.

Components of Our Results of Operations

Operating Expenses

Research and Development Expenses

Research and development expenses consist primarily of costs incurred in connection with the development and research of our immediate target indications and our differentiation target indications. These expenses include:

- the cost allocated to acquire in-process research and development (“IPR&D”), with no alternative future use associated with asset acquisitions or transactions to license intellectual property, such as our Broad License Agreement;
- expenses incurred in connection with our Pledge to Broad Institute;
- personnel-related expenses, including salaries, bonuses, benefits and stock-based compensation for employees engaged in manufacturing, research and development functions;
- expenses incurred in connection with continuing our current research programs and preclinical development of any product candidates we may identify, including under agreements with third parties, such as consultants and contractors;
- the cost of developing and validating our manufacturing process for use in our preclinical studies and future clinical trials;
- laboratory supplies and research materials; and
- facilities, depreciation and other expenses related to research and development activities, which include direct or allocated expenses for rent and maintenance of facilities, and utilities.

Upfront and milestone payments made are accrued for and expensed when the achievement of the milestone is probable up to the point of regulatory approval. Milestone payments made upon regulatory approval will be capitalized and amortized over the remaining useful life of the related product.

We expense all research and development costs in the periods in which they are incurred. Most of our research and development expenses have been related to early stage development activities. We do not allocate employee costs, costs associated with our discovery efforts, laboratory supplies, and facilities expenses, including depreciation or other indirect costs, to specific product development programs because these costs are deployed across multiple programs and our platform and, as such, are not separately classified.

We expect our research and development expenses to increase substantially for the foreseeable future as we continue to invest in research and development activities related to developing any future product candidates, including investments in manufacturing, as we advance any product candidates we may identify and begin to conduct clinical trials.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and personnel-related costs, including stock-based compensation, for our personnel in executive, legal, finance and accounting, human resources and other administrative functions. General and administrative expenses also include legal fees relating to patents and corporate matters; professional fees paid for accounting, auditing, consulting and tax service; insurance costs; office and information technology costs; and facilities, depreciation and other general and administrative expenses, which include direct or allocated expenses for rent and maintenance of facilities and utilities.

We anticipate that our general and administrative expenses will increase in the future as we increase our headcount to support research and development activities; increased accounting, legal, insurance, and investor and public relations costs as we continue to operate as a public company; and additional intellectual property-related expenses as we file patent applications to protect innovations arising from our research and development activities.

Other Income (Expense)

Other income (expense), net primarily consists of the change in the fair value of our short-term investment in Beam Therapeutics Inc. (“Beam”), a related party, in connection with the Beam Collaboration Agreement, which is discussed in greater detail in Note 11, *License and Collaboration Agreements*, to the consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2022.

Results of Operations

Comparison of the Three Months Ended June 30, 2023 and 2022

The following table summarizes our results of operations for the three months ended June 30, 2023 and 2022:

(in thousands, except share and per share amounts)	Three Months Ended June 30,		Change
	2023	2022	
Operating expenses:			
Research and development	\$ 34,599	\$ 18,940	\$ 15,659
General and administrative	10,658	7,365	3,293
Total operating expenses	45,257	26,305	18,952
Loss from operations	(45,257)	(26,305)	(18,952)
Other income (expense):			
Change in fair value of short-term investment — related party	263	(3,723)	3,986
Other income, net	2,640	238	2,402
Total other income (expense), net	2,903	(3,485)	6,388
Net loss before income taxes	(42,354)	(29,790)	(12,564)
(Provision for) benefit from income taxes	(31)	442	(473)
Net loss	\$ (42,385)	\$ (29,348)	\$ (13,037)

Operating Expenses

Research and Development Expenses

(in thousands)	Three Months Ended June 30,		Change
	2023	2022	
Research and development expenses:			
Lab supplies	\$ 13,048	\$ 5,940	\$ 7,108
Personnel expenses	12,596	7,481	5,115
Facility related and other	6,021	3,836	2,185
License, intellectual property fees, and other	1,500	1,255	245
Professional and consultant fees	1,434	428	1,006
Total research and development expenses	\$ 34,599	\$ 18,940	\$ 15,659

The \$15.7 million increase in research and development expense for the three months ended June 30, 2023 as compared to the three months ended June 30, 2022 was primarily driven by:

- \$7.1 million increase in lab supplies expense due to continued discovery efforts and expansion of our research and development activities, including ongoing IND-enabling activities, and increased personnel in our R&D function;

- \$5.1 million increase in personnel expense, including an increase in stock-based compensation expense of \$1.3 million, and \$1.0 million increase in professional and consultant fees, both driven by our increased headcount as we continue to build out our research and development function; and
- \$2.2 million increase in facility-related expense primarily due to the expansion and build out of our office and laboratory space.

General and Administrative Expenses

(in thousands, except share and per share amounts)	Three Months Ended June 30,		Change
	2023	2022	
General and administrative expenses:			
Professional and consultant fees	\$ 4,241	\$ 2,783	\$ 1,458
Personnel expenses	4,144	3,020	1,124
Facility related and other	2,272	1,562	710
Total general and administrative expenses	\$ 10,657	\$ 7,365	\$ 3,292

The \$3.3 million increase in general and administrative expense for the three months ended June 30, 2023 as compared to the three months ended June 30, 2022 is primarily driven by \$1.5 million increase in professional and consultant fees and \$1.1 million increase in personnel expenses, both driven by growth in personnel as we operate as a public company and to support our growing research and development function.

Other Income (Expense)

(in thousands, except share and per share amounts)	Three Months Ended June 30,		Change
	2023	2022	
Other income (expense):			
Change in fair value of short-term investment — related party	\$ 263	\$ (3,723)	\$ 3,986
Other income, net	2,640	238	2,402
Total other income (expense), net	\$ 2,903	\$ (3,485)	\$ 6,388

Change in Fair Value of Related Party Short-Term Investment

The change in fair value of related party short-term investment for each of the periods presented is a result of Beam's stock price movement.

Other Income, Net

Other income, net for the three months ended June 30, 2023 primarily consists of interest income from the Company's short-term investments.

Comparison of the Six Months Ended June 30, 2023 and 2022

The following table summarizes our results of operations for the six months ended June 30, 2023 and 2022:

(in thousands, except share and per share amounts)	Six Months Ended June 30,		Change
	2023	2022	
Operating expenses:			
Research and development	\$ 65,479	\$ 32,617	\$ 32,862
General and administrative	19,811	13,586	6,225
Total operating expenses	85,290	46,203	39,087
Loss from operations	(85,290)	(46,203)	(39,087)
Other income (expense):			
Change in fair value of short-term investment — related party	(1,438)	(8,208)	6,770
Other income, net	4,775	249	4,526
Total other income (expense), net	3,337	(7,959)	11,296
Net loss before income taxes	(81,953)	(54,162)	(27,791)
(Provision for) benefit from income taxes	171	974	(803)
Net loss	\$ (81,782)	\$ (53,188)	\$ (28,594)

Operating Expenses

Research and Development Expenses

(in thousands)	Six Months Ended June 30,		Change
	2023	2022	
Research and development expenses:			
Lab supplies	\$ 23,912	\$ 9,932	\$ 13,980
Personnel expenses	23,790	13,034	10,756
Facility related and other	11,325	6,301	5,024
License, intellectual property fees, and other	3,375	2,630	745
Professional and consultant fees	3,077	720	2,357
Total research and development expenses	\$ 65,479	\$ 32,617	\$ 32,862

The \$32.9 million increase in research and development expense for the six months ended June 30, 2023 as compared to the six months ended June 30, 2022 was primarily driven by:

- \$14.0 million increase in lab supplies expense due to continued discovery efforts and expansion of our research and development activities, including ongoing IND-enabling activities, and increased personnel in our R&D function;
- \$10.8 million increase in personnel expense, including an increase in stock-based compensation expense of \$1.7 million, and \$2.4 million increase in professional and consultant fees, both driven by our increased headcount as we continue to build out our research and development function; and
- \$5.0 million increase in facility-related expense primarily due to the expansion and build out of our office and laboratory space.

General and Administrative Expenses

(in thousands)	Six Months Ended June 30,		Change
	2023	2022	
General and administrative expenses:			
Professional and consultant fees	\$ 8,210	\$ 5,701	\$ 2,509
Personnel expenses	7,209	5,456	1,753
Facility related and other	4,391	2,429	1,962
Total general and administrative expenses	\$ 19,810	\$ 13,586	\$ 6,224

The \$6.2 million increase in general and administrative expense for the six months ended June 30, 2023 as compared to the six months ended June 30, 2022 is primarily driven by:

- \$2.5 million increase in professional and consultant fees and \$1.8 million increase in personnel expenses, which includes an increase in stock-based compensation expense of \$1.1 million, both driven by growth in personnel as we operate as a public company and to support our growing research and development function; and
- \$2.0 million increase in facility related expenses primarily due to the expansion and build out of our office space.

Other Income (Expense)

(in thousands)	Six Months Ended June 30,		Change
	2023	2022	
Other income (expense):			
Change in fair value of short-term investment — related party	\$ (1,438)	\$ (8,208)	\$ 6,770
Other income, net	4,775	249	4,526
Total other income (expense), net	\$ 3,337	\$ (7,959)	\$ 11,296

Change in Fair Value of Related Party Short-Term Investment

The change in fair value of related party short-term investment for each of the periods presented is a result of Beam's stock price movement.

Other Income, Net

Other income, net for the six months ended June 30, 2023 primarily consists of interest income from the Company's short-term investments.

Liquidity and Capital Resources

Since our inception, we have incurred significant operating losses. We expect to incur significant expenses and operating losses for the foreseeable future as we commence the clinical development of our programs and continue our platform development and early-stage research activities. We have not yet commercialized any products and we do not expect to generate revenue from sales of products for several years, if at all. To date, we have funded our operations primarily with proceeds from sales of preferred stock and from our initial public offering. As of June 30, 2023, we had cash, cash equivalents, and investments of \$207.6 million, excluding our restricted cash, or \$221.1 million, including restricted cash.

Cash Flows

The following table summarizes our sources and uses of cash for each of the periods presented:

(in thousands)	Six Months Ended June 30,	
	2023	2022
Net change in cash, cash equivalents and restricted cash:		
Net cash used in operating activities	\$ (82,382)	\$ (71,016)
Net cash provided by (used in) investing activities	15,196	(19,898)
Net cash provided by (used in) financing activities	143	(1,896)
Net change in cash, cash equivalents, and restricted cash	<u>\$ (67,043)</u>	<u>\$ (92,810)</u>

Operating Activities

Net cash used in operating activities for the six months ended June 30, 2023 was driven primarily by the following uses of cash:

- \$81.8 million net loss;
- \$6.6 million change in lease liabilities;
- \$5.3 million change in prepaid and other current assets; and
- \$3.4 million change in accrued expenses and other current liabilities.

These were offset by:

- \$13.6 million of non-cash amounts included in net loss, which primarily consisted of non-cash lease expense, stock-based compensation expense, change in fair value of short-term investment — related party, and depreciation and amortization expense; and
- \$1.1 million change in accounts payable.

Net cash used in operating activities for the six months ended June 30, 2022 was driven primarily by the following uses of cash:

- \$53.2 million net loss;
- \$30.9 million change in accrued expenses and other current liabilities; and
- \$4.3 million change in lease liabilities.

These were offset by:

- \$14.9 million of non-cash amounts included in net loss, which primarily consisted of change in fair value of short-term investment — related party, non-cash lease expense, and stock-based compensation expense; and
- \$2.4 million change in accounts payable.

Investing Activities

Net cash provided by investing activities for the six months ended June 30, 2023 was driven primarily by the following uses of cash:

- \$19.3 million of maturities of marketable securities, net of purchases; offset by
- \$4.0 million of purchases of property and equipment.

Net cash used in investing activities for the six months ended June 30, 2022 was driven primarily by the following:

- \$12.7 million of purchases of marketable securities, net of maturities; and
- \$6.5 million of purchases of property and equipment.

Financing Activities

Net cash used in financing activities for the six months ended June 30, 2022 was driven by payment of deferred financing costs related to our IPO.

Funding Requirements

To date, we have not generated any revenue from product sales. We do not expect to generate revenue from product sales unless and until we successfully complete preclinical and clinical development of, receive regulatory approval for, and commercialize a product candidate and we do not know when, or if at all, that will occur. We expect our expenses to increase substantially in connection with our ongoing activities, particularly as we advance the preclinical activities and studies and initiate clinical trials. In addition, if we obtain regulatory approval for any product candidates, we expect to incur significant expenses related to product sales, marketing, and distribution to the extent that such sales, marketing and distribution are not the responsibility of potential collaborators. Further, we have incurred, and expect to continue to incur, costs associated with operating as a public company. The timing and amount of our operating expenditures will depend largely on the factors set out above. For more information, refer to the section titled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022, and the "Risk Factors" section of subsequent Quarterly Reports on Form 10-Q.

We believe our existing cash, cash equivalents, and investments will be sufficient to fund our operating expenses and capital expenditure requirements into 2025. We have based this estimate on assumptions that may prove to be wrong, and we could exhaust our available capital resources sooner than we expect. We expect that we will require additional funding to:

- continue our current research development activities;
- identify product candidates;
- initiate preclinical testing and clinical trials for our future product candidates we identify;
- develop, maintain, expand and protect our intellectual property portfolio;
- further develop our Prime Editing platform; and
- hire additional research, clinical and scientific personnel.

If we receive regulatory approval for any of our product candidates, we expect to incur significant commercialization expenses related to product manufacturing, sales, marketing and distribution, depending on where we choose to commercialize ourselves.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our cash needs through a combination of private and public equity offerings, debt financings, additional collaborations, strategic alliances, and marketing, distribution or licensing arrangements with third parties. To the extent that we raise additional capital

through the sale of equity or convertible debt securities, ownership interest may be materially diluted, and the terms of such securities could include liquidation or other preferences that adversely affect your rights as a common stockholder. Debt financing and preferred equity financing, if available, may involve agreements that include restrictive covenants that limit our ability to take specified actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise funds through collaborations, strategic alliances or marketing, or distribution or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, any future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed, we may be required to delay, reduce or eliminate our product development or future commercialization efforts, or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

Contractual Obligations and Other Commitments

We enter into contracts in the normal course of business with contract organizations and other vendors to assist in the performance of our research and development activities, and other services and products for operating purposes. These contracts generally provide for termination on notice, and therefore are cancellable contracts and not included in the table of contractual obligations and commitments.

During the six months ended June 30, 2023, except for the minimum rental commitments disclosed in Note 7, *Leases*, to the unaudited condensed consolidated financial statements in this Quarterly Report on Form 10-Q, there were no significant changes to our contractual obligations and commitments described under Management’s Discussion and Analysis of Financial Condition and Results of Operations in our Annual Report on Form 10-K for the year ended December 31, 2022.

Critical Accounting Policies and Significant Judgments and Estimates

Our management’s discussion and analysis of our financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States, or GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses incurred during the reporting periods. We base our estimates on historical experience, known trends and events, and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities recorded revenues and expenses that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. Actual results may differ from these estimates.

During the six months ended June 30, 2023, there were no material changes to our critical accounting policies and significant judgements described under Management’s Discussion and Analysis of Critical Accounting Policies and Significant Judgments and Estimates which are included in our Annual Report on Form 10-K for the year ended December 31, 2022.

Recently Issued and Adopted Accounting Pronouncements

A description of recently issued accounting pronouncements that may potentially impact our financial position and results of operations is disclosed in Note 2, *Summary of Significant Accounting Policies*, to our audited financial statements for the year ended December 31, 2022, and notes thereto, included in the Company’s Annual Report on Form 10-K.

Emerging Growth Company Status

The Jumpstart Our Business Startups Act of 2012 permits an “emerging growth company” such as us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies until those standards would otherwise apply to private companies. We have elected not to “opt out” of such extended transition period, which means that when a standard is issued or revised and it has different

application dates for public or private companies, we will adopt the new or revised standard at the time private companies adopt the new or revised standard and will do so until such time that we either (i) irrevocably elect to “opt out” of such extended transition period or (ii) no longer qualify as an emerging growth company. As a result of this election, our condensed consolidated financial statements may not be comparable to other public companies that comply with new or revised accounting pronouncements as of public company effective dates. We may choose to early adopt any new or revised accounting standards whenever such early adoption is permitted for private companies.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

We are exposed to market risk related to changes in interest rates of our investment portfolio of cash equivalents and investments. As of June 30, 2023, we held cash, cash equivalents, investments, and restricted cash of \$221.1 million, which consisted of cash, money market funds, equity securities, and U.S. Treasuries. Our primary exposure to market risk is interest income sensitivity, which is affected by changes in the general level of U.S. interest rates. The fair value of our cash equivalents, consisted of our money market funds, and U.S. Treasuries are subject to change as a result of potential changes in market interest rates. Due to the short-term maturities of our cash equivalents and U.S. Treasuries and the low risk profile of our investments, an immediate 10 percent change in interest rates would not have a material effect on the fair market value of our cash equivalents or U.S. Treasuries.

Effects of Inflation

Inflation generally affects us by increasing our cost of labor and research and development costs. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, we may experience some effect in the near future (especially if inflation rates continue to rise) due to an impact on the costs to conduct research and development, labor costs we incur to attract and retain qualified personnel, and other operational costs. Inflationary costs could adversely affect our business, financial condition and results of operations.

Item 4. Controls and Procedures

We have established disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act) designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and is accumulated and communicated to management, including the principal executive officer (our Chief Executive Officer) and principal financial officer (our interim Chief Financial and Chief Accounting Officer), to allow timely decisions regarding required disclosure. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Internal Control over Financial Reporting

Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Our disclosure controls and procedures have been designed to provide reasonable assurance of achieving their objectives.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, that occurred during the fiscal quarter ended June 30, 2023 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings

From time to time, we may become involved in litigation or other legal proceedings. While the outcome of any such proceedings cannot be predicted with certainty, as of June 30, 2023 we were not a party to any litigation or legal proceedings that, in the opinion of our management, are probable to have a material adverse effect on our business.

Item 1A. Risk Factors

Investing in our common stock involves a high degree of risk. For a detailed discussion of the risks and uncertainties related to our business, please refer to the section titled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2022, and the "Risk Factors" section of subsequent Quarterly Reports on Form 10-Q. There have been no material changes from the risk factors set forth in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2023.

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

Set forth below is information regarding shares of equity securities sold, and options granted, by us during the three months ended June 30, 2023 that were not registered under the Securities Act.

Recent Sales of Unregistered Equity Securities

None.

Use of Proceeds From Registered Securities

In October 2022, we completed our IPO. In connection with our IPO, we issued and sold 11,721,456 shares of our common stock, including 1,427,338 shares pursuant to the exercise of the underwriters' option to purchase additional shares, at a price to the public of \$17.00 per share. As a result of the IPO, the Company received \$180.2 million in net proceeds, after deducting underwriting discounts, commissions and offering costs of \$19.1 million. All of the shares issued and sold in the IPO were registered under the Securities Act pursuant to a Registration Statement on Form S-1 (File No. 333-267579), which was declared effective by the SEC on October 19, 2022 and a Registration Statement on Form S-1 MEF (File No. 333-267954) filed pursuant to Rule 462(b) of the Securities Act.

No offering expenses were paid directly or indirectly to any of our directors or officers (or their associates) or persons owning 10.0% or more of any class of our equity securities or to any other affiliates. There has been no material change in our planned use of the net proceeds from our IPO as described in our final prospectus filed with the SEC pursuant to Rule 424(b)(4) under the Securities Act on October 21, 2022.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

None.

Item 6. Exhibits

(a) Exhibits.

Exhibit number	Exhibit table
3.1	Third Amended and Restated Certificate of Incorporation of Prime Medicine, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed with the SEC on October 24, 2022).
3.2	Amended and Restated Bylaws of Prime Medicine, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K, filed with the SEC on October 24, 2022).
10.1*	Lease Agreement, dated as of November 22, 2021, between NW Cambridge Property Owner, LLC and the Registrant
10.2*	Sixth Amendment to License Agreement, dated April 5, 2022, between Prime Medicine, Inc. and MIL 21E, LLC
10.3*	Ninth Amendment to License Agreement, dated March 17, 2023, between Prime Medicine, Inc. and MIL 21E, LLC
10.4*	Tenth Amendment to License Agreement, dated April 14, 2023, between Prime Medicine, Inc. and MIL 21E, LLC
10.5*	Eleventh Amendment to License Agreement, dated May 4, 2023, between Prime Medicine, Inc. and MIL 21E, LLC
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

** The certifications furnished in Exhibit 32.1 and Exhibit 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. Such certifications will not be deemed to be incorporated by reference into any filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the Registrant specifically incorporates it by reference.

(b) Financial Statement Schedules.

None.

Signatures

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

Prime Medicine, Inc.

Date: August 07, 2023

By: /s/ Keith Gottesdiener
Keith Gottesdiener
President and Chief Executive Officer
(Principal Executive Officer)

Date: August 07, 2023

By: /s/ Carman Alenson
Carman Alenson
Interim Chief Financial Officer and Chief Accounting Officer
(Principal Accounting Officer and Principal Financial Officer)

**60 FIRST STREET
CAMBRIDGE, MASSACHUSETTS 02141**

LEASE AGREEMENT

BETWEEN

**NW CAMBRIDGE PROPERTY OWNER LLC,
a Delaware limited liability company,
AS LANDLORD**

AND

**PRIME MEDICINE, INC.
a Delaware corporation,
AS TENANT**

LEASE AGREEMENT
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LEASE AGREEMENT

This Lease Agreement (this “Lease”) is made and entered into as of November 22, 2021 (the “Effective Date”), by and between **NW CAMBRIDGE PROPERTY OWNER LLC**, a Delaware limited liability company (“Landlord”), and **PRIME MEDICINE, INC.**, a Delaware corporation (“Tenant”).

1. Basic Lease Information.

- 1.01 “Building” shall mean the building located at 60 First Street, Cambridge, Massachusetts. The “Rentable Floor Area of the Building” is approximately 220,000 rentable square feet.
- 1.02 “Property” means the Building and the parcel(s) of land on which it is located, as more particularly described on Exhibit A-1 to this Lease.
- 1.03 “Premises” shall mean the areas shown on Exhibit A-2 to this Lease. The Premises consists of the entirety of the third (3rd), fourth (4th) and fifth (5th) floors of the Building and includes Tenant’s Proportionate Share of the chemical storage area and designated “control areas” on the first (1st) floor of the Building, if any, described on Exhibit “A-2”.
- 1.04 “Rentable Floor Area of the Premises”: Approximately 148,941 rentable square feet, which includes Tenant’s Proportionate Share of the areas in the Building available for the use of Building tenants from time to time, including the chemical storage areas and the roof and penthouse areas available for Building tenant use.
- 1.05 “Landlord’s Contribution”: \$38,724,660.00
- 1.06 “Term Commencement Date”: See Section 3.01.
- 1.07 “Rent Commencement Date”: The date immediately following the expiration of ten (10) months following the Term Commencement Date, subject to Landlord Delay (as hereinafter defined) and to Force Majeure events.
- 1.08 “Term Expiration Date”: The last day of the 120th full calendar month following the Rent Commencement Date.
- 1.09 “Base Rent”:

Period	Annual Base Rent	Monthly Base Rent
Lease Year 1*:	18,617,625.00	1,551,468.75
Lease Year 2:	19,176,153.80	1,598,012.82
Lease Year 3:	19,751,438.40	1,645,953.20
Lease Year 4:	20,343,981.50	1,695,331.79

Lease Year 5:	20,954,301.00	1,746,191.75
Lease Year 6:	21,582,930.00	1,798,577.50
Lease Year 7:	22,230,417.90	1,852,534.82
Lease Year 8:	22,897,330.40	1,908,110.87
Lease Year 9:	23,584,250.30	1,965,354.19
Lease Year 10:	24,291,777.80	2,024,314.82

*Subject to and in accordance with Section 4.01 below, Monthly Base Rent shall be partially waived by Landlord and partially abated during the first four (4) months in the total amount of \$4,733,437.50 to be applied to the first payments of Base Rent payable for such period.

As used above, the first “Lease Year” shall commence on the Rent Commencement Date and end on the last day of the 12th full calendar month following the Rent Commencement Date, and each subsequent Lease Year shall mean each successive period of twelve (12) calendar months following the first Lease Year during the initial Term.

Note: If Tenant shall lease any portion of the roof penthouse, there shall be no increase in the Base Rent or in the Landlord Contribution except that if Tenant shall lease more than its Proportionate Share thereof, Base Rent shall be increased to reflect such additional penthouse space. Tenant shall further be allowed to use its Proportionate Share of the portions of the roof, penthouse, bike areas, showers, storage, generator or other equipment and/or similar space made available for use by Building tenants, as further described in Section 2.02 below.

- 1.10 “Tenant’s Proportionate Share” shall mean 67.7%, as such percentage may be adjusted from time to time to reflect changes in the Premises or the Building.
- 1.11 Additional Provisions: See Exhibit F
 - 1. Parking
 - 2. Hazardous Materials
 - 3. Roof Rights
 - 4. Negative Conditions
- 1.12 “Security Deposit” shall mean the letter of credit initially in the amount equal to \$13,125,000.00, as provided in Section 6 and Exhibit G attached hereto. Provided Tenant has not been in monetary Default at any time and is not then in any other Default under this Lease, (i) such sum shall be reduced to an amount equal to \$10,208,333.33 upon Substantial Completion of the Initial Tenant Work and the issuance of a

certificate of occupancy, and (ii) such sum shall be reduced to an amount equal to \$4,780,680.63 at the third (3rd) anniversary of the Rent Commencement Date.

1.13 “Broker”: CBRE

1.14 “Permitted Use”: Subject to applicable Laws (as defined below), including applicable City of Cambridge zoning rules and regulations, and the terms set forth herein, general office, research and development, laboratory, vivarium and not more than Tenant’s Proportionate Share of building floor area (as defined in the Cambridge Zoning Code) of manufacturing related to such research and development activities, including, without limitation, cGMP manufacturing of biologic materials suitable for human use and commercial distribution uses. Notwithstanding anything to the contrary in this Lease, under no circumstances shall Tenant use or occupy the Premises or any part thereof, nor shall Landlord use or permit any use or occupancy of any other portion of the Building, in a manner that includes activities that would qualify or be characterized or categorized as any laboratory biosafety level (“BSL”) other than BSL1 or BSL2.

1.15 “Notice Address(es)”:

For Landlord:

NW Cambridge Property Owner LLC
c/o Northwood Investors LLC
1819 Wazee Street, 2nd Floor
Denver, CO 80802
Attn:

With a copy to:

Anchor Line Partners, LLC
One Post Office Square, 36th Floor,
Boston, Massachusetts 02109
Attn. Andrew J. Maher

With a copy to:

Nutter, McClennen & Fish, LLP
155 Seaport Boulevard
Boston, MA 02210
Attn: Michael F. Burke, Esq.

For Tenant:

Prior to the Term Commencement Date:
21 Erie Street
Cambridge, MA 02139
Attention: Keith Gottesdiener, CEO

and after occupancy of the Premises:

60 First Street
Cambridge, MA 02139
Attention: Keith Gottesdiener, CEO

With a copy in both instances to the same address, Attn: Karen Brown, General Counsel, and also to:

Eckert Seamans Cherin & Mellott, LLC
Two International Place, 16th Floor
Boston, MA 02110
Attention: Stuart A. Offner
email: soffner@eckertseamans.com

1.16 “Business Day(s)” are Monday through Friday of each week, exclusive of New Year’s Day, Presidents Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day (“Holidays”). Landlord may designate additional Holidays that are commonly recognized by other office buildings in the area where the Building is located. “Building Service Hours” are 8:00 a.m. to 6:00 p.m. on Business Days.

1.17 Other Defined Terms: Other capitalized terms shall have the meanings set forth in the Lease and its Exhibits below. References in this Lease to numbered Sections shall be deemed to refer to the numbered Sections of this Lease, unless otherwise specified.

1.18 Exhibits: The following exhibits and attachments are incorporated into and made a part of this Lease:

- Exhibit A-1 (Description of Property)
- Exhibit A-2 (Outline and Location of Premises)
- Exhibit B (Expenses and Taxes)
- Exhibit C (Work Letter)
- Exhibit D (Commencement Letter)
- Exhibit E (Building Rules and Regulations)
- Exhibit F (Additional Provisions)
- Exhibit G (Letter of Credit)
- Exhibit H (Form of SNDA)
- Exhibit I (Option)
- Exhibit DC (Delivery Conditions)

2. Lease Grant.

2.01 Premises. Landlord hereby leases the Premises to Tenant and Tenant hereby leases the Premises from Landlord. The Premises exclude the exterior faces of exterior walls, the common stairways and stairwells, elevators and elevator wells, fan rooms, electric and telephone closets, janitor closets, freight elevator vestibules, and pipes, ducts, conduits, wires and appurtenant fixtures serving other parts of the Building (exclusively or in common), and other Common Areas (as defined below) of the Building. If the Premises include the entire rentable area of any floor, the common corridors, elevator lobby, and restroom facilities located on such full floor(s) shall be considered part of the Premises. If Landlord and Tenant shall agree to add to the Premises space in the penthouse or on the first floor of the Building, the Base Rent for such space shall be determined at the same rentable square foot rate as for the initial Premises.

2.02 Appurtenant Rights. During the Term, Tenant shall have, as appurtenant to the Premises, (A) the non-exclusive rights to use in common (subject to any reasonable rules of general applicability to tenants and other users of the Building from time to time made by Landlord): (a) the common lobbies, corridors, stairways, tenant elevators, tenant freight or service elevator(s) and the temporary or permanent loading platform of the Building, and the pipes, ducts, conduits, wires and appurtenant meters and equipment serving the Premises in common with others; (b) common driveways and walkways necessary for access to the Building; (c) if the Premises include less than the entire rentable floor area of any floor, the common corridors, elevator lobby, and restroom facilities located on such floor; and (d) all other areas or facilities in or about the Building from time to time designated for general use in common by Tenant, other Building tenants, and Landlord (collectively, the "Common Areas"), and (B) the exclusive right to the use of not more than Tenant's Proportionate Share of the storage, penthouse, generator locations and other areas outside the Premises which are made available for use by Building tenants in such locations as may be mutually agreed upon by Landlord and Tenant in connection with the plans for Initial Tenant Work. Common Areas may also include areas, facilities (including parking facilities) and amenities located outside the Property which are subject to a reciprocal or other agreement benefiting the Property and other properties (the "REA") that are designated for the general non-exclusive use and convenience of tenants and users of the Building and the other properties subject to the REA.

3. Term and Commencement Date.

3.01 Term. The “Term” of this Lease shall begin at 12:01 a.m. on the later of (a) August 1, 2022 and (b) the following date (the “Term Commencement Date”):

The Substantial Completion date (as defined in Exhibit C) of the Base Building Work pursuant to Exhibit C, provided that Tenant shall have been given not less than 30 days’ prior notice that such date is scheduled to occur.

The Term of this Lease shall end at 11:59 p.m. on the Term Expiration Date set forth in Section 1, unless sooner terminated in accordance with the provisions of this Lease. Promptly after the determination of the Term Commencement Date, Landlord and Tenant shall execute and deliver a commencement letter in the form attached as Exhibit D (the “Commencement Letter”).

3.02 Initial Tenant Work. As used herein, the “Initial Tenant Work” shall mean all Alterations (as defined in Section 8) performed, or to be performed, in or about the Premises that upon substantial completion of the Base Building Work are required initially to put the Premises in condition suitable for Tenant’s use and occupancy, including, without limitation, any work desired by Tenant that is listed in the “Tenant” responsibility column on the Base Building Matrix attached hereto as Schedule C-3 (the “Responsibility Matrix”). Landlord and Tenant shall together coordinate and cooperate so that the Initial Tenant Work shall be performed in accordance with, and subject to, the provisions of Exhibit C and the Responsibility Matrix attached hereto, which shall be mutually agreed upon by Landlord and Tenant in order to minimize any delay or interference with the performance of the Base Building Work and to minimize any delay or interference with the performance of the Initial Tenant Work. Subject to Landlord’s obligations as expressly provided in Exhibit C, the Premises shall be leased by Tenant in good condition and configuration to permit Tenant to perform the Tenant improvements contemplated hereby. As used in this Lease, “Landlord Delay” shall mean any delay in the performance of the work required by Tenant pursuant to this Section 3.02 arising out of or resulting from the following: (i) any delay and/or default on the part of Landlord or its agents, engineers, architects, or contractors, (ii) any interference with Tenant’s performance of the Tenant Improvements by Landlord or any of its agents, engineers, architects, or contractors, (iii) any delay by Landlord in the approval of plans; (iv) any errors or omissions in the Base Building Work; or (v) any other action or inaction by Landlord or any of Landlord’s agents, engineers, architects, or contractors causing a delay in the completion of the Initial Tenant Work.

3.03 Delivery. Notwithstanding anything to the contrary herein, Landlord’s Base Building Work described in Exhibit C shall be completed in a good and workmanlike manner to the reasonable satisfaction of Tenant, with new materials of first-class quality, lien-free and in compliance with all governmental requirements and regulations. Landlord shall use commercially reasonable efforts to deliver possession of the Premises with Landlord’s Base Building Work substantially complete on or before August 1, 2022. For purposes of this Lease the term “substantially complete” shall mean that the “Delivery Conditions” set forth on Exhibit “DC” shall have been satisfied. Subject to Tenant Delays or a force majeure event and provided Tenant shall have received a building permit for the Initial Tenant Work (unless Tenant shall be unable to obtain such building permit because the Base Building Work is not sufficiently complete, in which event Tenant shall otherwise be ready to commence the Initial Tenant Work), if Landlord shall fail to deliver possession of the Premises to Tenant within thirty (30) days following November 1, 2022 (the “Outside Delivery Date”), then in addition to the delay in the Term Commencement Date and the Rent Commencement Date, Tenant shall be entitled to a Base Rent credit equal to one (1) day of free Base Rent for each day that the Commencement Date is delayed beyond the Outside Delivery Date, and two (2) days of free Base Rent for each day that the Commencement Date is delayed more than ninety (90) days after the Outside Delivery Date. Notwithstanding anything to the contrary above, if Landlord shall fail to deliver possession of the Premises to Tenant within one hundred eighty (180) days of the

Outside Delivery Date (the “Drop Dead Date”), subject to extension for Tenant Delays or a Force Majeure event, Tenant shall have the right to terminate this Lease by giving notice to Landlord of Tenant’s desire to do so at any time after the Drop Dead Date (as the same may have been so extended) and, upon the giving of such notice, the Lease Term shall cease and come to an end without further liability or obligation on the part of either party, unless, within sixty (60) days after Landlord receives such notice, Landlord shall cause the Term Commencement Date to occur. By taking possession of the Premises, Tenant agrees that the Premises are in good order and satisfactory condition, subject to the completion of all punch list items, and all of the Landlord’s responsibilities and warranties as described in Exhibit C. Landlord agrees to assign to Tenant all assignable construction warranties resulting from agreements with third parties applicable solely to the Premises provided that Landlord shall retain the right also to enforce the same, and Landlord shall protect Tenant’s interest in all such warranties and shall take no action nor commit an act or omission that renders such warranties void or voidable. Except as provided herein, any delay in the delivery of the Premises or in the occurrence of the Term Commencement Date shall not give rise to any liability or default by Landlord or affect any of the terms of this Lease or Tenant’s obligation to accept the Premises when delivered. Except for Tenant’s entry into the Premises for planning and design and verification of the progress of the Base Building Work, which entry shall not interfere with the progress of the Base Building Work, Tenant shall not be permitted to take possession of or enter the Premises before the Term Commencement Date without Landlord’s permission. If Tenant takes possession of or enters the Premises before the Term Commencement Date, Tenant’s possession or entry before the Term Commencement Date shall be subject to the terms and conditions of this Lease; provided, however, except for the cost of services used or requested by Tenant, Tenant shall not be required to pay Rent for any such possession or entry before the Term Commencement Date during which Tenant, with Landlord’s approval, has entered, or is in possession of, the Premises for the sole purpose of performing improvements or installing furniture, equipment or other personal property.

3.04 Completion Guaranty. Landlord represents to Tenant that an affiliate of Landlord has provided a guaranty of completion of the Base Building Work to Landlord’s construction lender. Tenant understands and acknowledges that such guaranty is not enforceable by Tenant.

4. Rent.

4.01 Base Rent and Additional Rent. Tenant hereby covenants and agrees to pay to Landlord (a) commencing on the Rent Commencement Date all Base Rent (as provided in Section 1) (but subject to the following subparagraph of this Section 4.01 below) and (b) commencing on the Rent Commencement Date (i) Tenant’s Proportionate Share of Expenses and Taxes (as provided in Exhibit B attached hereto), and (ii) all other Additional Rent due for the Term (collectively referred to as “Rent”). “Additional Rent” means all sums (exclusive of Base Rent) that Tenant is required to pay to Landlord from time to time under this Lease. All Rent shall be paid without any setoff or deduction (except to the extent expressly set forth in this Lease).

Notwithstanding the foregoing, Landlord waives payment and Tenant shall have no obligation to pay a total of \$4,733,437.50 applicable to the first payments of Base Rent following the Rent Commencement Date as provided in Section 1.09.

4.02 Manner and Timing of Payments. Base Rent and other recurring monthly charges of Additional Rent shall be due and payable in advance on the first day of each calendar month without notice or demand. All other items of Rent shall be due and payable by Tenant within thirty (30) days after billing by Landlord. Rent shall be made payable to the entity, and sent to the address, that Landlord from time to time designates for such purposes and shall be paid by Tenant by good and sufficient check payable in United States of America currency or by electronic or wire transfer to an account from time to time designated by Landlord. Landlord’s acceptance of less than the entire amount of Rent shall be considered,

unless otherwise specified by Landlord, a payment on account of the oldest obligation due from Tenant hereunder, notwithstanding any statement to the contrary contained on or accompanying any such payment from Tenant. Rent for any partial month during the Term shall be prorated on a per diem basis. Tenant shall pay and be liable for all rental, sales and use taxes (but excluding income taxes), if any, imposed upon or measured by Rent. No endorsement or statement on a check or letter accompanying payment shall be considered an accord and satisfaction.

5. Compliance with Laws; Use.

Tenant shall use the Premises only for the Permitted Use and shall not use or permit the use of the Premises for any other purpose. Tenant shall comply with all statutes, codes, ordinances, orders, rules and regulations of any municipal or governmental entity whether in effect now or later, including without limitation, the Environmental Health and Safety Laws (as defined in Exhibit F attached hereto) and the Americans with Disabilities Act (“Law(s)”), regarding the operation of Tenant’s business and the use, condition, configuration and occupancy of the Premises and the Building systems located in or exclusively serving the Premises.

Without limiting the generality of the foregoing, Tenant shall be solely responsible for complying with all Laws that relate to operations of Tenant’s laboratory and vivarium uses, and all Laws pertaining to equipment, installations and improvements used or required in connection with the operations of Tenant’s laboratory and vivarium uses.

Tenant acknowledges and agrees that the vivarium shall be installed at Tenant’s sole cost and expense as further discussed in Exhibit F. The vivarium will be permitted to be operated only in the portion of the Premises shown on plans approved by Landlord in accordance with Exhibit F attached hereto, and shall be used for biomedical research, development, handling and testing of the Permitted Animals (as hereinafter defined) (“Animal Use”). Tenant shall not use any animals other than mice, rats, zebra fish and such other animals as are lawfully reasonably and customarily used in laboratories in Cambridge Massachusetts (the “Permitted Animals”) in its operations. In addition, Tenant shall promptly take any reasonable actions necessary to resolve any picketing or public relations issues arising from Tenant’s Animal Use. Animal Use, solely of the Permitted Animals, shall be permitted subject to the following: (i) all research, development, handling and testing shall be conducted in strict compliance with all applicable Laws and with good scientific and medical practice; (ii) all dead animals, any part thereof or any waste products related thereto, shall be disposed of, at Tenant’s sole cost and expense, in strict compliance with all applicable Laws and with good scientific and medical practice; (iii) no odors, noises or any similar nuisance shall be permitted to emanate from or permeate outside the vivarium; and (iv) Tenant’s use of the vivarium shall not interfere with the peaceable and quiet use and enjoyment by other tenants or occupants of the Property. Landlord’s permission in connection with any of the above shall not be unreasonably withheld, conditioned or delayed. Upon written request, Tenant shall procure and deliver to Landlord copies of all necessary permits and approvals necessary for the use and operation of the vivarium before allowing any actual Permitted Animals onto the Premises and shall maintain such permits and approvals during the Term.

Tenant shall comply with applicable laboratory practices, (including the use of safety equipment) and policies established by the Center for Disease Control and Prevention (the “CDC”), and in no event shall Tenant’s use of the Premises exceed BSL-2 requirements and protocols in effect with respect to Tenant’s use from time to time. In addition, Tenant shall comply with all Good Manufacturing Practices (GMP) in order to conform to the guidelines recommended by agencies that control the authorization and licensing of the manufacture and sale of biologic, pharmaceutical, medical and other similar products. Tenant shall store, use and dispose of Hazardous Materials in compliance with all applicable Environmental, Health and Safety Laws and shall comply with all Laws applicable to the handling, use or

disposition of any Hazardous Materials. Landlord shall also comply with all of the foregoing requirements, and shall make the same applicable to all tenants and occupants of the Building.

In addition, Tenant shall, at its sole cost and expense, promptly comply with any Laws that relate to the Base Building (defined below), but only to the extent such obligations are triggered by Tenant's use of the Premises (other than for general office use) or any Alterations in or about the Premises performed or requested by Tenant. "Base Building" shall include the structural portions of the Building, the common restrooms, the Building mechanical, electrical, and plumbing systems and equipment located in the internal core of the Building on the floor or floors on which the Premises are located. Tenant shall promptly provide Landlord with copies of any notices it receives regarding an alleged violation of Law. Except as otherwise provided herein, Tenant shall be solely responsible, at Tenant's sole cost and expenses, for obtaining all operational permits, licenses and approvals required in order for Tenant to use the Premises for the Permitted Use (excluding any permits, licenses, and approvals required for the construction of the Base Building Work, which shall be Landlord's responsibility).

If any governmental license or permit required to be obtained by Tenant shall be required for the proper and lawful conduct of Tenant's business at the Premises, (including, without limitation, all permits and approvals required for the use and operation of any required wastewater treatment operator license and vivarium use), Tenant, at Tenant's expense, shall duly procure and thereafter maintain such license and submit the same to inspection by Landlord. Tenant, at Tenant's expense, shall at all times comply in all material respects with the terms and conditions of each such license or permit. Upon written request, Tenant shall provide Landlord with copies of all such licenses, permits and approvals required for Tenant's use, including any Environmental Health and Safety permits, licenses and registrations that are obtained or renewed during the Term.

Without limiting the generality of the foregoing, if required by applicable Laws, Tenant shall apply for, obtain, strictly comply with, and keep in force any discharge permits required by the Massachusetts Water Resources Authority (the "MWRA Permits") covering any Hazardous Materials and processes used by Tenant in its business operations at the Premises. Upon written request, Tenant shall provide a copy of each such MWRA Permit to Landlord, together with a written description and detailed guidelines of any laboratory operating conditions required pursuant to such MWRA Permit, within ten (10) business days after the issuance of such MWRA Permit or any amendment to modification thereto.

As part of the Landlord's performance of the Base Building Work, Landlord shall tie the Premises into the existing base building pH neutralization system (the "pH Neutralization System"), in accordance with any MWRA Permits. To the extent required for Tenant's use, Tenant shall obtain a wastewater treatment operator license from the Commonwealth of Massachusetts. The monitoring, repair and maintenance costs of the pH Neutralization System shall be passed through to Tenant on a pro-rata basis, based upon the proportion that the Rentable Floor Area of the Premises bears to the total rentable floor area of all tenant-occupied space tied into the pH Neutralization System.

Tenant shall not exceed the standard density limit for the Building. Tenant shall not use or permit the use of any portion of the Premises or any equipment installed by Tenant or any party acting under or through Tenant in a manner that results in objectionable noise, odors, or vibrations emanating from the Premises and shall prevent the emanation of noxious odors, smoke, vibration, noise, water or other effects which constitute a nuisance or otherwise materially interfere with the safety or comfort of Landlord or of any of the other occupants of the Building. Tenant shall comply with the rules and regulations of the Building attached as Exhibit E and such other reasonable rules and regulations adopted by Landlord from time to time, including rules and regulations for the performance of Alterations, provided that such rules and regulations are uniformly enforced against all the tenants of the Building. In the event of any conflict between the terms of this Lease and the rules and regulations, the terms of this Lease shall control. If the

Premises or any portion thereof are located on a multi-tenant floor, Tenant shall cause all portions of such Premises that are visible from the Common Areas on such floors to be arranged, furnished, and lighted in a manner in which such Premises appears at all times to be occupied for the Permitted Use.

Notwithstanding anything to the contrary contained in this Lease, during the Term, Tenant shall be entitled to the allocation of Tenant's Proportionate Share of the maximum allowable chemical quantities (both in use and in storage) permitted by MAQ Codes (defined below) including in the chemical storage area on the first floor of the Building, subject to Tenant maintaining all licenses, permits and approvals required therefor. As used herein, "MAQ Codes" shall mean 780 CMR – Massachusetts State Building Code 9th Edition, 527 CMR – Massachusetts Comprehensive Fire Safety Code, and NEPA 45 – Standard on Fire Protection for Laboratories Using Chemicals, 2011 Edition. Tenant shall have the appurtenant right to use any fire control areas made available to tenants on any floor of the Premises.

6. Letter of Credit.

Concurrently with Tenant's execution and delivery of this Lease, Tenant shall deliver to Landlord the Security Deposit, in the form of a clean, irrevocable letter of credit in the amount set forth in Section 1, which shall comply with, and may be drawn by Landlord in accordance with, the provisions of Exhibit G attached hereto (such letter of credit, together with any renewal or replacement thereof in accordance herewith, being referred to herein as the "Letter of Credit").

7. Building Services.

7.01 Building Services. Landlord shall furnish Tenant with the following services (the costs of which shall be included in Expenses, except for such costs that are separately metered or check metered for the Premises, all of which separately metered or check metered costs shall be paid by Tenant as provided below): (a) reasonable quantities of hot and cold water for use in the Base Building restrooms and reasonable quantities of cold water for use in the Premises; (b) customary heat and air conditioning in season; (c) standard janitorial service for the Common Areas nightly on Business Days (it being acknowledged and agreed that Tenant shall be solely responsible for all cleaning and janitorial services for the Premises per Section 9.01 of this Lease); (d) elevator service; (e) electricity in accordance with the terms and conditions in Section 7.02; (f) access to the Building for Tenant and its employees 24 hours per day/7 days per week, subject to the terms of this Lease and such protective services or monitoring systems, if any, as Landlord may from time to time impose, including, without limitation, sign-in procedures and/or presentation of identification cards; (g) maintenance of the exterior areas of the Property, including sweeping, landscaping and snow and ice removal; and (h) such other services as Landlord reasonably determines are necessary or appropriate for the Property. Landlord warrants and represents that to the best of Landlord's knowledge all utilities required by this Lease are presently available at the Premises. To the extent that any of the foregoing utility services for the Premises are separately metered, Tenant shall timely pay the separate charges for such services directly to the applicable utility company. To the extent that any of the foregoing utility services for the Premises (including, without limitation, air handling units or other HVAC equipment serving the Premises) or any other equipment serving the Premises, whether exclusively or in common, is not metered directly by the utility company to the Premises, Tenant shall pay to Landlord, as Additional Rent, the costs of such utility service (without mark-up) by a separate charge payable by Tenant to Landlord based on evidence from the check-meters installed for the Premises or equipment serving the Premises or, for any portion of the Premises or equipment that from time to time does not have operational check-meters, based on reasonable allocations prepared by Landlord's building engineer for the space and period in question. Tenant shall make estimated monthly payments for any utility charges payable to Landlord hereunder, in advance on the first day of each month or partial month of the Term, based on amounts estimated by Landlord from time to time for such utility charges and provided to Tenant in writing, subject to periodic reconciliations based on actual check-meter readings and utility rates for the

space and period in question. If Tenant is permitted to connect any supplemental HVAC units to the Building's condenser water loop or chilled water line, such permission shall be conditioned upon Landlord having adequate excess capacity from time to time and such connection and use shall be subject to Landlord's reasonable approval and reasonable restrictions imposed by Landlord, and Landlord shall have the right to charge Tenant a reasonable connection fee and/or a monthly usage fee, as reasonably determined by Landlord. If, at Tenant's request, Landlord, or an affiliated or third party service provider, provides any services that are not Landlord's express obligation under this Lease, including, without limitation, any repairs which are Tenant's responsibility pursuant to Section 9 below, Tenant shall pay to the applicable service provider the cost of such services plus a reasonable administrative charge.

7.02 Tenant Electricity. Tenant shall pay to Landlord, as Additional Rent, the costs of electricity used in or for the Premises (including, without limitation, air handling units or other HVAC equipment serving the Premises) and, if applicable, for any special equipment installed by or for Tenant elsewhere in the Building, by a separate charge payable by Tenant to Landlord based on check-meters installed for the Premises (or for any applicable portion thereof or equipment serving the Premises) or, for any portion of the Premises or equipment that from time to time does not have operational check-meters, based on reasonable allocations prepared by Landlord's building engineer for the space and period in question. Tenant shall make estimated monthly payments for the electricity charges hereunder, in advance on the first day of each month or partial month of the Term, based on amounts estimated by Landlord from time to time for such electricity charges, subject to periodic reconciliations based on actual check-meter readings and utility rates for the space and period in question. Without the consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, Tenant's use of electrical service shall not exceed the Building standard usage, per square foot, as reasonably determined by Landlord, based upon the Building standard electrical design load and shall comply with any sustainability initiative standards for the Building, including as set forth on Exhibit F hereto. Landlord shall have the right to measure electrical usage by commonly accepted methods, including the installation of measuring devices such as submeters and check-meters, which to the extent not in place prior to the Effective Date shall be installed at Landlord's expense. If it is determined, for any electrical service that is not separately check-metered to Tenant, that Tenant is using electricity in such quantities or during such periods as to cause the total cost of Tenant's electrical usage, on a monthly, per-rentable-square-foot basis, to materially exceed that which Landlord reasonably deems to be standard for the Building, Tenant shall pay Landlord Additional Rent for the cost of such excess electrical usage and, if applicable, for the cost of purchasing and installing the measuring device(s). Notwithstanding the foregoing, to the extent any electricity service is from time to time metered directly by the utility company to the Premises, Tenant shall timely pay the separate charges for such electricity service directly to the applicable utility company and, if requested by Landlord from time to time, provide copies of such utility company invoices and evidence of such payments. Notwithstanding anything to the contrary above, Landlord shall, at its sole expense, provide for direct metering of the Premises as part of Landlord's Work.

7.03 Interruption of Services. Landlord's failure to furnish, or any interruption, diminishment or termination of services due to the application of Laws, the failure of any equipment, the performance of maintenance, repairs, improvements or alterations, utility interruptions or the occurrence of an event of Force Majeure (defined in Section 21.06) (collectively a "Service Failure") shall not render Landlord liable to Tenant, constitute a constructive eviction of Tenant, give rise to an abatement of Rent, nor relieve Tenant from the obligation to fulfill any covenant or agreement, except as provided in the next sentence. If the Premises, or a material portion of the Premises, are made untenable for a period in excess of seven (7) consecutive Business Days after written notice thereof from Tenant to Landlord, as a result of a Service Failure that is reasonably within the control of Landlord to correct, then Tenant, as its sole remedy, shall be entitled to receive an abatement of Rent payable hereunder during the period following such seven(7)-Business-Day period and ending on the day the service has been restored. If the entire Premises has not been rendered untenable by the Service Failure, the amount of abatement shall be equitably

prorated. This Section shall not apply to any Service Failure arising from a casualty event governed by Section 14 below.

7.04 Reservations. Without limiting the generality of the foregoing, Landlord reserves the right from time to time to modify components of the access procedures for the Building or other portions of the Property, to change the number of lobby attendants, or to institute, modify, supplement, or discontinue any particular access control procedures or equipment for the Building, whether during or after business hours, provided that any such changes do not materially interfere with Tenant's business operations at the Premises. Landlord does not warrant or guarantee the effectiveness of any such system or procedures. Tenant expressly disclaims any such warranty, guarantee, or undertaking by Landlord with respect thereto and acknowledges that access control procedures from time to time in effect are solely for the convenience of tenants generally and are not intended to secure the Premises or to guarantee the physical safety of any persons in or about the Premises or the Property. Tenant shall be responsible for securing the Premises, including without limitation by Tenant's installation of access card readers or other security equipment for the Premises in accordance with Section 8 and by restricting or monitoring access into and from the Premises by its employees or other invitees. At the time that any Tenant employee (or other person acting under or through Tenant) who has been issued a Building access card is terminated or otherwise ceases to work at the Premises, Tenant shall retrieve and destroy the Building access card for such person and, in accordance with the Building's standard procedures, notify the Building's property manager that such person should be removed from the active list for Building access cards.

8. Alterations

8.01 Alterations. Tenant shall have the right to make alterations, repairs, additions or improvements or install any Cable (collectively referred to as "Alterations") in the Premises, subject to obtaining the written consent of Landlord in each instance, which consent shall not be unreasonably withheld or delayed. "Cable" shall mean and refer to any electronic, fiber, phone and data cabling and related equipment that is installed by or for the exclusive benefit of Tenant or any party acting under or through Tenant. Prior to starting work on any Alterations, Tenant shall furnish Landlord with plans and specifications (which shall be in CAD format if requested by Landlord); names of contractors reasonably acceptable to Landlord (provided that Landlord may designate specific contractors with respect to Base Building and vertical Cable, as may be described more fully below); required permits and approvals; evidence of contractor's and subcontractor's insurance in amounts reasonably required by Landlord and naming as additional insureds the Landlord, the managing agent for the Building, and such other Additional Insured Parties (as defined in Section 13) as Landlord may designate for such purposes; and any security for performance in amounts reasonably required by Landlord. Landlord shall review and provide a response to Tenant's plans and specifications within five (5) Business Days, provided that the response periods for the Initial Tenant Work shall be governed by Exhibit C. Any disapproval by Landlord shall specify in reasonable detail the reasons for disapproval, with a recommended alternative or solution, if any. If Tenant does not receive a response from Landlord within the applicable time period in connection with the approval of plans and specifications, such request is to be deemed approved. Landlord may designate specific contractors with respect to oversight, installation, repair, connection to, and removal of vertical Cable. All Cable shall be clearly marked with adhesive plastic labels (or plastic tags attached to such Cable with wire) to show Tenant's name, suite number, and the purpose of such Cable (i) outside the Premises (specifically including, but not limited to, the electrical room risers and any Common Areas), and (ii) at the termination point(s) of such Cable. Changes to the plans and specifications must also be submitted to Landlord for its approval, which approval shall not be unreasonably withheld, conditioned or delayed. Alterations shall be constructed in a good and workmanlike manner using materials of a quality reasonably approved by Landlord, and Tenant shall ensure that no Alteration impairs any Building system or Landlord's ability to perform its obligations hereunder. Tenant shall reimburse Landlord only for its reasonable out-of-pocket expenses incurred for any necessary specialized review by Landlord's architects

and engineers if needed in connection with its review of Tenant's plans for any Alteration or the Initial Tenant Work, and, except as provided in Exhibit C, Landlord will not charge an administrative or oversight fee for any Alterations or the Initial Tenant Work. Upon completion, Tenant shall furnish "as-built" plans (in CAD format, if requested by Landlord) for Alterations, customary AIA completion affidavits, full and final waivers of lien, any applicable certificate of occupancy for the space affected by such Alterations, and any other items required under the Building's construction rules and regulations for closing out the particular work in question. Landlord's approval of an Alteration shall not be deemed to be a representation by Landlord that the Alteration complies with Law or will not adversely affect any Building system. If any Alteration requires any change to the Base Building, any Building system, or any Common Area, then such changes shall be made at Tenant's sole cost and expense and performed, at Landlord's election, either by Tenant's contractor or a contractor engaged by Landlord. Notwithstanding the foregoing, Landlord's consent shall not be required for any Alteration that satisfies all of the following criteria (a "Cosmetic Alteration"): (a) is of a cosmetic nature such as painting, wallpapering, hanging pictures and installing carpeting; (b) is not visible from the exterior of the Premises or Building; (c) will not adversely affect the Base Building (defined in Section 5); and (d) does not require a building permit or other governmental approval. Cosmetic Alterations shall be subject to all the other provisions of this Section 8.03, to the extent applicable thereto.

8.02 Liens. Tenant shall not cause or permit any mechanics' or other liens to be placed upon the Property, the Premises, or Tenant's leasehold interest hereunder in connection with any work or service done or purportedly done by or for the benefit of Tenant, its subtenants, or any other party acting under or through Tenant. Tenant shall give Landlord notice at least fifteen (15) days prior to the commencement of any work in the Premises to afford Landlord the opportunity, where applicable, to post and record notices of non-responsibility. Tenant, within forty-five (45) days after notice from Landlord, shall fully discharge any such lien by settlement, by bonding or by insuring over the lien in the manner prescribed by the applicable lien Law. If Tenant fails to discharge such lien within such period, Tenant shall be deemed in Default under this Lease and, in addition to any other remedies available to Landlord as a result of such Default by Tenant, Landlord, at its option, may bond, insure over or otherwise discharge the lien. Tenant shall reimburse Landlord for any amount paid by Landlord to discharge such lien, including, without limitation, reasonable attorneys' fees. Landlord shall have the right to require Tenant to post a performance or payment bond in connection with any work or service done or purportedly done by or for the benefit of Tenant. Tenant acknowledges and agrees that all such work or service is being performed for the sole benefit of Tenant and not for the benefit of Landlord.

8.03 Leasehold Improvements. All leasehold improvements from time to time made in and to the Premises (collectively, "Leasehold Improvements") shall, except as expressly provided in this Lease, remain upon the Premises at the end of the Term without compensation to Tenant. Landlord, by written notice to Tenant at least thirty (30) days prior to the Term Expiration Date, may require Tenant, at Tenant's expense, to remove any Leasehold Improvements or other affixed installations that, in Landlord's reasonable judgment, are of a nature that would require removal and repair costs that are materially in excess of the removal and repair costs associated with standard office improvements ("Required Removables"). Required Removables shall be limited to internal stairways, private baths and showers, vaults, or other items of an unusual nature not customarily found in office or lab or life science buildings. Tenant, at the time it requests approval for a proposed Alteration may request in writing that Landlord advise Tenant whether the Alteration or any portion thereof is a Required Removable. Within ten (10) Business Days after receipt of Tenant's request, Landlord shall advise Tenant in writing as to which portions of the alteration or other improvements are Required Removables. The Required Removables shall be removed by Tenant before the expiration or earlier termination of this Lease in accordance with Section 19. or the cost therefor paid for after the Expiration Date if and when such items are removed

8.04 Signage. No signs, advertisements or notices shall be painted or affixed to windows, doors or other parts of the Building, except those of such color, size, style and in such places as are first approved in writing by Landlord, which approval shall not be unreasonably withheld, conditioned or delayed. All tenant identifications, suite number and branding at the entrance to the Premises shall be subject to Landlord's prior written approval in Landlord's sole but reasonable discretion, and shall be installed by Landlord, at Tenant's cost and expense, using the standard graphics for the Building. Landlord, at its sole cost, shall provide Tenant with Building standard signage on all existing tenant directories at the Building. Notwithstanding the above, Tenant shall have the right to install exterior signage as mutually agreed between Landlord and Tenant subject to compliance with all applicable legal requirements. No other tenant shall have the right to install exterior signage. In the event there is a change to Tenant's name or logo in the future, Tenant shall have the ability to modify the exterior signage to similar specifications as previously mutually agreed with the Landlord and at Tenant's sole cost and expense.

9. Repairs and Maintenance.

9.01 Tenant Obligations. Tenant, at its sole cost and expense, shall perform all maintenance and repairs to the Premises that are not Landlord's express responsibility under this Lease, and keep the Premises in good condition and repair, reasonable wear and tear excepted. Tenant's repair and maintenance obligations include, without limitation, repairs to: (a) floor covering; (b) interior partitions; (c) doors; (d) the interior side of demising walls; (e) Alterations (described in Section 8); (f) supplemental air conditioning units, kitchens, including hot water heaters, plumbing, and similar facilities exclusively serving the Premises or any portion thereof, whether such items are installed by Tenant or are currently existing in the Premises; and (g) any Cable. Tenant shall maintain in effect throughout the Term maintenance contracts for any such supplemental air conditioning units or other specialty equipment exclusively serving the Premises and, from time to time upon Landlord's request, provide Landlord with a copy of such maintenance contract and reasonable evidence of its service record. All repairs and other work performed by Tenant or its contractors, including that involving Cable, shall be subject to the terms of Section 8.01 above. If Tenant fails to make any repairs to the Premises for more than fifteen (15) days after notice from Landlord (although notice shall not be required in an emergency), Landlord may make the repairs, and, within thirty (30) days after demand, Tenant shall pay to Landlord the reasonable cost of the repairs.

Landlord shall have no obligation to provide any cleaning, janitorial or refuse or waste removal services in or to the Premises. Tenant shall be responsible, at its sole cost and expense, for providing cleaning and janitorial services to the Premises in a neat and first-class manner consistent with the cleaning standards generally prevailing in comparable buildings in the Greater Boston Metropolitan Area for laboratory and office space or as otherwise reasonably established by Landlord in writing from time to time, using an insured contractor or contractors selected by Tenant and approved in writing by Landlord and such provider shall not interfere with the use and operation of the Building or Property by Landlord or any other tenant or occupant thereof. Tenant shall also be responsible to arrange for, at Tenant's sole cost and expense, any waste (including biomedical, hazardous and laboratory waste) and refuse removal services for Tenant's operations at the Premises. All waste (including biomedical, hazardous and laboratory waste) and refuse removal shall be performed in compliance with applicable environmental Laws using licensed laboratory waste disposal companies. All ordinary trash (i.e., non-organic and non-controlled substances that do not constitute Hazardous Materials) may be stored in common trash dumpsters, but all biomedical, hazardous and laboratory waste and refuse shall be stored in the Premises and shall be removed on a daily basis. Tenant shall also cause all extermination of vermin in the Premises or resulting from Tenant's use of the Premises to be performed by companies reasonably approved by Landlord in writing and shall contract and utilize pest extermination services as reasonably necessary or as requested by Landlord.

9.02 Landlord Obligations. Landlord shall keep and maintain in good repair and working order and perform maintenance upon (a) the structural elements of the Building; (b) the mechanical (including HVAC), electrical, plumbing and fire/life safety systems serving the Building in general; (c) the Common Areas; (d) the roof of the Building; (e) the exterior windows of the Building; and (f) the elevators serving the Building and the pH Neutralization System. Landlord shall provide and maintain a dumpster and/or compactor at the loading dock at the Building for tenants' use and for the disposal of non-hazardous/non-controlled substances.

10. Entry by Landlord.

Landlord may enter the Premises to inspect, show or clean the Premises or to perform or facilitate the performance of repairs, alterations or additions to the Premises or any portion of the Building. Except in emergencies or to provide Building services, Landlord shall provide Tenant with reasonable prior email or telephone notice of entry. In connection with any such entry for non-emergency work performed during Building Service Hours, Landlord shall use reasonable efforts not to unreasonably interfere with Tenant's use of the Premises. If reasonably necessary, Landlord may temporarily close all or a portion of the Premises to perform repairs, alterations and additions provided that Landlord provides Tenant reasonable written notice of such closure and such closure does not unreasonably interfere with Tenant's use of the Premises. Any such entry by Landlord shall not constitute a constructive eviction or entitle Tenant to an abatement or reduction of Rent.

11. Assignment and Subletting.

11.01 Transfers. Except in connection with a Permitted Transfer (defined in Section 11.04), Tenant shall not assign, sublease, transfer or encumber any interest in this Lease or allow any third party to use all or any portion of the Premises (in each such case, collectively or individually, a "Transfer" to a "Transferee") without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned or delayed, if Landlord does not exercise its recapture rights under Section 11.02. Without limitation, it is agreed that Landlord's consent shall not be considered unreasonably withheld if the proposed Transferee (a) if Landlord then has comparable space available for lease in the Building, (i) is an occupant of the Building, or (ii) whether or not an occupant of the Building, has been in discussions with Landlord regarding the leasing of space within the Building within the preceding 6 months, (b) is incompatible with the character of occupancy of the Building or Property, or (c) would subject the Premises to a use which would: (i) violate any exclusive right granted to another tenant of the Building or Property; (ii) require any material addition to or modification of the Building in order to comply with building code or other governmental requirements; or (iii) involve a violation of the Permitted Use clauses of this Lease. If the entity(ies) that directly or indirectly controls the voting shares/rights of Tenant (other than through the ownership of voting securities listed on a recognized securities exchange) changes at any time, such change of ownership or control shall constitute a Transfer. Except for so long as Tenant's stock is publicly traded (including, without limitation, the initial and follow-on offerings of Tenant's stock) on a nationally recognized stock exchange and except as expressly permitted pursuant to Section 11.04 hereof, the foregoing prohibition includes any direct or indirect change in "control" of Tenant as a result of any assignment, subletting, or other transfer which would occur by operation of law, merger, consolidation, reorganization, acquisition, transfer, or other change of Tenant's corporate, ownership, and/or proprietary structure, including, without limitation, a change in the partners of any partnership, a change in the members and/or managers of any limited liability company, and/or the sale, pledge, or other transfer of any of the issued or outstanding capital stock of any corporate Tenant. For purposes hereof, "control" shall be deemed to be the ability to control the majority voting interest of the controlled corporation or other business entity. Any Transfer in violation of this Section shall, at Landlord's option, be deemed a Default by Tenant as described in Section 16.01, and shall be voidable by Landlord. In no event shall any Transfer, including a Permitted Transfer, release or relieve Tenant from any obligation under this Lease, and the Tenant

originally named in this Lease shall remain primarily liable for the performance of the tenant's obligations under this Lease, as amended from time to time.

11.02 Recapture. In the event of (i) a proposed assignment of this Lease or subletting of all or part of the Premises for a sublease term for all or substantially all of the remainder of the Term, or (ii) if Tenant shall intend to offer to so assign the Lease or so sublet for all or substantially all of the remainder of the Term in advance of having identified an assignee or subtenant, Tenant shall give Landlord Notice thereof and within fifteen (15) business days after receipt of such notice, Landlord may give notice to Tenant, recapture the portion of the Premises that Tenant is proposing to Transfer. If Landlord exercises its right to recapture, this Lease shall automatically be amended (or terminated if the entire Premises is being assigned or sublet) to delete the applicable portion of the Premises effective on the proposed effective date of the Transfer, although Landlord may require Tenant to execute a reasonable amendment or other document reflecting such reduction or termination. Tenant shall pay to Landlord the reasonable costs and attorneys' fees incurred by Landlord in connection with such requested Transfer. If Tenant shall have given advance notice of Tenant's intention to assign or to sublease as provided in Section 11.02(ii) above, and Landlord shall not have elected to recapture at that time, then at such time as Tenant shall identify a proposed assignee or subtenant, Landlord shall again have the right of recapture with respect to such proposed transaction, but Landlord must exercise such right by giving Tenant notice of such exercise within five (5) business days after Tenant shall have given Landlord notice identifying such subtenant or assignee.

11.03 Process. Tenant shall provide Landlord with financial statements for the proposed Transferee (or, in the case of a change of ownership or control, for the proposed new controlling entity(ies)), a fully executed copy of the proposed assignment, sublease, or other Transfer documentation, and such other information as Landlord may reasonably request. Within fifteen (15) Business Days after receipt of the required information and documentation, Landlord shall either: (a) consent to the Transfer by execution of a consent agreement in a form reasonably designated by Landlord; or (b) reasonably refuse to consent to the Transfer in writing, setting forth in reasonable detail the reasons for such disapproval. Failure to approve or to disapprove within such period shall be deemed approval.

11.04 Excess Payments. In the event, if any, that (i) all rent and other consideration which Tenant receives as a result of a Transfer exceeds (ii) the Rent payable to Landlord for the portion of the Premises and Term covered by the Transfer, then Tenant shall, at Landlord's election, pay to Landlord an amount equal to fifty percent (50%) of such excess, from time to time on a monthly basis upon Tenant's receipt of such excess; provided that in determining any such excess, Tenant may deduct from the excess all reasonable and customary expenses directly incurred by Tenant in connection with such Transfer. If Tenant is in Default, Landlord may require that all sublease payments be made directly to Landlord, in which case Tenant shall receive a credit against Rent in the amount of Tenant's share of payments received by Landlord.

11.05 Permitted Transfers. Tenant may assign this Lease to a successor to Tenant by merger, consolidation, or the purchase of all or substantially all of Tenant's assets, or assign this Lease or sublet all or a portion of the Premises to an Affiliate (defined below), without the consent of Landlord, provided that all of the following conditions are satisfied (a "Permitted Transfer"): (a) Tenant must not be in Default; and (b) except in the case of a sublease to an Affiliate, the Net Worth Test (defined below) must be satisfied. Tenant shall give prior notice to Landlord of such transfer, which notice shall include information and documentation evidencing that the Transfers qualifies as a Permitted Transfer hereunder and that each of the above conditions has been satisfied. If requested by Landlord, Tenant's successor shall sign and deliver to Landlord a commercially reasonable form of assumption agreement. "Affiliate" shall mean an entity controlled by, controlling or under common control with Tenant. The "Net Worth Test" shall be deemed satisfied if the successor to Tenant (or, Tenant, if, after the applicable transfer, Tenant remains the Tenant hereunder) has a tangible net worth computed in accordance with generally accepted accounting

principles at least equal to the greater of the tangible net worth of Tenant as of the Effective Date or the date immediately prior to the transfer. In the event that, at any time after a Permitted Transfer, the Affiliate to which the Permitted Transfer is made ceases to qualify as an Affiliate of the original Tenant, such event shall be deemed a Transfer that is subject to the provisions of Sections 11.01, 11.02, and 11.03 above.

11.06 Prohibited Matters. Without limiting Landlord's right to withhold its consent to any transfer by Tenant, and regardless of whether Landlord shall have consented to any such transfer, neither Tenant nor any other person having an interest in the possession, use or occupancy of the Premises or any part thereof shall enter into any lease, sublease, license, concession, assignment or other transfer or agreement for possession, use or occupancy of all or any portion of the Premises which provides for rent or other payment for such use, occupancy or utilization based, in whole or in part, on the net income or profits derived by any person or entity from the space so leased, used or occupied, and any such purported lease, sublease, license, concession, assignment or other transfer or agreement shall be absolutely void and ineffective as a conveyance of any right or interest in the possession, use or occupancy of all or any part of the Premises.

12. Notices.

All demands, approvals, consents or notices (collectively referred to as a "notice") shall be in writing and delivered by registered, express, or certified mail, with return receipt requested or with delivery confirmation requested from the U.S. postal service, or sent by overnight or same day courier service at the party's respective Notice Address(es) set forth in Section 1. In addition, if the Building is closed (whether due to emergency, governmental order or any other reason), then any notice address at the Building shall not be deemed a required notice address during such closure, and, unless Tenant has provided an alternative valid notice address to Landlord for use during such closure, any notices sent during such closure may be sent via any practical manner reasonably designed to ensure receipt by the intended recipient. Each notice shall be deemed to have been received on the earlier to occur of actual delivery or the date on which delivery is refused, or, if Tenant has vacated the Premises or any other Notice Address of Tenant without providing a new Notice Address, three (3) Business Days after notice is deposited in the U.S. mail or with a courier service in the manner described above. Either party may, at any time, change its Notice Address (other than to a post office box address) by giving the other party written notice of the new address.

13. Indemnity and Insurance.

13.01 Indemnification. Except to the extent caused by the negligence or willful misconduct of Landlord or any Landlord Related Parties (defined below), and to the maximum extent permitted under applicable law, Tenant shall indemnify, defend and hold Landlord and Landlord Related Parties harmless against and from all liabilities, obligations, damages, penalties, claims, actions, costs, charges and expenses, including, without limitation, reasonable attorneys' fees and other professional fees (collectively referred to as "Losses"), which may be imposed upon, incurred by or asserted against Landlord or any of the Landlord Related Parties by any third party and arising out of or in connection with any damage or injury occurring in the Premises or any acts or omissions (including violations of Law) of Tenant, its trustees, managers, members, principals, beneficiaries, partners, officers, directors, employees and agents (the "Tenant Related Parties") or any of Tenant's transferees, contractors or licensees, which indemnification hereunder, for the avoidance of doubt, shall also include such Losses by reason of any failure of Tenant to keep, observe or perform any of its obligations or by reason of any damage to any property (including but not limited to property of any Landlord Related Party) or any injury (including but not limited to death) to any person occurring in, on, or about the Building, to the extent that such injury or damage shall arise from the operation, maintenance, testing, refueling or cleaning of the Back-Up Power And Supplemental Components. To the maximum extent permitted under applicable law, Tenant hereby waives all claims against and releases Landlord and its trustees, managers, members, principals, beneficiaries, partners,

officers, directors, employees, Mortgagees (defined in Section 20) and agents (the "Landlord Related Parties") from all claims for any injury to or death of persons, damage to property or business loss in any manner related to (a) Force Majeure, (b) acts of third parties, (c) the bursting or leaking of any tank, water closet, drain or other pipe, or (d) the inadequacy or failure of any security or protective services, personnel or equipment. To the fullest extent permitted by law, but excluding to the extent caused by the negligence of Tenant, Landlord agrees to indemnify and save harmless Tenant Related Parties from and against all third party claims of whatever nature in connection with this Lease and arising from any willful misconduct or negligence of Landlord Related Parties. Landlord shall pay such indemnified amounts as they are incurred by Tenant Related Parties. This indemnification shall not be construed to deny or reduce any other rights or obligations of indemnity that any of Tenant Related Parties may have under this Lease or common law. The foregoing indemnity and hold harmless agreement shall include indemnity for all reasonable costs, expenses and liabilities (including, without limitation, reasonable attorneys' fees and disbursements) incurred by Tenant Related Parties in connection with any such claim or any action or proceeding brought thereon, and the defense thereof. In addition, in the event that any action or proceeding shall be brought against one or more Tenant Related Parties by reason of any such claim, Tenant shall promptly notify Landlord thereof and Landlord shall resist and defend such action or proceeding on behalf of Tenant Related Party by counsel appointed by Landlord's insurer (if such claim is covered by insurance without reservation) or otherwise by counsel reasonably satisfactory to Tenant Related Party. Tenant Related Parties shall not be bound by any compromise or settlement of any such claim, action or proceeding without the prior written consent of such Tenant Related Parties, provided that such consent shall not be required if they are released from all liability with respect to such claim, action or proceeding.

13.02 Tenant's Insurance. Tenant shall maintain the following coverages in the following amounts throughout the Term (and during any other periods before or after the Term during which Tenant or any Tenant Related Party enters into or occupies all or any portion of the Premises):

(a) Commercial General Liability Insurance covering claims of bodily injury, personal injury and property damage arising out of Tenant's operations and contractual liabilities, including coverage formerly known as broad form, on an occurrence basis, with minimum primary limits of \$1,000,000 each occurrence and \$2,000,000 annual aggregate and a minimum excess/umbrella limit of \$5,000,000.00.

(b) Property insurance covering (i) Tenant's Property (as defined below), and (ii) any Leasehold Improvements in the Premises, whether installed by or for the benefit of Tenant under this Lease or any prior lease or other agreement to which Tenant was a party or otherwise ("Tenant-Insured Improvements"). Such insurance shall be written on a special cause of loss form for physical loss or damage, for the full replacement cost value (subject to reasonable deductible amounts) without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance, and shall include coverage for damage or other loss caused by fire or other peril, including vandalism and malicious mischief, theft, water damage of any type, including sprinkler leakage, bursting or stoppage of pipes, and explosion, and providing business interruption coverage for a period of one year.

(c) Worker's Compensation and Employer's Liability or other similar insurance to the extent required by Law.

The minimum limits of insurance required to be carried by Tenant shall not limit Tenant's liability. Such insurance shall (i) be issued by an insurance company that has an A.M. Best rating of not less than A-VII; (ii) be in form and content reasonably acceptable to Landlord; and (iii) provide that it shall not be canceled or materially changed without thirty (30) days' prior notice to Landlord, except that ten (10) days' prior notice may be given in the case of nonpayment of premiums. Tenant's Commercial General Liability Insurance shall (a) name Landlord, Landlord's managing agent, and any other party designated by Landlord ("Additional Insured Parties") as additional insureds; and (b) be primary insurance as to all claims

thereunder and provide that any insurance carried by Landlord is excess and non-contributing with Tenant's insurance. Landlord shall be designated as a loss payee with respect to Tenant's property insurance on any Tenant-Insured Improvements. Tenant shall deliver to Landlord, on or before the Term Commencement Date and at least fifteen (15) days before the expiration dates thereof, certificates from Tenant's insurance company on the forms currently designated "ACORD 28" (Evidence of Commercial Property Insurance) and "ACORD 25-S" (Certificate of Liability Insurance) or the equivalent. Attached to the ACORD 25-S (or equivalent) there shall be an endorsement naming the Additional Insured Parties as additional insureds which shall be binding on Tenant's insurance company and shall expressly require the insurance company to notify each Additional Insured Party in writing at least thirty (30) days before any termination or material change to the policies, except that ten (10) days' prior notice may be given in the case of nonpayment of premiums. Notwithstanding the foregoing, if the foregoing requirement that the insurance company provide prior notice to Landlord of cancellation or material change of the applicable policy cannot reasonably be obtained based on then-prevailing insurance industry practices, Tenant shall so advise Landlord of such unavailability and shall instead provide Landlord with notice of any such cancellation or material change as provided above. Upon Landlord's request, Tenant shall deliver to Landlord, in lieu of such certificates, copies of the policies of insurance required to be carried under Section 13.02 showing that the Additional Insured Parties are named as additional insureds.

Tenant shall maintain such increased amounts of the insurance required to be carried by Tenant under this Section 13.02, and such other types and amounts of insurance covering the Premises and Tenant's operations therein, as may be reasonably requested by Landlord, but not in excess of the amounts and types of insurance then being required by landlords of buildings comparable to and in the vicinity of the Building.

13.03 Tenant's Property. All furnishings, fixtures, equipment, and other personal property and effects of Tenant and of all persons claiming through Tenant (including, without limitation, Tenant's Roof Equipment, as defined in Exhibit F), which from time to time may be on the Premises or elsewhere in the Building or in transit thereto or therefrom (collectively, "Tenant's Property") shall be at the sole risk of Tenant to the maximum extent permitted by law and shall be kept insured by Tenant throughout the Term (and during any other periods before or after the Term during which Tenant or any Tenant Related Party enters into or occupies all or any portion of the Premises) at Tenant's expense in accordance with Section 13.02. Tenant's Property expressly includes the Initial Tenant Work and all Alterations and includes all lab fixtures and equipment, business fixtures and equipment, including without limitation any security or access control systems installed for the Premises, filing cabinets and racks, removable cubicles and partitions, kitchen equipment, computers and related equipment, raised flooring, supplemental cooling equipment, audiovisual and telecommunications equipment, non-building standard signage, and other tenant equipment installations, in each case including related conduits, cabling, and brackets or mounting components therefor and any connectors to base building systems and in each case whether installed or affixed in or about the Premises, in building core areas, or elsewhere in the Building.

13.04 Landlord Insurance. Landlord shall take out and maintain in force throughout the Term, with a company or companies authorized to do business in the Commonwealth of Massachusetts (i) casualty insurance on the Building in an amount equal to the full replacement cost of the Building (exclusive of foundations and exclusive of the Initial Tenant work and Alterations), covering all risks of direct physical loss or damage and so-called "extended coverage" risks with such deductibles as Landlord shall determine consistent with regular commercial practice in the greater Boston area for first class buildings, and (ii) commercial general liability insurance with respect to the Building in such amounts as Landlord may from time to time deem necessary or desirable. Any insurance required to be maintained by Landlord hereunder may be maintained in the form of a blanket policy covering the Building as well as other properties owned by Landlord or affiliates of Landlord so long as the blanket policy does not reduce the limits or diminish the coverage required herein.

13.05 Waiver of Subrogation. Subject to Section 14, each party waives, and shall cause its insurance carrier to waive, any right of recovery against the other for any loss of or damage to property which loss or damage is (or, if the insurance required hereunder had been carried, would have been) covered by insurance. For purposes of this Section 13.05, any deductible or self-insured retention with respect to a party's insurance shall be deemed covered by, and recoverable by such party under, valid and collectable policies of insurance.

14. Casualty Damage.

14.01 Casualty. If all or any portion of the Premises becomes untenable or inaccessible by fire or other casualty to the Premises or the Common Areas (collectively a "Casualty"), Landlord, with reasonable promptness, shall cause a general contractor selected by Landlord to provide Landlord with a written estimate of the amount of time required, using standard working methods, to substantially complete the repair and restoration of the Premises and any Common Areas necessary to provide access to the Premises ("Completion Estimate"). Landlord shall promptly forward a copy of the Completion Estimate to Tenant. If the Completion Estimate indicates that the Premises or any Common Areas necessary to provide access to the Premises cannot be made tenantable within one (1) year from the date the repair is started, then either party shall have the right to terminate this Lease upon written notice to the other within ten (10) days after Tenant's receipt of the Completion Estimate. Tenant, however, shall not have the right to terminate this Lease if the Casualty was caused by the negligence or intentional misconduct of Tenant or any Tenant Related Parties. In addition, Landlord, by notice to Tenant within ninety (90) days after the date of the Casualty, shall have the right to terminate this Lease if: (1) the Premises have been materially damaged and less than two (2) years of the Term remain after the date of the Casualty, (2) any Mortgagee requires that the insurance proceeds be applied to the payment of the mortgage debt or (3) a material loss to the Building or Premises occurs not covered by the insurance required to be maintained by Landlord under the terms of this Lease. If this Lease is terminated by either party on account of any Casualty as provided in this Article 14, then Tenant shall pay to Landlord (by assignment or otherwise) the insurance proceeds paid or payable to Tenant under the policy(ies) referred to in Section 13.02(b) on account of the damage to or loss in the Premises; however, from any such proceeds actually received by Tenant, Tenant shall be entitled to retain an amount equal to the unamortized portion (amortized over the initial Term on a straight-line basis) of the hard costs paid by Tenant to perform the Initial Tenant Work (exclusive of Landlord's Contribution) and any Alterations.

14.02 Restoration. If this Lease is not terminated, Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, restore the Premises and Common Areas, subject to the following provisions. Such restoration shall be to substantially the same condition that existed prior to the Casualty, except for modifications required by Law or any other modifications to the Common Areas deemed desirable by Landlord. Notwithstanding Section 13.04, upon notice from Landlord, Tenant shall assign or endorse over to Landlord (or to any party designated by Landlord) all property insurance proceeds payable to Tenant under Tenant's insurance with respect to the Initial Tenant Work and any Alterations; provided if the estimated cost to repair the same exceeds the amount of insurance proceeds received by Landlord from Tenant's insurance carrier, the excess cost of such repairs shall be paid by Tenant to Landlord prior to Landlord's commencement of repairs. Within fifteen (15) days after demand, Tenant shall also pay Landlord for any additional excess costs that are determined during the performance of the repairs to the Initial Tenant Work and Alterations. In no event shall Landlord be required to spend more for the restoration of the Premises and Common Areas than the insurance proceeds received by Landlord. Landlord shall not be liable for any inconvenience to Tenant, or injury to Tenant's business resulting in any way from the Casualty or the repair thereof. Provided that Tenant is not in Default, during any period of time that all or a material portion of the Premises is rendered untenable as a result of a Casualty, the Rent shall abate for the portion of the Premises that is untenable and not used by Tenant. Notwithstanding the foregoing, Landlord may, at its

election, require Tenant to perform the restoration work for the Initial Tenant Work or any Alterations, in which event Tenant shall be responsible for performing the restoration work (including any revisions thereto that Tenant may wish to make, pursuant to plans approved by Landlord under Section 8) and the rent abatement period under the preceding sentence shall not exceed the period of time required to diligently perform the restoration of the existing Leasehold Improvements.

15. Condemnation.

Either party may terminate this Lease if any material part of the Premises is taken or condemned for any public or quasi-public use under Law, by eminent domain or private purchase in lieu thereof (a "Taking"). Landlord shall also have the right to terminate this Lease if there is a Taking of any portion of the Building or Property which would have a material adverse effect on Landlord's ability to profitably operate the remainder of the Building. The terminating party shall provide written notice of termination to the other party within forty-five (45) days after it first receives notice of the Taking. The termination shall be effective as of the effective date of any order granting possession to, or vesting legal title in, the condemning authority. If this Lease is not terminated, Base Rent and Tenant's Proportionate Share shall be appropriately adjusted to account for any reduction in the square footage of the Building or Premises. All compensation awarded for a Taking shall be the property of Landlord. The right to receive compensation or proceeds are expressly waived by Tenant, provided, however, Tenant may file a separate claim for Tenant's Property and Tenant's reasonable relocation expenses, provided the filing of the claim does not diminish the amount of Landlord's award. If only a part of the Premises is subject to a Taking and this Lease is not terminated, Landlord, with reasonable diligence, will restore the remaining portion of the Premises as nearly as practicable to the condition immediately prior to the Taking.

16. Events of Default.

16.01 Default. In addition to any other Default specifically described in this Lease, each of the following occurrences, following any applicable cure or grace period, shall be a "Default": (a) Tenant's failure to pay any portion of Rent when due, if the failure continues for ten (10) days after such due date ("Monetary Default"); (b) Tenant's failure (other than a Monetary Default) to comply with any term, provision, condition or covenant of this Lease, if the failure is not cured within thirty (30) days after written notice to Tenant provided, however, if Tenant's failure to comply cannot reasonably be cured within such thirty-(30)-day period, Tenant shall be allowed additional time as is reasonably necessary to cure the failure so long as Tenant begins the cure within such thirty-(30)-day period and diligently pursues the cure to completion; (c) Tenant effects or permits a Transfer without Landlord's required approval or otherwise in violation of Section 11 of this Lease; (d) the leasehold estate is taken by process or operation of Law; (e) if a receiver, guardian, conservator, trustee in bankruptcy or similar officer shall be appointed by a court of competent jurisdiction to take charge of all or any part of Tenant's or any guarantor's property and such appointment is not discharged within ninety (90) days thereafter, or (f) Tenant is in default beyond any notice and cure period under any other lease or agreement with Landlord at the Building or Property. In addition, if Landlord provides Tenant with notice of Tenant's failure to comply with any specific provision of this Lease on two (2) separate occasions during any twelve-(12)-month period, any subsequent violation of such provision within such twelve-(12)-month period shall, at Landlord's option, constitute a Default by Tenant without the requirement of any further notice or cure period as provided above. All notices sent under this Section shall be in satisfaction of, and not in addition to, any notice required by Law.

16.02 Remedies. Upon the occurrence of any Default, Landlord may, immediately or at any time thereafter, elect to terminate this Lease by notice of termination, by entry, or by any other means available under law and may recover possession of the Premises as provided herein. Upon termination by notice, by entry, or by any other means available under law, Landlord shall be entitled immediately, in the case of termination by notice or entry, and otherwise in accordance with the provisions of law to recover possession

of the Premises from Tenant and those claiming through or under the Tenant. Such termination of this Lease and repossession of the Premises shall be without prejudice to any remedies which Landlord might otherwise have for arrears of rent or for a prior breach of the provisions of this Lease. Tenant waives any statutory notice to quit and equitable rights in the nature of further cure or redemption, and Tenant agrees that upon Landlord's termination of this Lease Landlord shall be entitled to re-entry and possession in accordance with the terms hereof. Landlord may, without notice, store Tenant's personal property (and those of any person claiming under Tenant) at the expense and risk of Tenant or, if Landlord so elects, Landlord may sell such personal property at public auction or auctions or at private sale or sales after thirty (30) days' notice to Tenant and apply the net proceeds to the earliest of installments of rent or other charges owing Landlord. Tenant agrees that a notice by Landlord alleging any default shall, at Landlord's option (the exercise of such option shall be indicated by the inclusion of the words "notice to quit" in such notice), constitute a statutory notice to quit. If Landlord exercises its option to designate a notice of default hereunder as a statutory notice to quit, any grace periods provided for herein shall run concurrently with any statutory notice periods.

16.03 Reimbursement of Expenses. In the case of termination of this Lease pursuant to this Section 16, Tenant shall reimburse Landlord for all reasonable expenses arising out of such termination, including without limitation, all costs incurred in collecting amounts due from Tenant under this Lease (including reasonable attorneys' fees, costs of litigation and the like); all expenses incurred by Landlord in attempting to relet the Premises or parts thereof (including advertisements, brokerage commissions, Tenant's allowances, costs of preparing space, and the like); all of Landlord's then unamortized costs of any work allowances provided to Tenant for the Premises; and all Landlord's other reasonable expenditures necessitated by the termination. The reimbursement from Tenant shall be due and payable immediately from time to time upon notice from Landlord that an expense has been incurred, without regard to whether the expense was incurred before or after the termination.

16.04 Damages. Landlord may elect by written notice to Tenant within six (6) months following such termination to be indemnified for loss of rent by a lump sum payment representing the then present value of the amount of rent and additional charges which would have been paid in accordance with this Lease for the remainder of the Term minus the then present value of the aggregate fair market rent and additional charges payable for the Premises for the remainder of the Term (if less than the rent and additional charges payable hereunder), estimated as of the date of the termination, and taking into account reasonable projections of vacancy and time required to re-lease the Premises. (For the purposes of calculating the rent which would have been paid hereunder for the lump sum payment calculation described herein, the last full year's Additional Rent under Section 4 is to be deemed constant for each year thereafter. The Federal Reserve discount rate (or equivalent) shall be used in calculating present values.) Should the parties be unable to agree on a fair market rent, the matter shall be submitted, upon the demand of either party, to the Boston, Massachusetts office of the American Arbitration Association, with a request for arbitration in accordance with the rules of the Association by a single arbitrator who shall be an MAI appraiser with at least ten years' experience as an appraiser of major office buildings in downtown Boston. The parties agree that a decision of the arbitrator shall be conclusive and binding upon them. If, at the end of the Term, the rent which Landlord has actually received from the Premises is less than the aggregate fair market rent estimated as aforesaid, Tenant shall thereupon pay Landlord the amount of such difference. If and for so long as Landlord does not make the election provided for in this Section 16.04 above, Tenant shall indemnify Landlord for the loss of rent by a payment at the end of each month which would have been included in the Term, representing the excess of the rent which would have been paid in accordance with this Lease (i.e., Base Rent and Additional Rent that would have been payable to be ascertained monthly) over the rent actually derived from the Premises by Landlord for such month (the amount of rent deemed derived shall be the actual amount less any portion thereof attributable to Landlord's reletting expenses described in Section 16.03 which have not been reimbursed by Tenant thereunder).

In lieu of the damages, indemnity, and full recovery by Landlord of the sums payable under the foregoing provisions of this Section 16.04, Landlord may, by written notice to Tenant within six (6) months after termination under any of the provisions contained in Section 16 and before such full recovery, elect to recover, and Tenant shall thereupon pay, as damages under this Section 16.04, an amount equal to (i) the amount of Base Rent and Additional Rent of any kind accrued and unpaid, and (ii) as liquidated damages, an amount equal to one year's Base Rent at the rate payable under this Lease immediately prior to termination of the Lease.

Any obligation imposed by law upon Landlord to relet the Premises after any termination of the Lease shall be subject to the reasonable requirements of Landlord to lease to high quality tenants on such terms as Landlord may from time to time deem appropriate and to develop the Building in a harmonious manner with an appropriate mix of uses, tenants, floor areas and terms of tenancies, and the like, and Landlord shall not be obligated to relet the Premises to any party to whom Landlord or its affiliate may desire to lease other available space in the Building.

16.05 Curative Action. If Tenant is in Default of any of its non-monetary obligations under this Lease, Landlord shall have the right, but not the obligation, to perform any such obligation after reasonable notice and opportunity to cure or to dispute such alleged Default. Tenant shall reimburse Landlord for the cost of such performance upon demand, together with an administrative charge equal to four percent (4%) of the cost of the work performed by Landlord.

16.06 Claims in Bankruptcy. Nothing herein shall limit or prejudice the right of Landlord to prove and obtain in a proceeding for bankruptcy, insolvency, arrangement or reorganization, by reason of the termination, an amount equal to the maximum allowed by a statute or law in effect at the time when, and governing the proceedings in which, the damages are to be proved, whether or not the amount is greater to, equal to, or less than the amount of the loss or damage which Landlord has suffered.

16.07 Late Charges and Fees. If Tenant does not pay any Rent within five (5) days of the date due hereunder, Tenant shall pay to Landlord a late charge equal to two percent (2%) of the unpaid amount and beginning thirty (30) days after the due date interest on the overdue amount pursuant to Section 21.04 herein. Notwithstanding the foregoing, Tenant shall be entitled to a grace period of ten (10) days after Landlord shall have given notice of default for the first late payment of Rent in any twelve-(12)-month period prior to the imposition of the foregoing 2% late charge. In addition, Tenant shall pay to Landlord a reasonable fee for any checks returned by Tenant's bank for any reason.

16.08 Enforcement Costs. Tenant shall pay to Landlord, as Additional Rent, the reasonable costs and expenses, including reasonable attorneys' fees, incurred in enforcing any obligations of Tenant under this Lease with which Tenant has failed to comply.

16.09 General. The repossession or re-entering of all or any part of the Premises shall not relieve Tenant of its liabilities and obligations under this Lease. No right or remedy of Landlord shall be exclusive of any other right or remedy, and each right and remedy shall be cumulative and in addition to any other right and remedy now or subsequently available to Landlord at law or in equity. Without limiting the generality of the foregoing, in addition to the other remedies provided in this Lease, Landlord shall be entitled to the restraint by court order of the violation or attempted or threatened violation of any of the provisions of this Lease or of applicable Law or to a decree compelling specific performance of any such provisions.

17. Limitation of Liability.

17.01 Landlord's Liability. Tenant agrees from time to time to look only to Landlord's interest in the Building for satisfaction of any claim against Landlord hereunder or under any other instrument related to the Lease (including any separate agreements among the parties and any notices or certificates delivered by Landlord) and not to any other property or assets of Landlord. If Landlord from time to time transfers its interest in the Building (or part thereof which includes the Premises), then from and after each such transfer Tenant shall look solely to the interests in the Building of each of Landlord's transferees for the performance of all of the obligations of Landlord hereunder (or under any related instrument). The obligations of Landlord shall not be binding on any direct or indirect partners (or members, trustees or beneficiaries) of Landlord or of any successor, individually, but only upon Landlord's or such successor's interest in the Building, it being specifically agreed that neither Landlord, nor any successor holder of Landlord's interest hereunder, nor any beneficiary of any trust of which any person from time to time holding Landlord's interest is trustee, nor any such trustee, nor any member, manager, partner, director or stockholder nor Landlord's managing agent shall ever be personally liable hereunder.

17.02 Assignment of Rents.

(a) With reference to any assignment by Landlord of Landlord's interest in this Lease, or the rents payable hereunder, conditional in nature or otherwise, which assignment is made to the holder of a mortgage on property which includes the Premises, Tenant agrees that the execution thereof by Landlord, and the acceptance thereof by the holder of such mortgage shall never be treated as an assumption by such holder of any of the obligations of Landlord hereunder unless such holder shall, by notice sent to Tenant, specifically otherwise elect and, except as aforesaid, such holder shall be treated as having assumed Landlord's obligations hereunder only upon foreclosure of such holder's mortgage and the taking of possession of the Premises.

(b) In no event shall the acquisition of Landlord's interest in the Property by a purchaser which, simultaneously therewith, leases Landlord's entire interest in the Property back to the seller thereof be treated as an assumption by operation of law or otherwise, of Landlord's obligations hereunder, but Tenant shall look solely to such seller-lessee, and its successors from time to time in title, for performance of Landlord's obligations hereunder. In any such event, this Lease shall be subject and subordinate to the lease to such purchaser. For all purposes, such seller-lessee, and its successors in title, shall be the Landlord hereunder unless and until Landlord's position shall have been assumed by such purchaser-lessor.

(c) Except as provided in paragraph (b) of this Section 17.02, in the event of any transfer of title to the Property by Landlord, Landlord shall thereafter be entirely freed and relieved from the performance and observance of all covenants and obligations hereunder. Tenant hereby agrees to enter into such agreements or instruments as may, from time to time, be requested in confirmation of the foregoing.

17.03 Landlord Default. In the event Tenant alleges that Landlord is in default under any of Landlord's obligations under this Lease, Tenant agrees to give any Mortgagee (as defined in Section 20), by registered mail, a copy of any notice of default which is served upon the Landlord, provided that prior to such notice, Tenant has been notified, in writing (whether by way of notice of an assignment of lease, request to execute an estoppel letter, or otherwise), of the address of any such Mortgagee. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided by law or such additional time as may be provided in this Lease or such notice to Landlord, such Mortgagee shall have a period of thirty (30) days after the last date on which Landlord could have cured such default within which such Mortgagee will be permitted, but not be obligated, to cure such default, with the exception of any

health or safety emergencies in which case Landlord shall promptly cure such default. If such default cannot be cured within such thirty-(30)-day period, then such Mortgagee shall have such additional time as may be necessary to cure such default, if prior to the end of such thirty-(30)-day period such Mortgagee has commenced and is diligently pursuing such cure or the remedies under the Mortgage necessary for Mortgagee to be able to effect such cure, in which event Tenant shall have no right with respect to such default while such cure and remedies are being diligently pursued by such Mortgagee. In no event shall Landlord or any Landlord Related Party ever be liable to Tenant for loss of profits, loss of business, or indirect or special or consequential or punitive damages from whatever cause.

18. Holding Over.

If Tenant fails to surrender all or any part of the Premises at the expiration or earlier termination of this Lease, any such occupancy of all or any part of the Premises after such expiration or termination shall be that of a tenancy at sufferance. Any such occupancy after such expiration or termination shall be subject to all the terms and provisions of this Lease, except that, in addition to Tenant's Share of Taxes and Expenses, Tenant shall pay an amount for such occupancy (on a per month basis without reduction for partial months during the holdover) for the first two (2) months of such holdover equal to 150% of the Base Rent due for the month immediately preceding the holdover and thereafter equal to 200% of the Base Rent due for the month immediately preceding the holdover. No holdover by Tenant or payment by Tenant after the expiration or earlier termination of this Lease shall be construed to extend the Term or prevent Landlord from immediate recovery of possession of the Premises by summary proceedings or otherwise, and Tenant shall be considered to be a tenant at sufferance during any such holdover period. In addition, if as a result of such holdover, Landlord is unable to deliver possession of space to a new tenant or owner to perform improvements therein for a new tenant due to Tenant's failure to timely vacate all or part of the Premises or Landlord otherwise suffers damages or losses, Tenant shall be liable to Landlord for all reasonable damages and losses that Landlord suffers from the holdover.

19. Surrender of Premises.

At the expiration or earlier termination of this Lease or Tenant's right of possession hereunder, Tenant shall remove all Tenant's Property from the Premises, remove all Required Removables (if any) under Section 8.03, remove all signage installed by or on behalf of Tenant, and quit and surrender the Premises to Landlord, broom clean, and in good order, condition and repair, ordinary wear and tear and damage which Landlord is obligated to repair hereunder excepted. Tenant shall repair any damage caused by the installation or removal of Tenant's Property or Required Removables or Tenant's signage. If Tenant fails to remove any of Tenant's Property or to restore or repair the Premises to the required condition as provided herein upon the expiration of the Term of this Lease (or, as applicable, within two (2) days after any earlier termination of this Lease or Tenant's right to possession hereunder), then Landlord, at Tenant's sole cost and expense, shall be entitled, but not obligated, to remove and store Tenant's Property and/or perform such restoration or repair of the Premises. Landlord shall not be responsible for the value, preservation, or safekeeping of Tenant's Property, and Tenant shall pay to Landlord, upon demand, the reasonable expenses and storage charges so incurred. If Tenant fails to remove Tenant's Property from the Premises or storage, within thirty (30) days after notice, Landlord may deem all or any part of Tenant's Property to be abandoned and, at Landlord's option, title to Tenant's Property shall vest in Landlord or Landlord may dispose of Tenant's Property in any manner Landlord deems appropriate.

20. Subordination; Estoppel Certificate.

20.01 Subordination to Mortgages. This Lease is and shall be subject and subordinate to any mortgage(s), deed(s) of trust, deeds to secure debt, ground lease(s), or other lien(s) now or subsequently arising upon the Premises, the Building or the Property, and to all renewals, modifications, refinancings,

and extensions thereof (collectively referred to as a "Mortgage"). The party having the benefit of a Mortgage shall be referred to as a "Mortgagee". This clause shall be self-operative, but upon request from Landlord or a Mortgagee, Tenant shall execute a subordination agreement in favor of the Mortgagee in such Mortgagee's standard form, with such commercially reasonable changes as Tenant may request that are acceptable to Mortgagee for other comparable leases in the Building. As an alternative, any Mortgagee shall have the right at any time to subordinate its Mortgage to this Lease. Upon request, Tenant, without charge, shall attorn to any successor to Landlord's interest in this Lease. In the event Mortgagee enforces its rights under the Mortgage, Tenant, at Mortgagee's option, will attorn to Mortgagee or its successor. Simultaneous with the execution of this Lease or as may be requested by Tenant from time to time, Landlord agrees to obtain from the existing Mortgagee, a subordination, non-disturbance and attornment agreement in such Mortgagee's standard form as attached hereto as Exhibit H (an "SNDA"), provided that there shall be nothing in such SNDA which relieves Mortgagee or any new landlord from honoring any offsets or abatements that have theretofore occurred or accrued, as the case may be, in compliance with the terms of this Lease, even though the same resulted from the conduct of a prior landlord, and provided further that if on the date on which Mortgagee or any new landlord succeeds to the interests of Landlord under this Lease, Tenant has not yet received the full amount of any allowances due to Tenant (including Landlord's Contribution) under (and subject to) the express terms and conditions set forth in this Lease the same shall continue to be available to Tenant and if thereafter, Mortgagee or any new landlord fails to pay the same in accordance with the terms of this Lease, Tenant will have the right to offset rent under this Lease from time to time until Tenant has been paid or credited with the full amount of such allowance in accordance with this Lease. In addition, Landlord agrees to provide Tenant with an SNDA in favor of Tenant from any future Mortgagee on substantially the form attached hereto as Exhibit H or such Mortgagee's standard form provided such form includes substantially the same material terms.

20.02 Modification of Lease. If any Mortgagee requires a non-material modification of this Lease, which modification will not cause an increased cost or expense to Tenant or in any other way materially and adversely change the rights and obligations of Tenant hereunder, Tenant agrees that this Lease may be so modified and agrees to execute whatever documents are reasonably required therefor and to deliver the same to Landlord within ten (10) Business Days following a request therefor. At the request of Landlord or any Mortgagee, Tenant agrees to execute a short form of this Lease and deliver the same to Landlord within ten (10) Business Days following the request therefor.

20.03 Estoppel Certificate. Tenant shall, within fifteen (15) days after receipt of a written request, execute and deliver a commercially reasonable estoppel certificate addressed to Landlord and any parties reasonably requested by Landlord, such as a current or prospective Mortgagee or purchaser of the Building. Without limitation, such estoppel certificate may include a certification as to the status of this Lease and to the best of Tenant's knowledge any particular obligations thereunder, the existence of any known defaults, and the amount of Rent that is then due and payable and the balance of any Landlord's Contribution that has been paid to date.

20.04 Tenant Information. Unless Tenant's financial statements are publicly available, upon Landlord's reasonable request from time to time, Tenant shall provide to Landlord the financial statements for Tenant for its most recent fiscal year and fiscal quarter. Financial statements shall be prepared and certified by Tenant's chief financial officer. Such financial statements shall be furnished pursuant to a confidentiality agreement in a form reasonably agreed to by Landlord and Tenant for such purpose.

21. Miscellaneous.

21.01 Measurement of Floor Area. Landlord and Tenant stipulate and agree that the Rentable Floor Area of the Premises originally leased to Tenant shall be conclusively deemed to be as specified in Section 1 and that the Rentable Floor Area of the Building is as specified in Section 1 as of the date

hereof. Any change in the Rentable Floor Area of the Premises on account of expansion shall be conclusively deemed to be as specified in any applicable expansion provisions under Exhibit I (if any) or in any amendment hereafter executed by Landlord and Tenant in connection with such expansion (if any). Any other change in the Rentable Floor Area of the Premises on account of casualty, condemnation, or the like shall be determined in accordance with the measurement standard that was originally used to determine the stipulated Rentable Floor Area for the space in question. Any change in the Rentable Floor Area of the Building on account of casualty, condemnation, or the like shall be determined from time to time by Landlord based on area computations supplied by Landlord's architect, which determinations shall be conclusive. References in this Lease to floor area measurements and square footage shall mean Rentable Floor Area unless the reference explicitly provides otherwise.

21.02 Notice of Lease. Tenant shall not record this Lease or any memorandum or notice without Landlord's prior written consent in Landlord's sole discretion; provided, however, that Landlord agrees to the recording of a memorandum or notice of this Lease, at Tenant's cost and expense in the statutory form. If this Lease is terminated before the Term expires, upon Landlord's request the parties shall execute, deliver and record an instrument acknowledging such termination date of this Lease, and Tenant appoints Landlord its attorney-in-fact in its name and behalf to execute the instrument if Tenant shall fail to execute and deliver the instrument after Landlord's request therefor within ten (10) days.

21.03 Governing Law, Etc. This Lease shall be interpreted and enforced in accordance with the Laws of the state or commonwealth in which the Building is located and Landlord and Tenant hereby irrevocably consent to the jurisdiction and proper venue of such state or commonwealth. This Lease contains all of the agreements and understandings between Landlord and Tenant with respect to the Premises and supersedes all prior writings and dealings between them with respect thereto, including all lease proposals, letters of intent and other documents. Neither party is relying upon any warranty, statement or representation not contained in this Lease. If any term or provision of this Lease shall to any extent be void or unenforceable, the remainder of this Lease shall not be affected. This Lease may be amended only by a writing signed by all of the parties hereto. The titles are for convenience only and shall not be considered a part of the Lease. Where the phrases "persons acting under Tenant" or "persons claiming under Tenant" or similar phrases are used, such persons shall include subtenants, sub-subtenants, and licensees, and all employees, agents, independent contractors and invitees of Tenant or of such other parties. The enumeration of specific examples of or inclusions in a general provision shall not be construed as a limitation of the general provision. If Tenant is granted any extension option, expansion option, or other right or option, the exercise of such right or option (and notice thereof) must be irrevocable to be effective, time always being of the essence to the exercise of such right or option; and if Tenant purports to condition the exercise of any option or to vary its terms in any manner, then the option granted shall be void and the purported exercise shall be ineffective. Unless otherwise stated herein, any consent or approval required hereunder may be given or withheld in the sole absolute discretion of the party whose consent or approval is required. Nothing herein shall be construed as creating the relationship between Landlord and Tenant of principal and agent, or of partners or joint venturers, or any relationship other than landlord and tenant. If there is more than one Tenant or if Tenant is comprised of more than one party or entity, the obligations imposed upon Tenant shall be joint and several obligations of all such parties and entities, any requests or demands from any one person or entity comprising Tenant shall be deemed to have been made by all such persons or entities, and notices to any one person or entity comprising Tenant shall be deemed to have been given to all such persons and entities. Tenant's covenants contained in this Lease are independent and not dependent, and Tenant hereby waives the benefit of any statute or judicial law to the contrary. Tenant's obligation to pay Rent shall not be discharged or otherwise affected by any law or regulation now or hereafter applicable to the Premises, or any other restriction on Tenant's use, or (except as expressly provided in this Lease) any casualty or taking, or any failure by Landlord to perform any covenant contained herein, or any other occurrence; and no termination or abatement remedy that is not

expressly provided for in this Lease for any breach or failure by Landlord to perform any obligation under this Lease shall be implied or applicable as a matter of law.

21.04 Interest. In the event either party shall fail to pay any amount due hereunder and such failure shall continue for fifteen (15) days after the other party shall have given notice thereof, the unpaid amount due shall bear interest thereafter at the Wall Street Journal prime rate plus four percent (4%) to the date paid.

21.05 Representations. Each of Tenant and Landlord represents and warrants to the other and agrees, that each individual executing this Lease on behalf of the representing party is authorized to do so on behalf of such party and that the entity(ies) or individual(s) constituting such party, or which may own or control such party, or which may be owned or controlled by such party or its affiliates, or any of their respective partners, members, shareholders or other equity owners, and their respective employees, officers, directors, representatives or agents are not and at no time will be (i) in violation of any Laws relating to terrorism or money laundering, or (ii) among the individuals or entities with whom U.S. persons or entities are restricted from doing business under regulations of the Office of Foreign Assets Control (“OFAC”) of the Department of the Treasury (including those named on OFAC’s Specially Designated Nationals and Blocked Persons List for the purpose of identifying suspected terrorists or on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, <http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx> or any replacement website or other replacement official publication of such list) or under any statute, executive order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism, known as Executive Order 13224), or other governmental action and Tenant will not Transfer this Lease to, contract with or otherwise engage in any dealings or transactions or be otherwise associated with such persons or entities.

21.06 Waiver of Trial by Jury; No Other Waiver. Landlord and Tenant hereby waive any right to trial by jury in any proceeding based upon a breach of this Lease. No failure by either party to declare a default immediately upon its occurrence, nor any delay by either party in taking action for a default, nor Landlord’s acceptance of Rent with knowledge of a default by Tenant, shall constitute a waiver of the default, nor shall it constitute an estoppel. The delivery of keys to Landlord or to Landlord’s property manager shall not operate as a termination of this Lease or a surrender of the Premises.

21.07 Time Periods. Whenever a period of time is prescribed for the taking of an action by Landlord or Tenant (other than the payment of the Security Deposit or Rent), the period of time for the performance of such action shall be extended by the number of days that the performance is actually delayed due to strikes, acts of God, shortages of labor or materials, war, terrorist acts, pandemics, civil disturbances and other causes beyond the reasonable control of the performing party (“Force Majeure”).

21.08 Transfer of the Property. Landlord shall have the right from time to time to transfer and assign, in whole or in part, all of its rights and obligations under this Lease and in the Building and Property. Upon transfer, Landlord shall be released from any further obligations hereunder and Tenant agrees to look solely to the successor in interest of Landlord for the performance of such obligations, to the extent that any successor pursuant to a voluntary, third party transfer (but not as part of an involuntary transfer resulting from a foreclosure or deed in lieu thereof) shall have assumed Landlord’s obligations under this Lease from and after the date of the transfer.

21.09 Submission. The submission of this Lease to Tenant or a summary of some or all of its provisions for examination does not constitute a reservation of or option for the Premises or an offer to lease, and no legal obligations shall arise with respect to the Premises or other matters herein unless and

until such time as this Lease is executed and delivered by Landlord and Tenant and approved by the holder of any mortgage on the Building having the right to approve this Lease.

21.10 Broker. Tenant represents that it has dealt directly with and only with the Broker (described in Section 1) as a broker, agent or finder in connection with this Lease. Tenant shall indemnify and hold Landlord and the Landlord Related Parties harmless from all claims of any other brokers, agents or finders claiming to have represented Tenant in connection with this Lease. Landlord shall indemnify and hold Tenant and the Tenant Related Parties harmless from all claims of any brokers, agents or finders claiming to have represented Landlord in connection with this Lease. Any assistance rendered by any agent or employee of Landlord in connection with this Lease or any subsequent amendment or modification or any other document related hereto has been or will be made as an accommodation to Tenant solely in furtherance of consummating the transaction on behalf of Landlord, and not as agent for Tenant.

21.11 Survival. The expiration of the Term, whether by lapse of time, termination or otherwise, shall not relieve either party of any obligations that accrued prior to or which may continue to accrue after the expiration or termination of this Lease.

21.12 Quiet Enjoyment. This Lease is subject to all easements, restrictions, agreements, and encumbrances of record to the extent in force and applicable. Landlord covenants that Tenant, on paying the Rent and performing the tenant obligations in this Lease, shall peacefully and quietly have, hold and enjoy the Premises, free from any claim by Landlord or persons claiming under Landlord, but subject to all of the terms and provisions hereof, provisions of Law, and rights of record to which this Lease is or may become subordinate. This covenant is in lieu of any other so called quiet enjoyment covenant, either express or implied. This covenant shall be binding upon Landlord and its successors only during its or their respective periods of ownership of the Building.

21.13 Reservations. This Lease does not grant any rights to light or air over or about the Building. Landlord excepts and reserves exclusively to itself any and all rights not specifically granted to Tenant under this Lease. Landlord reserves the right to make changes to the Property, Building and Common Areas as Landlord deems appropriate. Wherever this Lease requires Landlord to provide a customary service or to act in a reasonable manner (whether in incurring an expense, establishing a rule or regulation, providing an approval or consent, or performing any other act), this Lease shall be deemed also to provide that whether such service is customary or such conduct is reasonable shall be determined by reference to the practices of owners of buildings that (i) are comparable to the Building in size, age, class, quality and location, and (ii) at Landlord's option, have been, or are being prepared to be, certified under the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) rating system or a similar rating system.

21.14 REIT Provisions. Tenant and Landlord intend that all amounts payable by Tenant to Landlord shall qualify as "rents from real property," and will otherwise not constitute "unrelated business taxable income" or "impermissible tenant services income," all within the meaning of Section 856(d) of the Internal Revenue Code of 1986, as amended (the "Code") and the U.S. Department of Treasury Regulations promulgated thereunder (the "Regulations"). In the event that Landlord determines that there is any risk that any amount payable under this Lease may not qualify as "rents from real property" or will otherwise constitute impermissible tenant services income within the meaning of Section 856(d) of the Code and the Regulations, Tenant agrees to (a) cooperate with Landlord by entering into such amendment or amendments as Landlord deems necessary to qualify all amounts payable under this Lease as "rents from real property," and (b) permit (and, upon request, to acknowledge in writing) an assignment of the obligation to provide certain services under the Lease, and, upon request, to enter into direct agreements with the parties furnishing such services (which shall include, but not be limited to, a taxable REIT subsidiary of Landlord). Notwithstanding the foregoing, Tenant shall not be required to take any action pursuant to the preceding

sentence (including acknowledging in writing an assignment of services pursuant thereto) if such action would result in (i) Tenant incurring more than de minimis additional liability under this Lease, or (ii) more than a de minimis negative change in the quality or level of Building operations or services rendered to Tenant under this Lease. For the avoidance of doubt: (A) if Tenant does not acknowledge in writing an assignment as described in clause (b) above (it being agreed that Tenant shall not unreasonably withhold, condition or delay such acknowledgment so long as the criteria in clauses (i) and (ii) hereinabove are satisfied), then Landlord shall not be released from liability under this Lease with respect to the services so assigned; and (B) nothing in this Section shall limit or otherwise affect Landlord's ability to assign its entire interest in this Lease to any party as part of a conveyance of Landlord's ownership interest in the Building.

21.15 Execution. This Lease may be executed in one or more counterparts and, when executed by each party, shall constitute an agreement binding on all parties notwithstanding that all parties are not signatories to the original or the same counterpart provided that all parties are furnished a copy or copies thereof reflecting the signature of all parties. Transmission by email of a pdf copy of the signed counterpart of the Lease shall be deemed the equivalent of the delivery of the original, and any party so delivering a pdf copy of the signed counterpart of the Lease by email transmission shall in all events deliver to the other party an original signature promptly upon request.

[Signatures on Following Page]

Landlord and Tenant have executed this Lease as a sealed Massachusetts instrument in two or more counterparts as of the Effective Date of this Lease set forth above.

LANDLORD:

**NW CAMBRIDGE PROPERTY OWNER LLC,
a Delaware limited liability company**

By: /s/ Shiva Viswanathan
Name: Shiva Viswanathan
Title: Senior Managing Director

**NW CAMBRIDGE PROPERTY OWNER LLC,
a Delaware limited liability company**

By: /s/ Andrew Maher
Name: Andrew Maher
Title: Manager

TENANT:

**PRIME MEDICINE, INC.
a Delaware corporation**

By: /s/ Keith Gottesdiener
Name: Keith Gottesdiener
Title: President and CEO

Sixth Amendment to License Agreement

This Sixth Amendment to License Agreement is dated April 5, 2022 (“**Sixth Amendment**”) and is entered into between Prime Medicine, Inc. (“**Licensee**”) and MIL 21E, LLC (“**Licensor**”).

WHEREAS, Licensor and Licensee are parties to a certain License Agreement dated March 16, 2020, as amended by that certain First Amendment to License Agreement dated August 17, 2020, as amended by that certain Second Amendment to License Agreement dated October 21, 2020, as amended by that certain Third Amendment to License Agreement dated May 24, 2021, as amended by that certain Fourth Amendment to License Agreement dated July 27, 2021, as amended by that certain Fifth Amendment to License Agreement dated December 20, 2021 (collectively, “**License Agreement**”);

WHEREAS, Licensee warrants and represents that, to the best of its knowledge, Licensor has fulfilled its obligations under the License Agreement and is not in default of any covenants or obligations contained in the License Agreement;

WHEREAS, Licensor and Licensee desire to amend the License Agreement in certain respects as set forth herein; and,

WHEREAS, all capitalized terms contained herein shall, unless otherwise defined in this Sixth Amendment, have the same meaning as set forth in the License Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree that the License Agreement is hereby amended as follows

1. Term. Section 2(a) of the Licensed Agreement is hereby modified by adding the following new sentence to the end of the Section:

The parties agree to extend the License Agreement by a period of twenty four (24) months, and as such, and as such, the extended term of the License Agreement shall begin March 15, 2023 (“**Extended Term Commencement Date**”) and shall expire on March 14, 2025 (“**Expiration Date**”).

2. Early Termination. Section 2(b) as modified by the First Amendment to License Agreement is hereby deleted in its entirety and replaced with the following:

Licensee, upon seven (7) months’ written notice to Licensor shall have the right to terminate the License Agreement (“**Early Termination**”); provided, however, notice of such Early Termination can be given no sooner than November 14, 2023. Licensor has no obligation or honor any Early Termination notice that does not strictly comply with the requirements of this Section.

3. License Fee. The following shall be added to the end of Section 3(a) of the License Agreement:

Effective the Extended Term Commencement Date, Licensee shall pay Licensor a monthly license fee of \$540,000.00 (“**Extended Term License Fee**”). The Extended Term License Fee shall be subject to a four percent (4%) increase upon each anniversary of the Extended Term Commencement Date, as shown on Schedule A attached to this Sixth Amendment (which shall replace the existing Schedule A). Except as expressly stated otherwise herein,

the Extended License Fee shall be subject to all the same terms and conditions as the License Fee

4. Security Deposit: The following shall be added to the end of Section 3(d) of the License Agreement:

In consideration of the extended term, Licensee shall pay a Security Deposit equal to \$561,600.00 ("**Extended Term Security Deposit**"). As Licensee has already paid Licensor a Security Deposit of \$524,695.91 under the License Agreement ("**Previous Security Deposit**"), Licensor shall retain the Previous Security Deposit and Licensee shall pay to Licensor the balance owed of \$ \$36,904.09.

5. Initial Payment: The following shall be added to the end of Section 3(e) of the License Agreement:

Licensee shall pay to Licensor, immediately upon executing this Sixth Amendment, an amount equal to the License Fee for the last month of the extended term (\$561,600.00). As Licensee has already paid \$524,695.91 toward the last month's payment for the current term, the balance owed pursuant to this Sixth Amendment is \$36,904.09. Licensee shall also pay, immediately upon executing this Sixth Amendment, the balance of the Extended Term Security Deposit owed of \$36,904.09. As such, Licensee shall pay Licensor a total of \$73,808.18 on or before the execution of this Sixth Amendment.

6. Notice. The following shall be added to the end of Section 15(g) of the License Agreement:

A copy of any notice to Licensor pursuant to this License Agreement shall be sent to the following address:

SmartLabs
10 Fan Pier, 4th Floor
Boston, MA 02210
Attn: Legal Department

7. No Waiver. The parties acknowledge and agree that Licensor's agreement to enter into this Amendment is in no way a waiver of any potential claims or defenses in relation to that certain Health and Safety Infractions Letter or that certain Warning Letter, both dated as of February 11, 2022.

8. Broker. Licensee warrants and represents that Licensee has dealt with no broker in connection with the consummation of this Sixth Amendment, and, in the event of any brokerage claims asserted against Licensor predicated upon prior dealings with Licensee, Licensee agrees to defend the same and indemnify Licensor against any such claim.

9. Ratification. Except as expressly amended hereby, all terms and conditions of the License Agreement shall remain unchanged and in full force and effect.

10. Counterparts. This Sixth Amendment to License Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute one and the same document.

[signatures on following page]

IN WITNESS WHEREOF, Licensor and Licensee have duly executed this Sixth Amendment as of the date first written above.

LICENSOR

/s/ Brian Taylor

By: Brian Taylor

Title: Head of Field Operations

LICENSEE

/s/ Keith Gottesdiener

By: Keith Gottesdiener

Title: CEO

Nineth Amendment to License Agreement

This Nineth Amendment to License Agreement (“**Nineth Amendment**”) is dated March 17, 2023 (“**Effective Date**”) and entered into by and between Prime Medicine, Inc. (“**Licensee**”) and MIL 21E, LLC (“**Licensor**”).

WHEREAS, Licensor and Licensee are parties to a certain License Agreement dated March 16, 2020, as amended by that certain First Amendment to License Agreement dated August 17, 2020, as amended by that certain Second Amendment to License Agreement dated October 21, 2020, as amended by that certain Third Amendment to License Agreement dated May 24, 2021, as amended by that certain Fourth Amendment to License Agreement dated July 27, 2021, as amended by that certain Fifth Amendment to License Agreement dated December 20, 2021, as amended by that certain Sixth Amendment to License Agreement dated April 5, 2022, as amended by that certain Seventh Amendment to License Agreement dated May 27, 2022, as amended by that certain Eighth Amendment dated June 21, 2022 (collectively “**License Agreement**”);

WHEREAS, Licensee warrants and represents that, to the best of its knowledge, Licensor has fulfilled its obligations under the License Agreement and is not in default of any covenants or obligations contained in the License Agreement;

WHEREAS, Licensor and Licensee desire to amend the License Agreement in certain respects as set forth herein; and,

WHEREAS, all capitalized terms contained herein shall, unless otherwise defined in this Nineth Amendment, have the same meaning as set forth in the License Agreement.

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

1. Lab Bench Premises and Lab Bench Term. Section 2(a) of the Licensed Agreement is hereby modified by adding the following new sentence to the end of the Section:

The parties acknowledge and agree to extend the Lab Bench Expiration Date such that it shall now be defined as December 14, 2023.

2. License Fee. The following shall be added to the end of Section 3(a) of the License Agreement:

For the avoidance of doubt Licensee shall pay Licensor the Lab Bench Premises Fee, in addition to all other fees due pursuant to the License Agreement, through the Lab Bench Expiration Date as defined in this Nineth Amendment, all as shown on Schedule A attached hereto.

3. Ratification. Except as amended herein, all terms and conditions of the License Agreement shall remain unchanged and in full force and effect.
4. Counterparts. This Nineth Amendment to License Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute one and the same document.

[signatures on following page]

IN WITNESS WHEREOF, Licensor and Licensee have duly executed this Nineth Amendment as of the Effective Date.

LICENSOR

/s/ Brian Taylor

By: Brian Taylor

Title: Head of Biopharma Solutions

LICENSEE

/s/ Keith Gottesdiener

By: Keith Gottesdiener

Title: President & CEO

Tenth Amendment to License Agreement

This Tenth Amendment to License Agreement (“**Tenth Amendment**”) is made as of April 14, 2023, by and between Prime Medicine, Inc. (“**Licensee**”) and MIL 21E, LLC (“**Licensor**”).

WHEREAS, Licensor and Licensee are parties to a certain License Agreement dated March 16, 2020, as amended by that certain First Amendment to License Agreement dated August 17, 2020, as amended by that certain Second Amendment to License Agreement dated October 21, 2020, as amended by that certain Third Amendment to License Agreement dated May 24, 2021, as amended by that certain Fourth Amendment to License Agreement dated July 27, 2021, as amended by that certain Fifth Amendment to License Agreement dated December 20, 2021, as amended by that certain Sixth Amendment to License Agreement dated April 5, 2022, as amended by that certain Seventh Amendment to License Agreement dated May 27, 2022, as amended by that certain Eighth Amendment dated June 21, 2022, as amended by that certain Ninth Amendment dated March 17, 2023 (collectively “**License Agreement**”);

WHEREAS, Licensee warrants and represents that, to the best of its knowledge, Licensor has fulfilled its obligations under the License Agreement and is not in default of any covenants or obligations contained in the License Agreement;

WHEREAS, Licensor and Licensee desire to amend the License Agreement in certain respects as set forth herein; and,

WHEREAS, all capitalized terms contained herein shall, unless otherwise defined in this Tenth Amendment, have the same meaning as set forth in the License Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree that the License Agreement is hereby amended as follows:

1. **Licensed Premises.** Effective April 15, 2023 (“**Second Expanded Premises Commencement Date**”)¹ the License Agreement is hereby amended by (i) adding the attached **Exhibit 1-D** to the existing **Exhibit 1**, **Exhibit 1-A**, **Exhibit 1-B**, and **Exhibit 1-C** and (ii) adding the following sentence to the end of Section 1(a):

The License shall be expanded to include Scaling Suite Lab D and Office M, as shown on the blue shaded portion of the floor plan attached hereto as **Exhibit 1-C** of this Tenth Amendment (“**Second Expanded Premises**”), as part of the Licensed Premises. For the avoidance of doubt, **Exhibit 1**, **Exhibit 1-A**, **Exhibit 1-B**, and **Exhibit 1-C** of the License Agreement shall remain applicable, and the attached **Exhibit 1-D** shall be inserted immediately thereafter.

2. **Occupants.** Section 1(c) of the License Agreement is hereby modified by adding the following new sentence to the end of the Section:

¹ Under no circumstance shall Licensor be liable to Licensee for failure to provide access to the Second Expanded Premises on or before the Second Expanded Premises Commencement Date; provided, however, that if Licensor is unable to provide Licensee access to the Second Expanded Premises on or before the Second Expanded Premised Commencement Date, the Second Expanded Premised Commencement Date shall be extended by the number of days Licensor is unable to provide access to the Second Expanded Premises.

Effective the Second Expanded Premises Commencement Date, Occupants shall be defined as one hundred twenty-four (124) of Licensee's members, employees or agents. For the avoidance of doubt, the parties hereto acknowledge and agree that the Written Approval for Additional Occupant form dated and signed March 29, 2023, is hereby voided as those approved Additional Occupants are now included within the Occupants as defined in this Tenth Amendment.

3. License Fee. Section 3(a) of the License Agreement is hereby modified by adding the following new paragraph to the end of the Section:

Effective the Second Expanded Premises Commencement Date, in addition to the existing License Fee, Licensee shall pay a monthly license fee of \$156,000.00 for the Second Expanded Premises ("**Second Expanded Premises Fee**"). The Second Expanded Premises Fee shall be subject to a four percent (4%) increase upon each anniversary of the Second Expanded Premises Commencement Date, as shown on Schedule A attached hereto. Except as expressly stated otherwise herein, the Second Expanded Premises Fee shall be subject to all the same terms and conditions as the License Fee.

4. Security Deposit. Section 3(c) of the License Agreement is hereby modified by adding the following new sentence to the end of the Section:

In consideration of the Second Expanded Premises, the Security Deposit shall be increased from \$561,600.00 to \$723,840.00.

5. Initial Payment. Section 3(d) of the License Agreement is hereby modified by adding the following new paragraph to the end of the Section:

Immediately upon the execution of this Tenth Amendment, Licensee shall pay an amount equal to the Second Expanded Premises Fee for the first month of the Second Expanded Premises (\$156,000.00), the Second Expanded Premises Fee for the last month of the Term (\$162,240.00), as well as the increase in the Security Deposit commensurate with the addition of the Second Expanded Premises (\$162,240.00). As such, Licensee shall pay a total of \$480,480.00, on or before the execution of this Tenth Amendment.

6. Parking. Section 6 of the License Agreement is hereby modified by adding the following new sentence to the end of the Section:

Effective the Second Expanded Premises Commencement Date, Licensee's Parking Spaces shall be defined as eighteen (18).

7. Broker. Licensee warrants and represents that Licensee has dealt with no broker in connection with the consummation of this Tenth Amendment, and, in the event of any brokerage claims asserted against Licensor predicated upon prior dealings with Licensee, Licensee agrees to defend the same and indemnify Licensor against any such claim.

8. Ratification. Except as expressly amended hereby, all terms and conditions of the License Agreement shall remain unchanged and in full force and effect.

9. Counterparts. This Tenth Amendment to License Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute one and the same document.

IN WITNESS WHEREOF, Licensors and Licensee have duly executed this Tenth Amendment as of the date first written above.

LICENSOR

/s/ Brian Taylor

By: Brian Taylor

Title: Head of Biopharma Solutions

LICENSEE

/s/ Keith Gottesdiener

By: Keith Gottesdiener

Title: President and CEO

Eleventh Amendment to License Agreement

This Eleventh Amendment to License Agreement ("**Eleventh Amendment**") is dated May 4, 2023 ("**Effective Date**") and entered into by and between Prime Medicine, Inc. ("**Licensee**") and MIL 21E, LLC ("**Licensor**").

WHEREAS, Licensor and Licensee are parties to a certain License Agreement dated March 16, 2020, as amended by that certain First Amendment to License Agreement dated August 17, 2020, as amended by that certain Second Amendment to License Agreement dated October 21, 2020, as amended by that certain Third Amendment to License Agreement dated May 24, 2021, as amended by that certain Fourth Amendment to License Agreement dated July 27, 2021, as amended by that certain Fifth Amendment to License Agreement dated December 20, 2021, as amended by that certain Sixth Amendment to License Agreement dated April 5, 2022, as amended by that certain Seventh Amendment to License Agreement dated May 27, 2022, as amended by that certain Eighth Amendment dated June 21, 2022, as amended by that certain Ninth Amendment dated March 17, 2023, as amended by that certain Tenth Amendment dated April 14, 2023 (collectively "**License Agreement**");

WHEREAS, Licensee warrants and represents that, to the best of its knowledge, Licensor has fulfilled its obligations under the License Agreement and is not in default of any covenants or obligations contained in the License Agreement;

WHEREAS, Licensor and Licensee desire to amend the License Agreement in certain respects as set forth herein; and,

WHEREAS, all capitalized terms contained herein shall, unless otherwise defined in this Ninth Amendment, have the same meaning as set forth in the License Agreement.

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

1. Parking. The License Agreement is hereby amended by adding the following language to the end of Section 6:

Effective May 4, 2023, subject to ongoing availability, Licensee shall have a non-exclusive, revocable license to use two (2) additional Additional Parking Spaces (as defined in the Seventh Amendment to License Agreement), for a total of three (3), subject to all terms and conditions of this Section, including payment of the Additional Parking Space Fees.

2. Ratification. Except as amended herein, all terms and conditions of the License Agreement shall remain unchanged and in full force and effect.
3. Counterparts. This Eleventh Amendment to License Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute one and the same document.

[signatures on following page]

IN WITNESS WHEREOF, Licensor and Licensee have duly executed this Eleventh Amendment as of the Effective Date.

LICENSOR

/s/ Brian Taylor

By: Brian Taylor

Title: Head of Biopharma Solutions

LICENSEE

/s/ Keith Gottesdiener

By: Keith Gottesdiener

Title: CEO

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

I, Keith Gottesdiener, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Prime Medicine, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) (Paragraph omitted pursuant to SEC Release Nos. 33-8238/34-47986 and 33-8392/34-49313)
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (e) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (f) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2023

By: /s/ Keith Gottesdiener
Keith Gottesdiener
Chief Executive Officer
(Principal Executive Officer)

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

I, Carman Alenson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Prime Medicine, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) (Paragraph omitted pursuant to SEC Release Nos. 33-8238/34-47986 and 33-8392/34-49313)
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (e) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (f) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2023

By: /s/ Carman Alenson

Carman Alenson

**Interim Chief Financial Officer and Chief Accounting Officer
(Principal Financial Officer and Principal Accounting Officer)**

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

In connection with this Quarterly Report of Prime Medicine, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2023

By: /s/ Keith Gottesdiener
Keith Gottesdiener
Chief Executive Officer
(Principal Executive Officer)

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

In connection with this Quarterly Report of Prime Medicine, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2023

By: /s/ Carman Alenson

Carman Alenson

**Interim Chief Financial Officer and Chief Accounting Officer
(Principal Financial Officer and Principal Accounting Officer)**