SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE TO

Tender Offer Statement Under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934

IGM BIOSCIENCES, INC.

(Name of Subject Company (Issuer) and Filing Person (Offeror))

Options to Purchase Common Stock Covering Common Stock, $0.01 par value
(Title of Class of Securities)

449585108
(CUSIP Number of Class of Securities' Underlying Common Stock)

Fred M. Schwarzer
Chief Executive Officer and President
325 E. Middlefield Road
Mountain View, CA 94043
(650) 965-7873
(Name, address and telephone numbers of person authorized to receive notices and communications on behalf of filing persons)

Copies to:

Tony Jeffries
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Paul Graffagnino
Senior Vice President, Legal Affairs
IGM Biosciences, Inc.
325 E. Middlefield Road
Mountain View, CA 94043
(650) 965-7873

☐ Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

☐ third-party tender offer subject to Rule 14d-1.
☒ issuer tender offer subject to Rule 13e-4.
☐ going-private transaction subject to Rule 13e-3.
☐ amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer: ☐

If applicable, check the appropriate box(es) below to designate the appropriate rule provision(s) relied upon:

☐ Rule 13e-4(i) (Cross-Border Issuer Tender Offer)
☐ Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

This Tender Offer Statement on Schedule TO relates to an offer by IGM Biosciences, Inc., a Delaware corporation ("IGM" or the "Company"), to exchange (the "Exchange Offer") certain options to purchase up to an aggregate of 1,859,148 shares of the Company's common stock, whether vested or unvested, granted under the 2018 Plan (as defined below) held by an Eligible Employee (as defined below) that were granted on or prior to March 1, 2023 and that have an exercise price per share equal to or greater than $17.70, except as otherwise described in the Offer to Exchange (as defined below) (the "Eligible Options").

These Eligible Options may be exchanged for new restricted stock units ("RSUs") upon the terms and subject to the conditions set forth in (i) the Offer to Exchange Certain Outstanding Options for Restricted Stock Units dated June 20, 2024 (the "Offer to Exchange"), attached hereto as Exhibit (a)(1)(A), (ii) the Launch Email to All Eligible Employees from Fred Schwarzer, dated June 20, 2024, attached hereto as Exhibit (a)(1)(B), and (iii) the Election Terms and Conditions, attached hereto as Exhibit (a)(1)(C). The following disclosure materials were also made available to Eligible Employees: (I) the Form of Confirmation to Eligible Employees, attached hereto as Exhibit (a)(1)(D), (II) the Form of Reminder Email, attached hereto as Exhibit (a)(1)(E), (III) the Screenshots of the Company's Offer Website, attached hereto as Exhibit (a)(1)(F), (IV) the Employee Presentation, attached hereto as Exhibit (a)(1)(G), and (V) the Employee Script, attached hereto as Exhibit (a)(1)(H). These documents, as they may be amended or supplemented from time to time, together constitute the "Disclosure Documents." An "Eligible Employee" refers to an employee of IGM, but excluding our chief executive officer and non-employee directors, who is employed by IGM at the start of the Exchange Offer and who remains employed by IGM through the date the Exchange Offer expires and the date the RSUs are granted.

The information in the Disclosure Documents, including all schedules and annexes to the Disclosure Documents, is incorporated herein by reference to answer the items required in this Schedule TO.

Item 1. Summary Term Sheet.

The information set forth under the caption "Summary Term Sheet and Questions and Answers" in the Offer to Exchange is incorporated herein by reference.

Item 2. Subject Company Information.

(a) ***Name and Address.***

IGM Biosciences, Inc. is the issuer of the securities subject to the Exchange Offer. The address of the Company's principal executive office is 325 E. Middlefield Road, Mountain View, California 94043, and the telephone number at that address is (650) 965-7873. The information set forth in the Offer to Exchange under the caption "The Offer" titled "10. Information concerning IGM" is incorporated herein by reference.

(b) ***Securities.***

The subject class of securities consists of the Eligible Options. The actual number of shares of common stock subject to the awards of restricted stock units to be issued in the Exchange Offer will depend on the number of shares of common stock subject to the unexercised options tendered by Eligible Employees and accepted for exchange and canceled. The information set forth in the Offer to Exchange under the captions "Summary Term Sheet and Questions and Answers," "Risks of Participating in the Offer," and the sections under the caption "The Offer" titled "2. Number of RSUs; expiration date," "6. Acceptance of options for exchange and issuance of RSUs," and "9. Source and amount of consideration; terms of RSUs" is incorporated herein by reference.

(c) ***Trading Market and Price.***

The information set forth in the Offer to Exchange under the caption "The Offer" titled "8. Price range of shares underlying the options" is incorporated herein by reference.

Item 3. Identity and Background of Filing Person.

(a) ***Name and Address.***

The filing person is the issuer. The information set forth under Item 2(a) above is incorporated by reference.

Pursuant to General Instruction C to Schedule TO, the information set forth on Schedule A to the Offer to Exchange is incorporated herein by reference.

Item 4. Terms of the Transaction.

(a) ***Material Terms.***

The information set forth in the section of the Offer to Exchange under the caption "Summary Term Sheet and Questions and Answers" and the sections under the caption "The Offer" titled "1. Eligibility," "2. Number of RSUs; expiration date," "3. Purposes of the offer," "4. Procedures for electing to exchange options," "5. Withdrawal rights and change of election," "6. Acceptance of options for exchange and issuance of RSUs," "7. Conditions of the offer," "8. Price range of shares underlying the options," "9. Source and amount of consideration; terms of RSUs," "12. Status of options acquired by us in the offer; accounting consequences of the offer," "13. Legal matters; regulatory approvals," "14. Material income tax consequences," "15. Extension of offer; termination; amendment" and Schedule B attached to the Offer to Exchange is incorporated herein by reference.

(b) ***Purchases.***

The information set forth in the section of the Offer to Exchange under the caption "The Offer" titled "11. Interests of directors and executive officers; transactions and arrangements concerning the options" is incorporated herein by reference.

Item 5. Past Contacts, Transactions, Negotiations and Arrangements.

(a) ***Agreements Involving the Subject Company's Securities.***

The information set forth in the section of the Offer to Exchange under the caption "The Offer" titled "11. Interests of directors and executive officers; transactions and arrangements concerning the options" is incorporated herein by reference. The Company's Amended and Restated 2018 Omnibus Incentive Plan (the "2018 Plan") and forms of agreements thereunder and forms of agreements thereunder attached hereto as Exhibit (d), are incorporated herein by reference.

Item 6. Purposes of the Transaction and Plans or Proposals.

(a) ***Purposes.***

The information set forth in the section of the Offer to Exchange under the caption "Summary Term Sheet and Questions and Answers" and the section under the caption "The Offer" titled "3. Purposes of the offer" is incorporated herein by reference.

(b) ***Use of Securities Acquired.***

The information set forth in the sections of the Offer to Exchange under the caption "The Offer" titled "6. Acceptance of options for exchange and issuance of RSUs" and "12. Status of options acquired by us in the offer; accounting consequences of the offer" is incorporated herein by reference.

(c) ***Plans.***

The information set forth in the sections of the Offer to Exchange under the caption "The Offer" titled "3. Purposes of the offer" and "9. Source and amount of consideration; terms of RSUs" is incorporated herein by reference.

Item 7. Source and Amount of Funds or Other Consideration.

(a) ***Source of Funds.***

The information set forth in the section of the Offer to Exchange under the caption "The Offer" titled "9. Source and amount of consideration; terms of RSUs" is incorporated herein by reference.

(b) ***Conditions.***

The information set forth in the section of the Offer to Exchange under the caption "The Offer" titled "7. Conditions of the offer" is incorporated herein by reference.

(d) ***Borrowed Funds.***

Not applicable.

Item 8. Interest in Securities of the Subject Company.

(a) ***Securities Ownership.***

The information set forth in the section of the Offer to Exchange under the caption "The Offer" titled "11. Interests of directors and executive officers; transactions and arrangements concerning the options" is incorporated herein by reference.

(b) ***Securities Transactions.***

The information set forth in the section of the Offer to Exchange under the caption "The Offer" titled "11. Interests of directors and executive officers; transactions and arrangements concerning the options" is incorporated herein by reference.

Item 9. Person/Assets, Retained, Employed, Compensated or Used.

(a) ***Solicitations or Recommendations.***

Not applicable.

Item 10. Financial Statements.

(a) ***Financial Information.***

The information set forth in Schedule B to the Offer to Exchange and in the sections of the Offer to Exchange under the caption "The Offer" titled "10. Information concerning IGM," "17. Additional information" and "18. Financial information" is incorporated herein by reference. The Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q can also be accessed electronically on the Securities and Exchange Commission's website at http://www.sec.gov.

(b) ***Pro Forma Information.***

Not applicable.

Item 11. Additional Information.

(a) ***Agreements, Regulatory Requirements and Legal Proceedings.***

The information set forth in the sections of the Offer to Exchange under the caption "The Offer" titled "11. Interests of directors and executive officers; transactions and arrangements concerning the options" and "13. Legal matters; regulatory approvals" is incorporated herein by reference.

(b) ***Other Material Information.***

Not applicable.

Item 12. Exhibits.

Exhibit Number	Description
(a)(1)(A)	Offer to Exchange Certain Outstanding Awards for New RSUs, dated June 20, 2024.
(a)(1)(B)	Launch Announcement.
(a)(1)(C)	Election Terms and Conditions.
(a)(1)(D)	Form of Confirmation Email.
(a)(1)(E)	Form of Reminder Email.
(a)(1)(F)	Screenshots from Offer Website.
(a)(1)(G)	Employee Presentation.
(a)(1)(H)	Employee Script.
(b)	Not applicable.
(d)	Amended and Restated 2018 Omnibus Incentive Plan of IGM Biosciences, Inc. and forms of agreements thereunder (incorporated by reference from Exhibit 10.1 to IGM's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 27, 2023).
(g)	Not applicable.
(h)	Not applicable.
107	Filing Fee Table

Item 13. Information Required by Schedule 13E-3.

(a) Not applicable.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this Schedule TO is true, complete and correct.

IGM BIOSCIENCES, INC.

/s/ Fred Schwarzer
Fred Schwarzer
Chief Executive Officer and President

Date: June 20, 2024

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(a)(1)(B)	Launch Announcement.
(a)(1)(C)	Election Terms and Conditions.
(a)(1)(D)	Form of Confirmation Email.
(a)(1)(E)	Form of Reminder Email.
(a)(1)(F)	Screenshots from Offer Website.
(a)(1)(G)	Employee Presentation.
(a)(1)(H)	Employee Script.
(b)	Not applicable.
(d)	Amended and Restated 2018 Omnibus Incentive Plan of IGM Biosciences, Inc. and forms of agreements thereunder (incorporated by reference from Exhibit 10.1 to IGM's Current Report on Form 8-K filed with the Securities and Exchange Commission on June 27, 2023).
(g)	Not applicable.
(h)	Not applicable.
107	Filing Fee Table

Exhibit (a)(1)(A)

IGM BIOSCIENCES, INC.

OFFER TO EXCHANGE
CERTAIN OUTSTANDING OPTIONS FOR
RESTRICTED STOCK UNITS

This document constitutes part of the prospectus relating to the securities that have been registered under the Securities Act of 1933, as amended. The prospectus relates to the IGM Biosciences, Inc. Amended and Restated 2018 Omnibus Incentive Plan, as amended.

June 20, 2024

IGM BIOSCIENCES, INC.

Offer to Exchange Certain Outstanding Options for Restricted Stock Units

This offer and withdrawal rights will expire at 9:00 p.m., Pacific Time, on July 18, 2024, unless we extend the expiration date.

By this offer, IGM Biosciences, Inc. (referred to as "IGM," the "Company," "we," "our" or "us") is giving eligible employees of IGM and its subsidiaries the opportunity to exchange some or all of their outstanding options granted on or prior to March 1, 2023 under our Amended and Restated 2018 Omnibus Incentive Plan (the "2018 Plan") with a per share exercise price at or above $17.70, whether vested or unvested, for a lesser number of restricted stock units with a different vesting schedule. Restricted stock units or "RSUs" are a promise by IGM to issue shares of our common stock in the future provided that the vesting criteria are satisfied. Our stockholders approved the implementation of a one-time stock option exchange program at our 2024 annual meeting of stockholders on June 11, 2024.

You are an eligible employee if you are an employee of IGM or any of its subsidiaries (other than our Chief Executive Officer) as of the start of the offer and remain an employee of IGM or any of its subsidiaries through the expiration of the offer and the RSU grant date. Our Chief Executive Officer and non-employee members of our board of directors are not eligible to participate in the offer.

If you participate in the offer, the number of RSUs you receive will depend on the number of eligible options that you elect to exchange and an exchange ratio based on the per share exercise price of those options.

We will grant RSUs on the day following the expiration of the offer, which day is the same U.S. calendar day on which we will cancel the exchanged options. This date is referred to as the "RSU grant date." We expect the RSU grant date to be on or as soon as practicable after July 19, 2024. If the expiration date of the offer is extended, the RSU grant date similarly will be delayed. The RSUs will be granted under IGM's 2018 Plan.

The vesting of the RSUs will depend on your continued service with us or our subsidiaries through applicable vesting dates as detailed in Section 9 of this Offer to Exchange Certain Outstanding Options for Restricted Stock Units (the "Offer to Exchange"). No RSUs will be vested when granted, even if the applicable exchanged option previously was partially or fully vested.

Our common stock is traded on The Nasdaq Stock Market under the symbol "IGMS." On June 12, 2024, the closing price of our common stock was $8.08 per share. You should evaluate the risks related to our business, our common stock and this offer, and review current market quotes for our common stock, among other factors, before deciding to participate in this offer.

See "Risks of Participating in the Offer" beginning on page 17 for a discussion of risks that you should consider before participating in this offer.

IMPORTANT

To participate in the offer, you must submit your election via IGM's offer website, by the expiration date, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024.

Your delivery of all documents, including elections, is at your own risk. Only elections that are properly completed and actually received by IGM by the deadline via the offer website will be accepted. Elections submitted by any other means, including email, facsimile, hand delivery, interoffice, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted. If you submit your election via the offer website, you should print and keep a copy of the confirmation statement (the "Confirmation Statement") generated by the offer website at the time that you complete and submit your election. The printed Confirmation Statement will provide evidence that you submitted your election. If you do not receive a confirmation, it is your responsibility to confirm that we have received your election.

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any state or non-U.S. securities commission has approved or disapproved of these securities or passed judgment upon the accuracy or adequacy of this offer. Any representation to the contrary is a criminal offense.

You should direct questions about this offer and requests for additional copies of this Offer to Exchange and the other offer documents to:

Infinite Equity
Email: IGM@infiniteequity.com

Offer to Exchange dated June 20, 2024

You should rely only on the information contained in this Offer to Exchange or documents to which we have referred you. We have not authorized anyone to provide you with different information. We are not making an offer to exchange options for restricted stock units in any jurisdiction in which the offer is not permitted. You should not assume that the information provided in this Offer to Exchange is accurate as of any date other than the date as of which it is shown, or if no date is indicated otherwise, the date of this offer. This Offer to Exchange summarizes various documents and other information. These summaries are qualified in their entirety by reference to the documents and information to which they relate.

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SUMMARY TERM SHEET AND QUESTIONS AND ANSWERS

The following are answers to some of the questions that you may have about this offer. You should read carefully this entire Offer to Exchange, the accompanying launch email announcing this offer dated June 20, 2024, and the election terms and conditions, together with its associated instructions. This offer is made subject to the terms and conditions of these documents as they may be amended. The information in this summary is not complete. Additional important information is contained in the remainder of this Offer to Exchange and the other offer documents. We have included in this summary references to other sections in this Offer to Exchange to help you find more complete information with respect to these topics.

Q1. What is the offer?

A1. This offer is a one-time voluntary opportunity for eligible employees to exchange certain outstanding "underwater" options granted on or prior to March 1, 2023 with a per share exercise price equal to or greater than $17.70, for a lesser number of restricted stock units with a different vesting schedule.

The following are some terms that are frequently used in this Offer to Exchange.

Terms Used in This Offer to Exchange

- "2018 Plan" refers to the IGM Biosciences, Inc. Amended and Restated 2018 Omnibus Incentive Plan.
- "cancellation date" refers to the U.S. calendar day immediately following the expiration date which is the date when exchanged options will be canceled. This cancellation of exchanged options will occur after the offer expires. We expect that the cancellation date will be July 19, 2024. If the expiration date of the offer is extended, then the cancellation date similarly will be delayed.
- "common stock" refers to IGM Biosciences, Inc. voting common stock.
- "eligible employee" refers to an employee of IGM or any of its subsidiaries as of the start of the offer and who remains an employee of IGM or any of its subsidiaries through the expiration of the offer and the RSU grant date. However, our Chief Executive Officer and non-employee members of our board of directors are not eligible employees and therefore may not participate in the offer.
- "eligible option grant" refers to all of the eligible options issued by IGM to an individual that are part of the same grant and subject to the same award agreement.
- "eligible options" refers to options to purchase shares of IGM's common stock granted on or prior to March 1, 2023 that have a per share exercise price equal to or greater than $17.70, that remain outstanding and unexercised as of the expiration date, that have a per share exercise price greater than the closing price of our common stock on the cancellation date, and that were granted under the 2018 Plan.
- "exchanged options" refers to options to purchase shares of IGM's common stock that are exchanged pursuant to this offer.
- "expiration date" refers to the date that this offer expires. We expect that the expiration date will be July 18, 2024, at 9:00 p.m., Pacific Time. We may extend the offer at our discretion. If we extend the offer, the term "expiration date" will refer to the time and date at which the extended offer expires.
- "non-voting common stock" refers to IGM Biosciences, Inc. non-voting common stock.
- "offer period" or "offering period" refers to the period from the start of this offer to the expiration date. This period will commence on June 20, 2024, and we expect it to end at 9:00 p.m., Pacific Time, on July 18, 2024.
- "Offer to Exchange" refers to this Offer to Exchange Certain Outstanding Options for Restricted Stock Units.
- "options" refers to stock options to purchase shares of IGM's common stock.

- "restricted stock units" or "RSUs" refers to the restricted stock units issued pursuant to this offer that replace your exchanged options. RSUs are promises by IGM to issue shares of our common stock in the future provided that the vesting criteria are satisfied. RSUs granted in connection with this offer will be granted on the RSU grant date under the 2018 Plan and subject to the terms and conditions of an RSU award agreement, between you and IGM.
- "RSU grant date" refers to the date when restricted stock units will be granted pursuant to this offer. The RSU grant date will be the first U.S. calendar date following the expiration date and will be the same U.S. calendar date as the cancellation date. We expect that the RSU grant date will be July 19, 2024. If the expiration date of the offer is extended, then the RSU grant date similarly will be delayed.

Q2. How do I participate in this offer?

A2. Participation in this offer is voluntary. If you are an eligible employee, at the start of the offer you will receive a launch email dated June 20, 2024, announcing this offer. If you want to participate in the offer, you must complete the election process outlined below by the expiration date, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024. If you do not want to participate, then no action is necessary.

All eligible employees can access the offer website www.myoptionexchange.com and view information with respect to the offer, the offer documents, and their eligible options.

Elections via the Offer Website

1. Click on the link to the Offer website in the Launch Email dated June 20, 2024, or go to the Offer website at https://www.myoptionexchange.com/. Log in to the Offer website using the login instructions provided to you in the Launch Email (or if you previously logged into the Offer website, your updated login credentials).
2. After logging in to the Offer website, review the information and proceed through to the Make My Election page. You will be provided with personalized information regarding each eligible option grant you hold, including:
   - the grant date of the eligible option grant;
   - the per share exercise price of the eligible option grant; and
   - the number of vested and unvested shares of our common stock subject to the eligible option grant as of July 18, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date).
3. On the Make My Election page, make your selection next to each of your eligible option grants to indicate which eligible option grants you choose to exchange in the Offer by selecting "Exchange" or choose not to exchange in the Offer by selecting "Do not exchange."
4. Proceed through the Offer website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Submit My Election page and in the Offer documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.

5. Upon submitting your election, a Confirmation Statement will be generated by the Offer website and sent to you at your current email address. Please print and keep a copy of the Confirmation Statement for your records. At this point, you will have completed the election process via the Offer website.

We must receive your properly completed and submitted election by the expiration of the Offer, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024.

If you elect to exchange any eligible option grant in this offer, you must elect to exchange all shares subject to that eligible option grant. If you hold more than one eligible option grant, however, you may choose to exchange one or more of such eligible option grants without having to exchange all of your eligible option grants. If you are unable to access your grant information, you may contact:

Infinite Equity

Email: IGM@infiniteequity.com

This is a one-time offer, and we will strictly enforce the offering period. We reserve the right to reject any option tendered for exchange that we determine is not in the appropriate form or that we determine is unlawful to accept. Subject to the terms and conditions of this offer, we will accept all properly tendered options promptly after the expiration of this offer. (See Section 4, "Procedures for electing to exchange options," below.)

We may extend this offer. If we do so, we will issue a press release, email or other communication disclosing the extension no later than 6:00 a.m., Pacific Time, on the U.S. business day following the previously scheduled expiration date.

Your delivery of all documents, including elections, is at your risk. If you submit your election via the offer website, you should print and keep a copy of the Confirmation Statement generated by the offer website at the time that you complete and submit your election. The printed Confirmation Statement will provide evidence that you submitted your election. If you do not receive a confirmation, it is your responsibility to confirm that we have received your election. Only elections that are properly completed and actually received by IGM by the deadline via the offer website will be accepted. Elections submitted by any other means, including email, facsimile hand delivery, interoffice, U.S. mail (or similar post) and Federal Express (or similar delivery service), are not permitted.

(See Section 4, "Procedures for electing to exchange options," below.)

Q3. What will I receive for the options that I exchange?

A3. Except as specified in Question and Answer 8 below, all eligible employees who properly tender eligible options pursuant to this offer will receive RSUs. RSUs are promises by IGM to issue shares of IGM's common stock in the future once the vesting requirements are satisfied. You do not have to make any cash payment to IGM to receive your RSUs or the common stock upon the vesting of your RSUs. However, to the extent that we (or our subsidiary or other affiliate, as applicable) have a tax withholding obligation in connection with the vesting of the RSUs and issuance of shares thereunder or otherwise, the tax withholding obligations will be satisfied in the manner specified in the RSU award agreement. (See Section 9, "Source and amount of consideration; terms of RSUs," below.)

Q4. How many RSUs will I receive for the options that I exchange?

A4. This offer is not a one-for-one exchange of your eligible options for RSUs. Eligible options canceled pursuant to the offer will be exchanged for a lesser number of RSUs on the basis of an exchange ratio applied to exchanged options on a grant-by-grant basis. If you participate in the offer, you will receive such lesser number of RSUs.

The following table shows the exchange ratios that will be applied to your exchanged options to determine the number of RSUs you would receive pursuant to the offer:

Per Share Exercise Price of Eligible Options	Exchange Ratio (the number of shares subject to the eligible option grant exchanged for one RSU)
$17.70 - $39.99	2.00 to 1
$40.00 - $79.99	2.50 to 1
Greater than or equal to $80.00	3.00 to 1

The exchange ratios apply to each of your eligible option grants separately based on the per share exercise price of each such eligible option grant. This means that the various eligible option grants you hold may be subject to different exchange ratios. Your eligible options that are cancelled pursuant to the offer will be exchanged for a lesser number of RSUs equal to: (a) the number of shares of our common stock underlying the grant of exchanged options, divided by (b) the exchange ratio, with any fractional shares rounded down to the nearest whole RSU.

Example 1

Assume that you hold an eligible option grant to purchase 1,000 shares with an exercise price of $20.00 per share. If you exchange this eligible option grant pursuant to the offer, then on the RSU grant date you will receive 500 RSUs. This is equal to the 1,000 shares divided by 2.00 (the exchange ratio for this eligible option grant), rounded down to the nearest whole RSU.

Example 2

Assume that you hold an eligible option grant to purchase 2,000 shares with an exercise price of $50.00 per share. If you exchange this eligible option grant pursuant to the offer, then on the RSU grant date you will receive 800 RSUs. This is equal to the 2,000 shares divided by 2.50 (the exchange ratio for this eligible option grant), rounded down to the nearest whole RSU.

For purposes of this offer, including the exchange ratios, the term "option" generally refers to an option to purchase one share of our common stock. (See Section 2, "Number of RSUs; expiration date," below.)

To determine the exchange ratios, we valued the eligible options using a model that takes into account many variables and estimates, such as our current stock price, the volatility of the price of our common stock, and the remaining term of an eligible option. We used those values to establish exchange ratios that will result in RSU grants with an aggregate fair value for financial accounting purposes substantially similar to the aggregate value of the options that they replace, except that in the interest of stockholders no options will be exchanged at a ratio lower than 2-for-1.

Q5. Who may participate in this offer?

A5. You may participate in this offer if you have eligible options, you are an eligible employee at the time of this offer and you remain an eligible employee through the RSU grant date. However, our Chief Executive Officer and non-employee members of our board of directors cannot participate in the offer. (See Section 1, "Eligibility," below.)

Q6. Why is IGM making this offer?

A6. We believe that this offer will foster retention of valuable employees of IGM and its subsidiaries, provide meaningful incentive to them, and better align the interests of employees with the interests of our stockholders to maximize stockholder value. Previously, we submitted for stockholder approval a proposal to implement a one-time stock option exchange program, as described in our definitive proxy statement filed with the SEC on April 26, 2024. Our stockholders approved the program at our 2024 annual meeting of stockholders held on June 11, 2024.

We rely on a skilled and educated, technical, and managerial workforce. Competition for these types of employees is intense. Equity awards have been, and continue to be, a key part of our incentive compensation and retention program. We believe that to develop and market our products, we need to maintain competitive compensation and incentive programs. We issued the currently outstanding options to attract and retain the best available personnel and to provide incentive to employees.

As a result of our stock price decline in the last few years, a substantial number of our employees who hold outstanding stock options are holding options that are substantially "underwater" (meaning the exercise prices per share of the options are higher than the current market price of our common stock).

The weighted average exercise price per share of options held by our employees (other than our Chief Executive Officer and non-employee directors) was $51.81 compared to a $8.08 closing price on June 12, 2024, for our common stock. As of June 12, 2024, options to purchase approximately 35% of the total number of shares subject to outstanding options held by our employees (other than our Chief Executive Officer and non-employee directors) would be eligible to be exchanged in this offer.

These stock options have become less effective in retaining and motivating our employees, who may view their underwater options as having lesser value due to the difference between the per share exercise price and the current market price of a share of our common stock. At the same time, the labor market remains extremely competitive. The failure to address the underwater option issue in the near to medium term could make it more difficult for us to retain our key employees. If we cannot retain these

individuals, our business, results of operations and future stock price could be adversely affected. We believe that it is essential to continue to retain and motivate our best employees and that the inherent value of the new RSUs and extended vesting periods of the RSUs may be more effective in retaining and incentivizing employees than the existing underwater options. (See Section 3, "Purposes of the offer," below.)

Q7. Which of my options are eligible?

A7. Your eligible options are those options to purchase shares of common stock of IGM that were granted on or prior to March 1, 2023 under the 2018 Plan, have a per share exercise price equal to or greater than $17.70, whether vested or unvested, remain outstanding and unexercised as of the expiration date, currently expected to occur on July 18, 2024, and have a per share exercise price greater than the closing price of our common stock on the cancellation date, currently expected to occur on July 19, 2024. The determination of which options are eligible was made by our board of directors, with the advice of external advisors, based on a careful balancing of a number of factors.

To help you make an informed decision, please refer to the grant information available via the offer website, that lists your eligible option grants, the grant date and per share exercise price of each of your eligible option grants, the number of shares subject to each of your eligible option grants scheduled to be vested as of July 18, 2024, the number of shares subject to each of your eligible option grants as of July 18, 2024 (assuming you have not exercised all or any portion of your eligible option grants during the offering period), the exchange ratio applicable to each eligible option grant, the number of RSUs that would be issued in exchange for each eligible option grant, and the vesting schedule applicable to each award of RSUs. If you are unable to access your eligible option information, you may contact:

Infinite Equity

Email: IGM@infiniteequity.com

(See Section 2, "Number of RSUs; expiration date," below.)

Q8. Are there circumstances under which I would not be granted RSUs?

A8. Yes. If, for any reason, you no longer are an employee of IGM or its subsidiaries on the RSU grant date, you will not receive any RSUs. Instead, you will keep your current eligible options and those options will vest and expire in accordance with their original terms. Except as provided by applicable law and/or any employment or other service agreement between you and IGM or its subsidiaries, your employment or other service with IGM or its subsidiaries will remain "at-will" regardless of your participation in the offer and can be terminated by you or your employer (or entity with which you engage to provide services) at any time with or without cause or notice. (See Section 1, "Eligibility," below.)

Moreover, even if we accept your eligible options, we will not grant RSUs to you if we are prohibited from doing so by applicable laws. For example, we could become prohibited from granting RSUs as a result of changes in SEC or Nasdaq Stock Market rules. We do not anticipate any such prohibitions at this time.

In addition, if you hold an option that expires after the start of, but before the cancellation of, options under this offer, that particular option is not eligible for exchange. As a result, if you hold options that expire before the currently scheduled cancellation date or, if we extend the offer such that the cancellation date is a later date and you hold options that expire before the rescheduled cancellation date, those options will not be eligible for exchange and such options will continue to be governed by their original terms. (See Section 15, "Extension of offer; termination; amendment," below.)

Q9. Am I required to participate in this offer?

A9. No. Participation in this offer is completely voluntary. (See Section 2, "Number of RSUs; expiration date," below.)

Q10. Are you making any recommendation as to whether I should exchange my eligible options?

A10. No. We are not making any recommendation as to whether you should accept this offer. We understand that the decision whether or not to exchange your eligible options in this offer may require consideration of various factors for many employees. The program does carry risk (see "Risks of Participating in the Offer" beginning on page 18 for information regarding some of these risks), and there are no guarantees regarding whether you ultimately would receive greater value from your eligible options or from the RSUs you will receive in exchange. You must make your own decision as to whether or not to participate in this offer. For questions regarding personal tax implications or other investment-related questions, you should talk to your personal legal counsel, accountant, and/or financial adviser. (See Section 3, "Purposes of the offer," below.)

Q11. Do I have to pay for my RSUs?

A11. No. You do not have to make any cash payment to IGM to receive your RSUs or the common stock upon the vesting of your RSUs. However, to the extent that we (or our subsidiary or other affiliate, as applicable) have a tax withholding obligation at the time of issuance of the shares underlying the RSUs after the RSUs vest, the tax withholding obligations will be satisfied in the manner specified in the RSU award agreement. (See Section 9, "Source and amount of consideration; terms of RSUs," below.)

Q12. When will my RSUs vest?

A12. Each RSU will represent a right to receive one share of our common stock on a specified future date if the RSU vests according to the following vesting schedule, but only if you remain a service provider of IGM or its subsidiaries through each relevant vesting date:

- None of the RSUs will be vested on the RSU grant date (even if the corresponding eligible option was fully or partially vested).
- Even if the vesting schedule of the exchanged option may have had a monthly vesting component, there will be no monthly vesting on the RSUs exchanged for such eligible option.

- 50% of the RSUs received in exchange for vested eligible options will vest on the 1-year anniversary of the RSU grant date, and the remaining such RSUs will vest in 4 equal quarterly installments over the following year, in each case subject to continued service to us or our subsidiaries through the applicable vesting date.
- 50% of RSUs received in exchange for unvested eligible options will vest on the date that is 18 months following the RSU grant date, and the remaining such RSUs will vest in 6 equal quarterly installments over the following 18 months, in each case subject to continued service to us or our subsidiaries through the applicable vesting date.
- If your service with us or our subsidiaries terminates for any reason before part or all of your RSU grant vests, the unvested portion of your RSU grant will expire unvested and you will not be entitled to any shares of common stock from that portion of your RSU grant. (See Section 1, "Eligibility," below.)
- Minor modifications may be made to the vesting schedule of any RSUs to eliminate fractional vesting (such that a whole number of shares subject to the new award will vest on each vesting date).

Example

Assume that an eligible employee elects to exchange an eligible option covering 2,000 shares with a per share exercise price of $50.00 and 50% of the shares subject to the eligible option grant are vested and 50% of the shares subject to the eligible option grant are unvested. Assume that on July 19, 2024 (the expected RSU grant date), the eligible employee surrenders the eligible option grant. In accordance with the exchange ratios described above, the eligible employee receives 800 RSUs. None of the RSUs will be vested on the RSU grant date. 400 RSUs received in exchange for the vested eligible option shares will vest on the 1-year anniversary of the RSU grant date, and the remaining RSUs received in exchange for the vested eligible option shares will vest in 4 equal quarterly installments over the following year, in each case subject to continued service to us or one of our subsidiaries through the applicable vesting date. 400 of the RSUs received in exchange for unvested eligible option shares will vest on the date that is 18 months following the RSU grant date, and the remaining RSUs received in exchange for unvested eligible option shares will vest in 6 equal quarterly installments over the following 18 months, in each case subject to continued service to us or one of our subsidiaries through the applicable vesting date. RSUs that do not vest will be forfeited to IGM at no cost to us. (See Section 9, "Source and amount of consideration; terms of RSUs," below.)

Q13. If I participate in this offer, do I have to exchange all of my eligible options?

A13. No. You may pick and choose which of your outstanding eligible options you wish to exchange. However, if you decide to participate in this offer and to exchange an eligible option grant, you must elect to exchange all shares subject to that eligible option grant.

For example, if you hold (1) an eligible option grant to purchase 1,000 shares, 700 of which you have already exercised, (2) an eligible option grant to purchase 1,000 shares, and (3) an eligible option grant to purchase 3,000 shares, you may choose to exchange all three eligible option grants, or any two of the three eligible option grants, or any one of the three eligible option grants, or none at all.

You should note that we are not accepting partial tenders of options, except that you may elect to exchange the entire remaining portion of an eligible option grant that you previously exercised partially. For example, you may not elect to exchange a partial amount under any eligible option grant (such as an election to exchange only 150 shares of the remaining 300 shares under the first eligible option grant in the example above). (See Section 2, "Number of RSUs; expiration date," below.)

Q14. What happens if I have an eligible option grant that is subject to a domestic relations order or comparable legal document as the result of the end of a marriage?

A14. If you have an eligible option grant that is subject to a domestic relations order (or comparable legal document as the result of the end of a marriage) and a person who is not an eligible employee beneficially owns a portion of that eligible option grant, you may accept this offer only with respect to the entire portion of the eligible option grant legally owned by you. Acceptance of the offer as to only the portion of an eligible option beneficially owned by you will not be permitted.

For example, if you are an eligible employee and you hold an eligible option grant covering 3,000 shares that is subject to a domestic relations order, 1,000 of which are beneficially owned by your former spouse, and you have exercised 600 of the remaining 2,000 shares not beneficially owned by your former spouse, then you may elect to exchange the 2,400 shares that remain outstanding subject to the eligible option grant, or you may elect not to participate in the offer at all with respect to this eligible option grant. These are your only choices with respect to this eligible option grant. (See Section 2, "Number of RSUs; expiration date," below.)

Q15. When will my exchanged options be canceled?

A15. Your exchanged options will be canceled following the expiration of the offer on the U.S. calendar day immediately following the expiration date. We refer to this date as the cancellation date. We expect that the cancellation date will be July 19, 2024, unless the offer period is extended. (See Section 6, "Acceptance of options for exchange and issuance of RSUs," below.)

Q16. When will I receive RSUs?

A16. We will grant the RSUs on the RSU grant date. The RSU grant date will be the U.S. calendar day immediately following the expiration of the offer, which day is the same U.S. calendar day on which we will cancel the exchanged options. We expect the RSU grant date will be July 19, 2024. If the expiration date of the offer is extended, the RSU grant date similarly will be delayed. You will receive your RSU award agreement promptly after the expiration of the offer. (See Section 6, "Acceptance of options for exchange and issuance of RSUs," below.)

You will receive the shares subject to the RSUs if and when your RSUs vest. RSUs will be subject to the terms and conditions set forth in the 2018 Plan and award agreement under which the RSU award is granted.

Q17. Once my exchanged options are cancelled pursuant to the offer, is there anything I must do to receive the RSUs?

A17. No. Once your exchanged options have been canceled, there is nothing that you must do to receive your RSUs. In order to receive the shares covered by the RSU grant, you will need to remain a service provider to IGM or its subsidiaries through the applicable vesting date, as described in Question and Answer 12. (See Section 1, "Eligibility," below.)

Q18. Do I need to exercise my RSUs in order to receive shares?

A18. No. RSUs do not need to be exercised in order to receive shares. If your RSUs vest in accordance with the vesting schedule set forth in your RSU award agreement, you automatically will receive the shares subject to the RSUs promptly thereafter in accordance with the terms of the 2018 Plan and the applicable RSU award agreement (less any shares used to satisfy any applicable tax withholding). RSUs that do not vest will be forfeited to IGM and you will receive no payment for them. (See Section 9, "Source and amount of consideration; terms of RSUs," below.)

Q19. May I exchange IGM common stock that I acquired upon a prior exercise of IGM options?

A19. No. This offer relates only to certain outstanding options to purchase shares of IGM common stock. You may not exchange in this offer any shares of IGM common stock you acquired upon a prior exercise of options. (See Section 2, "Number of RSUs; expiration date," below.)

Q20. Will I be required to give up all of my rights under the canceled options?

A20. Yes. Once we have accepted your exchanged options, your exchanged options will be canceled and you no longer will have any rights under those options. We intend to cancel all exchanged options following the expiration of the offer on the U.S. calendar day immediately following the expiration date. We refer to this date as the cancellation date. We expect that the cancellation date will be July 19, 2024. (See Section 6, "Acceptance of options for exchange and issuance of RSUs," below.)

Q21. Will the terms and conditions of my RSUs be the same as my exchanged options?

A21. No. RSUs are a different type of equity award from options, and so the terms and conditions of your RSUs necessarily will be different from your options. Your RSUs will be granted under the 2018 Plan and will be subject to an RSU award agreement. The form of RSU award agreement is filed as an exhibit to the Schedule TO with which this Offer to Exchange has been filed and is available on the SEC website at www.sec.gov. See Section 9 below for more details on the terms and conditions of RSUs.

The vesting of the RSUs will also differ from the corresponding exchanged options. RSUs will vest as described in Question and Answer 12. Until your RSUs vest and you are issued shares in payment for the vested RSUs, you will not have any of the rights or privileges of a stockholder of IGM as to the shares associated with such RSUs. Once you have been issued the shares of common stock, you will have all of the rights and privileges of a stockholder with respect to those shares, including the right to vote and to receive dividends, if any.

The tax treatment of the RSUs will differ from the tax treatment of your options. Please see Question and Answer 24 and the remainder of this Offer to Exchange for further details. Also, the vesting schedule of your RSUs will be different from the vesting schedule of your exchanged options. (See Section 9, "Source and amount of consideration; terms of RSUs," below.)

Q22. What happens to my options if I choose not to participate or if my options are not accepted for exchange?

A22. If you choose not to participate or your options are not accepted for exchange, your existing options will (a) remain outstanding until they are exercised or canceled or they expire by their existing terms, (b) retain their current exercise price, (c) retain their current vesting schedule, and (d) retain all of the other terms and conditions as set forth in the relevant agreement related to such option grant. (See Section 6, "Acceptance of options for exchange and issuance of RSUs," below.)

Q23. How does IGM determine whether an option has been properly tendered?

A23. We will determine, in our discretion, all questions about the validity, form, eligibility (including time of receipt) and acceptance of any options. Our determination of these matters will be given the maximum deference permitted by law. However, you have all rights accorded to you under applicable law to challenge such determination in a court of competent jurisdiction. Only a court of competent jurisdiction can make a determination that will be final and binding upon the parties. We reserve the right to reject any election of any option tendered for exchange that we determine is not in an appropriate form or that we determine is unlawful to accept. We will accept all properly tendered options that are not validly withdrawn, subject to the terms of this offer. No tender of options will be deemed to have been made properly until all defects or irregularities have been cured or waived by us. We are not obligated to give notice of any defects or irregularities in any election and we will not incur any liability for failure to give any such notice. (See Section 4, "Procedures for electing to exchange options," below.)

Q24. Will I have to pay taxes if I participate in the offer?

A24. If you participate in the offer and are a U.S. taxpayer, you generally will not be required under current U.S. law to recognize income for U.S. federal income tax purposes at the time of the exchange or the RSU grant date. However, you normally will have taxable income when the shares underlying your RSUs vest and are issued to you. If you are an employee of IGM or its subsidiaries, IGM (or its applicable subsidiary) also typically will have a tax withholding obligation at the time the shares underlying your RSUs vest. You also may have a taxable capital gain when you sell the shares issued

to you pursuant to the RSUs. Note that the tax treatment of RSUs differs from the tax treatment of your options and, as a result of participating in the offer, your tax liability could be higher than if you had kept your eligible options. We will satisfy tax withholding obligations, if applicable, in the manner specified in your RSU award agreement, including, in the Company's discretion, by requiring a cash payment rather than through the sale of shares. Please see Section 14 below for a reminder of the general tax consequences associated with your eligible options as well as the "Risks of Participating in the Offer" below.

You should consult with your tax adviser to determine the personal tax consequences to you of participating in this offer. If you are a citizen or a tax resident of, or otherwise are subject to the tax laws of, more than one country, you should be aware that there may be additional or different tax and social insurance consequences that may apply to you.

Q25. What if IGM is acquired by another company?

A25. Although we currently are not anticipating a merger or acquisition, if we merge or consolidate with or are acquired by another entity prior to the expiration of the offer, you may choose to withdraw any options that you tendered for exchange and your options will be treated in accordance with the 2018 Plan under which they were granted and the relevant award agreements. Further, if IGM is acquired prior to the expiration of the offer, we reserve the right to withdraw the offer, in which case your options and your rights under them will remain intact and exercisable for the time period set forth in your award agreement and you will receive no RSUs in exchange for them. If IGM is acquired prior to the expiration of the offer but does not withdraw the offer, before the expiration of the offer we (or the successor entity) will notify you of any material changes to the terms of the offer or the RSUs, including any adjustments to the number of shares that will be subject to the RSUs. Under such circumstances, the type of security and the number of shares covered by your RSU would be adjusted based on the consideration per share given to holders of our common stock in connection with the acquisition. As a result of this adjustment, you may receive RSUs covering more or fewer shares of the acquirer's common stock than the number of shares subject to the eligible options that you tendered for exchange or than the number you would have received pursuant to the RSUs if no acquisition had occurred.

If, after the offer, we subsequently are acquired by or merge with another company, your exchanged options might have been worth more than the RSUs that you receive in exchange for them.

A transaction involving us, such as a merger or other acquisition, could have a substantial effect on our stock price, including significantly increasing the price of our common stock. Depending on the structure and terms of this type of transaction, option holders who elect to participate in the offer may receive less of a benefit from the appreciation in the price of our common stock resulting from the merger or acquisition. This could result in a greater financial benefit for those option holders who did not participate in this offer and retained their original options.

Further, if another company acquires us, that company, as part of the transaction or otherwise, may decide to terminate some or all of the employees of IGM or its subsidiaries before the completion of this offer. Termination of your employment for this or any other reason before the RSU grant date means that the tender of your eligible options will not be accepted, you will keep your tendered options in accordance with their original terms, and you will not receive any RSUs or other benefit for your tendered options.

If we are acquired after your tendered options have been accepted, canceled, and exchanged for RSUs, your RSUs will be treated in the acquisition transaction in accordance with the terms of the transaction agreement or the terms of the 2018 Plan and your RSU award agreement. (See Section 9, "Source and amount of consideration; terms of RSUs," below.)

Q26. Will I receive an RSU award agreement?

A26. Yes. All RSUs will be subject to an RSU award agreement between you and IGM, as well as to the terms and conditions of the 2018 Plan. The form of RSU award agreement under the 2018 Plan is incorporated by reference as an exhibit to the Schedule TO with which this Offer to Exchange has been filed. In addition, a copy of the 2018 Plan and the form of the RSU award agreement under the 2018 Plan are available on the SEC website at www.sec.gov. (See Section 9, "Source and amount of consideration; terms of RSUs," below.)

Q27. Are there any conditions to this offer?

A27. Yes. The completion of this offer is subject to a number of customary conditions that are described in Section 7 of this Offer to Exchange. If any of these conditions is not satisfied, we will not be obligated to accept and exchange properly tendered eligible options, though we may do so at our discretion. (See Section 2, "Number of RSUs; expiration date," and Section 7, "Conditions of the offer," below.)

Q28. If you extend or change the offer, how will you notify me?

A28. If we extend or change this offer, we will issue a press release, email or other form of communication disclosing the extension or change no later than 6:00 a.m., Pacific Time, on the next U.S. business day following the previously scheduled expiration date or the date on which we change the offer, as applicable. (See Section 2, "Number of RSUs; expiration date," and Section 15, "Extension of offer; termination; amendment," below.)

Q29. Can I change my mind and withdraw from this offer?

A29. Yes. You may change your mind after you have submitted an election via the website and withdraw some or all of your elected eligible options from the offer at any time before the offer expires (the expiration date currently is expected to be July 18, 2024, at 9:00 p.m., Pacific Time). If we extend the expiration date, you may withdraw your election at any time until the extended offer expires.

You may change your mind as many times as you wish, but you will be bound by the last properly submitted election we receive before the expiration date. Due to certain requirements under U.S. securities laws, an exception to this rule is that if we have not accepted your properly tendered options by 9:00 p.m., Pacific Time, on August 16, 2024 (which is the 40th U.S. business day following the commencement of the offer), you may withdraw your options at any time thereafter but prior to our acceptance. (See Section 5, "Withdrawal rights and change of election," below.)

Q30. May I change my mind about which options I want to exchange?

A30. Yes, but only before the offer expires. You may change your mind after you have submitted an election and change the options you elect to exchange at any time before the offer expires by completing and submitting a new election via the offer website. If we extend the expiration date, you may change your election at any time until the extended offer expires. You may elect to exchange additional eligible options, fewer eligible options, all of your eligible options or none of your eligible options. You may change your mind as many times as you wish, but you will be bound by the last properly submitted election we receive by the expiration date. Please be sure that any completed and new election you submit includes all of the options with respect to which you want to accept this offer and is clearly dated after your last-submitted election. (See Section 4, "Procedures for electing to exchange options," and Section 5, "Withdrawal rights and change of election," below.)

Q31. How do I change my election and add or withdraw some or all of my eligible option grants?

A31. To change an election you previously made with respect to some or all of your eligible option grants, including an election to withdraw all of your eligible option grants from the offer, you must deliver a valid new election indicating only the eligible option grants you wish to exchange in the offer or a valid new election indicating that you reject the offer with respect to all of your eligible options, by completing the election process outlined below by the expiration date, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024.

All eligible employees can access the offer website www.myoptionexchange.com and view information with respect to the offer, the offer documents, and their eligible options.

Election Changes and Withdrawals via the Offer Website

1. Click on the link to the Offer website in the Launch Email dated June 20, 2024, or go to the Offer website at https://www.myoptionexchange.com/. Log in to the Offer website using the login instructions provided to you in the Launch Email (or if you previously logged into the Offer website, your updated login credentials).

2. After logging in to the Offer website, review the information and proceed through to the Make My Election page. You will be provided with personalized information regarding each eligible option grant you hold, including:

    - the grant date of the eligible option grant;
    - the per share exercise price of the eligible option grant; and
    - the number of vested and unvested shares of our common stock subject to the eligible option grant as of July 18, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date).

3. On the Make My Election page, make your selection next to each of your eligible option grants to indicate which eligible option grants you choose to exchange in the Offer by selecting "Exchange" or choose not to exchange in the Offer by selecting "Do not exchange."

4. Proceed through the Offer website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Submit My Election page and in the Offer documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.

5. Upon submitting your election, a Confirmation Statement will be generated by the Offer website and sent to you at your current email address. Please print and keep a copy of the Confirmation Statement for your records. At this point, you will have completed the election process via the Offer website.

We must receive your properly completed and submitted election by the expiration of the Offer, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024.

Your delivery of all documents, including elections, is at your own risk. Only elections that are complete and actually received by the deadline via the offer website will be accepted. If you do not receive a confirmation, it is your responsibility to confirm that we have received your election. Elections submitted by any other means, including email, hand delivery, interoffice, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted. If you submit your election via the offer website, you should print and keep a copy of the Confirmation Statement generated by the offer website at the time that you complete and submit your election. The printed Confirmation Statement will provide evidence that you submitted your election. (See Section 5, "Withdrawal rights and change of election," below.)

Q32. What if I withdraw my election and then decide that I do want to participate in this offer?

A32. If you withdraw your election to participate and then again decide to participate in this offer, you may reelect to participate by submitting a new, properly completed election via the offer website before the expiration date, that is signed (electronically) and dated after the date of your previously submitted election. (See Question and Answer 31 and Section 5, "Withdrawal rights and change of election," below.)

Q33. Will my decision to participate in the offer have an impact on my ability to receive options or other equity awards in the future?

A33. No. Your election to participate or not to participate in the offer will not have any effect on our making future grants of options, other equity awards, or any other rights to you or anyone else. (See Section 1, "Eligibility," below.)

Q34. Whom can I contact if I have questions about the offer, or if I need additional copies of the offer documents?

A34. You should direct questions about this offer and requests for printed copies of this Offer to Exchange and the other offer documents to:

Infinite Equity

Email: IGM@infiniteequity.com

(See Section 10, "Information concerning IGM," below.)

RISKS OF PARTICIPATING IN THE OFFER

Participating in the offer involves a number of risks and uncertainties, including those described below. This list and the risk factors under the heading "Risk Factors" in our quarterly report on Form 10-Q for the fiscal quarters ended March 31, 2024, and our annual report on Form 10-K for the fiscal year ended December 31, 2023, each filed with the SEC, highlight some of the material risks of participating in this offer. You should consider these risks carefully and are encouraged to speak with an investment and tax adviser as necessary before deciding whether to participate in the offer. In addition, we strongly urge you to read the sections in this Offer to Exchange discussing the tax consequences of participating in the offer, as well as the rest of this Offer to Exchange for a more in-depth discussion of the risks that may apply to you.

This offer and our SEC reports referred to above include "forward-looking statements" including statements regarding our future results of operations and financial position, business strategy and plans and our objectives for future operations. Generally, the words "believe," "may," "will," "potentially," "estimate," "continue," "anticipate," "could," "would," "project," "plan," "intend," "expect" the plural of such terms, the negatives of such terms, or other comparable terminology and similar expressions identify forward-looking statements. Our actual results could differ materially from those projected in the forward-looking statements as a result of a number of factors, risks and uncertainties, including the risk factors set forth in this discussion and our SEC reports referred to above. The safe harbor afforded by the Private Securities Litigation Reform Act of 1995 to certain forward-looking statements does not extend to forward-looking statements made by us in connection with this Offer to Exchange.

The following discussion should be read in conjunction with the summary financial statements attached as Schedule B, as well as our financial statements and notes to the financial statements included on our most recent Forms 10-K and 10-Q. We caution you not to place undue reliance on the forward-looking statements contained in this offer, which speak only as of the date hereof.

Risks that are Specific to this Offer

Economic Risks

If the price of our common stock increases after the date on which your exchanged options are canceled, your canceled options might be worth more than the RSUs that you receive in exchange for them.

The exchange ratio of this offer is not one-for-one with respect to all options. Therefore, it is possible that, at some point in the future, your eligible options would have been economically more valuable than the RSUs granted pursuant to this offer. For example, this could occur if the appreciation in our stock price results in a gain over the exercise price of the eligible options that exceeds the value of the RSUs granted in exchange for the eligible options. For illustrative purposes only, the following provides an example.

Example

Assume that you exchange a nonstatutory stock option to purchase 2,000 shares with a per share exercise price of $20.00 for 1,000 RSUs. Assume, for illustrative purposes only, that the price of our common stock increases to $100.00 per share. Under this example, if you had kept your exchanged options and exercised and sold the underlying shares at $100.00 per share, you would have realized ordinary income of $160,000, but if you exchanged your options for RSUs and sold the shares subject to the RSU grant at $100.00 per share, you would realize ordinary income of only $100,000.

If, after the offer, we subsequently are acquired by or merge with another company, your canceled options might have been worth more than the RSUs that you receive in exchange for them.

A merger, acquisition or similar transaction involving us could have a substantial effect on our stock price, including significantly increasing the price of our common stock. Depending on the structure and terms of this type of transaction, option holders who elect to participate in the offer might receive less of a benefit from the appreciation in the price of our common stock resulting from the merger or acquisition than they would have received had they not participated. This could result in a greater financial benefit for those option holders who did not participate in this offer and instead had retained their original options.

Furthermore, a transaction involving us, such as a merger or other acquisition, could result in a reduction in our workforce. If your employment or other service with us or our subsidiaries terminates before part or all of your RSUs vest, you will not receive any value from your RSUs that are unvested as of your termination date.

Your RSUs will be completely unvested on the RSU grant date.

The RSUs will be subject to a new vesting schedule and therefore, none of the RSUs will be vested on the RSU grant date even if your exchanged options are fully or partially vested. If you do not remain a service provider to IGM or its subsidiaries through the date your RSUs vest, you will not receive the shares subject to those RSUs. Instead, your RSUs will expire immediately upon your termination. As a result, you may not receive any value from your RSUs.

Tax-Related Risks

The U.S. tax treatment of RSUs differs from the U.S. tax treatment of your options.

If you participate in the offer, you generally will not be required under current U.S. law to recognize income for U.S. federal income tax purposes at the time of the exchange and on the RSU grant date. However, you generally will have taxable ordinary income when the shares underlying your RSUs vest and are issued to you. If you are an employee of IGM or its subsidiaries, then IGM (or its applicable subsidiary) also typically will have a tax withholding obligation at the time of the vest and issuance of the shares. IGM will satisfy all tax withholding obligations in the manner specified in your RSU award agreement, including, in the Company's discretion, by requiring a cash payment rather than through the sale of shares. More information regarding tax

withholding is described in the RSU award agreement. The forms of RSU award agreement are incorporated by reference as exhibits to the Schedule TO with which this Offer to Exchange has been filed and are available on the SEC website at www.sec.gov. You also may have taxable capital gains when you sell the shares underlying the RSU. Note that the tax treatment of RSUs differs significantly from the tax treatment of your options and as a result of your participating in this offer, your tax liability could be higher than if you had kept your eligible options. Please see Section 14 of the Offer to Exchange for a reminder of the general tax consequences associated with options. For illustrative purpose only, the following provides an example.

Example

Assume that you hold an eligible option grant to purchase 2,000 shares with a per share exercise price of $20.00. The eligible option is a nonstatutory stock option. If the eligible option was exercised for $20.00 per share while the fair market value of our common stock was $23.00 per share, you would recognize ordinary income on $6,000 at exercise. If you later sold the shares at $25.00 per share, you would have a capital gain of $2.00 per share, which is the difference between the sale price of $25.00 and the $23.00 fair market value at exercise. If you held the shares more than 12 months, this would be taxed at long-term capital gains rates (currently a maximum of 20%), and if you held the shares for 12 months or less, this would be taxed at short-term capital gains rates (currently a maximum of 39.6%). If, instead, you had exchanged your eligible option grant for 1,000 RSUs, you would be subject to ordinary income tax (currently taxed at a maximum rate of 39.6%) on the full fair market value of the shares you receive at the time you receive them (i.e., when they vested). For example, if you vest in the 1,000 RSUs when the fair market value of our stock is $23.00 per share, you will recognize ordinary income on $23,000. You then would be subject to additional long- or short-term capital gains tax, as applicable (depending on the length of time you have held such shares) on any additional gain when you sell the shares. For example, if you sold the shares at $26.00 per share, you would have a capital gain of $3.00 per share. When analyzing the tax consequences to you, you should keep in mind that you do not pay a purchase price for the RSUs or the shares thereunder, while, you would have paid $20.00 per share of post-tax dollars for the shares subject to your eligible options. Note that this example does not take into consideration an additional 3.8% federal surtax that may be imposed on “net investment income” (generally referred to as the “Medicare Surtax”) that may apply to certain individuals based on annual income, state and local taxes, and other factors.

Please note that, depending on where you live, state income taxes also may apply to you and IGM may have tax withholding obligations with respect to such taxes. You should consult your own tax adviser to discuss these consequences.

The offer currently is expected to remain open for 29 calendar days or less. However, if we extend the offer so that it remains open for 30 or more days, U.S. employees will be required to restart the measurement periods necessary to qualify incentive stock options for favorable tax treatment, even if they choose not to exchange the options in the offer.

Generally, your incentive stock option qualifies for favorable tax treatment if you hold the option for more than two years after the grant date and for more than one year after the date of exercise. We do not expect that the exchange will affect the eligibility of any incentive stock options that are not tendered for exchange for favorable tax treatment under U.S. tax laws. Thus, if you do not tender your option, the holding periods will continue to be measured from your original grant date.

However, if the offer period lasts for 30 days or more, then any eligible options that are incentive stock options that you have not exchanged will be deemed modified, and the holding period for such options will restart. As a result, in order to qualify for favorable tax treatment, you would not be able to sell or otherwise dispose of any shares received upon exercise of such options until more than two years from the date this offer commenced on June 20, 2024, and more than one year after the date you exercise such options, whichever date is later.

If you are a tax resident of multiple countries, there may be tax and social security/insurance consequences of more than one country that apply to you.

If you are subject to the tax laws in more than one jurisdiction, you should be aware that there may be tax and social security/insurance consequences of more than one country that may apply to you. You should be certain to consult your own tax adviser to discuss these consequences.

Risks Relating to Our Business Generally

We are early in our development efforts and all of our product candidates are in preclinical development or early stage clinical development. If we are unable to advance our product candidates through clinical development, obtain regulatory approval and commercialize one or more of our product candidates, our business will be materially adversely affected and we may never generate any product revenue.

We are early in our development efforts and have not yet completed the development of any of our product candidates. As a result, we are not currently permitted to market or sell any of our product candidates in any country, and we may never be able to do so in the future. We have a limited number of product candidates and discovery programs, all of which are in preclinical development or early stage clinical development and we have not received marketing approval for any of our product candidates. Our product candidates will require clinical development, evaluation of preclinical, clinical and manufacturing activities, marketing approval from government regulators, substantial investment and significant marketing efforts before we generate any revenues from product sales, if ever. We have limited experience in conducting and managing the clinical trials necessary to obtain regulatory approvals. Our ability to generate product revenue and achieve and sustain profitability depends on, among other things, obtaining regulatory approvals for our product candidates. Obtaining regulatory approval of our product candidates will depend on many factors, including, but not limited to, the following:

- completing process development, manufacturing and formulation activities;
- initiating, enrolling patients in and completing clinical trials of product candidates on a timely basis;
- developing and maintaining adequate manufacturing capabilities either by ourselves or in connection with third-party manufacturers; and
- demonstrating with substantial evidence the efficacy, safety and tolerability of product candidates to the satisfaction of the U.S. Food and Drug Administration ("FDA") or any comparable foreign regulatory authority for marketing approval.

Many of these factors are wholly or partially beyond our control, including clinical advancement, the regulatory submission process and changes in the competitive landscape. If we do not achieve one or more of these factors in a timely manner, we could experience significant delays or an inability to develop product candidates at all, and our business will be materially adversely affected.

The use of engineered IgM antibodies is a novel and unproven therapeutic approach and our development of our product candidates and our discovery programs may never lead to a marketable product.

Our product candidates are based on engineered IgM antibody approaches that differ from current antibody therapies and are unproven. Our IgM antibodies ultimately may not be as safe or effective as IgG antibodies that have been approved or may in the future be approved by the FDA. Further, we are not aware of

any therapeutic IgM antibodies that have been approved by the FDA. The scientific evidence to support the feasibility of developing our product candidates and discovery programs is both preliminary and limited. We may ultimately discover that our product candidates and discovery programs do not possess some of the properties that are necessary for therapeutic efficacy, and we may also discover that they do not possess those characteristics that we believe may be helpful for therapeutic effectiveness, including stronger binding that increases efficacy. Our IgM antibodies may also have significant undesirable characteristics, such as immunogenicity, which would limit their ability to be developed as effective and safe therapeutics. In addition, we may discover that our IgM antibodies are not as safe as IgG antibodies.

We may not succeed in demonstrating safety and efficacy of these product candidates or discovery programs in clinical trials, notwithstanding results in preclinical studies. As a result, we may never succeed in developing a marketable product. We may discover that the half-life, tissue distribution or other pharmacodynamic or pharmacokinetic characteristics of our IgM antibodies render them unsuitable for the therapeutic applications we have chosen or otherwise non-competitive with IgG antibodies. We may also experience manufacturing, formulation or stability problems with one or more of our IgM antibodies which may render them unsuitable for use as therapeutic drug products.

The FDA has limited experience with IgM antibody-based therapeutics, which may increase the complexity, uncertainty and length of the regulatory approval process for our product candidates. For example, the FDA may require us to provide additional data to support our regulatory applications. We may never receive approval to market and commercialize any product candidate. Even if we obtain regulatory approval, the approval may be for targets, disease indications or patient populations that are not as broad as we intended or desired or may require labeling that includes significant use or distribution restrictions or safety warnings. We may be subject to post-marketing testing requirements to maintain regulatory approval. In addition, upon obtaining any marketing approvals, we may have difficulty in establishing the necessary sales and marketing capabilities to gain market acceptance.

Moreover, advancing our product candidates and our discovery programs as novel products creates other significant challenges for us, including educating medical personnel regarding a novel class of engineered antibody therapeutics and their potential efficacy and safety benefits, as well as the challenges of incorporating our product candidates, if approved, into treatment regimens.

If any of our product candidates prove to be ineffective, unsafe or commercially unviable, our entire pipeline could have little, if any, value, and it may prove to be difficult or impossible to finance the further development of such pipeline. Any of these events would have a material and adverse effect on our business, financial condition, results of operations and prospects.

Clinical trials are expensive, time consuming and difficult to design and implement and may fail to demonstrate adequate safety and efficacy of our product candidates. Furthermore, the results of previous preclinical studies and clinical trials may not be predictive of future results, and the results of our current and planned clinical trials may not satisfy the requirements of the FDA or comparable foreign regulatory authorities or provide the basis for regulatory approval.

Before obtaining marketing approval from regulatory authorities for the sale of our product candidates, we must conduct preclinical development and then extensive clinical trials to demonstrate their safety and efficacy. Clinical testing is expensive and difficult to design and implement. Clinical testing can take many years to complete, and its ultimate outcome is uncertain.

A failure of one or more clinical trials can occur at any stage of the process. We will be required to demonstrate with substantial evidence through well-controlled clinical trials that our product candidates are safe and effective for use in a diverse patient population before we can seek regulatory approvals for their commercial sale. Our clinical trials may produce negative or inconclusive results, and we may decide, or regulators may require us, to conduct additional and expansive preclinical or clinical testing.

Positive or timely results from preclinical or early-stage trials do not ensure positive or timely results in future clinical trials or registrational clinical trials because product candidates in later-stage clinical trials may fail to demonstrate sufficient safety and efficacy to the satisfaction of the FDA and comparable foreign regulatory authorities, despite having progressed through preclinical studies or initial clinical trials. Product candidates that have shown promising results in early clinical trials may still suffer significant setbacks in subsequent clinical trials or registration clinical trials. For example, a number of companies in the pharmaceutical industry, including those with greater resources and experience than us, have suffered significant setbacks in advanced clinical trials, even after obtaining promising results in earlier clinical trials.

In addition, the FDA and other regulatory authorities may change their policies, issue additional regulations or revise existing regulations, any of which could delay our ability to obtain approvals, increase the costs of compliance or restrict our ability to maintain any regulatory approvals we may have obtained. If the Supreme Court reverses or curtails the Chevron doctrine, which gives deference to regulatory agencies in litigation against the FDA and other agencies, more companies may bring lawsuits against the FDA to challenge longstanding decisions and policies of the FDA, which could undermine the FDA's authority, lead to uncertainties in the industry, and disrupt the FDA's normal operations, which could delay the FDA's review of our regulatory submissions.

Interim, preliminary or topline data from our clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data.

From time to time, we may publish interim, preliminary or topline data from clinical trials. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Interim or preliminary data from clinical trials that we may conduct may not be indicative of the final results of the trial and are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data becomes available. Interim or preliminary data also remains subject to audit and verification procedures that may result in the final data being materially different from the interim or preliminary data. As a result, interim or preliminary data should be viewed with caution until the final data are available. Adverse differences between interim, preliminary or topline data and final data could significantly harm our reputation and business prospects. We do not know whether any clinical trials we may conduct will demonstrate consistent or adequate efficacy and safety sufficient to obtain marketing approval to market our product candidates.

Moreover, preliminary, interim and topline data are subject to the risk that one or more of the clinical outcomes may materially change as more patient data become available when patients mature on study, patient enrollment continues or as other ongoing or future clinical trials with a product candidate further develop. Past results of clinical trials may not be predictive of future results. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically more extensive information, and you or others may not agree with what we determine is the material or otherwise appropriate information to include in our disclosure. Any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular product candidate or our business. Similarly, even if we can complete our planned and ongoing preclinical studies and clinical trials of our product candidates according to our current development timeline, the positive results from such preclinical studies and clinical trials of our product candidates may not be replicated in subsequent preclinical studies or clinical trial results. Moreover, preclinical, nonclinical and clinical data are often susceptible to varying interpretations and analyses, and many companies that believed their product candidates performed satisfactorily in preclinical studies and clinical trials nonetheless failed to obtain FDA or other regulatory approval.

We have obtained, and where appropriate in the future may seek, approval from the FDA or comparable foreign regulatory authorities through the use of expedited approval pathways, such as Fast Track designation and Breakthrough Therapy designation, orphan drug designation, or accelerated approval. Even if we receive accelerated approval from the FDA or comparable regulatory authorities, if our confirmatory clinical trials do not verify clinical benefit, or if we do not comply with rigorous post-marketing requirements, the FDA or such other regulatory authorities may seek to withdraw accelerated approval.

Where possible, we plan to pursue accelerated development strategies in areas of high unmet need. We may seek an accelerated approval pathway for one or more of our product candidates from the FDA or comparable foreign regulatory authorities. Under the accelerated approval provisions in the Federal Food, Drug, and Cosmetic Act, and the FDA's implementing regulations, the FDA may grant accelerated approval to a product candidate designed to treat a serious or life-threatening condition that provides meaningful therapeutic benefit over available therapies upon a determination that the product candidate has an effect on a surrogate endpoint or intermediate clinical endpoint that is reasonably likely to predict clinical benefit. The FDA considers a clinical benefit to be a positive therapeutic effect that is clinically meaningful in the context of a given disease, such as irreversible morbidity or mortality. For the purposes of accelerated approval, a surrogate endpoint is a marker, such as a laboratory measurement, radiographic image, physical sign, or other measure that is thought to predict clinical benefit, but is not itself a measure of clinical benefit. An intermediate clinical endpoint is a clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit. The accelerated approval pathway may be used in cases in which the advantage of a new drug over available therapy may not be a direct therapeutic advantage, but is a clinically important improvement from a patient and public

health perspective. If granted, accelerated approval is usually contingent on the sponsor's agreement to conduct, in a diligent manner, additional post-approval confirmatory clinical trials to verify and describe the drug's clinical benefit. If such post-approval clinical trials fail to confirm the drug's clinical benefit, the FDA may withdraw its approval of the drug. Further, in December 2022, the Consolidated Appropriations Act, 2023, including the Food and Drug Omnibus Reform Act ("FDORA"), was signed into law. FDORA made several changes to the FDA's authorities and its regulatory framework, including, among other changes, reforms to the accelerated approval pathway, such as requiring the FDA to specify conditions for post-approval study requirements and setting forth procedures for the FDA to withdraw a product on an expedited basis for non-compliance with post-approval requirements. In March 2023, the FDA issued a draft guidance on clinical trial considerations for supporting accelerated approval of oncology therapeutics, noting that although single-arm trials have been commonly used to support accelerated approval, a randomized controlled trial is the preferred approach for more robust efficacy and safety assessment. To the extent the FDA requires us to amend the design of our clinical trials or requires additional trials to meet changes in the data requirements for approval, our clinical timelines and approval will be delayed, which can have an adverse effect on our business and operations.

Prior to seeking accelerated approval, we may seek feedback from the FDA or comparable foreign regulatory authorities and will otherwise evaluate our ability to seek and receive such accelerated approval. There can be no assurance that after our evaluation of the feedback and other factors we will decide to pursue or submit a Biologics License Application ("BLA") for accelerated approval or any other form of expedited development, review or approval. Similarly, there can be no assurance that after subsequent feedback from the FDA, the European Medicines Agency ("EMA") or comparable foreign regulatory authorities, we will continue to pursue or apply for accelerated approval or any other form of expedited development, review or approval, even if we initially decide to do so. Furthermore, if we decide to submit an application for accelerated approval or under another expedited regulatory designation (e.g., Fast Track designation, Breakthrough Therapy designation or orphan drug designation), there can be no assurance that such submission or application will be accepted or that any expedited development, review or approval will be granted on a timely basis, or at all. The FDA, EMA or other comparable foreign regulatory authorities could also require us to conduct further clinical trials prior to considering our application or granting approval of any type. A failure to obtain accelerated approval or any other form of expedited development, review or approval for our product candidate would result in a longer time period to commercialization of such product candidate, could increase the cost of development of such product candidate and could harm our competitive position in the marketplace.

Fast Track designation is designed to facilitate the development and expedite the review of therapies for serious conditions and fill an unmet medical need. Programs with Fast Track designation may benefit from early and frequent communications with the FDA, potential priority review and the ability to submit a rolling application for regulatory review. Fast Track designation applies to both the product candidate and the specific indication for which it is being studied. If any of our product candidates receive Fast Track designation but do not continue to meet the criteria for Fast Track designation, or if our clinical trials are delayed, suspended or terminated, or put on clinical hold due to unexpected adverse events or issues with clinical supply, we will not receive the benefits associated with the Fast Track program. Furthermore, Fast Track designation does not change the standards for approval. Fast Track designation alone does not guarantee qualification for the FDA's priority review procedures.

If clinical trials for our product candidates are prolonged, delayed or stopped, we may be unable to seek or obtain regulatory approval and commercialize our product candidates on a timely basis, or at all, which would require us to incur additional costs and delay our receipt of any product revenue.

We may experience delays in our ongoing or future preclinical studies or clinical trials, and we do not know whether future preclinical studies or clinical trials will begin on time, need to be redesigned, enroll an adequate number of patients on time or be completed on schedule, if at all. For example, because of supply chain constraints and staffing issues at one of our contract manufacturing organizations ("CMOs"), we had to postpone the filing date of our investigational new drug ("IND") application for one of our clinical candidates. We also experienced questions from the FDA on issues related to starting dose and sequencing of healthy volunteers and patients, delivery device and non-drug substance formulation components that delayed our original plans to advance IGM-6268, a former clinical candidate, into the clinic. The commencement or completion of our clinical trials could be substantially delayed or prevented by many factors, including:

- further discussions with the FDA or comparable foreign regulatory authorities regarding the scope or design of our clinical trials;
- the limited number of, and competition for, suitable study sites and investigators to conduct our clinical trials, many of which may already be engaged in other clinical trial programs with similar patients, including some that may be for the same indication as our product candidates;
- any delay or failure to obtain timely approval or agreement to commence a clinical trial in any of the countries where enrollment is planned;
- inability to obtain sufficient funds required for a clinical trial;
- clinical holds on, or other regulatory objections to, a new or ongoing clinical trial;
- delay or failure to manufacture sufficient supplies of the product candidate for our clinical trials;
- delay or failure to reach agreement on acceptable clinical trial agreement terms or clinical trial protocols with prospective sites or contract research organization ("CROs"), the terms of which can be subject to extensive negotiation and may vary significantly among different sites or CROs;
- delay or failure to obtain institutional review board ("IRB") approval to conduct a clinical trial at a prospective site;
- the FDA or other comparable foreign regulatory authorities may require us to submit additional data or impose other requirements before permitting us to initiate a clinical trial;

- slower than expected rates of patient recruitment and enrollment;
- failure of patients to complete the clinical trial;
- the inability to enroll a sufficient number of patients in studies to ensure adequate statistical power to detect statistically significant treatment effects;
- unforeseen safety issues, including severe or unexpected drug-related adverse effects experienced by patients, including possible deaths;
- lack of efficacy during clinical trials;
- termination of our clinical trials by one or more clinical trial sites;
- inability or unwillingness of patients or clinical investigators to follow our clinical trial protocols;
- inability to monitor patients adequately during or after treatment by us or our CROs;
- our CROs or clinical study sites failing to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all, deviating from the protocol or dropping out of a study;
- the inability to produce or obtain sufficient quantities of a product candidate to complete clinical trials;
- inability to address any noncompliance with regulatory requirements or safety concerns that arise during the course of a clinical trial;
- the impact of, and delays related to, health epidemics such as the COVID-19 pandemic; and
- the need to suspend, repeat or terminate clinical trials as a result of non-compliance with regulatory requirements, inconclusive or negative results or unforeseen complications in testing; and the suspension or termination of our clinical trials upon a breach or pursuant to the terms of any agreement with, or for any other reason by, any future strategic partners that have responsibility for the clinical development of any of our product candidates.

Changes in regulatory requirements, policies and guidelines may also occur and we may need to significantly modify our clinical development plans to reflect these changes with appropriate regulatory authorities. These changes may require us to renegotiate terms with CROs or resubmit clinical trial protocols to IRBs for re-examination, which may impact the costs, timing or successful completion of a clinical trial. Our clinical trials may be suspended or terminated at any time by us, the FDA, other regulatory authorities, the IRB overseeing the clinical trial at issue, any of our clinical trial sites with respect to that site, or us.

Any failure or significant delay in commencing or completing clinical trials for our product candidates, any failure to obtain positive results from clinical trials, any safety concerns related to our product candidates, or any requirement to conduct additional clinical trials or other testing of our product candidates beyond those that we currently contemplate would adversely affect our ability to obtain regulatory approval and our commercial prospects and ability to generate product revenue will be diminished.

If we experience delays or difficulties in the enrollment of patients in clinical trials, including because of competition for patients, we will be unable to complete these trials on a timely basis, if at all.

We may experience difficulties in patient enrollment in our clinical trials for a variety of reasons, including supply chain disruptions, staffing shortages and other business and economic disruptions resulting from geopolitical actions, including war and terrorism, natural disasters, including earthquakes, typhoons, floods and fires, as well as other disruptions resulting from the impact of public health factors, including the COVID-19 pandemic, business disruptions of our strategic partners, third-party manufacturers, suppliers and other third parties upon which we rely. The timely completion of clinical trials in accordance with their protocols depends, among other things, on our ability to enroll a sufficient number of patients who remain in the trial until completion of treatment and adequate follow-up. The enrollment of patients depends on many factors, including:

- the size and nature of the patient population;
- the severity of the disease under investigation;
- the proximity of subjects to clinical sites and ability of subjects to travel to clinical trial sites;
- continued enrollment of prospective patients by clinical trial sites;
- efforts to facilitate timely enrollment;
- the eligibility criteria for the trial;
- the design of the clinical trial;
- patient referral practices of physicians;
- ability to obtain and maintain patient consents;
- ability to monitor patients adequately during and after treatment;
- risk that enrolled subjects will drop out before completion;
- clinicians' and patients' perceptions as to the potential advantages and disadvantages of the drug being studied in relation to other available therapies, including any new drugs that may be approved for the indications we are investigating; and
- inability to enroll, or delay in enrollment of, patients due to outbreaks and public health crises, such as the COVID-19 pandemic.

In addition, our competitors, some of whom have significantly greater resources than we do, are conducting clinical trials for the same indications and seek to enroll patients in their studies that may otherwise be eligible for our clinical studies or trials, which could lead to slow recruitment and delays in our clinical programs. Further, since the number of qualified clinical investigators is limited, we expect to conduct some of our clinical trials at the same clinical trial sites that some of our competitors use, which could further reduce the number of patients who are available for our clinical trials in these sites. Moreover, because our product candidates represent a departure from existing cancer treatments, potential patients and their doctors may be inclined to use conventional therapies, such as chemotherapy, IgG antibody therapy or CAR-T treatment, rather than enroll patients in our clinical trials.

Our inability to enroll sufficient number of patients for our clinical trials would result in significant delays or may require us to abandon one or more clinical trials altogether. If we are unable to enroll a sufficient number of patients that will complete clinical testing, we will be unable to seek or gain marketing approval for such product candidates and our business will be harmed. Even if we can enroll a sufficient number of patients in our clinical studies or trials, delays in patient enrollment may result in increased costs or may affect the timing or outcome of the planned clinical trials, which could prevent completion of these trials and adversely affect our ability to advance the development of our product candidates.

Our product candidates may have undesirable side effects that may delay or prevent marketing approval or, if approval is received, require them to be taken off the market, require them to include new safety warnings, contraindications or precautions, or otherwise limit their sales. No regulatory agency has made a determination that any of our product candidates are safe or effective for use by the general public for any indication.

All of our product candidates and discovery programs are in preclinical development or early stage clinical development, and not all adverse effects of drugs can be predicted or anticipated. Unforeseen side effects from our product candidates could arise at any time during clinical development or, if approved by regulatory authorities, after the approved product has been marketed. Of our product candidates in active development, we have only disclosed early safety data in humans from Phase 1 clinical trials, and our preclinical and discovery programs have not been tested on humans at all. We are encouraged by the safety profile of imvotamab and the relatively low rate of cytokine release syndrome (“CRS”) observed in our previous clinical trial; however, we may see cases of serious CRS in patients in future clinical trials, which may delay our clinical testing of imvotamab or delay or prevent marketing approval in the future.

In our preclinical studies, we may observe undesirable characteristics of our product candidates. This may prevent us from advancing them into clinical trials, delay these trials or limit the extent of these trials. Despite our preclinical data, toxicity observations in clinical testing, if they occur, may limit our ability to develop our product candidates or may constitute a dose limiting toxicity.

The results of ongoing or future clinical trials may also show that our product candidates and/or our discovery programs may cause undesirable or unacceptable side effects, which could interrupt, delay or halt clinical trials, and result in delay of, or failure to obtain, marketing approval from the FDA or comparable

foreign regulatory authorities, or result in marketing approval from the FDA or comparable foreign regulatory authorities with restrictive label warnings or for limited patient populations, or result in potential product liability claims. No regulatory agency has made any determination that any of our product candidates or discovery programs is safe or effective for use by the general public for any indication.

Even if any of our product candidates receive marketing approval, if we or others later identify undesirable or unacceptable side effects caused by such products:

- regulatory authorities may require us to take our approved product off the market;
- regulatory authorities may require the addition of labeling statements, specific warnings, contraindication, precaution or field alerts to physicians and pharmacies;
- we may be required to change the way the product is administered, limit the patient population who can use the product or conduct additional clinical trials;
- we may be subject to limitations on how we may promote the product;
- sales of the product may decrease significantly;
- we may be subject to litigation or product liability claims; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the affected product or could substantially increase commercialization costs and expenses, which in turn could delay or prevent us from generating revenue from the sale of any future products.

We face significant competition from entities that have developed or may develop product candidates for the treatment of diseases that we are initially targeting, including companies developing novel treatments and technology platforms. If our competitors develop and market products that are more effective, safer or less expensive than our product candidates, our commercial opportunities will be negatively impacted.

The development and commercialization of drugs and therapeutic biologics is highly competitive and subject to rapid and significant technological change. We are currently developing biotherapeutics that will compete with other drugs and therapies that currently exist or are being developed in the segments of the pharmaceutical, biotechnology and other related markets that develop oncology treatments. Product candidates we may develop in the future are also likely to face competition from other drugs and therapies, some of which we may not currently be aware. We have competitors both in the United States and internationally, including major multinational pharmaceutical companies, established biotechnology companies, specialty pharmaceutical companies, universities, academic institutions, government agencies and other public and private research organizations that conduct research, seek patent protection and establish collaborative arrangements for the research, development, manufacturing and commercialization of cancer immunotherapies. Many of our

competitors have significantly greater financial, manufacturing, marketing, drug development, technical and human resources and commercial expertise than we do. Large pharmaceutical companies, in particular, have extensive experience in clinical testing, obtaining regulatory approvals, recruiting patients and in manufacturing pharmaceutical products. These companies also have significantly greater research and marketing capabilities than we do and may also have products that have been approved or are in late stages of development and collaborative arrangements in our target markets with leading companies and research institutions. Established pharmaceutical companies may also invest heavily to accelerate discovery and development of novel compounds or to in-license novel compounds that could make our product candidates obsolete. As a result of all of these factors, our competitors may succeed in obtaining patent protection or FDA or other regulatory approval or discovering, developing and commercializing products in our field before we do.

There are many companies developing or marketing treatments for cancer, including most major pharmaceutical and biotechnology companies, as well as many smaller biotechnology companies. These treatments consist both of small molecule drug products as well as biologics that work by using antibody therapeutic platforms to address specific cancer targets.

We face significant competition from pharmaceutical and biotechnology companies that target specific tumor-associated antigens using immune cells or other cytotoxic modalities. These generally include immune cell redirecting therapeutics (*e.g.*, T cell engagers), adoptive cellular therapies (*e.g.*, CAR-T), antibody drug conjugates, targeted radiopharmaceuticals, targeted immunotoxin and targeted cancer vaccines. We are aware of other companies with competing products or product candidates that target the same proteins, including CD20, DR5 (as defined below), and CD38, or that utilize similar mechanisms, as our product candidates in clinical or preclinical development.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe effects, are more convenient or are less expensive than the products that we may develop. Our competitors also may obtain FDA or foreign regulatory approval for their products more rapidly than we may obtain approval for our product candidates, which could result in our competitors establishing a strong market position before we are able to enter the market.

Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These competitors also compete with us in recruiting and retaining qualified scientific and management personnel, establishing clinical trial sites and enrolling subjects for our clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. In addition, the biotechnology industry is characterized by rapid technological change. If we fail to stay at the forefront of technological change, we may be unable to compete effectively. Technological advances or products developed by our competitors may render our technologies or product candidates obsolete, less competitive or not economical.

The manufacturing of our product candidates is complex. We and our third-party manufacturers have encountered and may continue to encounter difficulties in the production of our product candidates, and supply chain shortages have limited and may continue to limit our access to raw materials and other supplies. If we continue to encounter any such difficulties, our ability to manufacture drug substance or supply our product candidates for preclinical studies or clinical trials or, if approved, for commercial sale, could be further delayed or halted entirely.

We have spent significant resources to date on developing our current manufacturing processes and know-how to produce sufficient yields and optimize functionality in conjunction with our contract manufacturers. In 2021, we completed construction and began to operate a good manufacturing practice ("cGMP") manufacturing facility for the manufacture of clinical trial drug materials. We may construct additional manufacturing facilities to produce commercial supply for any approved products. We will need to scale our manufacturing operations, as we do not currently have the infrastructure or capability internally to manufacture sufficient yields needed to advance all of our product candidates and discovery programs in preclinical studies and clinical trials and currently rely on our third-party manufacturers for the majority of our product candidate production. Accordingly, we may be required to make significant further investments to expand our manufacturing facilities in the future, and our efforts to scale our internal manufacturing capabilities may not succeed.

Also, historically IgM antibodies have been particularly difficult to manufacture and CMOs have limited experience in the manufacturing of IgM antibodies. The process of manufacturing our product candidates is extremely susceptible to product loss due to contamination, equipment failure or improper installation or operation of equipment, vendor or operator error, contamination and inconsistency in yields, variability in product characteristics, difficulties in scaling the production process and shipping issues. Even minor deviations from normal manufacturing processes could result in reduced production yields, product defects and other supply disruptions. For example, because of supply chain constraints and staffing issues at one of our CMOs, we previously had to adjust the anticipated filing date of our IND application for one of our clinical candidates. If microbial, viral or other contaminations are discovered in our product candidates or in the manufacturing facilities in which our product candidates are made, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination, and we could be subject to sanctions, restrictions on the product candidate or on the manufacturing facilities, product liability claims or other adverse consequences, any of which could significantly and adversely affect supplies of our product candidates and harm our business and results of operations. Any interruption in the supply of clinical drug product from any cause could adversely affect the timing, enrollment and scope of our ongoing clinical trials.

All of our engineered antibodies are manufactured by culturing cells from a master cell bank. We have one master cell bank for each antibody manufactured in accordance with cGMP. It is possible that we could lose multiple cell banks and have our manufacturing severely impacted by the need to replace the cell banks, and we may fail to have adequate backup should any particular cell bank be lost in a catastrophic event. Any adverse developments affecting manufacturing operations for our product candidates, if any are approved, may result in shipment delays, inventory shortages, lot failures, product withdrawals or recalls, or other interruptions in the supply of our products. We may also have to take inventory write-offs and incur other charges and expenses for products that fail to meet specifications, undertake costly remediation efforts or seek more costly

manufacturing alternatives. Furthermore, it is too early to estimate our cost of goods sold. The actual cost to manufacture our product candidates could be greater than we expect because we are early in our development efforts and the use of engineered IgM antibodies is a novel therapeutic approach. Failure to develop our own manufacturing capacity may hamper our ability to further process improvement, maintain quality control, limit our reliance on contract manufacturers and protect our trade secrets and other intellectual property.

We may not be successful in our efforts to use and expand our IgM platform to build a pipeline of product candidates.

A key element of our strategy is to leverage our IgM platform to expand our pipeline of antibody product candidates. Although our research and development efforts to date have resulted in a pipeline of product candidates, we may not be able to develop product candidates that are safe and effective. In addition, although we expect that our IgM platform will allow us to continue to develop a steady stream of product candidates, we may not prove to be successful at doing so. Even if we are successful in continuing to build our pipeline, the potential product candidates that we identify may not be suitable for clinical development, including as a result of being shown to have harmful side effects or other characteristics that indicate that they are unlikely to be products that will receive marketing approval, be competitive with alternatives, or otherwise achieve market acceptance. If we do not successfully develop and begin to commercialize product candidates, we will not be able to generate any product revenue, which would adversely affect business.

We may expend our limited resources to pursue product candidates or indications that do not yield a successful product and fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success.

Due to the significant resources required for the development of our programs, we must focus our programs on specific product candidates and indications and decide which product candidates to pursue and advance and the amount of resources to allocate to each. Our decisions concerning the allocation of research, development, collaboration, management and financial resources toward particular product candidates or indications may not lead to the development of any viable commercial product and may divert resources away from better opportunities. For example, in December 2023, we committed to a Strategic Refocusing (as defined below), pursuant to which we suspended clinical development activities for certain product candidates. This decision or potential future decisions to delay, terminate or collaborate with third parties in respect of certain programs may subsequently also cause us to miss valuable opportunities. If we make incorrect determinations regarding the viability or market potential of any of our programs or product candidates or misread trends in the oncology or biotechnology industry, our business, financial condition and results of operations could be materially adversely affected. As a result, we may fail to capitalize on viable commercial products or profitable market opportunities, fail to recoup our research and development and other investments in the clinical programs we have selected, be required to forego or delay pursuit of opportunities with other product candidates or other indications that may later prove to have greater commercial potential than those we choose to pursue, or relinquish valuable rights to such product candidates through collaboration, licensing or other royalty arrangements in cases in which it would have been advantageous for us to invest additional resources to retain sole development and commercialization rights.

We face risks related to health epidemics and other outbreaks, such as COVID-19, which could significantly disrupt our operations or otherwise result in material adverse impacts to us.

Our business could be adversely impacted by the effects of health epidemics and other outbreaks, including:

- delays or difficulties in enrolling and retaining patients in our ongoing and planned clinical trials, and incurrence of additional costs as a result of any preclinical study and clinical trial delays and adjustments;
- delays or difficulties in clinical site initiation, including difficulties in recruiting clinical site investigators and clinical site staff;
- shutdowns or continued business disruptions experienced by suppliers and other third parties with whom we conduct business;
- diversion of healthcare resources away from the conduct of clinical trials, including the diversion of hospitals serving as our clinical trial sites and hospital staff supporting the conduct of clinical trials;
- interruption or delays of key clinical trial activities, such as clinical trial site monitoring and collecting sufficient clinical data, patient safety considerations or limitations on travel imposed or recommended by federal or state governments, employers and others;
- other limitations on resources that would otherwise be focused on the conduct of our business or our current or planned clinical trials or preclinical research, including because of sickness, the desire to avoid contact with large groups of people or government restrictions;
- delays in receiving approval from regulatory authorities to initiate our planned clinical trials;
- delays in receiving the supplies, materials and services needed to conduct clinical trials and preclinical research or to support manufacturing activities of our business and that of our suppliers or contractors;
- changes in clinical site policies and procedures for conducting clinical trials during the pandemic;
- changes in regulations as part of a response to health epidemics or other outbreaks which may require us to change the ways in which our clinical trials are conducted and incur unexpected costs, or require us to discontinue the clinical trials altogether; and
- delays in necessary interactions with regulators, ethics committees and other important agencies and contractors.

On May 11, 2023, the federal government ended the COVID-19 public health emergency, which ended a number of temporary changes made to federally funded programs, although some continue to be in effect. The extent to which any health epidemic impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of a particular virus and its variants and the actions to contain it or treat its impact, among others.

Material changes in methods of product candidate manufacturing or formulation may result in the need to perform new clinical trials, which would require additional costs and cause delay.

As product candidates are developed through preclinical to late-stage clinical trials towards approval and commercialization, it is common that various aspects of the development program, such as manufacturing methods and formulation, are altered along the way in an effort to optimize yield and manufacturing batch size, minimize costs and achieve consistent quality and results. Such changes carry the risk that they will not achieve these intended objectives. Any of these changes could cause our product candidates to perform differently and affect the results of ongoing, planned or future clinical trials conducted with the altered materials. This could delay completion of clinical trials, require the conduct of bridging clinical trials or the repetition of one or more clinical trials, increase clinical trial costs, delay approval of our product candidates and jeopardize our ability to commence product sales and generate revenue.

The design or execution of our clinical trials may not support regulatory approval.

The design or execution of a clinical trial can determine whether its results will support regulatory approval and flaws in the design or execution of a clinical trial may not become apparent until the clinical trial is well advanced. In some instances, there can be significant variability in safety or efficacy results between different trials of the same product candidate due to numerous factors, including changes in trial protocols, differences in size and type of the patient populations, adherence to the dosing regimen and other trial protocols and the rate of dropout among clinical trial participants. We do not know whether any clinical trials that we may conduct will demonstrate consistent or adequate efficacy and safety to obtain regulatory approval to market our product candidates.

Further, the FDA and comparable foreign regulatory authorities have substantial discretion in the approval process and in determining when or whether regulatory approval will be obtained for any of our product candidates. Our product candidates may not be approved even if they achieve their primary endpoints in potential future Phase 3 clinical trials or registration trials. The FDA or comparable foreign regulatory authorities may disagree with our trial design and our interpretation of data from preclinical studies and clinical trials. In addition, any of these regulatory authorities may change requirements for the approval of a product candidate even after reviewing and providing comments or advice on a protocol for a pivotal Phase 3 clinical trial. In addition, any of these regulatory authorities may also approve a product candidate for fewer or more limited indications than we request or may grant approval contingent on the performance of costly post-marketing clinical trials. The FDA or comparable foreign regulatory authorities may not approve the labeling claims that we believe would be necessary or desirable for the successful commercialization of our product candidates. Failure to successfully obtain regulatory approval could have a material adverse impact on our business and financial performance.

Even if any of our product candidates receive regulatory approval, the approved products may not achieve broad market acceptance among physicians, patients, the medical community and third-party payors, in which case revenue generated from their sales would be limited.

Even if regulatory approval is obtained for a product candidate, we may not generate or sustain revenue from sales of the product due to factors such as whether the product can be sold at a competitive price and otherwise will be accepted in the market. The antibodies we are developing use relatively new technologies. Market participants with significant influence over acceptance of new treatments, such as physicians and third-party payors, may not adopt a product or treatment based on our technologies, and the medical community and third-party payors may not accept and use, or provide favorable reimbursement for, any product candidates developed by us. The commercial success of our product candidates will depend upon their acceptance among physicians, patients, the medical community and third-party payors. The degree of market acceptance of any of our product candidates will depend on a number of factors, including:

- the efficacy and safety profile as demonstrated in clinical trials compared to alternative treatments;
- limitations or warnings contained in the approved labeling for our product candidates;
- changes in the standard of care for the targeted indications for our product candidates;
- the clinical indications for which any product candidate is approved;
- lack of significant adverse side effects;
- the effectiveness of sales and marketing efforts;
- availability and extent of coverage and adequate reimbursement, as well as pricing, by managed care plans and other third-party payors, including government authorities;
- patients' willingness to pay out-of-pocket in the absence of coverage and/or adequate reimbursement from third-party payors;
- timing of market introduction of our product candidate as well as competitive products;
- the potential and perceived advantages of our product candidate over alternative treatments;
- the degree of cost-effectiveness of our product candidate;
- availability of alternative therapies at similar or lower cost, including generic and over-the-counter products;
- the extent to which any product candidate is approved for inclusion on formularies of hospitals and managed care organizations;

- whether the product is designated under physician treatment guidelines as a first-line therapy or as a second or third-line therapy for particular indications;
- whether our product candidate can be used effectively with other therapies to achieve higher response rates;
- adverse publicity about our product candidate or favorable publicity about competitive products;
- the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the approval of other new therapies for the same indications;
- relative convenience and ease of administration of our product candidates; and
- potential product liability claims.

If any of our product candidates are approved, but do not achieve an adequate level of acceptance by physicians, patients, the medical community and third-party payors, we may not generate sufficient revenue from these products, and we may not become or remain profitable. In addition, efforts to educate the medical community and third-party payors on the benefits of our product candidates may require significant resources and may never be successful.

We may be unsuccessful in obtaining, or may be unable to maintain the benefits associated with, orphan drug designation for current or future product candidates that we may develop. If our competitors are able to obtain orphan product exclusivity for their products in specific indications, we may not be able to have competing products approved in those indications by the applicable regulatory authority for a significant period of time.

Under the Orphan Drug Act, the FDA may designate a product candidate as an orphan drug if it is a drug intended to treat a rare disease or condition, which is generally defined as a patient population of fewer than 200,000 individuals annually in the United States. We may elect to seek Orphan Drug Designation for certain indications for our product candidates. Orphan Drug Designation neither shortens the development time or regulatory review time of a drug nor gives the drug any advantage in the regulatory review or approval process.

Generally, if a product candidate with an Orphan Drug Designation subsequently receives the first marketing approval for the indication for which it has such designation, the product is entitled to a period of marketing exclusivity, which precludes the FDA from approving another marketing application for the same drug for the same indication for seven years. Therefore, if our competitors are able to obtain orphan product exclusivity for their product candidates in the same indications we are pursuing, we may not be able to have competing products approved in those indications by the applicable regulatory authority for a significant period of time. There are also limited circumstances where the FDA may reduce the seven-year exclusivity for a

product candidate with an orphan drug designation where other product candidates show clinical superiority to the product with orphan exclusivity or if the FDA finds that the holder of the orphan exclusivity has not shown that it can assure the availability of sufficient quantities of the orphan product to meet the needs of patients with the disease or condition for which the drug was designated. Historically, development of IgM antibodies has been limited by difficulties in recombinant expression and manufacture of these antibodies; therefore, the FDA may determine that we cannot assure the availability of sufficient quantities of our product candidates to the extent necessary to support marketing exclusivity. As a result, even if one of our product candidates receives orphan exclusivity, the FDA can still approve other drugs that have a different active ingredient for use in treating the same indication or disease. Furthermore, the FDA can waive orphan exclusivity if we are unable to manufacture sufficient supply of our product.

In *Catalyst Pharms., Inc. v. Becerra*, 14 F.4th 1299 (11th Cir. 2021), the court disagreed with the FDA's longstanding position that the orphan drug exclusivity only applies to the approved use or indication within an eligible disease. This decision created uncertainty in the application of the orphan drug exclusivity. However, in January 2023, the FDA published a notice in the Federal Register to clarify that while the agency complies with the court's order in *Catalyst*, the FDA intends to continue to apply its longstanding interpretation of the regulations to matters outside of the scope of the *Catalyst* order—that is, the agency will continue tying the scope of orphan-drug exclusivity to the uses or indications for which a drug is approved, which permits other sponsors to obtain approval of a drug for new uses or indications within the same orphan designated disease or condition that have not yet been approved. It is unclear how future litigation, legislation, agency decisions, and administrative actions will impact the scope of the orphan drug exclusivity.

Even if we obtain FDA approval of any of our product candidates, we may never obtain approval or commercialize such products outside of the United States, which would limit our ability to realize their full market potential.

In order to market any products outside of the United States, we must establish and comply with numerous and varying regulatory requirements of other countries regarding safety and efficacy and approval standards. Clinical trials conducted in one country may not be accepted by regulatory authorities in other countries, and regulatory approval in one country does not mean that regulatory approval will be obtained in any other country. Approval procedures vary among countries and can involve additional product testing and validation and additional administrative review periods. Seeking foreign regulatory approvals could result in significant delays, difficulties and costs for us and may require additional preclinical studies or clinical trials which would be costly and time consuming. Regulatory requirements can vary widely from country to country and could delay or prevent the introduction of our products in those countries. Satisfying these and other regulatory requirements is costly, time consuming, uncertain and subject to unanticipated delays. In addition, our failure to obtain regulatory approval in any country may delay or have negative effects on the process for regulatory approval in other countries. We do not have any product candidates approved for sale in any jurisdiction, including international markets, and we do not have experience in obtaining regulatory approval in international markets. If we fail to comply with regulatory requirements in international markets or to obtain and maintain required approvals, our target market will be reduced and our ability to realize the full market potential of our products will be harmed.

Reimbursement decisions by third-party payors may have an adverse effect on pricing and market acceptance. If reimbursement is not available or is not sufficient for our products, it is less likely that our products will be widely used.

Even if our product candidates are approved for sale by the appropriate regulatory authorities, market acceptance and sales of these products will depend on coverage and reimbursement policies and may be affected by future healthcare reform measures. Third-party payors, such as government healthcare programs, private health insurers and health maintenance organizations, decide which drugs they will cover and establish the level of reimbursement for such drugs. One third-party payor's determination to provide coverage for a product candidate does not assure that other payors will also provide coverage for the product candidate. We cannot be certain that coverage and reimbursement will be available or adequate for any products that we develop. If coverage and adequate reimbursement is not available or is available on a limited basis, we may not be able to successfully commercialize any of our product candidates, if approved.

There may be significant delays in obtaining coverage and reimbursement for newly approved drugs, and coverage may be more limited than the purposes for which the drug is approved by the FDA, EMA or other regulatory authorities. Moreover, eligibility for coverage and reimbursement does not imply that a drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution expenses. Interim reimbursement levels for new drugs, if applicable, may also be insufficient to cover our and any collaborator's costs and may not be made permanent. Reimbursement rates may vary according to the use of the drug and the clinical setting in which it is used, may be based on reimbursement levels already set for lower cost drugs and may be incorporated into existing payments for other services. Further, no uniform policy for coverage and reimbursement exists in the United States, and coverage and reimbursement can differ significantly from payor to payor. Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future change to laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the United States. Our inability to promptly obtain coverage and adequate reimbursement from third-party payors, including both government-funded and private payors, for any approved products that we develop could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize product candidates and our overall financial condition.

If the market opportunities for any product that we develop are smaller than we believe they are, our revenue may be adversely affected and our business may suffer.

We focus our product candidate development on therapeutic IgM antibodies. Our projections of addressable patient populations that have the potential to benefit from treatment with our product candidates are based on estimates. These estimates have been derived from a variety of sources, including scientific literature, surveys of clinics, physician interviews, patient foundations and market research, and may prove to be incorrect. Further, new developments, such as the development of vaccines or new therapeutics, may change the estimated incidence or prevalence of the diseases targeted by our programs. The number of patients may turn out to be lower than expected. If any of the foregoing estimates are inaccurate, the market opportunities for any of our product candidates could be significantly diminished and have an adverse material impact on our business.

The market opportunities for our product candidates may be limited to those patients who are ineligible for or have failed prior treatments and may be small. The FDA often approves new cancer therapies only for use after one or more other treatments have failed. When cancer is detected early enough, first-line therapy, such as chemotherapy, hormone therapy or surgery, is sometimes adequate to treat the patient. If first-line therapy proves unsuccessful, second-line therapies, such as additional chemotherapy, radiation, antibody drugs, tumor targeted small molecules, or a combination of these therapies, may be administered. Third- or fourth-line therapies may include bone marrow transplantation, antibody and small molecule targeted therapies, more invasive forms of surgery, and new technologies. We have in the past sought approval through clinical testing for certain product candidates for patients who have failed one or more approved treatments, and may do so again in the future. Even if we obtain regulatory approval and significant market share for such product candidates, because the potential target population may be small, we may never achieve profitability without obtaining regulatory approval for additional indications. In addition, there is no guarantee that any of our product candidates, even if approved, would be approved as a particular line of treatment. In addition, even if any of our product candidates were approved for a particular line of treatment, we would likely have to conduct additional clinical trials prior to gaining approval as an earlier line of treatment.

Development of product candidates in combination with other therapies could expose us to additional risks.

Even if any of our product candidates were to receive marketing approval or be commercialized for use in combination with other existing therapies, we would continue to be subject to the risks that the FDA or other comparable foreign regulatory authorities could revoke approval of the therapy used in combination with any of our product candidates, or safety, efficacy, manufacturing or supply issues could arise with these existing therapies. In addition, it is possible that existing therapies with which our product candidates are approved for use could themselves fall out of favor or be relegated to later lines of treatment. This could result in the need to identify other combination therapies for our product candidates or our own products being removed from the market or being less successful commercially. We may also evaluate our product candidates in combination with one or more other cancer therapies that have not yet been approved for marketing by the FDA or comparable foreign regulatory authorities. We will not be able to market and sell any product candidate in combination with any such unapproved cancer therapies that do not ultimately obtain marketing approval. If the FDA or other comparable foreign regulatory authorities do not approve or revoke their approval of these other therapies, or if safety, efficacy, commercial adoption, manufacturing or supply issues arise with the therapies we choose to evaluate in combination with any other product candidate, we may be unable to obtain approval of or successfully market any one or all of the product candidates we develop.

Additionally, if the third-party providers of therapies or therapies in development used in combination with our product candidates are unable to produce sufficient quantities for clinical trials or for commercialization of our product candidates, or if the cost of combination therapies are prohibitive, our development and commercialization efforts would be impaired, which would have an adverse effect on our business, financial condition, results of operations and growth prospects.

Even if we receive regulatory approval to commercialize any of our product candidates, we will be subject to ongoing regulatory obligations and continued regulatory review, which will result in significant additional expense.

Any regulatory approvals that we receive for our product candidates may be subject to limitations on the approved indicated uses for which the product may be marketed or subject to certain conditions of approval, and may contain requirements for potentially costly post-approval trials, including Phase 4 clinical trials, and surveillance to monitor the safety and efficacy of the marketed product.

For any approved product, we will be subject to ongoing regulatory obligations and extensive oversight by regulatory authorities, including with respect to manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion and recordkeeping for the product. These requirements include submissions of safety and other post-approval information and reports, as well as continued compliance with cGMP and current good clinical practices ("cGCP") for any clinical trials that we conduct post-approval. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in, among other things:

- restrictions on the marketing or manufacturing of the product;
- withdrawal of the product from the market or voluntary or mandatory product recalls;
- adverse publicity, fines, warning letters or holds on clinical trials;
- refusal by the FDA, EMA or another applicable regulatory authority to approve pending applications or supplements to approved applications filed by us, or suspension or revocation of product license approvals;
- product seizure or detention, or refusal to permit the import or export of products; and
- injunctions or the imposition of civil or criminal penalties.

Further, the FDA strictly regulates marketing, labeling, advertising and promotion of products that are placed on the market. Products may be promoted only for the approved indications and in accordance with the provisions of the approved label. While physicians may prescribe, in their independent professional medical judgment, products for off-label uses as the FDA does not regulate the behavior of physicians in their choice of drug treatments, the FDA does restrict manufacturer's communications on the subject of off-label use of their products. Companies may only share truthful and not misleading information that is otherwise consistent with a product's FDA approved labeling. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses and a company that is found to have improperly promoted off-label uses may be subject to significant liability including, among other things, adverse publicity, warning letters,

corrective advertising and potential civil and criminal penalties. The federal government has levied large civil and criminal fines against companies for alleged improper promotion of off-label use and has enjoined companies from engaging in off-label promotion. The FDA and other regulatory agencies have also required that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed.

Occurrence of any of the foregoing could have a material and adverse effect on our business and results of operations. Further, the FDA's or comparable foreign regulatory authorities' policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained, which would adversely affect our business, prospects and ability to generate revenue or achieve or sustain profitability.

If any product liability lawsuits are successfully brought against us, we may incur substantial liabilities and may be required to limit commercialization of our product candidates.

We face an inherent risk of product liability lawsuits related to the testing of our product candidates in seriously ill patients, and we will face an even greater risk if product candidates are approved by regulatory authorities and introduced commercially. Product liability claims may be brought against us by participants enrolled in our clinical trials, patients, health care providers or others using, administering or selling any of our future approved products. If we cannot successfully defend ourselves against any such claims, we may incur substantial liabilities. Regardless of their merit or eventual outcome, liability claims may result in:

- decreased demand for any future approved products;
- injury to our reputation;
- withdrawal of clinical trial participants;
- termination of clinical trial sites or entire trial programs;
- increased regulatory scrutiny, including investigations by the FDA and other regulators of the safety and effectiveness of our products, our manufacturing processes and facilities or our marketing programs;
- significant litigation costs;
- substantial monetary awards to or costly settlement with patients or other claimants;
- product recalls, a change in the indications for which they may be used or suspension or withdrawal of marketing approvals;
- loss of revenue;

- diversion of management and scientific resources from our business operations; and
- the inability to commercialize our product candidates.

If any of our product candidates are approved for commercial sale, we will be highly dependent upon consumer perceptions of us and the safety and quality of our products. We could be adversely affected if we are subject to negative publicity. We could also be adversely affected if any of our products or any similar products distributed by other companies prove to be, or are asserted to be, harmful to patients. Because of our dependence upon consumer perceptions, any adverse publicity associated with illness or other adverse effects resulting from patients' use or misuse of our products or any similar products distributed by other companies could have a material adverse impact on our financial condition or results of operations.

We may need to have in place increased product liability coverage if and when we begin the commercialization of our product candidates. Insurance coverage is becoming increasingly expensive. As a result, we may be unable to maintain or obtain sufficient insurance at a reasonable cost to protect us against losses that could have a material adverse effect on our business. A successful product liability claim or series of claims brought against us, particularly if judgments exceed any insurance coverage we may have, could decrease our cash resources and adversely affect our business, financial condition and results of operation.

Our product candidates, for which we intend to seek approval, may face competition sooner than anticipated.

Our ability to compete may be affected in many cases by insurers or other third-party payors seeking to encourage the use of biosimilar products. The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 ("ACA"), created a new regulatory scheme authorizing the FDA to approve biosimilars. Under the ACA, a manufacturer may submit an application for licensure of a biologic product that is "biosimilar to" or "interchangeable with" a previously approved biological product or "reference product." Under this statutory scheme, an application for a biosimilar product may not be submitted to the FDA until four years following approval of the reference product. The FDA may not approve a biosimilar product until 12 years from the date on which the reference product was approved. Even if a product is considered to be a reference product eligible for exclusivity, another company could market a competing version of that product if the FDA approves a full BLA for such product containing the sponsor's own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, efficacy and potency of their product. Furthermore, recent legislation has proposed that the 12-year exclusivity period for a referenced product may be reduced to seven years.

Foreign governments tend to impose strict price controls, which may adversely affect our future profitability.

In most foreign countries, particularly those in the European Union, prescription drug pricing and reimbursement is subject to governmental control. In those countries that impose price controls, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a product. To obtain reimbursement or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of our product candidates to other available therapies.

Some countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing or product licensing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain marketing approval for a product candidate in a particular country, but then be subject to price regulations that delay commercial launch of the product candidate, possibly for lengthy time periods, and negatively impact the revenue that are generated from the sale of the product in that country. If reimbursement of such product candidates is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, or if there is competition from lower priced cross-border sales, our profitability will be negatively affected.

Current and future legislation may increase the difficulty and cost for us to commercialize our product candidates, if approved, and affect the prices we may obtain.

The United States and some foreign jurisdictions are considering or have enacted a number of legislative and regulatory proposals to change healthcare systems in ways that could affect our ability to sell any of our product candidates profitably, if such product candidates are approved for sale. Among policy makers and payors in the United States and elsewhere, there is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality and expanding access. In the United States, the pharmaceutical industry has been a particular focus of these efforts and has been significantly affected by major legislative initiatives.

Our revenue prospects could be affected by changes in healthcare spending and policy in the United States and abroad. We operate in a highly regulated industry and new laws, regulations or judicial decisions, or new interpretations of existing laws, regulations or decisions, related to healthcare availability, the method of delivery or payment for healthcare products and services could negatively impact our business, operations and financial condition. There have been, and likely will continue to be, legislative and regulatory proposals at the foreign, federal and state levels directed at broadening the availability of healthcare and containing or lowering the cost of healthcare, including proposals aimed at lowering prescription drug prices and increasing competition for prescription drugs, as well as additional regulation on pharmaceutical transparency and reporting requirements, any of which could negatively impact our future profitability and increase our compliance burden. We cannot predict the initiatives that may be adopted in the future. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare and/or impose price controls may adversely affect:

- the demand for our product candidates, if approved;
- our ability to set a price that we believe is fair for our products;
- our ability to obtain coverage and reimbursement approval for a product;

- our ability to generate revenue and achieve or maintain profitability;
- the level of taxes that we are required to pay; and
- the availability of capital.

Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors, which may adversely affect our future profitability.

In March 2010, the ACA was enacted, which includes measures that have significantly changed the way healthcare is financed by both governmental and private insurers, and continues to significantly impact the United States pharmaceutical industry. Among the provisions of the ACA of importance to the pharmaceutical industry are the following:

- an annual, non-deductible fee on any entity that manufactures or imports certain branded prescription drugs and biologic agents, apportioned among these entities according to their market share in certain government healthcare programs;
- an increase in the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program to 23.1% and 13% of the average manufacturer price ("AMP"), for most branded and generic drugs, respectively;
- Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 70% point-of-sale discounts to negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period, as a condition for the manufacturer's outpatient drugs to be covered under Medicare Part D;
- extension of manufacturers' Medicaid rebate liability to covered drugs dispensed to individuals who are enrolled in Medicaid managed care organizations;
- expansion of eligibility criteria for Medicaid programs by, among other things, allowing states to offer Medicaid coverage to additional individuals and by adding new mandatory eligibility categories for certain individuals with income at or below 133% of the Federal Poverty Level, thereby potentially increasing manufacturers' Medicaid rebate liability;
- requirement that applicable manufacturers and group purchasing organizations report annually to the Centers for Medicare & Medicaid Services ("CMS"), information regarding certain payments and other transfers of value given to physicians and teaching hospitals, and any ownership or investment interest that physicians, or their immediate family members, have in their company;
- a requirement that manufacturers and authorized distributors of applicable drugs annually report information related to samples provided to practitioners;

- expansion of healthcare fraud and abuse laws, including the False Claims Act and the Anti-Kickback Statute, new government investigative powers, and enhanced penalties for noncompliance;
- a licensure framework for follow-on biologic products;
- a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research; and
- establishment of a Center for Medicare & Medicaid Innovation at CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending, potentially including prescription drug spending.

Since its enactment, there remain judicial and Congressional challenges to certain aspects of the ACA. For example, in June 2021 the U.S. Supreme Court held that Texas and other challengers had no legal standing to challenge the ACA, dismissing the case on procedural grounds without specifically ruling on the constitutionality of the ACA. Thus, the ACA will remain in effect in its current form. In addition, other legislative changes have been proposed and adopted since the ACA was enacted. These changes include aggregate reductions to Medicare payments to providers of up to 2% per fiscal year pursuant to the Budget Control Act of 2011, which began in 2013 and, due to subsequent legislative amendments will remain in effect through 2032, with the exception of a temporary suspension implemented under various COVID-19 relief legislation. Moreover, there has recently been heightened governmental scrutiny over the manner in which drug manufacturers set prices for their marketed products, which has resulted in several Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drug products.

Under the American Rescue Plan Act of 2021, the statutory cap on Medicaid Drug Rebate Program rebates that manufacturers pay to state Medicaid programs was eliminated. Elimination of this cap may require pharmaceutical manufacturers to pay more in rebates than it receives on the sale of products, which could have a material impact on our business. In August 2022, Congress passed the Inflation Reduction Act of 2022 (“IRA”), which includes prescription drug provisions that have significant implications for the pharmaceutical industry and Medicare beneficiaries, including allowing the federal government to negotiate a maximum fair price for certain high-priced single source Medicare drugs, imposing penalties and excise tax for manufacturers that fail to comply with the drug price negotiation requirements, requiring inflation rebates for all Medicare Part B and Part D drugs, with limited exceptions, if their drug prices increase faster than inflation, and redesigning Medicare Part D to reduce out-of-pocket prescription drug costs for beneficiaries, among other changes.

Various industry stakeholders, including the U.S. Chamber of Commerce, the National Infusion Center Association, the Global Colon Cancer Association, and the Pharmaceutical Research and Manufacturers of America have initiated lawsuits against the federal government asserting that the price negotiation provisions of the IRA are unconstitutional. The impact of these judicial challenges as well as future legislative, executive,

and administrative actions and agency rules implemented by the Biden administration on us and the pharmaceutical industry as a whole is unclear. The implementation of cost containment measures, including the prescription drug provisions under the IRA, as well as other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our product candidates if approved. Uncertainties created by the IRA and other cost containment measures may negatively impact potential investments, company valuation, royalty-based earnings, mergers and acquisitions in our industry. Further, many states have proposed or enacted legislation and administrative actions that seek to indirectly or directly regulate pharmaceutical drug pricing, such as by requiring biopharmaceutical manufacturers to publicly report proprietary pricing information or to place a maximum price ceiling on pharmaceutical products purchased by state agencies. FDA recently authorized the state of Florida to import certain prescription drugs from Canada for a period of two years to help reduce drug costs, provided that Florida's Agency for Health Care Administration meets the requirements set forth by the FDA. Other states may follow Florida. We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could affect the prices we may obtain for any of our product candidates for which we may obtain regulatory approval or the frequency with which any such product candidate, if approved, is prescribed or used. Complying with any new legislation and regulatory changes could be time-intensive and expensive, resulting in a material adverse effect on our business.

In the European Union similar political, economic and regulatory developments may affect our ability to profitably commercialize our current or any future products. In addition to continuing pressure on prices and cost containment measures, legislative developments at the European Union or member state level may result in significant additional requirements or obstacles that may increase our operating costs. In international markets, reimbursement and healthcare payment systems vary significantly by country, and many countries have instituted price ceilings on specific products and therapies. Our future products, if any, might not be considered medically reasonable and necessary for a specific indication or cost-effective by third-party payors, an adequate level of reimbursement might not be available for such products and third-party payors' reimbursement policies might adversely affect our ability to sell any future products profitably.

Legislative and regulatory proposals have been made to expand post-approval requirements and restrict sales and promotional activities for pharmaceutical products. We cannot be sure whether additional legislative changes will be enacted, or whether the FDA regulations, guidance or interpretations will be changed, or what the impact of such changes on the marketing approvals of our product candidates, if any, may be. In addition, increased scrutiny by the U.S. Congress of the FDA's approval process may significantly delay or prevent marketing approval, as well as subject us to more stringent product labeling and post-approval testing and other requirements.

We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the United States or abroad. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, our product candidates may lose any marketing approval that may have been obtained and we may not achieve or sustain profitability, which would adversely affect our business.

Inadequate funding for the FDA, the SEC and other government agencies could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the operation of our business may rely, which could negatively impact our business.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which our operations may rely, including those that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable.

Disruptions at the FDA and other agencies, including delays or disruptions due to the health epidemics, travel restrictions, staffing shortages, may also slow the time necessary for new drugs to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. If a prolonged government shutdown or disruption occurs, it could significantly impact the ability of the FDA or other regulatory authorities to timely review and process our regulatory submissions and provide feedback on our clinical development plans, which could have a material adverse effect on our business and our anticipated timelines. Further, in our operations as a public company, future government shutdowns or other disruptions to normal operations could impact our ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations.

Our business may become subject to economic, political, regulatory and other risks associated with international operations.

Our business may be subject to risks associated with conducting business internationally. Some of our clinical trial sites as well as some of our suppliers and collaborators, are located outside of the United States. We may also enter into additional non-U.S markets. Accordingly, our future results could be harmed by a variety of factors, including:

- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- differing regulatory requirements for drug approvals in foreign countries;
- potentially reduced protection for intellectual property rights;
- difficulties in compliance with non-U.S. laws and regulations;
- changes in non-U.S. regulations and customs, tariffs and trade barriers;
- changes in non-U.S. currency exchange rates and currency controls;

- changes in a specific country's or region's political or economic environment;
- trade protection measures, import or export licensing requirements or other restrictive actions by U.S. or non-U.S. governments;
- differing reimbursement regimes, including price controls;
- negative consequences from changes in tax laws;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- difficulties associated with staffing and managing foreign operations, including differing labor relations;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war (such as the ongoing conflict between Russia and Ukraine) and terrorism, natural disasters, or public health emergencies such as the COVID-19 pandemic.

In particular, there is currently significant uncertainty about the future relationship between the United States and various other countries, most significantly China, with respect to trade policies, treaties, tariffs, taxes, and other limitations on cross-border operations. The U.S. government has made and continues to make significant additional changes in U.S. trade policy and may continue to take future actions that could negatively impact U.S. trade. For example, legislation has been introduced in Congress to limit certain U.S. biotechnology companies from using equipment or services produced or provided by select Chinese biotechnology companies, and others in Congress have advocated for the use of existing executive branch authorities to limit those Chinese service providers' ability to engage in business in the U.S. We cannot predict what actions may ultimately be taken with respect to trade relations between the United States and China or other countries, what products and services may be subject to such actions or what actions may be taken by the other countries in retaliation. If we are unable to obtain or use services from existing service providers or become unable to export or sell our products to any of our customers or service providers, our business, liquidity, financial condition, and/or results of operations would be materially and adversely affected.

Our business and current and future relationships with customers and third-party payors in the United States and elsewhere will be subject, directly or indirectly, to applicable federal and state anti-kickback, fraud and abuse, false claims, transparency, health information privacy and security and other healthcare laws and regulations, which could expose us to criminal sanctions, civil penalties, contractual damages, reputational harm, administrative burdens, and diminished profits and future earnings.

Healthcare providers, physicians and third-party payors in the United States and elsewhere play a primary role in the recommendation and prescription of any product candidates for which we may obtain marketing approval. Our current and future arrangements with healthcare professionals, principal investigators, consultants, customers, and third-party payors and other entities may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations, including, without limitation, the federal Anti-Kickback Statute and the federal False Claims Act, that may constrain the business or financial arrangements and relationships through which we conduct clinical research on product candidates and market, sell and distribute any products for which we obtain marketing approval. In addition, we may be subject to transparency laws and patient privacy regulation by the federal government and by the U.S. states and foreign jurisdictions in which we conduct our business. The applicable federal, state and foreign healthcare laws that may affect our ability to operate include, but are not limited to, the following:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons from knowingly and willfully soliciting, offering, receiving or providing remuneration (including any kickback, bribe or rebate), directly or indirectly, in cash or in kind, to induce or reward either the referral of an individual for, or the purchase, order or recommendation of, any good or service for which payment may be made, in whole or in part, under federal and state healthcare programs such as Medicare and Medicaid;
- federal civil and criminal false claims laws, including the civil False Claims Act, which can be enforced by private citizens on behalf of the government, through civil whistleblower, or qui tam actions, and the federal civil monetary penalty laws, which impose criminal and civil penalties against individuals or entities, among other things, for knowingly presenting, or causing to be presented, false or fraudulent claims for payment of federal funds, and knowingly making, or causing to be made, false record or statement material to a false or fraudulent claim to avoid, decrease or conceal an obligation to pay money to the federal government;
- Health Insurance Portability and Accountability Act ("HIPAA"), which among other things, imposes criminal liability for knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or to obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, regardless of the payor (e.g., public or private) and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false statements in connection with the delivery of or payment for healthcare benefits, items or services relating to healthcare matters;
- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH"), and its implementing regulations, which imposes certain obligations, including mandatory contractual terms on covered entities, including certain healthcare providers, health plans and healthcare clearinghouses as well as their respective business associates that create, receive, maintain or transmit individually health information for or on behalf of a covered entity and their subcontractors that use, disclose or otherwise process individually identifiable health information, with respect to safeguarding the privacy, security and transmission of individually identifiable health information;

- the federal Open Payments program under the Physician Payments Sunshine Act, created under Section 6002 of the ACA and its implementing regulations, which requires certain manufacturers of covered drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) and applicable group purchasing organizations to report annually to CMS information related to "payments or other transfers of value" made to covered recipients, such as physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician healthcare professionals (such as physician assistants and nurse practitioners, among others), and teaching hospitals, and information regarding ownership and investment interests held by physicians (as defined above) and their immediate family members. The information reported annually is publicly available on a searchable website;
- analogous state and foreign laws and regulations, including: state anti-kickback and false claims laws which may apply to our business practices, including, but not limited to, research, distribution, sales and marketing arrangements and claims involving healthcare items or services reimbursed by state governmental and non-governmental third-party payors, including private insurers; state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the applicable compliance guidance promulgated by the federal government; state laws that require drug manufacturers to track gifts and other remuneration and items of value provided to healthcare professionals and entities; state and local laws that require the registration of pharmaceutical sales representatives; and state laws that require drug manufacturers to report information relating to pricing and marketing information; and
- state and foreign laws that govern the privacy and security of health information in specified circumstances, many of which differ from each other in significant ways and often are not pre-empted by HIPAA, thus complicating compliance efforts.

Because of the breadth of these laws and the narrowness of the statutory exceptions and regulatory safe harbors available, it is possible that some of our current and future business activities could be subject to challenge under one or more of such laws. In addition, recent healthcare reform legislation has strengthened these laws. For example, the ACA, among other things, amends the intent requirement of the U.S. federal Anti-Kickback Statute and certain criminal healthcare fraud statutes. A person or entity no longer needs to have actual knowledge of these statutes or specific intent to violate them in order to have committed a violation. Moreover, the ACA provides that the government may assert that a claim including items or services resulting from a violation of the U.S. federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal False Claims Act.

Efforts to ensure that our business arrangements with third parties will comply with applicable healthcare laws may involve substantial costs. It is possible that governmental authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws. If our operations are found to be in violation of any of these laws or any other laws that may apply to us, we may be subject to significant civil, criminal and administrative penalties, including, without limitation, damages, fines, disgorgement, imprisonment, exclusion from participation in government healthcare programs, such as Medicare and Medicaid, additional reporting requirements and

oversight if we become subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws and the curtailment or restructuring of our operations, which could have a material adverse effect on our business. If any of the physicians or other providers or entities with whom we expect to do business, is found not to be in compliance with applicable laws, it may be subject to significant criminal, civil or administrative sanctions, including exclusions from participation in government healthcare programs, which could also materially affect our business.

We are subject to U.S. and certain foreign export and import controls, sanctions, embargoes, anti-corruption laws, and anti-money laundering laws and regulations. Compliance with these legal standards could impair our ability to compete in domestic and international markets. We can face criminal liability and other serious consequences for violations which can harm our business.

We are subject to export control and import laws and regulations, including the U.S. Export Administration Regulations, U.S. Customs regulations, various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Controls, the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, the United Kingdom Bribery Act 2010, the Proceeds of Crime Act 2002, and other state and national anti-bribery and anti-money laundering laws in the countries in which we conduct activities. Anti-corruption laws are interpreted broadly and prohibit companies and their employees, agents, contractors, and other partners from authorizing, promising, offering, or providing, directly or indirectly, improper payments or anything else of value to recipients in the public or private sector. We may engage third parties for clinical trials outside of the United States, to sell our products abroad once we enter a commercialization phase, or to obtain necessary permits, licenses, patent registrations, and other regulatory approvals. We may have direct or indirect interactions with officials and employees of government agencies or government-affiliated hospitals, universities, and other organizations. We can be held liable for the corrupt or other illegal activities of our employees, agents, contractors, and other partners, even if we do not explicitly authorize or have actual knowledge of such activities. Any violation of the laws and regulations described above may result in substantial civil and criminal fines and penalties, imprisonment, the loss of export or import privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm, and other consequences.

Our employees, independent contractors, principal investigators, consultants and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

We are exposed to the risk of employee fraud or other misconduct. Misconduct by employees and independent contractors, such as principal investigators, consultants and vendors, could include intentional failures to comply with FDA regulations, to provide accurate information to the FDA, to comply with federal and state health care fraud and abuse laws, to report financial information or data accurately or to disclose unauthorized activities to us. In particular, sales, marketing and business arrangements in the health care industry are subject to extensive laws intended to prevent fraud, misconduct, kickbacks, self-dealing and other abusive practices. These laws may restrict or prohibit a wide range of pricing, discounting, marketing and

promotion, sales commission, customer incentive programs and other business arrangements. Employee and independent contractor misconduct could also involve the improper use of information obtained in the course of clinical trials, which could result in regulatory sanctions and serious harm to our reputation. We have adopted a written code of business conduct and ethics, but it is not always possible to identify and deter employee or independent contractor misconduct, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant fines or other sanctions.

If we do not comply with laws regulating the protection of the environment and health and human safety, our business could be adversely affected.

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our research and development involves, and may in the future involve, the use of potentially hazardous materials and chemicals. Our operations may produce hazardous waste products. Although we believe that our safety procedures for handling and disposing of these materials comply with the standards mandated by local, state and federal laws and regulations, the risk of accidental contamination or injury from these materials cannot be eliminated. If an accident occurs, we could be held liable for resulting damages, which could be substantial. We are also subject to numerous environmental, health and workplace safety laws and regulations and fire and building codes, including those governing laboratory procedures, exposure to blood-borne pathogens, use and storage of flammable agents and the handling of biohazardous materials. Although we maintain workers' compensation insurance as prescribed by the State of California to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of these materials, this insurance may not provide adequate coverage against potential liabilities. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us. Additional federal, state and local laws and regulations affecting our operations may be adopted in the future. Current or future laws and regulations may impair our research, development or commercialization efforts. We may incur substantial costs to comply with, and substantial fines or penalties if we violate, any of these laws or regulations.

Risks Related to Our Financial Position and Need for Additional Capital

We have incurred significant losses since inception and anticipate that we will continue to incur losses for the foreseeable future. We have no products approved for commercial sale, and to date we have not generated any revenue or profit from product sales. We may never achieve or sustain profitability.

We have incurred significant losses since our inception. Our net loss for the three months ended March 31, 2024 was $49.8 million. As of March 31, 2024, our accumulated deficit was approximately $871.1 million. We expect to continue to incur losses for the foreseeable future, and we expect these losses to increase as we

continue our research and development of, and seek regulatory approvals for, our product candidates, prepare for and begin to commercialize any approved product candidates and add infrastructure and personnel to support our product development efforts and operations as a public company. Historically we have financed our operations primarily through the sale of equity and debt securities as well as funding received from our collaboration partners. We do not generate any revenue from product sales and our product candidates will require substantial additional investment before they may provide us with any revenue, if ever.

The net losses and negative cash flows incurred to date, together with expected future losses, have had, and likely will continue to have, an adverse effect on our shareholders' deficit and working capital. The amount of future net losses will depend, in part, on the rate of future growth of our expenses and our ability to generate revenue. The net losses we incur may fluctuate significantly from quarter-to-quarter such that a period-to-period comparison of our results of operations may not be a good indication of our future performance.

Because of the numerous risks and uncertainties associated with drug development, we are unable to accurately predict the timing or amount of increased expenses or when, or if, we will be able to generate product revenue or achieve profitability. For example, our expenses could increase if we are required by the FDA to perform clinical trials in addition to those that we currently expect to perform, or if there are any delays in completing our currently planned clinical trials or in the development of any of our product candidates.

Drug development is a highly speculative undertaking and involves a substantial degree of uncertainty. We have never generated any revenue from product sales and may never be profitable. Our ability to generate revenue and achieve profitability depends significantly on our ability to achieve a number of objectives.

Since the commencement of our operations, we have focused substantially all of our resources on conducting research and development activities, including drug discovery, preclinical studies and clinical trials, establishing and maintaining our intellectual property portfolio, the manufacturing of clinical and research material, developing our in-house manufacturing capabilities, hiring personnel, raising capital and providing general and administrative support for these operations. Since 2010, such activities have exclusively related to the research, development and manufacture of IgM antibodies and to building our proprietary IgM antibody technology platform. We are still in the early stages of developing our product candidates, and we have not completed development of any product candidate. As a result, we expect that it will be several years, if ever, before we generate revenue from product sales. Our ability to generate revenue and achieve profitability depends in large part on our ability, to successfully complete the development of, obtain the necessary regulatory approvals for, and commercialize, product candidates. We do not anticipate generating revenue from sales of products for the foreseeable future.

To generate product revenue and become and remain profitable, we must succeed in developing and commercializing product candidates with significant market potential. This will require us to be successful in a range of challenging activities for which we are only in the preliminary stages, including:

- successfully completing preclinical and clinical development of our product candidates in a timely manner;
- obtaining regulatory approval for such product candidates in a timely manner;
- satisfying any post-marketing approval commitments required by applicable regulatory authorities;
- developing an efficient, scalable and compliant manufacturing process for such product candidates, including expanding and maintaining manufacturing operations, commercially viable supply and manufacturing relationships with third parties to obtain finished products that are appropriately packaged for sale;
- successfully launching commercial sales following any marketing approval, including the development of a commercial infrastructure, whether in-house or with one or more collaborators;
- maintaining a continued acceptable safety profile following any marketing approval;
- achieving commercial acceptance of such product candidates as viable treatment options by patients, the medical community and third-party payors;
- addressing any competing technological and market developments;
- identifying, assessing, acquiring and developing new product candidates;
- obtaining and maintaining patent protection, trade secret protection and regulatory exclusivity, both in the United States and internationally;
- protecting our rights in our intellectual property portfolio, including our licensed intellectual property;
- negotiating favorable terms in any collaboration, licensing or other arrangements that may be necessary to develop, manufacture or commercialize our product candidates; and
- attracting, hiring and retaining qualified personnel.

We may never succeed in these activities and may never generate revenue from product sales that is significant enough to achieve profitability. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods. Our failure to become or remain profitable would depress our market value and could impair our ability to raise capital, expand our business, develop other product candidates, or continue our operations. A decline in the value of our company could also cause you to lose all or part of your investment.

We will require substantial additional funding to finance our operations, which may not be available to us on acceptable terms, or at all, and, if not available, may require us to delay, scale back or cease our product development programs or operations.

All of our product candidates and discovery programs are in preclinical development or early stage clinical development. Developing drug products, including conducting preclinical studies and clinical trials, is expensive. In order to obtain such regulatory approval, we will be required to conduct clinical trials for each indication for each of our product candidates, which will increase our expenses. We will continue to require additional funding to complete the development and commercialization of our product candidates, to continue to advance our discovery programs, to expand our manufacturing facilities and to satisfy additional costs that we have incurred and expect to continue to incur in connection with operating as a public company. Such funding may not be available on acceptable terms or at all.

As of March 31, 2024, we had $293.8 million in cash, cash equivalents, and marketable securities. We believe that our existing cash, cash equivalents, and marketable securities will enable us to fund our operating expenses and capital expenditure requirements for at least one year past the issuance date of the condensed consolidated financial statements included in our Quarterly Report on Form 10-Q filed with the SEC on May 8, 2024. Our estimate as to how long we expect our cash, cash equivalents, and marketable securities to be able to continue to fund our operations is based on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect. Changing circumstances, some of which may be beyond our control, could cause us to consume capital significantly faster than we currently anticipate, and we may need to seek additional funds sooner than planned. In addition, because successful development of our product candidates is uncertain, we are unable to estimate the actual funds we will require to complete research and development and to commercialize our product candidates.

Our future funding requirements will depend on many factors, including but not limited to:

- the initiation, scope, rate of progress, results and cost of our preclinical studies, clinical trials and other related activities for our product candidates;
- the costs associated with manufacturing our product candidates, including expanding our own manufacturing facilities, and establishing commercial supplies and sales, marketing and distribution capabilities;
- the timing and cost of capital expenditures to support our research, development and manufacturing efforts;
- the number and characteristics of other product candidates that we pursue;
- the costs, timing and outcome of seeking and obtaining FDA and non-U.S. regulatory approvals;
- our ability to maintain, expand and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make in connection with the licensing, filing, defense and enforcement of any patents or other intellectual property rights;
- the timing, receipt and amount of sales from our potential products;

- our need and ability to hire additional management, scientific and medical personnel;
- the effect of competing products that may limit market penetration of our product candidates;
- our need to implement additional internal systems and infrastructure, including financial and reporting systems;
- the economic and other terms, timing and success of any collaboration, licensing, or other arrangements into which we may enter in the future, including the timing of receipt of any milestone or royalty payments under these agreements;
- the impact of macroeconomic conditions, including inflation, supply chain disruption and volatility in the capital markets, on our business, financial condition and results of operations;
- the compliance and administrative costs associated with being a public company; and
- the extent to which we acquire or invest in businesses, products or technologies, although we currently have no commitments or agreements relating to any of these types of transactions.

Until we can generate enough product revenue to finance our cash requirements, which we may never do, we expect to finance future cash needs primarily through one or more public and private equity offerings, debt financings and strategic partnerships. We do not have any committed external source of funds. If sufficient funds on acceptable terms are not available when needed, or at all, we could be forced to significantly reduce operating expenses and delay, scale back or eliminate one or more of our clinical or discovery programs or our business operations.

Unstable market and economic conditions may have serious adverse consequences on our business and financial condition.

Global credit and financial markets have experienced extreme disruptions at various points over the last few decades, characterized by diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates and uncertainty about economic stability. For example, ongoing armed conflicts have created volatility in the capital markets and are expected to have further global economic consequences. If another such disruption in credit and financial markets and deterioration of confidence in economic conditions occurs, our business may be adversely affected. If the equity and credit markets were to deteriorate significantly in the future, it may make any necessary debt or equity financing more difficult to complete, more costly, and more dilutive. Failure to secure any necessary financing in a timely manner and on favorable terms could have a material adverse effect on our growth strategy, financial performance and share price and could require us to delay or abandon development or commercialization plans. In addition, there is a risk that one or more of our service providers, manufacturers or other partners would not survive or be able to meet their commitments to us under such circumstances, which could directly affect our ability to attain our operating goals on schedule and on budget.

At March 31, 2024, we had $293.8 million of cash, cash equivalents, and marketable securities. While we are not aware of any downgrades, material losses, or other significant deterioration in the fair value of our cash equivalents or marketable securities since March 31, 2024, no assurance can be given that further deterioration of the global credit and financial markets would not negatively impact our current portfolio of cash equivalents or our ability to meet our financing objectives. Furthermore, our stock price may decline due in part to the volatility of the stock market and general economic downturn.

Risks Related to Managing Our Growth and Operations

Our future success depends on our ability to retain key executives and to attract, retain and motivate qualified personnel.

We are highly dependent on the business, research and development and clinical expertise of our senior management team, key employees and other highly-qualified managerial, scientific, and medical personnel. Although we have entered into employment agreements with our executive officers, each of them may terminate their employment with us at any time. The loss of the services provided by any of our senior management team, other key employees and other scientific and medical advisors, and any inability to find suitable replacements, could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy.

To succeed, we must recruit, retain, manage and motivate qualified clinical, scientific, manufacturing, and sales and marketing personnel, and we face significant competition for experienced personnel. In addition, we will need to expand and effectively manage our managerial, operational, financial, development and other resources in order to successfully pursue our research, development and commercialization efforts for our existing and future product candidates. Furthermore, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited talent pool in our industry due to the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize products. Intense competition for attracting key skill-sets may limit our ability to retain and motivate these key personnel on acceptable terms.

Many of the other biotechnology companies that we compete against for qualified personnel have greater financial and other resources, different risk profiles and a longer history in the industry than we do. They also may provide more diverse opportunities and better prospects for career advancement. Some of these characteristics may be more appealing to high-quality candidates than what we have to offer. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions. In addition to competition for personnel, the San Francisco Bay Area in particular is characterized by a high cost of living. This high cost of living will increase the difficulty of attracting experienced personnel to our company, and we may be required to expend significant financial resources in our employee recruitment and retention efforts. Additionally, the U.S. has recently experienced historically high levels of inflation and an acute workforce shortage generally, which has created a hyper-competitive wage environment that may increase our operating costs. Any changes in our compensation structure, workforce reductions (including the reduction in force we announced in December 2023 in connection with the Strategic Refocusing), or other cost reduction efforts may be negatively received by employees and result in attrition or recruiting difficulties.

In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our research and development and commercialization strategy. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability. If we are unable to continue to attract and retain high quality personnel, our ability to pursue our growth strategy will be limited.

We will need to grow our organization, and we may experience difficulty in managing this growth, which could disrupt our operations.

As of March 31, 2024, we had 216 full-time employees. As our development and commercialization plans and strategies develop, and as we transition into operating as a public company, we expect to expand our employee base for managerial, operational, financial and other resources. Additionally, as our product candidates and discovery programs enter and advance through preclinical studies and any clinical trials, we will need to expand our research, development, manufacturing, regulatory and sales and marketing capabilities or contract with other organizations to provide these capabilities for us. Future growth would impose significant added responsibilities on members of management, including the need to identify, recruit, maintain, motivate and integrate additional employees. Also, our management may need to divert a disproportionate amount of their attention away from our day-to-day activities and devote a substantial amount of time to managing these growth activities. We may not be able to effectively manage the expansion of our operations, which may result in weaknesses in our infrastructure, give rise to operational errors, loss of business opportunities, loss of employees and reduced productivity amongst remaining employees. Our expected growth could require significant capital expenditures and may divert financial resources from other projects, such as the development of existing and additional product candidates and discovery programs. In December 2023, we announced a reduction in our workforce by approximately 22% as part of our commitment to the Strategic Refocusing. If our management is unable to effectively manage our expected growth, our expenses may increase more than expected, our ability to generate or grow revenue could be reduced and we may not be able to implement our business strategy. Our future financial performance and our ability to commercialize our product candidates and compete effectively with others in our industry will depend on our ability to effectively expand our organization and manage any future growth.

Security breaches, loss of data and other disruptions could compromise sensitive information related to our business or protected health information or prevent us from accessing critical information and expose us to liability, which could adversely affect our business and our reputation.

In the ordinary course of our business, we or our CROs may collect, store, and otherwise process sensitive data, including legally protected health information, personally identifiable information, intellectual property and proprietary business information owned or controlled by us. We manage and maintain our applications and data by utilizing a combination of on-site systems, managed data center systems and cloud-based data center systems. These applications and data encompass a wide variety of business-critical information, including research and development information, commercial information and business and financial information. We face multiple risks relative to protecting this critical information, including loss of access risk, inappropriate disclosure risk, inappropriate modification risk and the risk of being unable to adequately monitor our controls over these risks.

The secure storage, maintenance, transmission, and other processing of this critical information are vital to our operations and business strategy, and we devote significant resources to protecting such information. Although we take measures to protect sensitive information from unauthorized access or disclosure, our information technology and infrastructure and that of any service provider we may use, whether they rely on our network and systems or their own to render service, may be vulnerable to cybersecurity attacks by hackers or viruses, ransomware or other malicious code, or breaches or incidents due to employee error, or malfeasance, other disruptions, or other causes. While we have not experienced cyber incidents that have been determined to be material in the past, either individually or in the aggregate, we and our third-party providers have experienced cyberattacks in the past. For example, in December 2023, an unidentified actor briefly gained unauthorized access to an employee account. We promptly detected and responded to the incident and terminated the unauthorized access. We engaged cybersecurity and other specialists to assist in the response to the incident. The unauthorized actor did access certain company information, but the incident did not adversely impact our operations.

We and the third parties upon which we rely may be subject to a variety of evolving threats, including but not limited to social-engineering attacks (including through phishing attacks), viruses, worms, and other malicious code, ransomware and other malware (including as a result of advanced persistent threat intrusions), denial-of-service attacks (such as credential stuffing), personnel misconduct or error, ransomware attacks, software bugs, server malfunctions, software or hardware failures, loss, corruption and other unavailability of data or other information technology assets, adware, telecommunications failures, natural disasters, and other similar threats. Geopolitical tensions and conflicts such as the Russia-Ukraine and Israel-Hamas wars may increase the cybersecurity risks faced by us and the third parties on which we rely.

Ransomware attacks, including those perpetrated by organized criminal threat actors, nation-states, and nation-state-supported actors, are becoming increasingly prevalent and severe and can lead to significant interruptions in our operations, loss of data and income, reputational harm, and diversion of funds. Extortion payments may reduce or alleviate negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting such payments.

Similarly, supply-chain attacks have increased in frequency and severity, and we cannot guarantee that third parties and infrastructure in our supply chain or our third-party partners' supply chains have not been compromised or that they do not contain exploitable defects or bugs that could result in a breach of or disruption to our information technology systems (including our products/services) or the third-party information technology systems that support us and our services.

Any such breach or interruption could compromise our networks and systems and the information stored there could be accessed by unauthorized parties, publicly disclosed, lost or stolen. Any such access, disclosure or other loss, unavailability, or other unauthorized processing of information, or the perception that it has occurred, could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, such as the HIPAA as amended by the HITECH, the EU General Data Protection Regulation ("EU GDPR") and UK General Data Protection Regulation ("UK GDPR"), mandatory notification and reporting obligations, additional regulatory oversight, significant regulatory penalties and remediation expenses. There is no guarantee that we can protect our systems from breaches or incidents or the information in or processed by such systems from compromise. Unauthorized access to, or loss, unavailability, corruption, dissemination, or other processing of information or any mechanical failure of our or our third-party service providers' information technology systems could also disrupt our operations, including our ability to conduct our analyses, provide test results, bill payors or providers, process claims and appeals, conduct research and development activities, collect, process and prepare company financial information, provide information about any future products, manage the administrative aspects of our business and damage our reputation, any of which could adversely affect our business. We and the third parties upon which we rely may face difficulties or delays in identifying and responding to any actual or perceived breach or incident. We may be required to expend significant amounts to address security risks, whether in connection with an actual or perceived breach or incident or otherwise.

Our contracts may not contain limitations of liability, and even where they do, there can be no assurance that limitations of liability in our contracts are sufficient to protect us from liabilities, damages, or claims related to privacy, data protection, or data security. We cannot be sure that our insurance coverage will be adequate or sufficient to protect us from or to mitigate liabilities arising out of our privacy, data protection, or data security practices, that such coverage will continue to be available on commercially reasonable terms or at all, or that such coverage will pay future claims.

We are subject to stringent and changing obligations related to privacy, data protection and security. Our actual or perceived failure to comply with such obligations could lead to regulatory investigations or actions; litigation; fines and penalties; disruptions of our business operations; reputational harm; loss of revenue or profits; loss of customers or sales; and other adverse business consequences.

Our data processing activities subject us to numerous obligations relating to privacy, data protection and data security, such as various laws, regulations, guidance, industry standards, external and internal privacy and security policies, contracts, and other obligations that govern the processing of personal data by us and on our behalf. The interpretation and application of consumer, health-related and data protection laws in the United States, the European Union, and elsewhere are often uncertain, contradictory and in flux. For example, the California Consumer Privacy Act (the "CCPA"), which went into effect on January 1, 2020, among other things, requires new disclosures to California consumers and affords such consumers new abilities to opt out of certain sales of personal information. The CCPA provides civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation. Aspects of the CCPA, and its interpretation and enforcement remain uncertain. The effects of this legislation potentially are far-reaching and may require us to modify our data processing practices and policies and incur substantial compliance-related costs and expenses. The CCPA has been amended on multiple occasions, and it is unclear whether it will be further amended.

In addition, California voters recently passed the California Privacy Rights Act ("CPRA"), which modified the CCPA significantly as of January 1, 2023, potentially resulting in further uncertainty and requiring us to incur additional costs and expenses in an effort to comply. In addition, several states within the United States have enacted or proposed data privacy laws. For example, Virginia, Colorado, Utah, Connecticut, Iowa, Indiana, Florida, Montana, New Jersey, Oregon, Texas, Tennessee, and Delaware have enacted similar legislation. Although the CCPA and many similar state statutes include exemptions for certain clinical trials data, these laws may increase our compliance costs and potential liability with respect to other personal information we collect or otherwise process. Further, other states have enacted laws that cover certain aspects of the collection, use, disclosure, and/or other processing of health information, such as Washington's My Health, My Data Act, which, among other things, provides a private right of action. It is possible that these laws and regulations may be interpreted and applied in a manner that is inconsistent with our practices, or for this to be perceived to be the case. Such interpretation and application could result in government-imposed fines or orders requiring that we change our practices, which could adversely affect our business. In addition, these laws and regulations relating to privacy, data protection and data security vary between states, may differ from country to country, and may vary based on whether testing is performed in the United States or in the local country.

Outside the United States, an increasing number of laws, regulations, and industry standards apply to privacy, data protection and security. For example, the EU GDPR and the UK GDPR impose strict requirements for processing the personal data of individuals. These laws, regulations, and standards can create complex, demanding compliance obligations, and they carry substantial penalties for noncompliance. For example, under the EU GDPR, government regulators may impose temporary or definitive bans on data processing, as well as fines of up to 20 million euros or 4% of annual global revenue, whichever is greater. The UK GDPR has a similar penalty regime. Further, individuals may initiate litigation related to our processing of their personal data. Our efforts to comply with these various laws and regulations could cause us to incur substantial costs or require us to change our business practices and compliance procedures in a manner adverse to our business.

Further, because the interpretation and application of many laws and regulations relating to privacy, security, and data protection, along with mandatory industry standards, are uncertain, it is possible that these laws, regulations and standards, or contractual obligations to which we are or may become subject, may be interpreted and applied in a manner that is inconsistent with our existing or future data management practices. Any failure or perceived failure by us to comply with our posted privacy policies, our privacy-related obligations to users or other third parties, or any other legal obligations or regulatory requirements relating to privacy, data protection or data security, may result in governmental investigations or enforcement actions, litigation, claims, or public statements against us or public censure and could result in significant liability, cause harm to our brand and reputation, and otherwise materially and adversely affect our reputation and business.

Furthermore, the loss, corruption, or unavailability of clinical trial data from ongoing, completed or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. Likewise, we rely on other third parties for the manufacture of our product candidates and to conduct clinical trials, and similar events relating to their computer systems could also have a material adverse effect on our business.

Our operations are vulnerable to interruption by catastrophic events, which could harm our business and financial condition.

Our operations, and those of our CROs, clinical trial sites, suppliers, regulators, and other third parties with whom we engage, could be subject to natural disasters, power outages, telecommunications failures, failures or breaches of information technology systems, epidemics, pandemics, and other natural or man-made disasters or business interruptions. The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses. We currently rely on third party manufacturers to produce and process our product candidates. Our ability to obtain clinical supplies of our product candidates could be disrupted if the operations of these suppliers are affected by a man-made or natural disaster or other business interruption. We cannot presently predict the scope and severity of any potential business shutdowns or disruptions, but if we or any of the third parties with whom we engage, including the suppliers, CROs, clinical trial sites, regulators and other third parties with whom we conduct business, were to experience shutdowns or other business disruptions, our ability to conduct our business in the manner and on the timelines presently planned could be materially and negatively impacted.

All of our operations are located in Mountain View, California and Doylestown, Pennsylvania, with our corporate headquarters in Mountain View, California. Damage or extended periods of interruption to our facilities due to fire, natural disaster, power loss, communications failure, unauthorized entry or other events could cause us to cease or delay development of some or all of our product candidates. We do not carry sufficient insurance to compensate us for actual losses from interruption of our business that may occur, and any losses or damages incurred by us could harm our business.

Our ability to use our net operating loss carryforwards and certain other tax attributes may be limited.

Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended (the "Code"), if a corporation undergoes an "ownership change," the corporation's ability to use its net operating losses ("NOLs") and other pre-change tax attributes such as research tax credits to offset its post-change taxable income or taxes may be limited. In general, an "ownership change" occurs if there is a cumulative change in our ownership by "5% shareholders" that exceeds 50 percentage points over a rolling three-year period. We completed a Section 382 study and believe we have experienced at least two changes in ownership. Consequently, we may be limited in our ability to use our NOL carryforwards and other tax assets in a future year if taxable income in that given year exceeds our cumulative 382 NOL utilization limits through that specific year. As a result, even if we attain profitability, it is possible 382 limitations on the ability to use our NOL carryforwards and other tax assets could adversely affect our future cash flows. In addition, our NOL carryforwards may be unavailable to offset future taxable income because of restrictions under U.S. tax law. The Tax Cuts and Jobs Act of 2017 ("Tax Act"), as modified by the Coronavirus Aid, Relief, and Economic Security Act, imposes certain limitations on the deduction of NOLs, including a limitation on use of NOLs generated in tax years that began on or after January 1, 2018 to offset 80% of taxable income in tax years beginning on or after January 1, 2021.

Changes in the U.S. taxation of international business activities or the adoption of other tax reform policies could materially impact our business, results of operations and financial condition.

Changes to U.S. tax laws that may be enacted in the future could impact the tax treatment of our foreign earnings. If we expand our international business activities, any changes in the U.S. or foreign taxation of such activities may increase our worldwide effective tax rate and adversely affect our business, results of operations and financial condition. For example, the Organization for Economic Cooperation and Development has proposed implementing a global minimum tax of 15%, referred to as Pillar 2, which has been agreed to by over 136 countries. Pillar 2 was adopted by the European Union for implementation by its member states into national legislation by the end of 2023 and may be adopted by other jurisdictions. In addition, on January 1, 2022, a provision of the Tax Act went into effect that eliminates the option to deduct domestic research and development costs in the year incurred and instead requires taxpayers to amortize such costs over five years. In 2022, the United States also enacted the IRA, which imposes, among others, a 1% excise tax on certain repurchases of stock and a 15% alternative minimum income tax on "adjusted financial statement income" of certain corporations. Such changes, among others, may adversely affect our effective tax rates, cash flows and general business condition.

Acquisitions or joint ventures could increase our capital requirements, disrupt our business, cause dilution to our stockholders, cause us to incur debt or assume contingent liabilities and otherwise harm our business.

We evaluate various strategic transactions on an ongoing basis. We may acquire other businesses, products or technologies as well as pursue strategic alliances, joint ventures or investments in complementary businesses. Any of these transactions could be material to our financial condition and operating results and expose us to many risks, including:

- disruption in our relationships with any strategic partners or suppliers as a result of such a transaction;
- the assumption of additional indebtedness or contingent or otherwise unanticipated liabilities related to acquired companies;
- the issuance of our equity securities;
- difficulties integrating acquired personnel, technologies and operations into our existing business;
- retention of key employees, the loss of key personnel and uncertainties in our ability to maintain key business relationships;
- diversion of management time and focus from operating our business to management of strategic alliances or joint ventures or acquisition integration challenges;
- risks and uncertainties associated with the other party to such a transaction, including the prospects of that party and their existing products or product candidates and marketing approvals;

- increases in our expenses and reductions in our cash available for operations and other uses;
- our inability to generate revenue from acquired technology and/or products sufficient to meet our objectives in undertaking the acquisition or even to offset the associated acquisition and maintenance costs; and
- possible write-offs or impairment charges relating to acquired businesses.

Foreign acquisitions involve unique risks in addition to those mentioned above, including those related to integration of operations across different cultures and languages, currency risks and the particular economic, political and regulatory risks associated with specific countries.

Also, the anticipated benefit of any strategic alliance, joint venture or acquisition may not materialize or such strategic alliance, joint venture or acquisition may be prohibited. Future credit arrangements may restrict our ability to pursue certain mergers, acquisitions, amalgamations or consolidations that we may believe to be in our best interest. Additionally, future acquisitions or dispositions could result in potentially dilutive issuances of our equity securities, the incurrence of debt, contingent liabilities or amortization expenses or write-offs of goodwill, any of which could harm our financial condition. We cannot predict the number, timing or size of future joint ventures or acquisitions, or the effect that any such transactions might have on our operating results. Moreover, we may not be able to identify suitable acquisition opportunities, and this inability could impair our ability to grow or obtain access to technology or products that may be important to the development of our business.

Adverse events or perceptions affecting the financial services industry could adversely affect our operating results, financial condition and prospects.

Limited liquidity, defaults, non-performance or other adverse developments affecting financial institutions or parties with which we do business, or perceptions regarding these or similar risks, have in the past and may in the future lead to market-wide liquidity problems. Such developments, and their effects on the broader financial system, could result in a variety of material and adverse impacts on our business operations and financial conditions, including, but not limited to:

- delayed access to deposits or other financial assets or the uninsured loss of deposits or other financial assets;
- loss of access to revolving existing credit facilities or other working capital sources or the inability to refund, roll over or extend the maturity of, or enter into new credit facilities or other working capital resources;
- potential or actual breach of obligations, including U.S. federal and state wage laws and contracts that may require us to maintain letters or credit or other credit support arrangements; and
- termination of cash management arrangements or delays in accessing or actual loss of funds subject to cash management arrangements.

In such an event, parties with which we have commercial agreements, including collaboration partners and suppliers, may be unable to satisfy their obligations to, or enter into new commercial arrangements with, us.

Concerns regarding the U.S. or international financial systems could impact the availability and cost of financing, thereby making it more difficult for us to acquire financing on acceptable terms or at all. In addition, instability in the financial services industry could spur a deterioration in the macroeconomic environment.

Any of these risks could materially impact our operating results, liquidity, financial condition and prospects.

Risks Related to Our Dependence on Third Parties

We currently rely on third parties to manufacture and deliver our product candidates and provide other services. Any failure by one of these third parties to manufacture and deliver acceptable product candidates and provide other services for us pursuant to our specifications and regulatory standards may delay or impair our ability to initiate or complete our clinical trials, obtain and maintain regulatory approvals or commercialize approved products.

We currently have limited in-house manufacturing experience and personnel. While we operate a cGMP manufacturing facility for the manufacture of clinical trial drug materials, we expect to continue to rely for some time on third parties to manufacture our product candidates and for the commercial manufacture of some or all of our product candidates, if approved. Bulk drug substance ("BDS") for our clinical-stage product candidates is provided from both internal and third-party contract manufacturers. Any reduction or halt in supply of BDS could severely constrain our ability to develop our product candidates until a replacement contract manufacturer is found and qualified. As a result of supply chain constraints and staffing issues at one of our contract manufacturers, we have previously adjusted the anticipated filing date of our IND application for one of our clinical candidates. In addition, we currently rely on a third-party contract research organization for the conduct of our clinical assays and we have experienced, and may continue to experience, delays and interruptions, as well as quality and design errors, in this supply of information to us. If we are unable to arrange for and maintain such third-party manufacturing and analytical sources that are capable of meeting regulatory standards, or fail to do so on commercially reasonable terms, we may not be able to successfully produce sufficient supply of product candidate or clinical sample analysis data, or we may be delayed in doing so. If we are unable to arrange for and maintain such third-party manufacturing sources that are capable of meeting regulatory standards, or fail to do so on commercially reasonable terms, we may not be able to successfully produce sufficient supply of product candidate or we may be delayed in doing so. A loss of supply of our product candidates, for any reason, including as a result of manufacturing, supply or storage issues, damaged shipments, or otherwise, could result in us experiencing further delays, or disruptions, suspensions or terminations of, or being required to restart or repeat, any pending or ongoing clinical trials. Such failure or substantial delay or loss of supply could materially harm our business.

Reliance on third-party manufacturers entails risks to which we may not be subject if we manufactured product candidates ourselves, including:

- the possible failure of the third party to manufacture our product candidates according to our schedule, or at all, including if our third-party contractors give greater priority to the supply of other products over our product candidates or otherwise do not satisfactorily perform according to the terms of the agreements between us and them;
- reliance on the third party for regulatory compliance and quality control and assurance and failure of the third party to comply with regulatory requirements;
- the possibility of breach of the manufacturing agreement by the third party because of factors beyond our control (including a failure to manufacture our product candidates in accordance with our product specifications);
- the possible mislabeling of clinical supplies, potentially resulting in the wrong dose amounts being supplied or active drug or placebo not being properly identified;
- the possibility of clinical supplies not being delivered to clinical sites on time, leading to clinical trial interruptions, or of drug supplies not being distributed to commercial vendors in a timely manner, resulting in lost sales;
- the possible misappropriation of our proprietary information, including our trade secrets and know-how; and
- the possibility of termination or nonrenewal of the agreement by the third-party at a time that is costly or damaging to us.

In addition, the FDA, EMA and other regulatory authorities require that our product candidates be manufactured according to cGMP and similar foreign standards. Pharmaceutical manufacturers and their subcontractors are required to register their facilities or products manufactured at the time of submission of the marketing application and then annually thereafter with the FDA and certain state and foreign agencies. They are also subject to periodic unannounced inspections by the FDA, state and other foreign authorities. If the FDA or a comparable foreign regulatory authority does not approve these facilities for the manufacture of our product candidates or if it withdraws any such approval in the future, we may need to find alternative manufacturing facilities, which would significantly impact our ability to develop, obtain marketing approval for or market our product candidates, if approved. Any subsequent discovery of problems with a product, or a manufacturing or laboratory facility used by us or our strategic partners, may result in sanctions being imposed on us, including fines, injunctions, civil penalties, restrictions on the product or on the manufacturing or laboratory facility, including license revocation, marketed product recall, suspension of manufacturing, product seizure, voluntary withdrawal of the product from the market, operating restrictions or criminal prosecutions, any of which could significantly and adversely affect supplies of our product candidates and harm our business and results of operations.

We may have little to no control regarding the occurrence of third-party manufacturer incidents. Any failure by our third-party manufacturers to comply with cGMP or failure to scale up manufacturing processes, including any failure to deliver sufficient quantities of product candidates in a timely manner, would lead to a delay in, or failure to seek or obtain, regulatory approval of any of our product candidates. Furthermore, any change in manufacturer of our product candidates or approved products, if any, would require new regulatory approvals, which could delay completion of clinical trials or disrupt commercial supply of approved products.

Our current and anticipated future dependence upon others for the manufacture of our product candidates may adversely affect our future profit margins and our ability to commercialize any product candidates that receive marketing approval on a timely and competitive basis.

In some cases, the technical skills or technology required to manufacture our product candidates may be unique or proprietary to the original manufacturer, we may have difficulty transferring such skills or technology to another third party and a feasible alternative many not exist. These factors would increase our reliance on such manufacturer or require us to obtain a license from such manufacturer in order to have another third party manufacture our product candidates. If we are required to change manufacturers for any reason, we will be required to verify that the new manufacturer maintains facilities and procedures that comply with quality standards and with all applicable regulations and guidelines. The delays associated with the verification of a new manufacturer could negatively affect our ability to develop product candidates in a timely manner or within budget.

We rely on third parties to monitor, support, conduct and oversee clinical trials of the product candidates that we are developing and, in some cases, to maintain regulatory files for those product candidates. We may not be able to obtain regulatory approval for our product candidates or commercialize any products that may result from our development efforts, or may miss expected deadlines, if we are not able to maintain or secure agreements with such third parties on acceptable terms, if these third parties do not perform their services as contractually required, or if these third parties fail to timely transfer any regulatory information held by them to us.

We rely on entities outside of our control, which may include academic institutions, CROs, hospitals, clinics and other third-party strategic partners, to monitor, support, conduct and oversee preclinical studies and clinical trials of our current and future product candidates. As a result, we have less control over the timing and cost of these studies and the ability to recruit trial subjects than if we conducted these trials with our own personnel.

If we are unable to maintain or enter into agreements with these third parties on acceptable terms, or if any such engagement is terminated prematurely, we may be unable to enroll patients on a timely basis or otherwise conduct our trials in the manner we anticipate. In addition, there is no guarantee that these third parties will devote adequate time and resources to our studies or perform as required by our contract or in accordance with regulatory requirements, including maintenance of clinical trial information regarding our product candidates. If these third parties fail to meet expected deadlines, fail to transfer to us any regulatory information in a timely manner, fail to adhere to protocols or fail to act in accordance with regulatory

requirements or our agreements with them, or if they otherwise perform in a substandard manner or in a way that compromises the quality or accuracy of their activities or the data they obtain, then clinical trials of our product candidates may be extended or delayed with additional costs incurred, or our data may be rejected by the FDA, EMA or other regulatory agencies.

Ultimately, we are responsible for ensuring that each of our clinical trials is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards, and our reliance on third parties does not relieve us of our regulatory responsibilities.

We and our CROs are required to comply with cGCP regulations and guidelines enforced by the FDA, the competent authorities of the member states of the European Union and comparable foreign regulatory authorities for products in clinical development. Regulatory authorities enforce these cGCP regulations through periodic inspections of clinical trial sponsors, principal investigators and clinical trial sites. If we or any of our CROs fail to comply with applicable cGCP regulations, the clinical data generated in our clinical trials may be deemed unreliable and our submission of marketing applications may be delayed or the FDA may require us to perform additional clinical trials before approving our marketing applications. Upon inspection, the FDA could determine that any of our clinical trials fail or have failed to comply with applicable cGCP regulations. In addition, our clinical trials must be conducted with product produced under the cGMP regulations enforced by the FDA, and our clinical trials may require a large number of test subjects. Our failure to comply with these regulations may require us to repeat clinical trials, which would delay the regulatory approval process and increase our costs. Moreover, our business may be implicated if any of our CROs violates federal or state fraud and abuse or false claims laws and regulations or healthcare privacy and security laws.

If any of our clinical trial sites terminate for any reason, we may experience the loss of follow-up information on patients enrolled in our ongoing clinical trials unless we are able to transfer the care of those patients to another qualified clinical trial site. Further, our CROs are not required to work indefinitely or exclusively with us. Our existing agreements with our CROs may be subject to termination by the counterparty upon the occurrence of certain circumstances. If any CRO terminates its agreement with us, the research and development of the relevant product candidate would be suspended, and our ability to research, develop, and license future product candidates may be impaired. We may be required to devote additional resources to the development of our product candidates or seek a new collaboration partner, and the terms of any additional collaborations or other arrangements that we establish may not be favorable to us.

Switching or adding CROs or other suppliers can involve substantial cost and require extensive management time and focus. In addition, there is a natural transition period when a new CRO or supplier commences work. As a result, delays may occur, which can materially impact our ability to meet our desired clinical development timelines. If we are required to seek alternative supply arrangements, the resulting delays and potential inability to find a suitable replacement could materially and adversely impact our business.

We rely on third parties for various operational and administrative aspects of our business, including for certain cloud-based software platforms, which impact our financial, operational and research activities. If any of these third parties fail to provide timely, accurate and ongoing service or if the technology systems and infrastructure suffer outages that we are unable to mitigate, our business may be adversely affected.

We currently rely upon third party consultants and contractors to provide certain operational and administrative services. These services include tax advice and clinical and research consultation. The failure of any of these third parties to provide accurate and timely service may adversely impact our business operations. In addition, if such third-party service providers were to cease operations, temporarily or permanently, face financial distress or other business disruption, increase their fees or if our relationships with these providers deteriorate, we could suffer increased costs until an equivalent provider could be found, if at all, or we could develop internal capabilities, if ever. In addition, if we are unsuccessful in choosing or finding high-quality partners, if we fail to negotiate cost-effective relationships with them, or if we ineffectively manage these relationships, it could have an adverse impact on our business and financial performance.

Further, our operations depend on the continuing and efficient operation of our information technology, communications systems and infrastructure, and on "cloud-based" platforms. Any of these systems and infrastructure are vulnerable to damage or interruption from earthquakes, vandalism, sabotage, terrorist attacks, floods, fires, power outages, telecommunications failures, and computer viruses or other deliberate attempts to harm the systems. The occurrence of a natural or intentional disaster, any decision to close a facility we are using without adequate notice, or particularly an unanticipated problem at a cloud-based virtual server facility, could result in harmful interruptions in our service, resulting in adverse effects to our business.

Strategic partnerships may be important to us. We will face significant competition in seeking new strategic partners.

We have limited capabilities for drug development and manufacturing and do not yet have any capability for sales, marketing or distribution. For some of our product candidates, we may determine to collaborate with pharmaceutical and biotechnology companies for development and potential commercialization of therapeutic products. For example, we have entered into a collaboration with Sanofi for the development and potential commercialization of certain therapeutic products. The competition for strategic partners is intense. Our ability to reach a definitive agreement for collaboration will depend, among other things, upon our assessment of the strategic partner's resources and expertise, the terms and conditions of the proposed collaboration and the proposed strategic partner's evaluation of a number of factors. These factors may include the design or results of clinical trials, the likelihood of approval by the FDA or comparable foreign regulatory authorities, the potential market for the subject product candidate, the costs and complexities of manufacturing and delivering such product candidate to patients, the potential of competing products, the existence of uncertainty with respect to our ownership of technology, which can exist if there is a challenge to such ownership without regard to the merits of the challenge, and industry and market conditions generally. The strategic partner may also consider alternative product candidates or technologies for similar indications that may be available for collaboration and whether such collaboration could be more attractive than the one with us for our product candidate.

Strategic partnerships are complex and time-consuming to negotiate and document. In addition, there have been a significant number of recent business combinations among large pharmaceutical companies that have resulted in a reduced number of potential future strategic partners. Even if we are successful in entering into collaboration, the terms and conditions of that collaboration may restrict us from entering into future agreements with other potential collaborators.

If we are unable to reach agreements with suitable strategic partners on a timely basis, on acceptable terms, or at all, we may have to curtail the development of a product candidate, reduce or delay one or more of our other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities, or increase our expenditures and undertake development or commercialization activities at our own expense. If we elect to fund and undertake development or commercialization activities on our own, we may need to obtain additional expertise and additional capital, which may not be available to us on acceptable terms or at all. If we fail to enter into strategic partnerships and do not have sufficient funds or expertise to undertake the necessary development and commercialization activities, we may not be able to further develop our product candidates or bring them to market or continue to develop our therapeutic platforms and our business may be materially and adversely affected. Any collaboration may be on terms that are not optimal for us, and we may not be able to maintain any new collaboration if, for example, development or approval of a product candidate is delayed, sales of an approved product candidate do not meet expectations or the partner terminates the collaboration. Any such collaboration, or other strategic transaction, may require us to incur non-recurring or other charges, and increase our near- and long-term expenditures and pose significant integration or implementation challenges or disrupt our management or business. Accordingly, although there can be no assurance that we will undertake or successfully complete any transactions of the nature described above, any transactions that we do complete may be subject to the foregoing or other risks and have a material and adverse effect on our business, financial condition, results of operations and prospects. Conversely, any failure to enter any collaboration or other strategic transaction that would be beneficial to us could delay the development and potential commercialization of our product candidates and have a negative impact on the competitiveness of any product candidate that reaches the market.

If we are unable to maintain strategic partnerships, or if these strategic partnerships are not successful, our business could be adversely affected.

Any strategic partnerships we enter into may pose a number of risks, including the following:

- we may not be able to enter into critical strategic partnerships or enter them on favorable terms;
- strategic partners have significant discretion in determining the effort and resources that they will apply to such a partnership, and they may not perform their obligations as agreed or expected;
- strategic partners may decide not to pursue development and commercialization of any product candidates that achieve regulatory approval or may elect not to continue or renew development or commercialization programs based on clinical trial results, changes in the partners' strategic focus (as occurred in April 2024 with respect to the Sanofi Agreement) or available funding, or external factors, such as an acquisition, that divert resources or create competing priorities;

- strategic partners may delay clinical trials, provide insufficient funding for a clinical trial program, stop a clinical trial or abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;
- strategic partners could independently develop, or develop with third parties, products that compete directly or indirectly with our product candidates if the strategic partners believe that competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than our product candidates;
- strategic partners may restrict us from researching, developing or commercializing certain products or technologies without their involvement;
- product candidates discovered in collaboration with us may be viewed by our strategic partners as competitive with their own product candidates or products, which may cause strategic partners to cease to devote resources to the commercialization of our product candidates;
- a strategic partner with marketing and distribution rights to one or more of our product candidates that achieve regulatory approval may not commit sufficient resources to the marketing and distribution of such product candidates;
- disagreements with strategic partners, including disagreements over proprietary rights, ownership of intellectual property, contract interpretation or the preferred course of development, might cause delays or termination of the research, development or commercialization of product candidates, might lead to additional responsibilities for us with respect to product candidates, or might result in litigation or arbitration, any of which would be time-consuming and expensive;
- strategic partners may not properly obtain, maintain, enforce or defend our intellectual property or proprietary rights relating to our product candidates or discovery programs or may use our proprietary information in such a way as to invite litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential litigation or other intellectual property related proceedings;
- strategic partners may own or co-own intellectual property covering our product candidates or discovery programs that results from our collaboration with them, and in such cases, we may not have the exclusive right to commercialize such intellectual property or such product candidates or discovery programs;
- we may need the cooperation of our strategic partners to enforce or defend any intellectual property we contribute to or that arises out of our strategic partnerships, which may not be provided to us;
- strategic partners may infringe the intellectual property rights of third parties, which may expose us to litigation and potential liability;

- strategic partners may control certain interactions with regulatory authorities, which may impact our ability to obtain and maintain regulatory approval of our product candidates;
- we may lose certain valuable rights under circumstances identified in our collaborations, including if we undergo a change of control;
- strategic partners may grant sublicenses to our technology or product candidates or undergo a change of control and the sublicensees or new owners may decide to take the collaboration in a direction which is not in our best interest;
- strategic partners may become bankrupt, which may significantly delay our research or development programs, or may cause us to lose access to valuable technology, know-how or intellectual property of the strategic partner relating to our product candidates or discovery programs;
- strategic partnerships may require us to incur short and long-term expenditures, issue securities that dilute our stockholders or disrupt our management and business;
- if our strategic partners do not satisfy their obligations under our agreements with them, or if they terminate our strategic partnerships with them, we may not be able to develop or commercialize product candidates as planned;
- strategic partners may require us to share in development and commercialization costs pursuant to budgets that we do not fully control and our failure to share in such costs could have a detrimental impact on the strategic partnership or our ability to share in revenue generated under the strategic partnership;
- strategic partnerships may be terminated for the convenience of the partner and, if terminated, we could be required to raise additional capital to pursue further development or commercialization of the applicable product candidates; and
- strategic partnership or collaboration agreements may not lead to development or commercialization of product candidates in the most efficient manner or at all. If a present or future strategic partner ours were to be involved in a business combination, the continued pursuit and emphasis on our development or commercialization program under such collaboration could be delayed, diminished, or terminated.

In March 2022, we entered into the Sanofi Agreement, pursuant to which we agreed to collaborate with Sanofi to generate, develop, manufacture and commercialize IgM antibodies directed to six primary targets, three of which are intended as oncology targets and three of which are intended as immunology targets. In April 2024, we announced that the Sanofi Agreement will focus exclusively on immunology targets, with the oncology targets terminated from the agreement.

Risks Related to Our Intellectual Property

Our commercial success depends significantly on our ability to operate without infringing the patents and other proprietary rights of third parties.

Our success will depend in part on our ability to operate without infringing the proprietary rights of third parties. Other entities may have or may obtain patents or proprietary rights that could limit our ability to make, use, sell, offer for sale or import our future approved products or impair our competitive position.

Our research, development and commercialization activities may be subject to claims that we infringe or otherwise violate patents or other intellectual property rights owned or controlled by third parties. We are aware of third-party patents and patent applications containing claims directed to most of our areas of product development, which patents and applications could potentially be construed to cover our product candidates and the use thereof to treat patients. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that we may be subject to claims of infringement of the patent rights of third parties. There is no assurance that third-party patents or patent applications of which we are aware may not ultimately be found to limit our ability to make, use, sell, offer for sale, or import our future approved products or impair our competitive position, even though we do not believe they are relevant to our business. Patents that we may ultimately be found to infringe could be issued to third parties. Third parties may have or obtain valid and enforceable patents or proprietary rights that could block us from developing product candidates using our technology. These patents may not expire before we receive marketing authorization for our product candidates, and they could delay the commercial launch of one or more future products. If our products were to be found to infringe any such patents, and we were unable to invalidate those patents, or if licenses for them are not available on commercially reasonable terms, or at all, our business, financial condition, and results of operations could be materially harmed. Furthermore, even if a license is available, it may be non-exclusive, which could result in our competitors gaining access to the same intellectual property. Our failure to maintain a license to any technology that we require may also materially harm our business, financial condition, and results of operations, and we would be exposed to a threat of litigation.

In the biotechnology industry, significant litigation and other proceedings regarding patents, patent applications, trademarks and other intellectual property rights have become commonplace both within and outside the United States including patent infringement lawsuits, oppositions, *inter partes* review ("IPR") and post-grant review ("PGR") proceedings before the United States Patent and Trademark Office ("USPTO"), or the applicable foreign patent counterpart. The types of situations in which we may become a party to such litigation or proceedings relating to third party intellectual property include:

- we or our licensors may initiate litigation or other proceedings, including post-grant proceedings such as oppositions, IPRs or PGRs, against third parties seeking to invalidate the patents held by those third parties, to obtain a judgment that our products or processes do not infringe those third parties' patents or to obtain a judgment that those parties' patents are invalid and/or unenforceable;
- if our competitors file patent applications that claim technology also claimed by us or our licensors, we or our licensors may be required to participate in derivation or opposition proceedings to determine the priority of invention, which could jeopardize our patent rights and potentially provide a third-party with a dominant patent position;

- if third parties initiate litigation claiming that our processes or products infringe their patent or other intellectual property rights, we will need to defend against such proceedings; and
- if a license to necessary technology is terminated, the licensor may initiate litigation claiming that our processes or products infringe or misappropriate their patent or other intellectual property rights and/or that we breached our obligations under the license agreement, and we would need to defend against such proceedings.

These lawsuits would be costly and could affect our results of operations and divert the attention of our management and scientific personnel. Some of our competitors may be able to sustain the cost of such litigation and proceedings more effectively than we can because of their substantially greater resources. There is a risk that a court would decide that we are infringing the third party's patents and would order us to stop the activities covered by the patents. In that event, we may not have a viable alternative to the technology protected by the patent and may need to halt work on the affected product candidate or cease commercialization of an approved product. In addition, there is a risk that a court will order us to pay third party damages or some other monetary award, depending upon the jurisdiction. An adverse outcome in any litigation or other proceeding could subject us to significant liabilities to third parties, potentially including treble damages and attorneys' fees if we are found to have willfully infringed, and we may be required to cease using the technology that is at issue or to license the technology from third parties. We may not be able to obtain any required licenses on commercially acceptable terms or at all. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation or administrative proceedings, there is a risk that some of our confidential information could be compromised by disclosure. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise additional funds or on our business, results of operations, financial condition, and prospects. Any of these outcomes could have a material adverse effect on our business.

If we are unable to obtain, maintain and enforce patent and trade secret protection for our product candidates and related technology, our business could be materially harmed.

Our strategy depends on our ability to identify, seek, obtain, and maintain patent protection for our discoveries. Our patent portfolio is relatively small compared to many large and more established pharmaceutical and biotechnology companies that have patent portfolios consisting of hundreds, and in some case even thousands, of granted patents. As our patent portfolio grows, we expect patent protection will continue to be an important part of our strategy. The patent protection process is expensive and time consuming, and we may not be able to file and prosecute all necessary or desirable patent applications, or maintain and enforce any patents that may issue from such patent applications, at a reasonable cost or in a timely manner or in all jurisdictions where protection may be commercially advantageous. It is also possible that we will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. Moreover, in some circumstances, we may not have the right to control the preparation, filing and prosecution of patent applications, or to maintain the patents, covering technology that we have licensed from third parties.

Therefore, our owned, co-owned, or in-licensed patents and patent applications may not be prosecuted and enforced in a manner consistent with the best interests of our business. Our patent applications cannot be enforced against third parties practicing the technology claimed in such applications unless, and until, patents issue from such applications, and then only to the extent the issued claims cover the technology. The patent applications that we own, or co-own, or in-license may fail to result in issued patents with claims that cover our current and future product candidates in the United States or in other foreign countries or that effectively prevent third parties from commercializing competitive product candidates.

Moreover, the patent position of biotechnology companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation. We may be subject to a third-party preissuance submission of prior art to the USPTO or a foreign jurisdiction, and such prior art may affect the scope of any claims we ultimately get allowed or it may prevent our patent applications from issuing as patents. Further, the issuance of a patent does not ensure that it is valid or enforceable, nor is the issuance conclusive as to inventorship or the scope of any claims. Third parties may challenge the validity, enforceability or scope of our issued patents or claim that they should be inventors on such patents, and such patents may be narrowed, invalidated, circumvented, or deemed unenforceable, or such third parties may gain rights to such patents. We could also become involved in reexamination, inter-parties review, post-grant review, opposition or derivation proceedings, challenging our patent rights or the patent rights of others. In addition, recent changes in law, such as the U.S. Supreme Court's decision in *Amgen Inc. v. Sanofi*, have introduced changes in the law relevant to biotechnology patents, and future changes in law may further introduce uncertainty in the enforceability or scope of patents owned by biotechnology companies. If our patents are narrowed, invalidated, or held unenforceable, third parties may be able to commercialize our technology or products and compete directly with us without payment to us. There is no assurance that all potentially relevant prior art relating to our patents and patent applications has been found, and such prior art could potentially invalidate one or more of our patents or prevent a patent from issuing from one or more of our pending patent applications. There is also no assurance that there is not prior art of which we are aware, but which we do not believe affects the validity or enforceability of a claim in our patents and patent applications, which may, nonetheless, ultimately be found to affect the validity or enforceability of a claim. Furthermore, even if our patents are unchallenged, they may not adequately protect our intellectual property, provide exclusivity for our product candidates, prevent others from designing around our claims, or provide us with a competitive advantage. The legal systems of certain countries do not favor the aggressive enforcement of patents, and the laws of foreign countries may not allow us to protect our inventions with patents to the same extent as the laws of the United States. Because patent applications in the United States and many foreign jurisdictions are not published until 18 months after filing, or in some cases not at all, and because publications of discoveries in scientific literature lag behind actual discoveries, we cannot be certain that we were the first to make the inventions claimed in our issued patents or pending patent applications, or that we were the first to file for protection of the inventions set forth in our patents or patent applications. As a result, we may not be able to obtain or maintain protection for certain inventions. Therefore, the issuance, validity, enforceability, scope, and commercial value of our patents in the United States and in foreign countries cannot be predicted with certainty and, as a result, any patents that we own, co-own, or license may not provide sufficient protection against competitors. We may not be able to obtain or maintain patent protection from our pending patent applications,

from those we may file in the future, or from those we may license from third parties. Moreover, even if we are able to obtain patent protection, such patent protection may be of insufficient scope to achieve our business objectives. In addition, the issuance of a patent does not give us the right to practice the patented invention. Third parties may have blocking patents that could prevent us from marketing our own patented product and practicing our own patented technology.

Moreover, some of our owned or in-licensed patents and patent applications are or may in the future be co-owned with third parties. If we are unable to obtain an exclusive license to any such third-party co-owners' interest in such patents or patent applications, such co-owners may be able to license their rights to other third-parties, including our competitors, and our competitors could market competing products and technology. We may need the cooperation of any such co-owners of our patents to enforce such patents against third parties, and such cooperation may not be provided to us. Any of the foregoing could have a material adverse effect on our competitive position, business prospects and financial conditions.

Intellectual property discovered through government funded programs may be subject to federal regulations such as "march-in" rights, certain reporting requirements and a preference for United States-based companies. Compliance with such regulations may limit our exclusive rights and limit our ability to contract with non-United States manufacturers.

In the future, we may obtain funding, in part, from U.S. federal or state governments for research we conduct, and such funding may be used in the advancement of our existing technologies or creation of additional in-licensed patent rights and technology. Pursuant to the Bayh-Dole Act of 1980, the United States government has certain rights in inventions developed with government funding, including a non-exclusive, non-transferable, irrevocable worldwide license to use inventions for any governmental purpose. As a result, the U.S. government may have certain rights, including so-called march-in rights, to any future patent rights funded in part by the U.S. federal government and any products or technology developed from such patent rights. These rights may permit the U.S. government to disclose our confidential information to third parties and to exercise march-in rights to use or to allow third parties to use our licensed technology, and there can be no assurance that we would receive compensation from the U.S. government for the exercise of such rights. The U.S. government can exercise its march-in rights if it determines that action is necessary because we fail to achieve the practical application of government-funded technology, because action is necessary to alleviate health or safety needs, to meet requirements of federal regulations, or to give preference to U.S. industry. In addition, our rights in such inventions may be subject to certain requirements to manufacture products embodying such inventions in the United States. Any exercise by the U.S. government of such rights could harm our competitive position, business, financial condition, results of operations and prospects.

If we fail to comply with our obligations under any license, collaboration or other intellectual property-related agreements, we may be required to pay damages and could lose intellectual property rights that may be necessary for developing, commercializing and protecting our current or future technologies or product candidates or we could lose certain rights to grant sublicenses.

We in-license certain patent rights and proprietary technology from third parties that are important to our discovery platform and development of product candidates. In January 2021, we entered into an exclusive license agreement with Medivir AB ("Medivir") through which we received global, exclusive development and commercialization rights for birinapant, a clinical-stage SMAC mimetic.

We also in-license, and may in the future in-license, certain antibody binding domains for our discovery and clinical development programs from third parties. Under these license agreements, we are able to research and initially develop discovery programs and are required to make certain annual payments. We also have the option to negotiate or enter into commercial license agreements with these third parties if we elect to continue development or commercialization of any product candidates incorporating the in-licensed antibodies. If we exercise our option to negotiate or enter into any commercial licenses with these third parties, we will likely be subject to various additional obligations, which may include obligations with respect to funding, development and commercialization activities, and payment obligations upon achievement of certain milestones and royalties on product sales.

Our current license agreements impose, and any future license agreements we enter into are likely to impose, various development, commercialization, funding, milestone, royalty, diligence, sublicensing, insurance, patent prosecution and enforcement or other obligations on us. If any of our licenses or future commercial licenses are terminated or breached, we may:

- lose our rights or options to research, develop or commercialize product candidates covered by the licensed technology;
- not be able to secure patent or trade secret protection for product candidates covered by the licensed technology;
- experience significant delays in the development or commercialization of product candidates covered by the licensed technology;
- not be able to obtain other licenses that may allow us to continue to progress the applicable programs on acceptable terms, if at all; or
- incur liability for damages.

Furthermore, we may not have the right to control the preparation, filing, prosecution, maintenance, enforcement and defense of patents and patent applications that we license from or to third parties. If our licensors and future licensors fail to prosecute, maintain, enforce, and defend patents we may license, or lose rights to licensed patents or patent applications, our license rights may be reduced or eliminated. In such circumstances, our right to develop and commercialize any of our products or product candidates that is the subject of such licensed rights could be materially adversely affected.

Moreover, our licensors may own or control intellectual property that has not been licensed to us and, as a result, we may be subject to claims, regardless of their merit, that we are infringing, misappropriating, or otherwise violating the licensor's intellectual property rights. In addition, while we cannot currently determine the amount of the royalty obligations we would be required to pay on sales of future products if infringement or misappropriation were found, those amounts could be significant. The amount of our future royalty obligations will depend on the technology and intellectual property we use in products that we successfully develop and commercialize, if any. Therefore, even if we successfully develop and commercialize products, we may be unable to achieve or maintain profitability.

In addition, the agreements under which we currently license intellectual property or technology from or to third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement, either of which could have a material adverse impact on our business and ability to achieve profitability. Moreover, if disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize any affected product candidates, which could have a material adverse effect on our business and financial conditions.

Our patents covering one or more of our products or product candidates could be found invalid or unenforceable if challenged.

Any of our intellectual property rights could be challenged or invalidated despite measures we take to obtain patent and other intellectual property protection with respect to our product candidates and proprietary technology. For example, if we were to initiate legal proceedings against a third party to enforce a patent covering one of our product candidates, the defendant could counterclaim that our patent is invalid and/or unenforceable. In patent litigation in the United States and in some other jurisdictions, defendant counterclaims alleging invalidity and/or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, for example, lack of novelty, obviousness or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent intentionally withheld material information from the USPTO, or the applicable foreign counterpart, or made a misleading statement, during prosecution. A litigant or the USPTO itself could challenge our patents on this basis even if we believe that we have conducted our patent prosecution in accordance with the duty of candor and in good faith. The outcome following such a challenge is unpredictable.

With respect to challenges to the validity of our patents, for example, there might be invalidating prior art, of which we and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of invalidity and/or unenforceability, we would lose at least part, and perhaps all, of the patent protection on a product candidate. Even if a defendant does not prevail on a legal assertion of invalidity and/or unenforceability, our patent claims may be construed in a manner that would limit our ability to enforce such claims against the defendant and others. The cost of defending such a challenge, particularly in a foreign jurisdiction, and any resulting loss of patent protection could have a material adverse impact on one or more of our product candidates and our business.

Enforcing our intellectual property rights against third parties may also cause such third parties to file other counterclaims against us, which could be costly to defend, particularly in a foreign jurisdiction, and could require us to pay substantial damages, cease the sale of certain products or enter into a license agreement and pay royalties (which may not be possible on commercially reasonable terms or at all). Any efforts to enforce our intellectual property rights are also likely to be costly and may divert the efforts of our scientific and management personnel.

Our intellectual property rights will not necessarily provide us with competitive advantages.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business, or permit us to maintain our competitive advantage. The following examples are illustrative:

- others may be able to make compounds that are similar to our product candidates but that are not covered by the claims of the patents that we own, co-own, or have licensed;
- others may independently develop similar or alternative technologies without infringing our intellectual property rights;
- issued patents that we own, co-own, or have licensed may not provide us with any competitive advantages, or may be held invalid or unenforceable, as a result of legal challenges by our competitors;
- we may obtain patents for certain compounds many years before we obtain marketing approval for products containing such compounds, and because patents have a limited life, which may begin to run prior to the commercial sale of the related product, the commercial value of our patents may be limited;
- our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive products for sale in our major commercial markets;
- we may fail to develop additional proprietary technologies that are patentable;
- the laws of certain foreign countries may not protect our intellectual property rights to the same extent as the laws of the United States, or we may fail to apply for or obtain adequate intellectual property protection in all the jurisdictions in which we operate; and
- the patents of others may have an adverse effect on our business, for example by preventing us from marketing one or more of our product candidates for one or more indications.

Any of the aforementioned threats to our competitive advantage could have a material adverse effect on our business.

We may become involved in lawsuits to protect or enforce our patents and trade secrets, which could be expensive, time consuming and unsuccessful.

Third parties may seek to market biosimilar versions of any approved products. Alternatively, third parties may seek approval to market their own products similar to or otherwise competitive with our product candidates. In these circumstances, we may need to defend or assert our patents, including by filing lawsuits alleging patent infringement, which may lead to challenges to the validity or enforceability of our patents. The outcome following legal assertions of invalidity and unenforceability is unpredictable. Even if we have valid and enforceable patents, these patents still may not provide protection against competing products or processes sufficient to achieve our business objectives.

Even after they have issued, our patents and any patents that we license may be challenged, narrowed, invalidated, or circumvented. If our patents are invalidated or otherwise limited or will expire prior to the commercialization of our product candidates, other companies may be better able to develop products that compete with ours, which could adversely affect our competitive business position, business prospects and financial condition. In addition, if the breadth or strength of protection provided by our patents and patent applications is threatened, it could dissuade companies from collaborating with us to license, develop or commercialize current or future product candidates.

The following are examples of litigation and other adversarial proceedings or disputes that we could become a party to involving our patents or patents licensed to us:

- we may initiate litigation or other proceedings against third parties to enforce our patent and trade secret rights;
- third parties may initiate litigation or other proceedings seeking to invalidate patents owned by, co-owned by, or licensed to us or to obtain a declaratory judgment that their product or technology does not infringe our patents or patents co-owned by us, or licensed to us;
- third parties may initiate opposition, IPR or PGR proceedings challenging the validity or scope of our patent rights, requiring us and/or licensors to participate in such proceedings to defend the validity and scope of our patents;
- there may be a challenge or dispute regarding inventorship or ownership of patents or trade secrets currently identified as being owned by, co-owned, or licensed to us; or
- third parties may seek approval to market biosimilar versions of our future approved products prior to expiration of relevant patents owned by, co-owned by us, or licensed to us, under the Biologics Price Competition and Innovation Act of 2009, requiring us to defend our patents, including by filing lawsuits alleging patent infringement.

These lawsuits and proceedings would be costly and could affect our results of operations and divert the attention of our managerial and scientific personnel. Adversaries in these proceedings may have the ability to dedicate substantially greater resources to prosecuting these legal actions than we or our licensors can. There is a risk that a court or administrative body would decide that our patents are invalid or not infringed or trade secrets not misappropriated by a third party's activities, or that the scope of certain issued claims must be further limited. An adverse outcome in a litigation or proceeding involving our own patents or trade secrets could limit our ability to assert our patents or trade secrets against these or other competitors, affect our ability to receive royalties or other licensing consideration from our licensees, and may curtail or preclude our ability to exclude third parties from making, using, and selling similar or competitive products. Any of these occurrences could adversely affect our competitive business position, business prospects and financial condition.

We may not be able to prevent, alone or with our licensors, infringement or misappropriation of our intellectual property rights, particularly in countries where the laws may not protect those rights as fully as in the United States. Any litigation or other proceedings to enforce our intellectual property rights may fail, and even if successful, may result in substantial costs and distract our management and other employees.

Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. There could also be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have an adverse effect on the price of our common stock.

The degree of future protection for our proprietary rights is uncertain because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. For example:

- others may be able to develop a platform that is similar to, or better than, ours in a way that is not covered by the claims of our patents;
- others may be able to make compounds that are similar to our product candidates but that are not covered by the claims of our patents;
- we might not have been the first to make the inventions covered by patents or pending patent applications;
- we might not have been the first to file patent applications for these inventions;
- any patents that we obtain may not provide us with any competitive advantages or may ultimately be found invalid or unenforceable; or
- we may not develop additional proprietary technologies that are patentable or that afford meaningful trade secret protection.

Patent terms may be inadequate to protect our competitive position on our product candidates for an adequate amount of time.

Patents have a limited lifespan. In the United States, if all maintenance fees are timely paid, the natural expiration of a patent is generally 20 years from its earliest U.S. non-provisional filing date. Various extensions may be available, but the life of a patent, and the protection it affords, is limited. Even if patents covering our product candidates are obtained, once the patent life has expired, we may be open to competition from competitive products, including biosimilars. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, our owned, co-owned, and licensed patent portfolio may not provide us with sufficient rights to exclude others from commercializing products similar or identical to ours.

If we do not obtain protection under the Hatch-Waxman amendments and similar foreign legislation for extending the term of patents covering each of our product candidates, our business may be materially harmed.

Depending upon the timing, duration and conditions of FDA marketing approval of our product candidates, one or more of our U.S. patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent term extension of up to five years for a patent covering an approved product as compensation for effective patent term lost during product development and the FDA regulatory review process. The Hatch-Waxman Act allows a maximum of one patent to be extended per FDA approved product as compensation for the patent term lost during the FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of product approval and only those claims covering such approved drug product, a method for using it or a method for manufacturing it may be extended. Patent term extension also may be available in certain foreign countries upon regulatory approval of our product candidates. However, we may not receive an extension if we fail to apply within applicable deadlines, fail to apply prior to expiration of relevant patents or otherwise fail to satisfy applicable requirements. Moreover, the length of the extension could be less than we request. If we are unable to obtain patent term extension or the term of any such extension is less than we request, the period during which we can enforce our patent rights for that product will be shortened and our competitors may obtain approval to market competing products sooner. As a result, our revenue from applicable products could be reduced, possibly materially. Further, if this occurs, our competitors may take advantage of our investment in development and trials by referencing our clinical and preclinical data and launch their product earlier than might otherwise be the case.

If we are unable to protect the confidentiality of our trade secrets and proprietary information, the value of our technology and products could be adversely affected.

In addition to patent protection, we also rely on other proprietary rights, including protection of trade secrets, and other proprietary information. Trade secrets and know-how can be difficult to protect. Trade secrets and know-how can also in some instances be independently derived or reverse-engineered by a third party. We maintain the confidentiality of trade secrets and proprietary information, in part by entering into confidentiality agreements with our employees, consultants, strategic partners and others upon the commencement of their

relationships with us. These agreements require that all confidential information developed by the individual or made known to the individual by us during the course of the individual's relationship with us be kept confidential and not disclosed to third parties. Our agreements with employees and our personnel policies also provide that any inventions conceived by the individual in the course of rendering services to us shall be our exclusive property. However, we may not obtain these agreements in all circumstances, and even when we obtain these agreements, parties with whom we have these agreements may not comply with their terms. Any of the parties to these agreements may breach such agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. In the event of unauthorized use or disclosure of our trade secrets or proprietary information, these agreements, even if obtained, may not provide meaningful protection, particularly for our trade secrets or other confidential information. We may also become involved in inventorship disputes relating to inventions and patents developed by our employees or consultants under such agreements. To the extent that our employees, consultants or contractors use technology or know-how owned by third parties in their work for us, disputes may arise between us and those third parties as to the rights in related inventions. To the extent that an individual who is not obligated to assign rights in intellectual property to us is rightfully an inventor of intellectual property, we may need to obtain an assignment or a license to that intellectual property from that individual, or a third party or from that individual's assignee. Such assignment or license may not be available on commercially reasonable terms or at all.

Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive and time-consuming and the outcome is unpredictable. In addition, some courts in the United States and certain foreign jurisdictions are less willing or unwilling to protect trade secrets. The disclosure of our trade secrets would impair our competitive position and may materially harm our business, financial condition, and results of operations. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our proprietary rights, and failure to maintain trade secret protection could adversely affect our competitive business position. In addition, if any of our trade secrets were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent such third party, or those to whom they communicate such technology or information, from using that technology or information to compete with us. If any of our trade secrets were to be disclosed to or independently developed by a competitor, or if we otherwise lose protection for our trade secrets or proprietary know-how, the value of this information may be greatly reduced and our business and competitive position could be harmed. Adequate remedies may not exist in the event of unauthorized use or disclosure of our proprietary information.

We may be subject to claims that we or our employees or consultants have wrongfully used or disclosed alleged trade secrets or other proprietary information of our employees' or consultants' former employers or their clients.

We employ individuals who were previously or concurrently employed at research institutions and/or other biotechnology or pharmaceutical companies, including our competitors or potential competitors. We may be subject to claims that these employees, or we, have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers, or that patents and applications we have filed to protect inventions of these employees, even those related to one or more of our product candidates, are rightfully

owned by their former or concurrent employer. Litigation may be necessary to defend against these claims. If we fail in defending such claims, in addition to paying monetary damages, trade secrets or other proprietary information could be awarded to a third party, and we could be required to obtain a license from such third party to commercialize our technology or products. Such license may not be available on commercially reasonable terms or at all. A loss of key research personnel or their work product could limit our ability to commercialize, or prevent us from commercializing, our current or future technologies or product candidates, which could materially harm our business. Even if we are successful in defending against these claims, litigation could result in substantial costs and be a distraction to management.

Obtaining and maintaining our patent protection depends on compliance with various procedural, documentary, fee payment and other requirements imposed by regulations and governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance fees, renewal fees, annuity fees, and various other governmental fees on patents or applications will be due to the USPTO and various foreign patent offices at various points over the lifetime of our patents or applications. We have systems in place to remind us to pay these fees, and we rely on our outside patent annuity service to pay these fees automatically when due, but we must notify the provider of any new patents or applications. Additionally, the USPTO and various foreign patent offices require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. We employ reputable law firms and other professionals to help us comply, and in many cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with rules applicable to the particular jurisdiction. However, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. If such an event were to occur, it could have a material adverse effect on our business.

We may be subject to claims challenging the inventorship of our patents and other intellectual property.

Although we are not currently experiencing any claims challenging the inventorship or ownership of our patents, we may in the future be subject to claims that former employees, strategic partners or other third parties have an interest in our patents or other intellectual property as an inventor or co-inventor. While it is our policy to require our employees and contractors who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. For example, the assignment of intellectual property rights may not be self-executing, the assignment agreements may be breached, or we may have inventorship disputes arise from conflicting obligations of consultants or others who are involved in developing our product candidates. Litigation may be necessary to defend against these and other claims challenging inventorship. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

Patent protection and patent prosecution for some of our product candidates may be dependent on, and the ability to assert patents and defend them against claims of invalidity may be maintained by, third parties.

The prosecution of certain patent applications and the maintenance and enforcement of certain patents that relate to our product candidates are and may be in the future controlled by our licensors or licensees. Although we may, under such arrangements, have rights to consult with our strategic partners on actions taken as well as back-up rights of prosecution and enforcement, we have in the past and may in the future relinquish rights to prosecute and maintain patents and patent applications within our portfolio as well as the ability to assert such patents against infringers. For example, under our collaboration agreement with Sanofi, in specified circumstances, Sanofi controls the prosecution and enforcement of certain of the patents and patent applications licensed to it.

If any current or future licensee or licensor with rights to prosecute, assert or defend patents related to our product candidates fails to appropriately prosecute and maintain patent protection for patents covering any of our product candidates, or if patents covering any of our product candidates are asserted against infringers or defended against claims of invalidity or unenforceability in a manner which adversely affects such coverage, our ability to develop and commercialize any such product candidate may be adversely affected and we may not be able to prevent competitors from making, using and selling competing products.

Changes in patent laws or patent jurisprudence could diminish the value of patents in general, thereby impairing our ability to protect our product candidates.

The patent positions of pharmaceutical and biotechnology companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. Changes in either the patent laws or in the interpretations of patent laws in the United States and other countries may diminish the value of our intellectual property. We cannot predict the breadth of claims that may be allowed or found to be enforceable in our patents or in third-party patents. The United States has enacted and is currently implementing wide-ranging patent reform legislation. Further, recent U.S. Supreme Court and Court of Appeals for the Federal Circuit rulings have either narrowed the scope of patent protection available in certain circumstances or weakened the rights of patent owners in certain situations. In addition to increasing uncertainty regarding our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the validity, scope, and value of patents once obtained.

Depending on decisions by the U.S. Congress, the U.S. federal courts, the USPTO or similar authorities in foreign jurisdictions, the laws and regulations governing patents could change in unpredictable ways that may weaken our and our licensors' ability to obtain new patents or to enforce existing patents we and our licensors or partners may obtain in the future.

Additionally, as of June 1, 2023, existing European patents, and European patent applications, upon grant of a patent, have the option of becoming a Unitary Patent, which will be subject to the jurisdiction of the Unified Patent Court ("UPC"). During a sunrise period that began on March 1, 2023, European patent owners have the ability to opt out of being subjected to the jurisdiction of the UPC. The option of a Unitary Patent will be a significant change in European patent practice. As the UPC is a new court system, there is no precedent for the court, increasing the uncertainty of any litigation in the UPC.

We may not be able to protect our intellectual property rights throughout the world.

Filing, prosecuting and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the United States can be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the United States, or from selling or importing products made using our inventions in and into the United States or other jurisdictions. Competitors may use our technologies in jurisdictions where we have not obtained patent protection to develop their own products and further, may export otherwise infringing products to territories where we have patent protection, but enforcement is not as strong as that in the United States. These products may compete with our current or future products, if any, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing. Recent United States Supreme Court cases have narrowed the scope of what is considered patentable subject matter, for example, in the areas of software and diagnostic methods involving the association between treatment outcome and biomarkers. This could impact our ability to patent certain aspects of our technology in the United States.

Many companies have encountered significant problems in protecting and defending intellectual property rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, particularly those relating to biotechnology products, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing, and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Additionally, the requirements for patentability may differ in certain countries, particularly developing countries. For example, unlike other countries, China has a heightened requirement for patentability, and specifically requires a detailed description of medical uses of a claimed drug. In India, unlike the United States, there is no link between regulatory approval of a drug and its patent status, and patenting of medical uses of a claimed drug are prohibited. In addition to India, certain countries in Europe and developing countries,

including China, have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In those countries, we and our licensors may have limited remedies if patents are infringed or if we or our licensors are compelled to grant a license to a third party, which could materially diminish the value of those patents. This could limit our potential revenue opportunities. Accordingly, our efforts to enforce intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we own, co-own, or license.

We will need to obtain FDA approval for any proposed product candidate names, and any failure or delay associated with such approval may adversely affect our business.

Any proprietary name or trademark we intend to use for our product candidates will require approval from the FDA regardless of whether we have secured a formal trademark registration from the USPTO. The FDA typically conducts a review of proposed product candidate names, including an evaluation of the potential for confusion with other product names and potential pharmacy dispensing errors. The FDA may also object to a product name if it believes the name inappropriately implies certain medical claims or contributes to an overstatement of efficacy. If the FDA objects to any product candidate names we propose, we may be required to adopt an alternative name for our product candidates. If we adopt an alternative name, we could lose the benefit of any existing trademark applications for such product candidate and may be required to expend significant additional resources in an effort to identify a suitable product name that would qualify under applicable trademark laws, not infringe the existing rights of third parties and be acceptable to the FDA. We may be unable to build a successful brand identity for a new trademark in a timely manner or at all, which would limit our ability to commercialize our product candidates.

Risks Related to Ownership of Our Securities

The market price of our common stock may be volatile, which could result in substantial losses for our securityholders.

The trading price of our common stock may be highly volatile and subject to wide fluctuations in response to various factors, some of which are beyond our control. These factors include:

- results and timing of our preclinical studies and clinical trials and studies and trials of our competitors' products;
- failure or discontinuation of any of our development programs;
- issues in manufacturing our product candidates or future approved products;
- regulatory developments or enforcement in the United States and foreign countries with respect to our product candidates or our competitors' products;
- competition from existing products or new products that may emerge;

- actual or anticipated changes in our growth rate relative to our competitors;
- developments or disputes concerning patents or other proprietary rights;
- introduction of technological innovations or new commercial products by us or our competitors;
- commencement or termination of collaborations for our programs; for instance, without limitation, our collaboration with Sanofi;
- announcements by us, our strategic partners or our competitors of significant acquisitions, strategic partnerships, joint ventures, or capital commitments;
- actual or anticipated changes in estimates or recommendations by securities analysts, if any cover our common stock;
- fluctuations in the valuation of companies perceived by investors to be comparable to us;
- public concern over our product candidates or any future approved products;
- litigation;
- future sales of our common stock by us, our insiders or our other stockholders;
- share price and volume fluctuations attributable to inconsistent trading volume levels of our shares;
- additions or departures of key personnel;
- changes in the structure of health care payment systems in the United States or overseas;
- failure of any of our product candidates, if approved, to achieve commercial success;
- economic and other external factors or other disasters, crises or public health emergencies, such as the COVID-19 pandemic;
- period-to-period fluctuations in our financial condition and results of operations, including the timing of receipt of any milestone or other payments under commercialization or licensing agreements;
- announcements or expectations of additional financing efforts;
- general market conditions and market conditions for biotechnology stocks;
- overall fluctuations in U.S. equity markets; and
- other factors that may be unanticipated or out of our control.

The stock market has recently experienced significant volatility, particularly with respect to pharmaceutical, biotechnology and other life sciences company stocks. The volatility of pharmaceutical, biotechnology and other life sciences company stock often does not relate to the operating performance of the companies presented by the stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the issuer of the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit and divert the time and attention of our management, which could seriously harm our business.

An active trading market for our common stock may not continue to be developed or sustained, and as a result it may be difficult for you to sell your shares of our common stock.

Although our common stock is listed on the Nasdaq Global Select Market ("Nasdaq"), the market for our shares has demonstrated varying levels of trading activity and an active trading market for our common stock may not be sustained. The lack of an active trading market for our common stock may impair investors' ability to sell their shares at the time they wish to sell them or at a price that they consider reasonable, may reduce the market value of their shares, may impair our ability to raise capital to continue to fund our operations by selling shares and may impair our ability to acquire other companies or technologies by using our shares as consideration.

We are controlled by Topsøe Holding A/S and a concentrated group of stockholders, whose interests in our business may conflict with yours.

As of March 31, 2024, Topsøe Holding A/S, together with other holders of 5% or more of our outstanding capital stock and their respective affiliates, beneficially owned a majority of the shares of our outstanding capital stock. Accordingly, our principal stockholders will be able to control most matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions, including mergers and sales of all or substantially all of our assets. The interests of these principal stockholders may not always coincide with your interests or the interests of other stockholders and they may act in a manner that advances their best interests and not necessarily those of other stockholders. For example, our concentration of ownership could have the effect of delaying or preventing a change in control or otherwise discouraging a potential acquirer from attempting to obtain control of us, which in turn could cause the market price of our common stock to decline or prevent our stockholders from realizing a premium over the market price for their shares of our common stock.

In addition, pursuant to nominating agreements entered into between us and each of (i) Topsøe Holding A/S, (ii) Baker Brothers Life Sciences L.P. and 667, L.P. (together, "Baker Brothers") and (iii) Redmile Biopharma Investments II, L.P., RAF, L.P. and Redmile Strategic Master Fund, LP (together, "Redmile"), for up to 12 years following the completion of our IPO, so long as Topsøe Holding A/S, Baker Brothers and Redmile, together with their respective affiliates, each beneficially own certain specified amounts of our capital stock, we will have the obligation to support the nomination of, and to cause our board of directors to include in the slate of nominees recommended to our stockholders for election, (i) two individuals designated by Topsøe Holding A/S, (ii) one individual designated by Baker Brothers and (iii) one individual designated by Redmile, subject to certain customary conditions and exceptions. Each of Topsøe Holding A/S, Baker Brothers and Redmile, and their respective affiliates, may therefore have influence over management and control over matters requiring stockholder approval, including the annual election of directors and significant corporate transactions.

The dual class structure of our common stock may limit your ability to influence corporate matters and may limit your visibility with respect to certain transactions.

The dual class structure of our common stock may also limit your ability to influence corporate matters. Holders of our common stock are entitled to one vote per share, while holders of our non-voting common stock are not entitled to any votes. Nonetheless, each share of our non-voting common stock may be converted at any time into one share of our common stock at the option of its holder by providing written notice to us, subject to the limitations provided for in our amended and restated certificate of incorporation as currently in effect. Consequently, if holders of our non-voting common stock exercise their option to make this conversion, this will have the effect of increasing the relative voting power of those prior holders of our non-voting common stock, and correspondingly decreasing the voting power of the holders of our common stock, which may limit your ability to influence corporate matters. Additionally, stockholders who hold, in the aggregate, more than 10% of our common stock and non-voting common stock, but 10% or less of our common stock, and are not otherwise a company insider, may not be required to report changes in their ownership due to transactions in our non-voting common stock pursuant to Section 16(a) of the Exchange Act, and may not be subject to the short-swing profit provisions of Section 16(b) of the Exchange Act.

Sales of substantial amounts of our common stock in the public markets, or the perception that such sales could occur, could cause the market price of our common stock to decline significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public market could occur at any time. If our stockholders sell, or the market perceives that our stockholders intend to sell, substantial amount of our common stock in the public market, the market price of our common stock could decline significantly. We currently have on file with the SEC an effective shelf registration statement on Form S-3, which allows us to offer debt securities, preferred stock, common stock, non-voting common stock and certain other securities from time to time.

If in the future we issue shares of common stock or securities convertible into common stock, our stockholders would experience dilution and, as a result, the market price of our common stock may decline. We cannot predict the effect that future sales of our securities would have on the market price of our common stock. Additionally, our security holders may be further diluted by the exercise of the pre-funded warrants issued in December 2020 or by any issuance of our voting common stock issuable upon the conversion of issued and outstanding shares of our non-voting common stock.

Certain holders of our common stock (including common stock issuable upon conversion of our non-voting common stock) have rights, subject to certain conditions, to require us to file registration statements covering their shares or to include their shares in registration statements that we may file for ourselves or other stockholders. Registration of these shares under the Securities Act would result in the shares becoming freely tradeable in the public market, subject to the restrictions of Rule 144 in the case of our affiliates. In addition, we filed a registration statement on Form S-8 to register shares of our common stock reserved for future issuance under our equity compensation plans; shares registered under this Form S-8 will be available for sale in the public market subject to the satisfaction of applicable vesting arrangements and the exercise of such options and, in the case of our affiliates, the restrictions of Rule 144. If any of these additional shares are sold, or if it is perceived that they will be sold, in the public market, the market price of our common stock could decline.

Raising additional capital may cause dilution to our stockholders, restrict our operations or require us to relinquish substantial rights.

We may from time to time raise additional capital through the sale of equity or convertible securities, including pursuant to an effective shelf registration statement. If we issue additional shares of common stock at a discount from the current trading price of our common stock, our stockholders would experience immediate dilution upon the purchase of any shares of our common stock sold at such discount. In addition, as opportunities present themselves, we may enter into financing or similar arrangements in the future, including the issuance of debt securities, preferred stock, common stock, or non-voting common stock.

If in the future we issue shares of common stock or securities convertible into common stock, our stockholders would experience dilution and, as a result, the market price of our common stock may decline. We cannot predict the effect that future sales of our common stock would have on the market price of our common stock. Additionally, our stockholders may be further diluted by the exercise of the pre-funded warrants issued in December 2020 in connection with a financing (see Note 6 - Stockholders' Equity to our condensed consolidated financial statements included in our Quarterly Report on Form 10-Q filed with the SEC on May 8, 2024 for additional information) and any issuance of our voting common stock issuable upon the conversion of shares of non-voting common stock currently outstanding.

Further, if we raise additional capital through the sale of equity or convertible securities, the terms of these new securities may include liquidation or other preferences that adversely affect your rights as a stockholder. Debt financing, if available at all, may involve fixed payment obligations or agreements that include covenants limiting or restricting our ability to take specific actions such as incurring additional debt, making capital expenditures, or declaring dividends. If we raise additional funds through partnerships, collaborations, strategic alliances, or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, product candidates, or future revenue streams, or grant licenses on terms that are not favorable to us. We cannot assure you that we will be able to obtain additional funding if and when necessary. If we are unable to obtain adequate financing on a timely basis, we could be required to delay, scale back or eliminate one or more of our clinical or discovery programs or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves. In addition, we may seek additional capital due to favorable market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans.

Environmental, social and governance matters may impact our business and reputation.

Companies are increasingly being judged by their performance on a variety of environmental, social and governance ("ESG") matters, which are considered to contribute to the long-term sustainability of companies' performance.

A variety of organizations measure the performance of companies on such ESG topics, and the results of these assessments are widely publicized. In addition, investment in funds that specialize in companies that perform well in such assessments are increasingly popular, and major institutional investors have publicly emphasized the importance of such ESG measures to their investment decisions. Topics considered in such assessments include, among others, the role of the company's board of directors in supervising various ESG issues and board diversity.

In addition, we anticipate higher levels of regulation, disclosure-related and otherwise, with respect to ESG matters in the future. For example, the SEC has adopted final rules regarding climate-related disclosures in public companies' periodic reporting, and compliance with these rules-including the implementation of necessary internal controls and reporting procedures-may lead to increased expenses and additional demands on our management and board of directors.

In light of this increased focus on ESG matters, there can be no certainty that we will manage such these matters successfully, or that we will successfully meet expectations as to our proper role. Any failure or perceived failure by us in this regard could have a material adverse effect on our reputation and on our business, share price, financial condition, or results of operations, including the sustainability of our business over time.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, our share price and trading volume could decline.

The trading market for our common stock depends on the research and reports that securities or industry analysts publish about us or our business. We do not have any control over these analysts. If one or more of the analysts who cover us downgrade our stock or change their opinion of our common stock, our share price would likely decline. In addition, if one or more of these analysts cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our share price or trading volume to decline.

If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results or prevent fraud. As a result, stockholders could lose confidence in our financial and other public reporting, which would harm our business and the trading price of our common stock.

Effective internal controls over financial reporting are necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. Any failure to implement required new or improved controls, or difficulties encountered in their implementation, could cause us to fail to meet our reporting obligations. In addition, any testing by us conducted in connection with Section 404 of the Sarbanes-Oxley Act or any subsequent testing by our independent registered public

accounting firm, may reveal deficiencies in our internal controls over financial reporting that are deemed to be significant deficiencies or material weaknesses or that may require prospective or retroactive changes to our condensed consolidated financial statements or identify other areas for further attention or improvement. We have identified deficiencies in the past which we have taken steps to address. However, our efforts to remediate previous deficiencies may not be effective or prevent any future deficiency in our internal control over financial reporting. Inferior internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on the trading price of our common stock.

In connection with our ongoing evaluations of internal controls over financial reporting, we have made, and may continue to make upgrades to our finance and accounting systems. If we are unable to accomplish these upgrades in a timely and effective manner, our ability to comply with the financial reporting requirements and other rules that apply to reporting companies could be adversely impacted. Any failure to maintain effective internal control over financial reporting could have a material adverse effect on our business, financial condition and results of operations and the trading price of our common stock.

As a public company, we are required to disclose material changes made in our internal controls and procedures on a quarterly basis and our management is required to assess the effectiveness of these controls annually. Additionally, we are required to include a formal management assessment of the effectiveness of our internal control over financial reporting in our periodic reports, and once we cease to be an emerging growth company, unless another exemption is available, we will be required to include an attestation report on internal control over financial reporting issued by our independent registered public accounting firm. However, for as long as we are an “emerging growth company” under the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal controls over financial reporting pursuant to Section 404.

To achieve compliance with Section 404 within the prescribed period, we engage in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants and maintain a detailed work plan to assess and document the adequacy of our internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are designed and operating effectively, and continue to implement a continuous reporting and improvement process for internal control over financial reporting.

An independent assessment of the effectiveness of our internal controls could detect problems that our management’s assessment might not. In addition, our independent registered public accounting firm did not perform an evaluation of our internal control over financial reporting as of December 31, 2023, 2022 or 2021 in accordance with the provisions of the Sarbanes-Oxley Act. Had our independent registered public accounting firm performed such an evaluation, control deficiencies may have been identified by management or our independent registered public accounting firm, and those control deficiencies could have also represented one or more material weaknesses. Undetected material weaknesses in our internal controls could lead to condensed consolidated financial statement restatements and require us to incur the expense of remediation.

We have incurred and will continue to incur significant increased costs as a result of operating as a public company, and our management has devoted and will continue to devote substantial time to corporate governance standards.

As a public company, we have incurred and will continue to incur significant legal, accounting and other expenses that we did not incur as a private company, and these expenses may increase even more after we are no longer an "emerging growth company." Our management and other personnel have devoted and will continue to devote a substantial amount of time and incur substantial expense in connection with compliance initiatives. For example, in anticipation of becoming a public company, we adopted additional internal controls and disclosure controls and procedures, retained a transfer agent and adopted an insider trading policy. As a public company, we bear all of the internal and external costs of preparing and distributing periodic public reports in compliance with our obligations under the securities laws.

In addition, regulations and standards relating to corporate governance and public disclosure, including the Sarbanes-Oxley Act and the related rules and regulations implemented by the SEC and Nasdaq, have and will continue to increase legal and financial compliance costs and make some compliance activities more time consuming. We cannot predict or estimate the amount of additional costs we may incur to respond to these requirements or the timing of such costs. We have invested and will continue to invest in resources to comply with evolving laws, regulations and standards, and this investment will result in increased general and administrative expenses and may divert management's time and attention from our other business activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to practice, regulatory authorities may initiate legal proceedings against us and our business may be harmed. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee and compensation committee, and qualified executive officers.

Under the corporate governance standards of Nasdaq, a majority of our board of directors and each member of our audit committee must be an independent director. We may encounter difficulty in attracting qualified persons to serve on our board of directors and the audit committee, and our board of directors and management may be required to divert significant time and attention and resources away from our business to identify qualified directors. If we fail to attract and retain the required number of independent directors, we may be subject to the delisting of our common stock from Nasdaq.

We are an emerging growth company and a smaller reporting company, and any decision on our part to comply only with certain reduced reporting and disclosure requirements applicable to emerging growth companies could make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act. For as long as we continue to be an emerging growth company, we may choose to take advantage of exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and

exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. Investors could find our common stock less attractive if we choose to rely on these exemptions. In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. We have elected to use this extended transition period until the earlier of the date that we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our condensed consolidated financial statements may not be comparable to companies that comply with the new or revised accounting standards as of public company effective dates. We will cease to be an emerging growth company on December 31, 2024.

We are also currently a "smaller reporting company" as defined in the Exchange Act. Smaller reporting companies may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not smaller reporting companies, including, among others, not being required to comply with the auditor attestation requirements of Section 404 and reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements. Additionally, as a smaller reporting company, we are only required to provide two years of audited financial statements in our SEC reports. We will remain a smaller reporting company until the last day of the fiscal year in which (1) the market value of our common stock held by non-affiliates equals or exceeds $250 million as of the prior June 30, or (2) our annual revenues equal or exceed $100 million during such completed fiscal year and the market value of our common stock held by non-affiliates equals or exceeds $700 million as of the prior June 30.

If we take advantage of some or all of the reduced disclosure requirements available to emerging growth companies or smaller reporting companies, investors may find our common stock less attractive, which may result in a less active trading market for our common stock and greater stock price volatility.

We have never paid and do not anticipate paying cash dividends on our common stock, and accordingly, stockholders must rely on share appreciation for any return on their investment.

We have never paid any dividends on our capital stock. We currently intend to retain our future earnings, if any, to fund the development and growth of our businesses and do not anticipate that we will declare or pay any cash dividends on our capital stock in the foreseeable future. As a result, capital appreciation, if any, will be the sole source of gain on any investment in our common stock for the foreseeable future. Investors seeking cash dividends should not invest in our common stock.

Delaware law and provisions in our amended and restated certificate of incorporation and amended and restated bylaws might discourage, delay, or prevent a change in control of our company or changes in our management and, therefore, depress the trading price of our common stock.

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage, delay, or prevent a merger, acquisition, or other change in control that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares of our common stock. These provisions may also prevent or frustrate attempts by our stockholders to replace or

remove our management. Therefore, these provisions could adversely affect the price of our common stock. Among other things, our charter documents:

- establish that our board of directors is divided into three classes, Class I, Class II and Class III, with each class serving staggered three-year terms;
- provide that vacancies on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum;
- provide that our directors may only be removed for cause;
- eliminate cumulative voting in the election of directors;
- authorize our board of directors to issue shares of convertible preferred stock and determine the price and other terms of those shares, including preferences and voting rights, without stockholder approval;
- provide our board of directors with the exclusive right to elect a director to fill a vacancy or newly created directorship;
- permit stockholders to only take actions at a duly called annual or special meeting and not by written consent;
- prohibit stockholders from calling a special meeting of stockholders;
- require that stockholders give advance notice to nominate directors or submit proposals for consideration at stockholder meetings;
- authorize our board of directors, by a majority vote, to amend the bylaws; and
- require the affirmative vote of at least 66 2/3% or more of the outstanding shares of common stock to amend many of the provisions described above.

In addition, Section 203 of the General Corporation Law of the State of Delaware (the "DGCL") prohibits a publicly-held Delaware corporation from engaging in a business combination with an interested stockholder, generally a person which together with its affiliates owns, or within the last three years has owned, 15% of our voting stock, for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner.

Any provision of our amended and restated certificate of incorporation, amended and restated bylaws, or Delaware law that has the effect of delaying or preventing a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our capital stock and could also affect the price that some investors are willing to pay for our common stock.

Our amended and restated bylaws provide that the Court of Chancery of the State of Delaware and the federal district courts of the United States are the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated bylaws provide that the Court of Chancery of the State of Delaware (or, if the Court of Chancery does not have jurisdiction, another state court in Delaware or the federal district court for the District of Delaware) is the exclusive forum for the following (except for certain claims as to which such court determines that there is an indispensable party not subject to the jurisdiction of such court):

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of fiduciary duty owed by any of our directors, stockholders, officers or other employees to us or our stockholders;
- any action asserting a claim against us arising under the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws; and
- any action asserting a claim against us that is governed by the internal-affairs doctrine.

This exclusive forum provision will not apply to any causes of action arising under the Exchange Act or any successor thereto. Our amended and restated bylaws further provide that the federal district courts of the United States will be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act against any person in connection with any offering of our securities. These exclusive-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. Any person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions. There is uncertainty as to whether a court would enforce such provisions, and the enforceability of similar choice of forum provisions in other companies' charter documents has been challenged in legal proceedings. It is possible that a court could find these types of provisions to be inapplicable or unenforceable, and if a court were to find either exclusive-forum provision in our amended and restated bylaws to be inapplicable or unenforceable in any action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could seriously harm our business.

THE OFFER

1. Eligibility.

An "eligible employee" refers to an employee of IGM or any of its subsidiaries as of the start of the offer who remains an employee of IGM or any of its subsidiaries through the expiration of the offer and the RSU grant date. However, our Chief Executive Officer and non-employee members of our board of directors are not eligible employees and therefore cannot participate in the offer. Our Chief Executive Officer is listed on Schedule A to this Offer to Exchange.

If you do not satisfy all of the requirements of an eligible employee, including remaining employed by IGM or its subsidiaries, from the start of the offer through the RSU grant date, you will keep your current eligible options and they will vest and expire in accordance with their existing terms. If we do not extend the offer, the RSU grant date will be July 19, 2024. Except as provided by applicable law and/or any employment agreement or other service agreement between you and IGM or its subsidiaries, your employment or other service with IGM or its subsidiaries will remain "at-will" and can be terminated by you or IGM or its subsidiaries at any time, with or without cause or notice. In order to vest in your RSUs and receive the shares subject to the RSU, you must remain a service provider to IGM or its subsidiaries through each relevant vesting date.

2. Number of RSUs; expiration date.

Subject to the terms and conditions of this offer, we will accept for exchange options granted on or prior to March 1, 2023 with a per share exercise price equal to or greater than $17.70, whether vested or unvested, that were granted under the 2018 Plan, are held by eligible employees, are outstanding and unexercised as of the expiration date of the offer, have a per share exercise price greater than the closing price of our common stock on the cancellation date, are properly elected to be exchanged, and are not validly withdrawn before the expiration date of the offer. In order to be eligible, options must be outstanding on the expiration date of the offer. For example, if a particular option grant expires during the offering period, that option grant is not eligible for exchange.

Participation in this offer is completely voluntary. You may decide which of your eligible option grants you wish to exchange. If you hold more than one eligible option grant, however, you may choose to exchange one or more of such eligible option grants without having to exchange all of your eligible option grants. If you elect to participate in this offer, you must exchange all of the shares subject to any particular eligible option grant that you choose to exchange. We are not accepting partial tenders of eligible option grants. If you elect to participate in this offer with respect to any partially exercised eligible option grant, you must exchange the entire remaining unexercised and outstanding portion of such option grant.

For example, if you hold (1) an eligible option grant to purchase 1,000 shares, 700 of which you have already exercised, (2) an eligible option grant to purchase 1,000 shares, and (3) an eligible option grant to purchase 3,000 shares, you may choose to exchange all three eligible option grants, or any two of the three eligible option grants, or any one of the three eligible option grants, or none at all.

If you have an eligible option grant that is subject to a domestic relations order (or comparable legal document as the result of the end of a marriage) and a person who is not an eligible employee beneficially owns a portion of that eligible option grant, you may accept this offer only with respect to the entire portion of the eligible option grant legally owned by you. For example, you may not elect to exchange a partial amount under any eligible option grant (such as an election to exchange only 150 shares of the remaining 300 shares under the first eligible option grant). If you choose to exchange an eligible option grant that is subject to a domestic relations order (or comparable legal document as the result of the end of a marriage), any portion beneficially owned by a person who is not an eligible employee must be exchanged in this offer.

For example, if you are an eligible employee and you hold an eligible option grant covering 3,000 shares that is subject to a domestic relations order, 1,000 of which are beneficially owned by your former spouse, and you have exercised 600 of the remaining 2,000 shares not beneficially owned by your former spouse, then you may elect to exchange the 2,400 shares that remain outstanding subject to the eligible option grant, or you may elect not to participate in the offer at all with respect to this eligible option grant. These are your only choices with respect to this eligible option grant. (See Section 2, “Number of RSUs; expiration date,” below.)

All eligible employees who properly tender eligible options pursuant to this offer will receive RSUs. RSUs are promises by IGM to issue shares of our common stock in the future provided that the vesting criteria are satisfied. You do not have to make any cash payment to IGM to receive your RSUs or the common stock upon vesting of your RSUs. However, to the extent that we (or our subsidiary or other affiliate, as applicable) have a tax withholding obligation in connection with the vesting of the RSUs and issuance of shares thereunder or otherwise, the tax withholding obligations will be satisfied in the manner specified in the RSU award agreement.

Exchange Ratios

Subject to the terms of this offer and upon our acceptance of your properly tendered options, your exchanged options will be canceled and you will be granted RSUs. This offer is not a one-for-one exchange of your eligible options for RSUs. Eligible options canceled pursuant to the offer will be exchanged for a lesser number of RSUs on the basis of an exchange ratio applied to exchanged options on a grant-by-grant basis. If you participate in the offer, you will receive such lesser number of RSUs.

The following table shows the exchange ratios that will be applied to your exchanged options to determine the number of RSUs you would receive pursuant to the offer:

Per Share Exercise Price of Eligible Options	Exchange Ratio (the number of shares subject to the eligible option grant exchanged for one RSU)
$17.70-$39.99	2.00 to 1
$40.00 - $79.99	2.50 to 1
Greater than or equal to $80.00	3.00 to 1

The exchange ratios apply to each of your eligible option grants separately based on the per share exercise price of each such eligible option grant. This means that the various eligible option grants you hold may be subject to different exchange ratios. Your eligible options that are canceled pursuant to the offer will be exchanged for a lesser number of RSUs equal to: (a) the number of shares of our common stock underlying the grant of exchanged options, divided by (b) the exchange ratio, with any fractional shares rounded down to the nearest whole RSU.

Please refer to the grant information available via the offer website that lists your eligible option grants, the grant date and per share exercise price of each of your eligible option grants, the number of shares vested for each of your eligible option grants scheduled to be vested as of July 18, 2024, the number of shares subject to your eligible option grants as of July 18, 2024 (assuming you have not exercised all or any portion of your eligible option grants during the offering period),the exchange ratio applicable to each of your eligible option grants, the number of RSUs that would be issued in exchange for each eligible option grant, and the vesting schedule applicable to each award of RSUs.

If you are unable to access your grant information, you may contact:

Infinite Equity
Email: IGM@infiniteequity.com

Example 1

Assume that you hold an eligible option grant to purchase 1,000 shares with an exercise price of $20.00 per share. If you exchange this eligible option grant pursuant to the offer, then on the RSU grant date you will receive 500 RSUs. This is equal to the 1,000 shares divided by 2.00 (the exchange ratio for this eligible option grant), rounded down to the nearest whole RSU.

Example 2

Assume that you hold an eligible option grant to purchase 2,000 shares with an exercise price of $50.00 per share. If you exchange this eligible option grant pursuant to the offer, then on the RSU grant date you will receive 800 RSUs. This is equal to the 2,000 shares divided by 2.50 (the exchange ratio for this eligible option grant), rounded down to the nearest whole RSU.

For purposes of this offer, including the exchange ratios, the term "option" generally refers to an option to purchase one share of our common stock. For purposes of applying the exchange ratios, fractional RSUs will be rounded down to the nearest whole RSU.

All RSUs will be subject to the terms of the 2018 Plan and the applicable RSU award agreement between you and IGM. The form of RSU award agreement under the 2018 Plan is incorporated by reference as an exhibit to the Schedule TO with which this Offer to Exchange has been filed and is available on the SEC website at www.sec.gov.

The expiration date for this offer will be 9:00 p.m., Pacific Time, on July 18, 2024, unless we extend the offer. We may, in our discretion, extend the offer, in which event the expiration date will refer to the latest time and date at which the extended offer expires. See Section 15 of this Offer to Exchange for a description of our rights to extend, terminate and amend the offer.

3. Purposes of the offer.

The primary purpose of this offer is to improve the retention and incentive benefits of our equity awards. We believe that this offer will foster retention of valuable employees of IGM and its subsidiaries, provide meaningful incentive to them, and better align the interests of employees with the interests of our stockholders to maximize stockholder value. Previously, we submitted for stockholder approval a proposal to implement a one-time stock option exchange program, as described in our definitive proxy statement filed with the SEC on April 26, 2024. Our stockholders approved the program at our 2024 annual meeting of stockholders held on June 11, 2024.

We rely on a skilled and educated technical and managerial workforce. Competition for these types of employees is intense. Equity awards have been, and continue to be, a key part of our incentive compensation and retention program. We believe that to develop and market our products, we need to maintain competitive compensation and incentive programs. We issued the currently outstanding options to attract and retain the best available personnel and to provide incentive to employees.

As a result of our stock price decline in the last few years, a substantial number of our employees who hold outstanding stock options are holding options that are substantially "underwater" (meaning the exercise price per share of the options are higher than the current market price of our common stock). The weighted average exercise price per share of options held by our employees (other than our Chief Executive Officer and non-employee directors) was $51.81 compared to a $8.08 closing price on June 12, 2024, for our common stock. As of June 12, 2024, options to purchase approximately 35% of the total number of shares subject to outstanding options held by our employees (other than our Chief Executive Officer and non-employee directors) would be eligible to be exchanged in this offer.

These stock options have become less effective in retaining and motivating our employees, who may view their underwater options as having lesser value due to the difference between the per share exercise price and the current market price of a share of our common stock. At the same time, the labor market remains extremely competitive. The failure to address the underwater option issue in the near to medium term could make it more

difficult for us to retain our key employees. If we cannot retain these individuals, our business, results of operations and future stock price could be adversely affected. We believe that it is essential to continue to retain and motivate our best employees, and that the inherent value of the new RSUs and extended vesting periods of the RSUs may be more effective in retaining and incentivizing employees than the existing underwater options.

Except as otherwise disclosed in this offer or in our SEC filings, we presently have no plans, proposals, or active negotiations that relate to or would result in:

- Any extraordinary transaction, such as a merger, reorganization or liquidation, involving IGM;
- Any purchase, sale or transfer of a material amount of our assets;
- Any material change in our present dividend rate or policy, or our indebtedness or capitalization;
- Any change in our present board of directors or management, including, but not limited to, any plans or proposals to change the number or term of directors or to fill any existing board vacancies or to change any executive officer's material terms of employment;
- Any other material change in our corporate structure or business;
- Our common stock being delisted from The Nasdaq Stock Market or not being authorized for quotation in an automated quotation system operated by a national securities association;
- Our common stock becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Exchange Act;
- The suspension of our obligation to file reports pursuant to Section 15(d) of the Exchange Act;
- The acquisition by any person of an additional amount of our securities or the disposition of an amount of any of our securities; or
- Any change in our certificate of incorporation or bylaws, or any actions that may impede the acquisition of control of us by any person.

From time to time, we evaluate acquisition and disposition opportunities. These transactions might be completed in the ordinary course of business consistent with past practice during the period that this offer is open, but there can be no assurance that an opportunity will be available to us or that we will choose to take advantage of an opportunity.

Neither we nor our board of directors makes any recommendation as to whether you should accept this offer, nor have we authorized any person to make any such recommendation. You should evaluate carefully all of the information in this offer and consult your investment and tax advisers. You must make your own decision about whether to participate in this offer.

4. Procedures for electing to exchange options.

Proper election to exchange options.

Participation in this offer is voluntary. If you are an eligible employee, at the start of the offer you will receive a launch email, dated June 20, 2024, announcing this offer. If you want to participate in the offer, you must complete the election process outlined below by the expiration date, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024.

All eligible employees can access the offer website www.myoptionexchange.com and view information with respect to the offer, the offer documents, and their eligible options.

Elections via the Offer Website

1. Click on the link to the Offer website in the Launch Email dated June 20, 2024, or go to the Offer website at https://www.myoptionexchange.com/. Log in to the Offer website using the login instructions provided to you in the Launch Email (or if you previously logged into the Offer website, your updated login credentials).
2. After logging in to the Offer website, review the information and proceed through to the Make My Election page. You will be provided with personalized information regarding each eligible option grant you hold, including:
    - the grant date of the eligible option grant;
    - the per share exercise price of the eligible option grant; and
    - the number of vested and unvested shares of our common stock subject to the eligible option grant as of July 18, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date).
3. On the Make My Election page, make your selection next to each of your eligible option grants to indicate which eligible option grants you choose to exchange in the Offer by selecting “Exchange” or choose not to exchange in the Offer by selecting “Do not exchange.”
4. Proceed through the Offer website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Submit My Election page and in the Offer documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a Confirmation Statement will be generated by the Offer website and sent to you at your current email address. Please print and keep a copy of the Confirmation Statement for your records. At this point, you will have completed the election process via the Offer website.

We must receive your properly completed and submitted election by the expiration of the Offer, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024.

If you elect to exchange any eligible option grant in this offer, you must elect to exchange all shares subject to that eligible option grant. If you hold more than one eligible option grant, however, you may choose to exchange one or more of such eligible option grants without having to exchange all of your eligible option grants. If you are unable to access your grant information, you may contact:

Infinite Equity
Email: IGM@infiniteequity.com

Your election to participate becomes irrevocable after 9:00 p.m., Pacific Time, on July 18, 2024, unless the offer is extended past that time, in which case your election will become irrevocable after the new expiration date. Due to certain requirements under U.S. securities laws, an exception to this rule is that if we have not accepted your properly tendered options by 9:00 p.m., Pacific Time, on August 16, 2024 (which is the 40th U.S. business day following the commencement of the offer), you may withdraw your options at any time thereafter but prior to our acceptance.

You may change your mind after you have submitted an election and withdraw from the offer at any time before the expiration date, as described in Section 5. You may change your mind as many times as you wish, but you will be bound by the last properly submitted election we receive before the expiration date. You also may change your mind about which of your eligible option grants you wish to have exchanged. If you wish to include more or fewer eligible option grants in your election, you must complete and submit a new election before the expiration date by following the procedures described in Section 5. This new election must be properly completed, signed (electronically) and dated after any prior elections you have submitted and must list all eligible option grants you wish to exchange. Any prior election will be disregarded. If you wish to withdraw some or all of the eligible option grants you elected for exchange, you may do so at any time before the expiration date by following the procedures described in Section 5.

Your delivery of all documents, including elections, is at your risk. Only responses that are properly completed and actually received by us by the deadline via the offer website will be accepted. Elections submitted by any other means, including email, facsimile, hand delivery, interoffice, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted. If you submit your election via the offer website, you should print and keep a copy of the Confirmation Statement generated by the offer website at the time that you complete and submit your election. The printed Confirmation Statement will provide evidence that you submitted your election. If you do not receive a confirmation, it is your responsibility to confirm that we have received your election.

This is a one-time offer, and we will strictly enforce the offering period. We reserve the right to reject any option tendered for exchange that we determine is not in the appropriate form or that we determine is unlawful to accept. Subject to the terms and conditions of this offer, we will accept all properly tendered options promptly after the expiration of this offer.

Our receipt of your election is not by itself an acceptance of your options for exchange. For purposes of this offer, we will be deemed to have accepted options for exchange that are validly elected to be exchanged and are not properly withdrawn as of the time when we give oral or written notice to the option holders generally of our acceptance of options for exchange. We may issue this notice of acceptance by press release, email or other form of communication. Options accepted for exchange will be canceled on the cancellation date, which we presently expect will be July 19, 2024.

Determination of validity; rejection of options; waiver of defects; no obligation to give notice of defects.

We will determine, in our discretion, all questions as to the validity, form, eligibility (including time of receipt) and acceptance of any options. Our determination of these matters will be given the maximum deference permitted by law. However, you have all rights accorded to you under applicable law to challenge such determination in a court of competent jurisdiction. Only a court of competent jurisdiction can make a determination that will be final and binding upon the parties. We reserve the right to reject any election or any option elected to be exchanged that we determine is not in the appropriate form or that we determine is unlawful to accept. We will accept all properly tendered options that are not validly withdrawn. We also reserve the right to waive any of the conditions of the offer or any defect or irregularity in any tender of any particular options or for any particular option holder, provided that if we grant any such waiver, it will be granted with respect to all option holders and tendered options. No tender of options will be deemed to have been made properly until all defects or irregularities have been cured by the tendering option holder or waived by us. Neither we nor any other person are obligated to give notice of any defects or irregularities in tenders, nor will anyone incur any liability for failure to give any such notice. This is a one-time offer. We will strictly enforce the offering period, subject only to an extension that we may grant in our discretion.

Our acceptance constitutes an agreement.

Your election to exchange options through the procedures described above constitutes your acceptance of the terms and conditions of this offer. **Our acceptance of your options for exchange will constitute a binding agreement between IGM and you upon the terms and subject to the conditions of this offer.**

5. Withdrawal rights and change of election.

You may change an election you previously made with respect to some or all of your eligible option grants, including an election to withdraw all of your eligible option grants from this offer, only in accordance with the provisions of this section. You may change an election you previously made with respect to some or all of your eligible option grants at any time before the expiration date, which is expected to be 9:00 p.m., Pacific Time, on July 18, 2024. If we extend the offer, you may withdraw your eligible option grants at any time until the extended expiration date. In addition, although we intend to accept all validly tendered options promptly after the expiration of this offer, due to certain requirements under U.S. securities laws, if we have not accepted your options by 9:00 p.m., Pacific Time, on August 16, 2024 (which is the 40th U.S. business day following the commencement of the offer), you may withdraw your options at any time thereafter but prior to our acceptance.

To change an election you previously made with respect to some or all of your eligible option grants, including an election to withdraw all of your eligible option grants from this offer, you must deliver a valid new election indicating only the eligible option grants you wish to exchange in the offer or a valid new election indicating that you reject the offer with respect to all of your eligible options, by completing the election process outlined below by the expiration date, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024.

All eligible employees can access the offer website www.myoptionexchange.com and view information with respect to the offer, the offer documents, and their eligible options.

Election Changes and Withdrawals via the Offer Website

1. Click on the link to the Offer website in the Launch Email dated June 20, 2024, or go to the Offer website at https://www.myoptionexchange.com/. Log in to the Offer website using the login instructions provided to you in the Launch Email (or if you previously logged into the Offer website, your updated login credentials).
2. After logging in to the Offer website, review the information and proceed through to the Make My Election page. You will be provided with personalized information regarding each eligible option grant you hold, including:
    - the grant date of the eligible option grant;
    - the per share exercise price of the eligible option grant; and
    - the number of vested and unvested shares of our common stock subject to the eligible option grant as of July 18, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date).
3. On the Make My Election page, make your selection next to each of your eligible option grants to indicate which eligible option grants you choose to exchange in the Offer by selecting “Exchange” or choose not to exchange in the Offer by selecting “Do not exchange.”
4. Proceed through the Offer website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Submit My Election page and in the Offer documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a Confirmation Statement will be generated by the Offer website and sent to you at your current email address. Please print and keep a copy of the Confirmation Statement for your records. At this point, you will have completed the election process via the Offer website.

We must receive your properly completed and submitted election by the expiration of the Offer, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024.

Your delivery of all documents, including elections, is at your own risk. Only elections that are complete and actually received by the deadline via the offer website will be accepted. If you do not receive a confirmation, it is your responsibility to confirm that we have received your election. Elections submitted by any other means, including email, hand delivery, interoffice, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted. If you submit your election via the offer website, you should print and keep a copy of the Confirmation Statement generated by the offer website at the time that you complete and submit your election. The printed Confirmation Statement will provide evidence that you submitted your election. (See Section 5, "Withdrawal rights and change of election," below.)

General Information:

If you withdraw some or all of your eligible option grants, you may elect to exchange the withdrawn options again at any time on or before the expiration date. All options that you withdraw will be deemed not properly tendered for purposes of the offer, unless you subsequently properly elect to exchange such eligible option grants by the expiration date. To reelect to exchange some or all of your eligible option grants, you must submit a new election to IGM by the expiration date by following the procedures described in Section 4 of this Offer to Exchange. This new election must be properly completed, signed (electronically) and dated after your previously-submitted election and must list all eligible option grants you wish to exchange. Upon our receipt of your properly completed, signed (electronically) and dated election, any prior election will be disregarded in its entirety.

You may change your mind as many times as you wish, but you will be bound by the last properly submitted election we receive before the expiration date. You may change your mind about which of your eligible option grants you wish to have exchanged in the offer. If you wish to include more or less eligible option grants in your election, you must complete and submit a new election before the expiration date by following the procedures described in Section 4 of this Offer to Exchange. Upon our receipt of your properly completed, signed (electronically) and dated election, any prior election will be disregarded.

Neither we nor any other person are obligated to give you notice of any defects or irregularities in any election, nor will anyone incur any liability for failure to give any such notice. We will determine, in our discretion, all questions as to the form and validity, including time of receipt, of elections. Our determination of these matters will be given the maximum deference permitted by law. However, you have all rights accorded to you under applicable law to challenge such determination in a court of competent jurisdiction. Only a court of competent jurisdiction can make a determination that will be final and binding upon the parties.

Your delivery of all documents, including elections, is at your risk. Only elections that are properly completed and actually received by us by the deadline via the offer website will be accepted. Elections submitted by any other means, including email, facsimile, hand delivery, interoffice, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted. If you submit your election via the offer website, you should print and keep a copy of the Confirmation Statement generated by the offer website at the time that you complete and submit your election. The printed Confirmation Statement will provide evidence that you submitted your election. If you do not receive a confirmation, it is your responsibility to confirm that we have received your election.

6. Acceptance of options for exchange and issuance of RSUs.

Upon the terms and conditions of this offer and promptly following the expiration date, we will accept for exchange and cancel all eligible options properly elected for exchange and not validly withdrawn before the expiration date. Once the options are canceled, you no longer will have any rights with respect to those options. Subject to the terms and conditions of this offer, if your options are properly tendered by you for exchange and accepted by us, these options will be canceled as of the cancellation date, which we anticipate to be July 19, 2024.

For purposes of the offer, we will be deemed to have accepted eligible options for exchange that are validly tendered and are not properly withdrawn as of the expiration of the offer and the cancellation date. Promptly following the expiration date and cancellation date, we will give oral or written notice to the option holders generally of our acceptance for exchange of the eligible options. This notice may be made by press release, email or other method of communication. Subject to our rights to terminate the offer, discussed in Section 15 of this Offer to Exchange, we currently expect that we will accept promptly after the expiration of this offer all properly tendered eligible options that are not validly withdrawn.

We will grant the RSUs on the RSU grant date, which will be on the U.S. business day following the date of the expiration of the offer. We expect the RSU grant date to be July 19, 2024. All RSUs will be granted under the 2018 Plan and will be subject to an RSU award agreement between you and IGM. The number of RSUs you will receive will be determined in accordance with the per share exercise price of your exchanged options as described in Section 2 of this Offer to Exchange. Promptly after the expiration date, we will send you your RSU award agreement. You will receive the shares subject to the RSUs if and when your RSUs vest, in accordance with the vesting schedule described in Section 9 of this Offer to Exchange. Options that we do not accept for exchange will remain outstanding until they expire by their terms and will retain their current exercise price, the vesting schedule, and other terms.

7. Conditions of the offer.

Notwithstanding any other provision of this offer, we will not be required to accept any options tendered for exchange, and we may terminate the offer, or postpone our acceptance and cancellation of any options tendered for exchange, in each case, subject to Rule 13e-4(f)(5) under the Exchange Act, if at any time on or after the date this offer begins, and before the expiration date, any of the following events has occurred, or has been determined by us, in our reasonable judgment, to have occurred:

- There will have been threatened in writing or instituted or be pending any action, proceeding or litigation seeking to enjoin, make illegal or delay completion of the offer or otherwise relating in any manner, to the offer;

- Any order, stay, judgment or decree is issued by any court, government, governmental authority or other regulatory or administrative authority and is in effect, or any statute, rule, regulation, governmental order or injunction will have been proposed, enacted, enforced or deemed applicable to the offer, any of which might restrain, prohibit or delay completion of the offer or impair the contemplated benefits of the offer to us (see Section 3 of this Offer to Exchange, "Purposes of the offer," for a description of the contemplated benefits of the offer to us);
- Any of the following:
  - any general suspension of trading in, or limitation on prices for, our securities on any national securities exchange or in an over-the-counter market in the United States,
  - the declaration of a banking moratorium or any suspension of payments in respect of banks in the United States,
  - any limitation, whether or not mandatory, by any governmental, regulatory or administrative agency or authority on, or any event that, in our reasonable judgment, might affect the extension of credit to us by banks or other lending institutions in the United States,
  - in our reasonable judgment, any extraordinary or material adverse change in U.S. financial markets generally, including, a decline of at least 10% in either the Dow Jones Industrial Average or the Standard & Poor's 500 Index from the date of commencement of this offer,
  - the commencement, continuation, or escalation of a war or other national or international calamity directly or indirectly involving the United States, which reasonably could be expected to affect materially or adversely, or to delay materially, the completion of the offer, or
  - if any of the situations described above existed at the time of commencement of the offer and that situation, in our reasonable judgment, deteriorates materially after commencement of the offer;
- A tender or exchange offer, other than this offer by us, for some or all of our shares of outstanding common stock, or a merger, acquisition or other business combination proposal involving us, will have been proposed, announced or made by another person or entity or will have been disclosed publicly or we will have learned that:
  - any person, entity or "group" within the meaning of Section 13(d)(3) of the Exchange Act acquires more than 5% of our outstanding common stock, other than a person, entity or group which had publicly disclosed such ownership with the SEC prior to the date of commencement of the offer,
  - any such person, entity or group which had publicly disclosed such ownership prior to such date will acquire additional common stock constituting more than 1% of our outstanding shares, or
  - any new group will have been formed that beneficially owns more than 5% of our outstanding common stock that in our judgment in any such case, and regardless of the circumstances, makes it inadvisable to proceed with the offer or with such acceptance for exchange of eligible options;

- There will have occurred any change, development, clarification or position taken in generally accepted accounting principles that could or would require us to record for financial reporting purposes compensation expense against our earnings in connection with the offer, other than as contemplated as of the commencement date of this offer (as described in Section 12 of this Offer to Exchange);
- Any event or events occur that have resulted or is reasonably likely to result, in our reasonable judgment, in a material adverse change in our business or financial condition;
- Any event or events occur that have resulted or may result, in our reasonable judgment, in a material impairment of the contemplated benefits of the offer to us (see Section 3 of this Offer to Exchange, "Purposes of the offer," for a description of the contemplated benefits of the offer to us); or
- Any rules or regulations by any governmental authority, The Nasdaq Stock Market, or other regulatory or administrative authority or any national securities exchange have been enacted, enforced, or deemed applicable to IGM that have resulted or may result, in our reasonable judgment, in a material impairment of the contemplated benefits of the offer to us (See Section 3 of this Offer to Exchange, "Purposes of the offer," for a description of the contemplated benefits of the offer to us).

If any of the above events occur, we may:

- terminate the offer and promptly return all tendered eligible options to tendering holders;
- complete and/or extend the offer and, subject to your withdrawal rights, retain all tendered eligible options until the extended offer expires;
- amend the terms of the offer; or
- waive any unsatisfied condition and, subject to any requirement to extend the period of time during which the offer is open, complete the offer.

The conditions to this offer are for our benefit. In our discretion, we may assert them before the expiration date regardless of the circumstances giving rise to them. We may waive any condition, in whole or in part, at any time and from time to time before the expiration date, in our discretion, whether or not we waive any other condition to the offer. Any such waiver will apply to all eligible employees in a uniform and non-discretionary manner. Our failure at any time to exercise any of these rights will not be deemed a waiver of any such rights, but will be deemed a waiver of our ability to assert the condition that was triggered with respect to the particular circumstances under which we failed to exercise our rights. Any determination we make concerning the events described in this Section 7 will be given the maximum deference permitted by law. However, you have all rights accorded to you under applicable law to challenge such determination in a court of competent jurisdiction. Only a court of competent jurisdiction can make a determination that will be final and binding upon the parties.

8. Price range of shares underlying the options.

The IGM common stock that underlies your options is traded on The Nasdaq Stock Market under the symbol "IGMS." The following table shows, for the periods indicated, the high and low sales prices per share of our common stock as reported by The Nasdaq Stock Market.

	High	Low
Fiscal Year Ending December 31, 2024		
Second Quarter (through June 12, 2024)	$12.31	$ 6.39
First Quarter	$17.70	$ 8.14
Fiscal Year Ended December 31, 2023		
Fourth Quarter	$ 9.49	$ 3.81
Third Quarter	$10.96	$ 6.45
Second Quarter	$14.82	$ 8.51
First Quarter	$27.92	$13.64

On June 12, 2024, the last reported sale price of our common stock, as reported by The Nasdaq Stock Market, was $8.08 per share.

You should evaluate current market quotes for our common stock, among other factors, before deciding whether or not to accept this offer.

9. Source and amount of consideration; terms of RSUs.

Consideration.

We will issue RSUs in exchange for eligible options properly elected to be exchanged by you and accepted by us for such exchange. RSUs are equity awards under which IGM promises to issue common stock in the future, provided that the vesting criteria are satisfied.

Subject to the terms and conditions of this offer, upon our acceptance of your properly tendered options, you will be entitled to receive RSUs based on the exercise price of your exchanged options as described in Section 2 of this Offer to Exchange. You do not have to make any cash payment to IGM to receive your RSUs or the common stock upon vesting. Fractional RSUs will be rounded down to the nearest whole RSU.

If we receive and accept tenders from eligible employees of all options eligible to be tendered (a total of options to purchase 1,859,148 shares) subject to the terms and conditions of this offer, we will grant RSUs covering a total of approximately 786,331 shares of our common stock, or less than 2% of the total shares of our common stock and non-voting common stock outstanding as of May 31, 2024.

General terms of RSUs.

RSUs will be granted under the 2018 Plan and subject to an RSU award agreement between you and IGM. RSUs are a different type of equity award than options. Therefore, the terms and conditions of the RSUs will vary from the terms and conditions of the options that you tender for exchange. Your RSUs will have a new vesting schedule. 50% of the RSUs received in exchange for vested eligible options will vest on the 1-year anniversary of the RSU grant date, and the remaining such RSUs will vest in 4 equal quarterly installments over the following year, in each case subject to continued service to us or our subsidiaries through the applicable vesting date. 50% of RSUs received in exchange for unvested eligible options will vest on the date that is 18 months following the RSU grant date, and the remaining such RSUs will vest in 6 equal quarterly installments over the following 18 months, in each case subject to continued service to us or our subsidiaries through the applicable vesting date. Until your RSUs vest and you are issued shares in payment for the vested RSUs, you will not have any of the rights or privileges of a stockholder of IGM. Once you have been issued the shares of IGM common stock, you will have all of the rights and privileges of a stockholder with respect to those shares, including the right to vote and to receive dividends, if any.

The following description summarizes the material terms of the 2018 Plan. Our statements in this Offer to Exchange concerning the 2018 Plan and the RSUs are merely summaries and do not purport to be complete. The statements are subject to, and are qualified in their entirety by reference to the 2018 Plan and the form of RSU award agreement under the 2018 Plan, which is available on the SEC website at www.sec.gov. The form of RSU award agreement under the 2018 Plan is incorporated by reference as an exhibit to the Schedule TO with which this Offer to Exchange has been filed. In addition, a copy of the 2018 Plan and the form of RSU award agreement are available on the SEC website at www.sec.gov. To receive a copy of the 2018 Plan and/or the form of RSU award agreement please contact:

Infinite Equity
Email: IGM@infiniteequity.com

We will promptly furnish to you copies of these documents upon request at our expense.

Equity Incentive Plan.

The 2018 Plan permits the granting of options, restricted stock, restricted stock units, performance units, performance shares, and stock appreciation rights. As of May 31, 2024, the number of shares of common stock subject to options, restricted stock units, and all awards (including options and restricted stock units) currently outstanding under the 2018 Plan was approximately 7,460,559, 1,813,109, and 9,273,668 shares, respectively. As of May 31, 2024, the maximum number of shares available for future issuance under the 2018 Plan was 3,563,034 shares. The 2018 Plan is administered by the compensation committee of our board of directors, which we refer to as the administrator. Subject to the other provisions of the 2018 Plan, the administrator has the power to determine the terms, conditions and restrictions of the awards granted, including the number of shares covering such award and the vesting criteria.

Purchase price.

The administrator of the 2018 Plan generally has the authority to determine the terms and conditions of awards granted under the 2018 Plan. RSUs granted under the 2018 Plan do not have a purchase price. As a result, you do not have to make any cash payment to IGM to receive your RSUs or the common stock upon vesting. However, to the extent that we (or our subsidiary or other affiliate, as applicable) have a tax withholding obligation in connection with the vesting of the RSUs and issuance of shares thereunder or otherwise, the tax withholding obligations will be satisfied in the manner specified in the RSU award.

Vesting.

The vesting applicable to awards granted under the 2018 Plan generally is determined by the administrator in accordance with the terms of the 2018 Plan. The RSUs granted under this offer will be subject to a set vesting schedule. Each of your RSU awards will vest according to the following schedule:

- None of the RSUs will be vested on the RSU grant date (even if the corresponding eligible option was fully or partially vested).
- 50% of the RSUs received in exchange for vested eligible options will vest on the 1-year anniversary of the RSU grant date, and the remaining such RSUs will vest in 4 equal quarterly installments over the following year, in each case subject to continued service to us or our subsidiaries through the applicable vesting date.
- 50% of RSUs received in exchange for unvested eligible options will vest on the date that is 18 months following the RSU grant date, and the remaining such RSUs will vest in 6 equal quarterly installments over the following 18 months, in each case subject to continued service to us or our subsidiaries through the applicable vesting date.

- If your service with us or our subsidiaries terminates for any reason before a portion or all of your RSU grant vests, the unvested portion of your RSU grant will expire unvested and you will not be entitled to any shares of common stock from that portion of your RSU grant.
- Minor modifications may be made to the vesting schedule of any RSUs to eliminate fractional vesting (such that a whole number of shares subject to the new award will vest on each vesting date).
- After the RSUs vest, further continued service with us or our subsidiaries is not required to retain the common stock issued under the RSUs.

Example

Assume that an eligible employee elects to exchange an eligible option covering 2,000 shares with a per share exercise price of $50.00 and all of the shares subject to the eligible option grant are vested. Assume that on July 19, 2024 (the expected cancellation date of the eligible option grant), the eligible employee surrenders the eligible option grant. In accordance with the exchange ratios described above, the eligible employee receives 800 RSUs. None of the RSUs will be vested on the RSU grant date. The RSUs will vest in installments, as follows, subject to the eligible employee's continued service with us or our subsidiaries through each applicable vesting date, 50% of the RSUs will vest on July 19, 2025, and the remaining such RSUs will vest in 4 equal quarterly installments over the following year, in each case subject to continued service to us or our subsidiaries through the applicable vesting date. RSUs that do not vest will be forfeited to IGM at no cost to us.

Form of payout.

Restricted stock units granted under this offer and subsequently earned by a recipient will be paid out in an equivalent number of shares of our common stock. IGM will satisfy all tax and social insurance contributions withholding and payment of fringe benefit or other tax obligations with respect to RSUs in the manner specified in your RSU award agreement.

Adjustments upon certain events.

Events Occurring Before the RSU Grant Date. Although we are not anticipating a merger or acquisition, if we merge or consolidate with or are acquired by another entity prior to the expiration of the offer, you may choose to withdraw any options that you tendered for exchange and your options will be treated in accordance with the applicable plan and award agreement under which they were granted. Further, if IGM is acquired prior to the expiration of the offer, we reserve the right to withdraw the offer, in which case your options and your rights under them will remain intact and exercisable for the time period set forth in your award agreement and you will receive no RSUs in exchange for them. If IGM is acquired prior to the expiration of the offer but does not withdraw the offer, before the expiration of the offer we (or the successor entity) will notify you of any material changes to the terms of the offer or the RSUs, including any adjustments to the number of shares that will be subject to the RSUs. Under such circumstances, the type of security and the number of shares covered by your

RSU would be adjusted based on the consideration per share given to holders of our common stock in connection with the acquisition. As a result of this adjustment, you may receive RSUs covering more or fewer shares of the acquirer's common stock than the number of shares subject to the eligible options that you tendered for exchange or than the number you would have received pursuant to the RSUs if no acquisition had occurred.

A transaction involving us, such as a merger or other acquisition, could have a substantial effect on our stock price, including significantly increasing the price of our common stock. Depending on the structure and terms of this type of transaction, option holders who elect to participate in the offer might be deprived of the benefit of the appreciation in the price of our common stock resulting from the merger or acquisition. This could result in a greater financial benefit for those option holders who did not participate in this offer and retained their original options.

Finally, if another company acquires us, that company, as part of the transaction or otherwise, may decide to terminate some or all of the employees and other service providers of IGM or its subsidiaries before the completion of this offer. Termination of your employment or other service for this or any other reason before the RSU grant date means that the tender of your eligible options will not be accepted, you will keep your tendered options in accordance with their original terms, and you will not receive any RSUs or other benefit for your tendered options.

Events Occurring After the RSU Grant Date. In the event of any dividend or other distribution, recapitalization, stock split, reverse stock split, reorganization, reincorporation, reclassification, merger, consolidation, split-up, spin-off, combination, repurchase, or exchange of shares or other securities of the Company, or other change our the corporate structure affecting the shares, the administrator of the 2018 Plan will adjust (i) the number and class of shares that may be delivered under the 2018 Plan, (ii) the number, class, and price of shares covered by each outstanding award granted under the 2018 Plan, and/or (iii) the numerical share limits under the 2018 Plan.

In the event of a merger or change in control (as defined in the applicable 2018 Plan) of IGM, awards granted under the applicable 2018 Plan will be treated in accordance with the terms and conditions set forth in such 2018 Plan and award agreement under the 2018 Plan to which the awards are subject. Generally, the administrator of the 2018 Plan determines how the awards will be treated. However, if the successor corporation does not assume or substitute for the award, the award holder will fully vest in the award and with respect to options, have the right to exercise such options. Also, the administrator will notify the option holder that the option will be exercisable for a period of time that the administrator determines, and thereafter the option will terminate.

Transferability.

RSUs generally may not be transferred, other than by will or the laws of descent and distribution.

Registration and sale of shares underlying RSUs.

All of IGM's shares of common stock issuable upon the vesting of the RSUs to be granted under the 2018 Plan have been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") on registration statements on Form S-8 filed with the SEC. Unless you are an employee or other service provider who is considered an affiliate of IGM for purposes of the Securities Act, you will be able to sell the shares issuable upon receipt of your RSUs free of any transfer restrictions under applicable U.S. securities laws.

Tax consequences.

You should refer to Section 14 of this Offer to Exchange for a discussion of the federal income tax consequences of the RSUs and exchanged options, as well as the consequences of accepting or rejecting this offer. If you are a taxpayer of the U.S., but also are subject to the tax laws of another non-U.S. jurisdiction, you should be aware that there might be other tax and social insurance consequences that may apply to you. **We strongly recommend that you consult with your advisers to discuss the consequences to you of this transaction.**

10. Information concerning IGM.

IGM was incorporated in Delaware in August 1993 under the name Palingen, Inc. and the name was subsequently changed to IGM Biosciences, Inc. in 2010. We are a clinical-stage biotechnology company pioneering the development of IgM antibodies for the treatment of cancer and autoimmune and inflammatory diseases. IgM antibodies have inherent properties that we believe may enable them to bind more strongly to targets on the surface of cells than comparable IgG antibodies. We have created a proprietary IgM antibody technology platform that we believe is particularly well suited for developing receptor cross-linking agonists and bispecific T cell engaging antibodies. Our product candidates currently in or planned to enter clinical testing include:

- Aplitabart: An IgM antibody targeting Death Receptor 5 ("DR5") proteins, currently being evaluated in multiple Phase 1 combination trials, including randomized and single-arm combination trials for the treatment of colorectal cancer.
- Imvotamab: A bispecific T cell engaging IgM antibody targeting CD20 and CD3 proteins, currently being evaluated in two Phase 1 clinical trials in autoimmune diseases, one for severe systemic lupus erythematosus and one for severe rheumatoid arthritis and planned to be evaluated in a Phase 1 trial for myositis.
- IGM-2644: A bispecific T cell engaging IgM antibody targeting CD38 and CD3 proteins, currently planned for evaluation in a Phase 1 clinical trial in autoimmune disease.

Our clinical development priorities are (i) treating colorectal cancer using IgM DR5 agonist antibodies and (ii) treating autoimmune diseases using IgM T cell engager antibodies. In December 2023, we announced we are deprioritizing all hematologic oncology clinical development as well as the clinical development of our targeted cytokine product candidate ("Strategic Refocusing").

We believe that we have the most advanced research and development program focused on therapeutic IgM antibodies. We have created a portfolio of patents and patent applications, know-how and trade secrets directed to our platform technology, product candidates and manufacturing capabilities, and we retain worldwide commercial rights to all of our product candidates, other than those being developed in partnership with Sanofi and the intellectual property related thereto.

Our principal executive offices are located at 325 E. Middlefield Road, Mountain View, California and our telephone number is 650-965-7873. Questions regarding this offer should be directed to:

Infinite Equity
Email: IGM@infiniteequity.com

The financial information, including the financial statements and the notes thereto, included in our annual report on Form 10-K for the fiscal year ended December 31, 2023 and in our quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2024, are incorporated herein by reference. Please see Section 17 of this Offer to Exchange titled, "Additional information," for instructions on how you can obtain copies of our SEC filings, including filings that contain our financial statements.

11. Interests of directors and executive officers; transactions and arrangements concerning the options.

A list of our current directors and executive officers as of May 31, 2024, is attached to this Offer to Exchange as Schedule A. Our Chief Executive Officer and the non-employee members of our board of directors are not eligible to participate in this offer. As of May 31, 2024, our executive officers and directors (14 persons) as a group held options unexercised and outstanding under the 2018 Plan to purchase a total of 4,076,798 of our shares, which represented approximately 54% of the shares subject to all options outstanding under the 2018 Plan as of that date.

The following table below sets forth the beneficial ownership of each of our executive officers and directors of options outstanding under the 2018 Plan as of May 31, 2024. The percentages in the table below are based on the total number of outstanding options (i.e., whether or not eligible for exchange) to purchase our common stock under the 2018 Plan, which was 7,460,559 as of May 31, 2024. Our Chief Executive Officer and the non-employee members of our board of directors are not eligible to participate in the offer.

Name	Position	Number of Shares Subject to Outstanding Options	Percentage of Total Outstanding Options
Fred Schwarzer	Chief Executive Officer, President and Director	1,290,233	17%
Lisa L. Decker, Ph.D.	Chief Business Officer	195,000	3%
Mary Beth Harler, M.D.	Head, Research and Autoimmunity	420,000	6%
Bruce Keyt, Ph.D.	Chief Scientific Officer	532,332	7%
Misbah Tahir	Chief Financial Officer	435,097	6%
Chris H. Takimoto, M.D., PH.D., F.A.C.P.	Chief Medical Officer	370,000	5%
Felix J. Baker, Ph.D.	Director	80,820	1%
M. Kathleen Behrens, Ph.D.	Director	118,052	2%
Julie Hambleton, M.D.	Director	118,052	2%
Michael Lee	Director	102,920	1%
William Strohl, Ph.D.	Director	118,052	2%
Elizabeth H.Z. Thompson, Ph.D.	Director	60,400	*
Christina Teng Topsøe	Director	102,920	1%
Jakob Haldor Topsøe	Director	102,920	1%

* Less than 1%.

Neither we, nor, to the best of our knowledge, any of our directors or executive officers, nor any affiliates of ours, were engaged in transactions involving our common stock or options to purchase our common stock during the past 60 days.

12. Status of options acquired by us in the offer; accounting consequences of the offer.

Options that we acquire through the offer will be canceled and, to the extent they were granted under the 2018 Plan, the shares subject to those options will be returned to the pool of shares available for grants of RSUs under the offer. To the extent shares returning to the 2018 Plan are not fully reserved for issuance upon receipt of the RSUs to be granted in connection with the offer, the shares will be available for issuance pursuant to future equity awards to employees and other eligible 2018 Plan participants without further stockholder action, except as required by applicable law or the rules of The Nasdaq Stock Market or any other securities quotation system or any stock exchange on which our shares are then quoted or listed.

We have adopted the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718, Stock Compensation ("Topic 718"). Under Topic 718, the offer with respect to all eligible options is considered a modification of those options exchanged and as a result we may be required to recognize incremental compensation expense, if any, resulting from the RSUs granted in the offer. The incremental compensation will be measured as the excess, if any, of the fair value of each RSU granted to employees in exchange for the canceled eligible options, measured as of the date the RSUs are granted, over the fair value of the eligible options exchanged for the RSUs, measured immediately prior to the exchange. This incremental compensation expense will be recognized over the remaining requisite service period of the RSUs. In the event that any of the RSUs are forfeited prior to their vesting due to termination of employment or other service, any incremental compensation expense of the forfeited RSUs will not be recognized.

We also may incur compensation expense resulting from fluctuations in our stock price between the time the exchange ratios were set before the exchange program began, and when the exchange actually occurs on the expiration date.

13. Legal matters; regulatory approvals.

We are not aware of any license or regulatory permit that appears to be material to our business that might be affected adversely by our exchange of options and issuance of RSUs as contemplated by the offer, or of any approval or other action by any government or governmental, administrative or regulatory authority or agency or any Nasdaq Stock Market listing requirements that would be required for the acquisition or ownership of our options as contemplated herein. Should any additional approval or other action be required, we presently contemplate that we will seek such approval or take such other action. We cannot assure you that any such approval or other action, if needed, could be obtained or what the conditions imposed in connection with such approvals would entail or whether the failure to obtain any such approval or other action would result in adverse consequences to our business. Our obligation under the offer to accept tendered options for exchange and to issue RSUs for tendered options is subject to the conditions described in Section 7 of this Offer to Exchange.

If we are prohibited by applicable laws or regulations from granting RSUs on the RSU grant date, we will not grant any RSUs. We are unaware of any such prohibition at this time, and we will use reasonable efforts to effect the grant, but if the grant is prohibited on the RSU grant date we will not grant any RSUs and you will not receive any other benefit for the options you tendered and your eligible options will not be accepted for exchange.

14. Material income tax consequences.

Material U.S. federal income tax consequences.

The following is a summary of the material U.S. federal income tax consequences of the exchange of options for restricted stock units pursuant to the offer for those eligible employees subject to U.S. federal income tax. This discussion is based on the U.S. Internal Revenue Code, its legislative history, treasury regulations promulgated thereunder, and administrative and judicial interpretations as of the date of this offering circular, all of which are subject to change, possibly on a retroactive basis. This summary does not discuss all of the tax consequences that may be relevant to you in light of your particular circumstances, nor is it intended to be applicable in all respects to all categories of option holders. If you are a citizen or a resident of the U.S., but also are subject to the tax laws of another country, you should be aware that there might be other tax and social security consequences that may apply to you. We strongly recommend that you consult with your advisers to discuss the consequences to you of this transaction.

We recommend that you consult your tax adviser with respect to the federal, state and local tax consequences of participating in the offer, as the tax consequences to you are dependent on your individual tax situation.

Option holders who exchange outstanding options for RSUs under the offer generally will not be required to recognize income for U.S. federal income tax purposes at the time of the exchange. We believe that the exchange will be treated as a non-taxable exchange.

Restricted stock units.

If you are a U.S. taxpayer, you generally will not have taxable income at the time you are granted an RSU. Instead, you will recognize ordinary income as the shares subject to the RSUs vest, at which time they no longer can be forfeited and we will deliver the shares to you. At the same time, IGM also typically will have a tax withholding obligation. The amount of ordinary income you recognize will equal the fair market value of the shares. With regard to the shares issued pursuant to the RSUs granted under the offer, you will not have paid any amount for the shares. The Company will satisfy all tax withholding obligations in the manner specified in your RSU award agreement, including, in the Company's discretion, by requiring a cash payment rather than through the sale of shares. Any gain or loss you recognize upon the sale or exchange of shares that you acquire through a grant of RSUs generally will be treated as capital gain or loss and will be long-term or short-term depending upon how long you have held the shares. Shares held more than 12 months are subject to long-term capital gain or loss, while shares held 12 months or less are subject to short-term capital gain or loss.

You also should note that if (1) your RSUs constitute "deferred compensation" within the meaning of Section 409A, (2) the vesting of all or a portion of your RSUs is accelerated in connection with your separation from service with us, and (3) you are a "specified employee" (generally, a highly placed officer of the Company) at that time, then the delivery of accelerated shares under your RSU award may need to be delayed by six months in order to allow you to avoid the imposition of additional taxation under Section 409A.

Nonstatutory stock options.

Under current law, an option holder generally will not realize taxable income upon the grant of a nonstatutory stock option, nor will such option holder realize taxable income upon the vesting of these shares. However, when you exercise a nonstatutory stock option, you generally will have ordinary income to the extent the fair market value of the shares on the date of exercise you receive is greater than the exercise price you pay. If the exercise price of a nonstatutory stock option is paid in shares of common stock or a combination of cash and shares of common stock, the excess of the value (on the date of exercise) of the shares of common stock purchased over the value of the shares surrendered, less any cash paid upon exercise, generally will be ordinary income taxable to you.

IGM generally will be entitled to a deduction equal to the amount of ordinary income taxable to you if we comply with eligible reporting requirements.

Upon disposition of the shares, any gain or loss is treated as capital gain or loss. The capital gain or loss will be long-term or short-term depending on whether the shares were held for more than 12 months. The holding period for the shares generally will begin just after the time you recognized income. The amount of such gain or loss will be the difference between: (i) the amount realized upon the sale or exchange of the shares, and (ii) the value of the shares at the time the ordinary income was recognized.

If you were an employee at the time of the grant of the option, any income recognized upon exercise of a nonstatutory stock option generally will constitute wages for which withholding will be required.

Incentive stock options.

Under current U.S. tax law, an option holder will not realize taxable income upon the grant of an incentive stock option. In addition, an option holder generally will not realize taxable income upon the exercise of an incentive stock option. However, an option holder's alternative minimum taxable income will be increased by the amount that the aggregate fair market value of the shares underlying the option, which is generally determined as of the date of exercise, exceeds the aggregate exercise price of the option. Except in the case of an option holder's death or disability, if an option is exercised more than three months after the option holder's termination of employment, the option ceases to be treated as an incentive stock option and is subject to taxation under the rules that apply to nonstatutory stock options.

If an option holder sells the option shares acquired upon exercise of an incentive stock option, the tax consequences of the disposition depend upon whether the disposition is qualifying or disqualifying. The disposition of the option shares is qualifying if it is made:

- more than two years after the date the incentive stock option was granted; and
- more than one year after the date the incentive stock option was exercised.

If the disposition of the option shares is qualifying, any excess of the sale price of the option shares over the exercise price of the option will be treated as long-term capital gain taxable to the option holder at the time of the sale. Any such capital gain will be taxed at the long-term capital gain rate in effect at the time of sale.

If the disposition is not qualifying, which we refer to as a "disqualifying disposition," the excess of the fair market value of the option shares on the date the option was exercised (or, if less, the amount realized on the disposition of the shares) over the exercise price will be taxable income to the option holder at the time of the disposition.

Of that income, the amount up to the excess of the fair market value of the shares at the time the option was exercised over the exercise price will be ordinary income for income tax purposes and the balance, if any, will be long-term or short-term capital gain, depending upon whether or not the shares were sold more than one year after the option was exercised.

Unless an option holder engages in a disqualifying disposition, we will not be entitled to a deduction with respect to an incentive stock option. If an option holder engages in a disqualifying disposition, we generally will be entitled to a deduction equal to the amount of compensation income taxable to the option holder.

This offer currently is expected to remain open for no more than 29 calendar days. If we extend this offer such that it is open for 30 calendar days or more, incentive stock options that are eligible options but that are not exchanged in the offer will be considered to have been modified. The commencement date of the offer (June 20, 2024) will be considered the modification date for purposes of determining whether the employee will receive favorable tax treatment with respect to the incentive stock options. As a result, in order to receive favorable tax treatment with respect to any such incentive stock option, you must not dispose of any shares acquired with respect to the incentive stock option until the passage of more than two years from the date this offer commenced (June 20, 2024) (i.e., the date of the deemed modification) and more than one year after the exercise of the option. If these holding periods (and all other incentive stock option requirements) are met, the excess of the sale price of the option shares over the exercise price of the option will be treated as long-term capital gain.

We recommend that you consult your tax adviser with respect to the federal, state, and local tax consequences of participating in the offer.

In addition, if you are a resident of or taxpayer in more than one country, you should be aware that there might be income tax, social insurance and other tax or legal consequences for more than one country that may apply to you. Also, if you were granted eligible options while a resident or taxpayer in one country but are a resident of or taxpayer in another country when the RSUs are granted to you pursuant to the offer, you may be subject to tax not only in the new country, but also in the original country (e.g., if the original country views the RSUs as a replacement grant).

We strongly recommend that you consult with your advisers to discuss the consequences to you of this transaction.

15. Extension of offer; termination; amendment.

We reserve the right, in our discretion, at any time and regardless of whether or not any event listed in Section 7 of this Offer to Exchange has occurred or is deemed by us to have occurred, to extend the period of time during which the offer is open and delay the acceptance for exchange of any options. If we elect to extend the period of time during which this offer is open, we will give you oral or written notice of the extension and delay, as described below. If we extend the expiration date, we also will extend your right to withdraw tenders of eligible options until such extended expiration date. In the case of an extension, we will issue a press release, email or other form of communication no later than 6:00 a.m., Pacific Time, on the next U.S. business day after the previously scheduled expiration date.

We also reserve the right, in our reasonable judgment, before the expiration date to terminate or amend the offer and to postpone our acceptance and cancellation of any options elected to be exchanged if any of the events listed in Section 7 of this Offer to Exchange occurs, by giving oral or written notice of the termination or postponement to you or by making a public announcement of the termination. Our reservation of the right to delay our acceptance and cancellation of options elected to be exchanged is limited by Rule 13e-4(f)(5) under the Exchange Act which requires that we must pay the consideration offered or return the options promptly after termination or withdrawal of a tender offer.

Subject to compliance with applicable law, we further reserve the right, before the expiration date, in our discretion, and regardless of whether any event listed in Section 7 of this Offer to Exchange has occurred or is deemed by us to have occurred, to amend the offer in any respect, including by decreasing or increasing the consideration offered in this offer to option holders or by decreasing or increasing the number of options being sought in this offer. As a reminder, if a particular option expires after the start of, but before cancellation under the offer, that particular option is not eligible for exchange. Therefore, if we extend the offer for any reason and if a particular option that was tendered before the originally scheduled expiration of the offer expires after such originally scheduled expiration date but before the actual cancellation date under the extended offer, that option would not be eligible for exchange.

The minimum period during which the offer will remain open following material changes in the terms of the offer or in the information concerning the offer, other than a change in the consideration being offered by us or a change in the amount of existing options sought, will depend on the facts and circumstances of such change, including the relative materiality of the terms or information changes. If we modify the number of eligible options being sought in this offer or the consideration being offered by us for the eligible options in this offer, the offer will remain open for at least ten U.S. business days from the date of notice of such modification. If any term of the offer is amended in a manner that we determine constitutes a material change adversely affecting any holder of eligible options, we promptly will disclose the amendments in a manner reasonably calculated to inform holders of eligible options of such amendment, and we will extend the offer's period so that at least two U.S. business days, or such longer period as may be required by the tender offer rules, remain after such change.

For purposes of the offer, a "business day" means any day other than a Saturday, Sunday or a U.S. federal holiday and consists of the time period from 12:01 a.m. through 12:00 midnight, Eastern Time.

16. Fees and expenses.

We will not pay any fees or commissions to any broker, dealer or other person for soliciting options to be exchanged through this offer.

17. Additional information.

This Offer to Exchange is part of a Tender Offer Statement on Schedule TO that we have filed with the SEC. This Offer to Exchange does not contain all of the information contained in the Schedule TO and the exhibits to the Schedule TO. We recommend that you review the Schedule TO, including its exhibits, and the following materials that we have filed with the SEC before making a decision on whether to elect to exchange your options:

1. Our annual report on Form 10-K for our fiscal year ended December 31, 2023, filed with the SEC on March 7, 2024;
2. Our definitive proxy statement on Schedule 14A for our 2024 annual meeting of stockholders, filed with the SEC on April 26, 2024;
3. Our quarterly report on Form 10-Q for our fiscal quarter ended March 31, 2024, filed with the SEC on May 8, 2024;
4. The description of our common stock contained in our registration statement on Form 8-A filed with the SEC on September 12, 2019 and any further amendment or report filed thereafter for the purpose of updating such description; and
5. The information contained in our current reports on Form 8-K filed with the SEC, except to the extent that information therein is furnished and not filed with the SEC.

These filings, our other annual, quarterly, and current reports, our proxy statements, and our other SEC filings may be examined, and copies may be obtained, at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information on the operation of the public reference room by calling the SEC at 1-800-SEC-0330. Our SEC filings also are available to the public on the SEC's Internet site at http://www.sec.gov.

Each person to whom a copy of this Offer to Exchange is delivered may obtain a copy of any or all of the documents to which we have referred you, other than exhibits to such documents, unless such exhibits are specifically incorporated by reference into such documents, at no cost, by contacting:

Infinite Equity
Email: IGM@infiniteequity.com

As you read the documents listed above, you may find some inconsistencies in information from one document to another. If you find inconsistencies between the documents, or between a document and this Offer to Exchange, you should rely on the statements made in the most recent document.

The information contained in this Offer to Exchange about us should be read together with the information contained in the documents to which we have referred you, in making your decision as to whether or not to participate in this offer.

18. Financial information.

The financial information, including financial statements and the notes thereto, included in our annual report on Form 10-K for the fiscal year ended December 31, 2023, and in our quarterly reports on Form 10-Q for the fiscal quarter ended March 31, 2024, are incorporated herein by reference. Attached as Schedule B to this Offer to Exchange is a summary of our financial information from our annual report on Form 10-K for our fiscal year ended December 31, 2023, and from our quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2024. More complete financial information may be obtained by accessing our public filings with the SEC by following the instructions in Section 17 of this Offer to Exchange.

19. Miscellaneous.

We are not aware of any jurisdiction in which the making of the offer is not in compliance with applicable law. If we become aware of any jurisdiction in which the making of the offer is not in compliance with any valid applicable law, we will make a good faith effort to comply with such law. If, after such good faith effort, we cannot comply with such law, the offer will not be made to, nor will options be accepted from the option holders residing in such jurisdiction.

We have not authorized any person to make any recommendation on our behalf as to whether you should elect to exchange your options through the offer. You should rely only on the information in this document or documents to which we have referred you. We have not authorized anyone to give you any information or to make any representations in connection with the offer other than the information and representations contained in this Offer to Exchange and in the related offer documents. If anyone makes any recommendation or representation to you or gives you any information, you must not rely upon that recommendation, representation, or information as having been authorized by us.

IGM Biosciences, Inc.
June 20, 2024

SCHEDULE A

INFORMATION CONCERNINFG THE NAMED EXECUTIVE OFFICERS

AND DIRECTORS OF IGM BIOSCIENCES, INC.

The directors and named executive officers of IGM Biosciences, Inc. as of June 20, 2024, are set forth in the following table:

Name	Position and Offices Held
Fred Schwarzer	Chief Executive Officer, President and Director
Lisa L. Decker, Ph.D.	Chief Business Officer
Mary Beth Harler, M.D.	Head, Research and Autoimmunity
Bruce Keyt, Ph.D.	Chief Scientific Officer
Misbah Tahir	Chief Financial Officer
Chris H. Takimoto, M.D., Ph.D., F.A.C.P.	Chief Medical Officer
Felix J. Baker, Ph.D.	Director
M. Kathleen Behrens, Ph.D.	Director
Julie Hambleton, M.D.	Director
Michael Lee	Director
William Strohl, Ph.D.	Director
Elizabeth H.Z. Thompson, Ph.D.(4)	Director
Christina Teng Topsøe	Director
Jakob Haldor Topsøe	Director

The address of each named executive officer and director is:

IGM Biosciences, Inc.
325 E. Middlefield Road
Mountain View, CA 94043

Our Chief Executive Officer and the non-employee members of our board of directors are not eligible to participate in this offer.

SCHEDULE B

SUMMARY FINANCIAL INFORMATION OF IGM BIOSCIENCES, INC.

Condensed Consolidated Statements of Operations Information

(in thousands, except share and per share amounts)

(quarterly amounts are unaudited)

	Year Ended December 31,		Three Months Ended March 31,	
	2022	2023	2023	2024
Collaboration revenue	$ 1,069	$ 2,130	$ 522	$ 497
Total operating expenses	229,025	265,591	63,896	54,353
Loss from operations	(227,956)	(263,461)	(63,374)	(53,856)
Interest income	7,035	17,743	4,172	4,040
Net loss	(221,102)	(246,416)	(59,309)	(49,816)
Net loss per share, basic and diluted	$ (5.32)	$ (4.71)	$ (1.33)	$ (0.83)
Weighted-average common shares outstanding, basic and diluted	41,543,954	52,311,958	44,466,764	60,114,409

Condensed Consolidated Balance Sheets

(in thousands)

(quarterly amounts are unaudited)

	December 31, 2022	December 31, 2023	March 31, 2024
Total current assets	$ 438,421	$ 347,597	$302,753
Total assets	513,499	423,411	376,132
Total current liabilities	44,685	42,481	37,930
Total liabilities	226,236	220,177	214,879
Total stockholders' equity	287,263	203,234	161,253
Total liabilities and stockholders' equity	513,499	423,411	376,132

EMAIL TO ALL ELIGIBLE EMPLOYEES

From: info@mail.infiniteequity.com

To: All Eligible Employees

Date: June 20, 2024

Subject: LAUNCH OF STOCK OPTION EXCHANGE PROGRAM

IGM Employees,

As previewed by Fred Schwarzer in his email on June 18, 2024, IGM Biosciences, Inc.'s ("IGM") Board of Directors and stockholders recently approved a voluntary, one-time stock option exchange offer for employees who hold substantially "underwater" stock options.

Today, IGM is officially launching the stock option exchange offer and we are pleased to share some important information for employees to review. Please take the time to read through the details the team has compiled below and act as you see fit:

- All eligible employees now have the opportunity to exchange certain stock option grants for a lesser number of restricted stock units with a different vesting schedule. Options eligible to be exchanged include only options granted with an exercise price per share equal to or greater than $17.70, that remain outstanding and unexercised as of the expiration of this offer, that have a per share exercise price greater than the closing price of our common stock on the date when exchanged options will be canceled (currently scheduled to be July 19, 2024) and that were granted under our Amended and Restated 2018 Omnibus Incentive Plan on or prior to March 1, 2023.
    - You are an eligible employee if you are an employee of IGM or any of its subsidiaries (but excluding our Chief Executive Officer and non-employee members of our board of directors) as of the start of the offer and remain an employee of IGM or any of its subsidiaries through the expiration of the offer and the RSU grant date.
- This offer currently is scheduled to expire on July 18, 2024, at 9:00 p.m., Pacific Time and restricted stock units are scheduled to be granted on the following day, July 19. Due to administrative processing requirements, please allow up to two weeks from July 19, 2024 for the RSU grants to be visible within your ETrade account.
- IGM has prepared a number of resources to help you understand the terms and conditions of the offer, which are attached to this email. These resources include the document titled "Offer to Exchange Certain Outstanding Options for Restricted Stock Units" (referred to as the "Offer to Exchange"). Additionally, instructions on how to elect to participate in the offer and a schedule of your eligible option grant information are available via IGM's offer website.

- This eligible option schedule will list the outstanding option grants that are eligible under this offer, the grant date and per share exercise price of each of your eligible option grants, the number of shares subject to each of your eligible option grants that are scheduled to be vested as of July 18, 2024, the number of outstanding shares subject to each of your eligible option grants as of July 18, 2024 (assuming you have not exercised all or any portion of your eligible option grants during the offering period), the exchange ratio applicable to each eligible option, the number of RSUs that would be issued in exchange for each eligible option, and the vesting schedule applicable to such RSUs.

Stock Option Exchange Website: www.myoptionexchange.com

Your Login ID is your IGM email address

Log-In Instructions:

To log into the website, please go to www.myoptionexchange.com. The first time you access the website, you will need to register as a new user and create a password. You must use your IGM email address. The website uses two-factor authentication, so the first time you access the portal each day, the website will generate a verification code that will be emailed to you. Once the verification code has been entered, you can access the website's content. The verification codes expire at the end of each day. If you experience difficulties accessing the Option Exchange website, please contact IGM@infiniteequity.com.

As you might have more questions related to the offer, IGM has prepared a presentation of the relevant information regarding the process. We know the materials describing the offer may seem voluminous, but it is important that you review these materials and ask questions as needed so you can make an informed decision on whether to participate or not. A few other key things to keep in mind:

- If you do nothing, you will be making a decision not to participate in the offer and you will retain your current options under their current terms and conditions. If, after reviewing the materials, you still have questions about the offer, please contact Infinite Equity by email at IGM@infiniteequity.com.
- Participation in the offer is completely voluntary. Participating in the offer involves risks that are discussed in the Offer to Exchange. It is recommended that you consult with your personal financial, legal and/or tax advisors to weigh the benefits and risks involved in participating in the offer.
- If you choose to participate in the offer, you will need to deliver a completed election via IGM's offer website, no later than 9:00 p.m., Pacific Time, on July 18, 2024 (unless the offer is extended).
- If IGM has not received your properly completed, signed (electronically) and dated election before the offer expires, you will have rejected this offer and you will keep your current options.

Attachments:
Offer to Exchange Certain Outstanding Options for Restricted Stock Units
Employee Presentation

IGM BIOSCIENCES, INC.
OFFER TO EXCHANGE CERTAIN OUTSTANDING OPTIONS
FOR RESTRICTED STOCK UNITS

ELECTION TERMS AND CONDITIONS

THE OFFER EXPIRES AT 9:00 P.M., PACIFIC TIME, ON JULY 18, 2024,

UNLESS THE OFFER IS EXTENDED

Terms used in this Election Terms & Conditions and Election Instructions attached hereto, that are defined in the Offer to Exchange have the same meaning as those defined terms in the Offer to Exchange

Election Terms & Conditions

1. I agree that my decision to accept or reject the Offer with respect to some or all of my eligible option grants is entirely voluntary and is subject to the terms and conditions of the Offer.

2. I understand that I may change my election at any time by completing and submitting a new election no later than 9:00 p.m. Pacific Time, on July 18, 2024 (unless the Offer is extended), and that any election submitted and/or received after such time will be void and of no further force and effect.

3. If my employment with IGM terminates on or before the date the Offer expires, I understand that I will cease to be an eligible employee under the terms of the Offer and any election that I have made to exchange any of my options pursuant to the Offer will be ineffective. As a result, none of my options will be exchanged under the Offer.

4. I understand and agree that my employment (or, after options have been exchanged pursuant to the Offer, my employment or other service) with IGM or any member of IGM's company group will be considered terminated effective as of the date that I no longer am actively providing employment (or other services, as applicable) to IGM or any member of IGM's company group, regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where I am employed or rendering services or the terms of my employment or other service agreement, if any; and unless otherwise expressly provided in the Offer documents or determined by IGM my right to have eligible options exchanged pursuant to the Offer or to vest in RSUs received in exchange for such eligible options will terminate as of such date and will not be extended by any notice period mandated under local law (e.g., my period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where I am employed or rendering services or the terms of my employment or other service agreement, if any); IGM will have the exclusive discretion to determine when I no longer am actively providing employment services for purposes of the Offer and the grant of RSUs pursuant to the Offer (including whether I still may be considered to be providing employment services while on a leave of absence). I further acknowledge that the RSUs will cover lesser number of shares than are subject to the corresponding exchanged options and will be subject to new vesting schedules.

5. I agree that all decisions with respect to future grants under any IGM equity compensation plan will be at the sole discretion of IGM.

6. I agree that: (i) the Offer is established voluntarily by IGM, is discretionary in nature and may be modified, amended, suspended or terminated by IGM in accordance with the terms set forth in the Offer documents, at any time prior to the expiration of the Offer; (ii) IGM at its discretion, may refuse to accept my election to participate; and (iii) the Offer is an exceptional, voluntary and one-time offer that does not create any contractual or other right to receive future offers, options or other equity awards, or benefits in lieu of offers, even if offers have been made in the past.

7. I agree that the RSUs which are granted to me in exchange for eligible options, and income from and value of same; (i) are not intended to replace any pension rights or compensation; and (ii) are not part of normal or expected compensation for the purposes of calculating any severance, resignation, termination, redundancy, dismissal, end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments.

8. This election and my participation in the Offer shall not create a right to employment or other service, or be interpreted as forming or amending an employment or other service contract with IGM or any of its subsidiaries and shall not interfere with the ability of IGM or, if different, of my current employer, or applicable entity with which I am engaged to provide services (the "Employer"), to terminate my employment or other service relationship (if any) at any time with or without cause (subject to the terms of my employment contract or other service contract, if any).

9. I understand that the future value of the shares of IGM's common stock underlying the RSUs received in exchange for eligible options is unknown, indeterminable and cannot be predicted with certainty.

10. No claim or entitlement to compensation or damages shall arise from forfeiture of the exchanged options resulting from the termination of my employment or other service relationship with IGM or one of its subsidiaries (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where I am employed or the terms of my employment agreement, if any).

11. I acknowledge that, regardless of any action taken by IGM or the Employer, the ultimate liability for all income tax, social insurance and social security liabilities or premium, payroll tax, fringe benefits tax, payment on account or other tax-related items related to the Offer and the exchanged options and legally applicable to me ("Tax-Related Items") is and remains solely my responsibility and may exceed the amount actually withheld by IGM or the Employer. I further acknowledge that IGM and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Offer and the exchanged options, including, but not limited to, the vesting of RSUs received in exchange for eligible options, the issuance of shares of IGM's common stock upon settlement of the RSUs, the subsequent sale of shares of IGM's common stock acquired pursuant to such issuance and the receipt of any dividends;

and (ii) do not commit to and are under no obligation to structure the terms of the Offer or any aspect of the exchanged options to reduce or eliminate my liability for Tax-Related Items or achieve any particular tax result. Further, if I am subject to tax in more than one jurisdiction, I acknowledge that IGM and/or the Employer (or former employer or entity, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to any relevant taxable or tax withholding event, as applicable, I agree to make adequate arrangements satisfactory to IGM and/or the Employer to satisfy all Tax-Related Items. In this regard, I authorize IGM and/or the Employer, or their respective agents, at their discretion, to satisfy any applicable withholding obligations with regard to all Tax-Related Items by one or a combination of the following: (i) withholding from my wages or other cash compensation paid to me by IGM and/or the Employer; (ii) withholding from proceeds of the sale of shares of IGM's common stock acquired upon settlement of RSUs received in exchange for eligible options either through a voluntary sale or through a mandatory sale arranged by IGM (on my behalf pursuant to this authorization without further consent); or (iii) as otherwise specified in the 2018 Plan and the applicable award agreement between IGM and me governing the new RSUs.

Finally, I agree to pay to IGM or the Employer any amount of Tax-Related Items that IGM or the Employer may be required to withhold as a result of my participation in the Offer and the grant of new RSUs that cannot be satisfied by the means previously described. IGM may refuse to issue or deliver the shares of IGM's common stock subject to new RSUs that I receive pursuant to the Offer, if I fail to comply with my obligations in connection with the Tax-Related Items.

12. I acknowledge and agree that none of IGM or a subsidiary or affiliate of IGM or any of their respective employees or agents, has made any recommendation to me as to whether or not I should accept the Offer to exchange my eligible options and that I am not relying on any information or representation made by any such person in accepting or rejecting the Offer, other than any information contained in the Offer documents.

13. I agree that participation in the Offer is governed by the terms and conditions set forth in the Offer documents, including this election. I acknowledge that I have received the Offer documents and have been afforded the opportunity to consult with my own investment, legal and/or tax advisers before making this election and that I have knowingly accepted or rejected the Offer. I agree that any and all decisions or interpretations of IGM upon any questions relating to the Offer and this election will be given the maximum deference permitted by law.

14. I agree that the terms of RSUs received in exchange for eligible options pursuant to the Offer will be subject to the terms and conditions of the applicable award agreement, including with respect to vesting.

15. I understand and agree that the Offer and the eligible options exchanged pursuant to the Offer are governed by, and subject to, the laws of the State of California, without regard to the conflict of law provisions. For purposes of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Offer or the grant of new RSUs, the parties hereby submit to and consent to the exclusive jurisdiction of the State of California and agree that such litigation will be conducted only in the courts of Santa Clara County, California, or the federal courts for the United States for the Northern District of California, and no other courts, where this Offer is made and/or to be performed.

16. I further understand that the confirmation statement provided on the Offer website and sent to me at my current email address at the time I submit my election will provide additional evidence that I submitted my election and that I should print and keep a copy of such confirmation statement for my records. If I do not receive a confirmation statement for any reason, I understand that it is my responsibility to ensure that my election has been received no later than 9:00 p.m., Pacific Time, on July 18, 2024. I understand that only responses that are properly completed and submitted and actually received by IGM on or before the expiration date will be accepted.

17. The provisions of the Offer documents and this election are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions nevertheless shall be binding and enforceable.

BY PARTICIPATING, YOU AGREE TO ALL TERMS OF THE OFFER AS SET FORTH IN THE OFFER DOCUMENTS. Please be sure to follow the instructions, which are attached.

IGM BIOSCIENCES INC.

ELECTION INSTRUCTIONS

FORMING PART OF THE TERMS AND CONDITIONS OF THE OFFER

If you want to participate in this Offer, you must make an election via the process described in Section 4 of the Offer to Exchange and outlined below on or before the expiration date, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024. If you do not want to participate, then no action is necessary.

Elections via the Offer Website

1. Click on the link to the Offer website in the Launch Email dated June 20, 2024, or go to the Offer website at https://www.myoptionexchange.com/. Log in to the Offer website using the login instructions provided to you in the Launch Email (or if you previously logged into the Offer website, your updated login credentials).
2. After logging in to the Offer website, review the information and proceed through to the Make My Election page. You will be provided with personalized information regarding each eligible option grant you hold, including:
    - the grant date of the eligible option grant;
    - the per share exercise price of the eligible option grant; and
    - the number of vested and unvested shares of our common stock subject to the eligible option grant as of July 18, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date).
3. On the Make My Election page, make your selection next to each of your eligible option grants to indicate which eligible option grants you choose to exchange in the Offer by selecting “Exchange” or choose not to exchange in the Offer by selecting “Do not exchange.”
4. Proceed through the Offer website by following the instructions provided. Review your election and confirm that you are satisfied with your election. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Submit My Election page and in the Offer documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a confirmation statement will be generated by the Offer website and sent to you at your current email address. Please print and keep a copy of the confirmation statement for your records. At this point, you will have completed the election process via the Offer website.

We must receive your properly completed and submitted election by the expiration of the Offer, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024.

Your delivery of all documents regarding the Offer, including elections, is at your risk. A confirmation statement will be generated by the Offer website and sent to you at your current email address at the time that you complete and submit your election. You should print and keep a copy of the confirmation statement for your records. The printed confirmation statement will provide evidence that you submitted your election. If you do not receive a confirmation, it is your responsibility to confirm that we have received your election. If you do not receive a confirmation for any reason, we recommend that you confirm that we have received your election by contacting Infinite Equity by email at IGM@infiniteequity.com. Only responses that are properly completed and actually received by us by the deadline by the Offer website https://www.myoptionexchange.com/ will be accepted. Responses submitted by any other means, including hand delivery, interoffice, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted. If you encounter technical issues with respect to the Offer website, please contact Infinite Equity by email at IGM@infiniteequity.com.

Our receipt of your election is not by itself an acceptance of your options for exchange. For purposes of the Offer, we will be deemed to have accepted options for exchange that are validly elected to be exchanged and are not properly withdrawn as of the time when we give oral or written notice to the option holders generally of our acceptance of options for exchange. We may issue this notice of acceptance by press release, email or other form of communication. Options accepted for exchange will be exchanged on the cancellation date, which we presently expect will be July 19, 2024.

IGM will not accept any alternative, conditional or contingent tenders. Any confirmation of receipt provided to you merely will be a notification that we have received your election and does not mean that your eligible options have been exchanged. Your eligible options that are accepted for exchange will be cancelled on the calendar day following the expiration of the Offer (but following the expiration of the Offer), which cancellation is scheduled to be July 19, 2024 (unless the Offer is extended).

2. To change or withdraw prior elections of your eligible options, you must complete and deliver a new election.

You may change an election you previously made with respect to some or all of your eligible option grants, including an election to withdraw all of your eligible option grants from this Offer, only in accordance with the provisions of Section 5 of the Offer to Exchange. You may change your mind after you have submitted an election and withdraw some or all of your elected eligible options from the Offer at any time on or before the expiration date (the expiration date currently is expected to be July 18, 2024, at 9:00 p.m., Pacific Time). If we extend the expiration date, you may change or withdraw your election of your tendered options at any time until the extended Offer expires. In addition, although we intend to accept all validly tendered eligible options promptly after the expiration of this Offer, due to certain requirements under U.S. securities laws, if we have not accepted your options by 9:00 p.m., Pacific Time, on August 16, 2024 (which is the 40th U.S. business day following the commencement of the Offer), you may withdraw your options at any time thereafter up to such time as IGM does accept your properly tendered eligible options.

You may change your election and elect to exchange all of your eligible option grants, some of your eligible option grants, or none of your eligible option grants pursuant to the terms and conditions of this Offer. To change an election you previously made with respect to some or all of your eligible option grants, including an election to withdraw all of your eligible option grants from this Offer, you must deliver a valid new election indicating only the eligible option grants you wish to exchange in the Offer or a valid new election indicating that you reject the Offer with respect to all of your eligible options, by completing the election process set forth in Section 5 of the Offer to Exchange and described below on or before the expiration date, currently expected to be 9:00 p.m., Pacific Time, on July 18, 2024.

Election Changes and Withdrawals via the Offer Website

1. Log in to the Offer website using your login credentials and via the link provided in the Launch Email dated June 20, 2024, or go to the Offer website at https://www.myoptionexchange.com/.
2. After logging in to the Offer website, review the information and proceed through to the Make My Election page, where you will find personalized information regarding each eligible option grant you hold, including:
    - the grant date of the eligible option grant;
    - the per share exercise price of the eligible option grant; and
    - the number of vested and unvested shares of our common stock subject to the eligible option grant as of July 18, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through such date).
3. On the Make My Election page, make your selection next to each of your eligible option grants to indicate which eligible option grants you choose to exchange in the offer by selecting “Exchange” or choose not to exchange in the offer by selecting “Do not Exchange.”
4. Proceed through the Offer website by following the instructions provided. Review your selections and confirm that you are satisfied with your selections. After reviewing, acknowledging and agreeing to the terms and conditions stated on the Submit My Election page and in the Offer documents, submit your election. If you do not acknowledge and agree to the terms and conditions, you will not be permitted to submit your election.
5. Upon submitting your election, a confirmation statement will be generated by the Offer website and sent to you at your current email address. Please print and keep a copy of the confirmation statement for your records. At this point, you will have completed the process for changing your previous election or withdrawing from participation in the Offer via the Offer website.

You may change your mind as many times as you wish, but you will be bound by the properly submitted election we receive last on or before the expiration date. If you change your election to withdraw some or all of your eligible option grants, you may elect later to exchange the withdrawn eligible option grants again at any time on or before the expiration date. All eligible option grants that you withdraw will be deemed not properly tendered for purposes of the Offer, unless you subsequently properly elect to exchange such eligible option grants on or before the expiration date. To reelect to exchange some or all of your eligible option grants, you must submit a new election to IGM on or before the expiration date by following the procedures described in Section 4 of the Offer to Exchange. This new election must be properly completed, signed (electronically via the Offer website), and dated after your previously-submitted election, and must list all eligible option grants you wish to exchange. Upon our receipt of your properly completed, signed (electronically via the Offer website) and dated election, any prior election will be disregarded in its entirety and will be considered replaced in full by the new election. **Each time you make an election on the IGM Offer website, please be sure to make an election with respect to each of your Eligible Option Grants.**

3. No Partial Tenders.

If you intend to tender an eligible option grant through the Offer, you must tender all of your shares of IGM's common stock subject to that eligible option grant.

You may pick and choose which of your outstanding eligible option grants you wish to exchange if you hold more than one eligible option grant and you may choose to exchange in the Offer one or more of your eligible option grants without having to exchange all of your eligible option grants. However, if you decide to participate in this Offer to exchange an eligible option grant, you must elect to exchange that entire eligible option grant (that is, all eligible options subject to that eligible option grant).

However, if you have an eligible option grant that is subject to a domestic relations order (or comparable legal document as the result of the end of a marriage) and a person who is not an eligible employee beneficially owns a portion of that eligible option grant, then you may not participate in the Offer unless the entirety of the eligible option grant is tendered. We are not accepting partial tenders of an eligible option grant, so you may not accept this Offer with respect to a portion of an eligible option grant that is beneficially owned by you while rejecting it with respect to the portion beneficially owned by someone else, unless otherwise determined by our board of directors.

4. Signatures on elections.

Logging in to IGM's Offer website and completing and submitting your election via the Offer website is the equivalent of signing your name on a paper election and has the same legal effect as your written signature.

5. Other information on elections.

In addition to signing the election (electronically via the Offer website), you must indicate your name and the date and time (Pacific Time) at which you signed, or with respect to the Offer website, confirm your name. You also must include (or with respect to the Offer website, confirm) your current email address.

6. Requests for assistance or additional copies.

Any questions and any requests for additional copies of the election or other Offer documents may be directed to Infinite Equity by email at IGM@infiniteequity.com. Copies will be furnished promptly at IGM's expense. Notwithstanding the delivery of any Offer documents to you, all elections must be made through the Offer website.

7. Irregularities.

We will determine, in our discretion, all questions about the validity, form, eligibility (including time of receipt) and acceptance of any eligible options. Our determination of these matters will be given the maximum deference permitted by law. However, you have all rights accorded to you under applicable law to challenge such determination in a court of competent jurisdiction. Only a court of competent jurisdiction can make a determination that will be final and binding upon the parties. We reserve the right to reject any election of any option tendered for exchange that we determine is not in an appropriate form or that we determine is unlawful to accept. We will accept all properly tendered eligible options that are not validly withdrawn, subject to the terms of this Offer. We also reserve the right to waive any of the conditions of the Offer or any defect or irregularity in any tender of any particular options or for any particular option holder, provided that if we grant any such waiver, it will be granted with respect to all option holders and tendered options in a uniform and nondiscriminatory manner. No tender of options will be deemed to have been made properly until all defects or irregularities have been cured or waived by us. We have no obligation to give notice of any defects or irregularities in any election and we will not incur any liability for failure to give any such notice. This is a one-time offer. We will strictly enforce the offering period, subject only to an extension that we may grant in our discretion.

***Important**:* Elections must be received via the Offer website at https://www.myoptionexchange.com/ on or before 9:00 p.m., Pacific Time, on July 18, 2024 (unless the Offer is extended).

8. Additional documents to read.

You should be sure to read the Offer to Exchange, all documents referenced therein, the election and its associated instructions, and the Launch Email, before deciding to participate in the Offer.

9. Important tax information.

Please refer to Section 14 of the Offer to Exchange which contains important tax information. We also recommend that you consult with your personal advisers before deciding whether or not to participate in this Offer.

Form of Confirmation to Eligible Employees

To: All Eligible Employees

From: info@mail.infiniteequity.com

Date: [•]

Subject: Confirmation of Election to Participate in Offer to Exchange

IGM BIOSCIENCES OPTION EXCHANGE PROGRAM

IGM Biosciences, Inc. ("IGM") has received your election, via the offer website, by which you elected to accept or reject IGM's offer to exchange certain outstanding options for restricted stock units ("RSUs") with respect to some or all of your outstanding eligible option grants, subject to the terms and conditions of the offer.

Your election has been recorded as follows:

Name:
Employee ID:
Date and Time:

1 This column displays the number of shares of IGM Biosciences' common stock subject to the stock option grant as of July 18, 2024 (assuming no exercise or early termination occurs, through July 18, 2024).

2 This column displays the number of vested shares of IGM Biosciences' common stock subject to the stock option grant as of July 18, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through July 18, 2024).

3 The number of new RSUs received in the exchange will vary based on the exercise price of the options you are exchanging.

4 50% of the new RSUs received in exchange for vested eligible options shall vest on the 1-year anniversary of the RSU grant date, and the remaining new RSUs shall vest in 4 equal quarterly installments over the following year, in each case subject to continued service through the applicable vesting date.

5 50% of new RSUs received in exchange for unvested eligible options shall vest on the date that is 18 months following the RSU grant date, and the remaining new RSUs shall vest in 6 equal quarterly installments over the following 18 months, in each case subject to continued service through the applicable vesting date.

In all events, vesting is subject to continued service with IGM Biosciences through the applicable vesting date.

Please refer to the Option Exchange documents, including Section 7 of the Offer to Exchange Certain Outstanding Options for Restricted Stock Units, for additional terms that may apply to the RSUs.

If you change your mind regarding your election, you may change your election to accept or reject the offer with respect to some or all of your eligible option grants by submitting a new, properly completed election. The new election must be delivered via IGM's offer website no later than the offer expiration date, currently expected to be 9:00 PM Pacific Time, on July 18, 2024.

Only elections that are properly completed, signed, dated and actually received by IGM via the offer website before the offer expires will be accepted. Elections submitted by any other means, including email, facsimile, hand delivery, interoffice, U.S. mail (or other post) and Federal Express (or similar delivery service) are not permitted. If you have questions, please direct them to Infinite Equity by email at IGM@infiniteequity.com.

Please note that our receipt of your election is not by itself an acceptance of the eligible options for exchange. For the purposes of the offer, IGM will be deemed to have accepted eligible options for exchange that are validly tendered and not properly withdrawn as of when IGM gives oral or written notice to the option holders generally of its acceptance for exchange of such eligible options, which notice may be made by press release, email or other method of communication. IGM's formal acceptance of the properly tendered eligible options is expected to take place shortly after the expiration of the offer.

This notice does not constitute the Offer to Exchange Certain Outstanding Options for Restricted Stock Units (referred to as the "Offer to Exchange"). The full terms of the offer are described in (1) the Offer to Exchange; (2) the launch email, dated June 20, 2024, announcing the offer; and (3) the election terms and conditions, together with its associated instructions. You may access these documents through IGM's EDGAR filings on the U.S. Securities and Exchange Commission's website at www.sec.gov, on IGM's offer website at www.myoptionexchange.com, or by contacting Infinite Equity at IGM@infiniteequity.com.

[PARTICIPANT ELECTION SIGNATURE]

We strongly encourage you to print this email and keep it for your records.

If the above is not your intent, you may log back into the option exchange website (www.myoptionexchange.com) to change your election on or before July 18, 2024 at 9:00 PM Pacific Time.

If you have questions about the Option Exchange or this confirmation notice, please contact IGM@infiniteequity.com.

CHANGE ELECTIONS

Please do NOT reply to this email. This mailbox is not monitored and you will not receive a response.

The Option Exchange is being made pursuant to the terms and conditions set forth in IGM Biosciences' Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange, filed with the Securities and Exchange Commission, which are available free of charge at http://www.sec.gov or on the Option Exchange website located at: www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including risks related thereto.

FORM OF REMINDER EMAIL

To: All Eligible Employees

From: info@mail.infiniteequity.com

Date: [•]

Subject: Reminder of Offer to Exchange

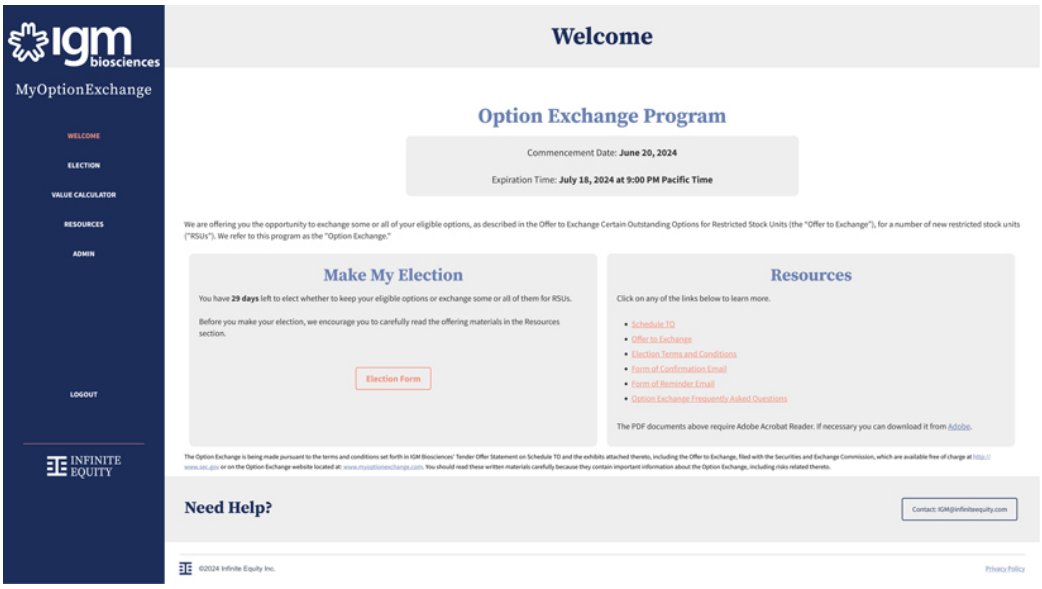
The IGM Biosciences, Inc. offer to exchange certain outstanding options for restricted stock units (referred to as the "offer") currently is still open. Please note that **the offer will expire at 9:00 p.m., Pacific Time, on July 18, 2024,** unless we extend the offer. **The offer deadline will be strictly enforced**, so we encourage you to give yourself adequate time to make your election if you wish to participate.

According to our records, you have not yet submitted an election for your eligible options. Participation in the offer is completely voluntary; however, if you would like to participate in the offer, you must submit a properly completed election via IGM's offer website or facsimile no later than 9:00 p.m., Pacific Time on July 18, 2024 (unless the offer is extended).

You can access the Option Exchange website at www.myoptionexchange.com and follow the directions to make a timely decision. If you have already established your account, login with your password and check your email for the authentication code. If you have not already established your account, please click on "Register as New User", set your password, and check your email for the authentication code. You must use your IGM email address. Simply follow the instructions on the website to access personalized information about your eligible options and how to make, change or withdraw your election before the end of the offering period.

Only elections that are properly completed, signed (electronically), dated and actually received by IGM by the deadline via the offer website will be accepted. Elections submitted by any other means, including email, facsimile, hand delivery, interoffice, U.S. mail (or other post) and Federal Express (or similar delivery service), are not permitted. If you have questions, please direct them to Infinite Equity by email at IGM@infiniteequity.com.

This notice does not constitute the offer. The full terms of the offer are described in (1) the Offer to Exchange Certain Outstanding Options for Restricted Stock Units; (2) the launch email, dated June 20, 2024, announcing the offer; and (3) the election terms and conditions, together with its associated instructions. You may access these documents through IGM's EDGAR filings on the U.S. Securities and Exchange Commission's website at www.sec.gov, on IGM's offer website at www.myoptionexchangecom, or by contacting Infinite Equity by email at IGM@infiniteequity.com.


igm biosciences
MyOptionExchange
WELCOME
ELECTION
VALUE CALCULATOR
RESOURCES
ADMIN
LOGOUT
INFINITE EQUITY
Welcome
Option Exchange Program
Commencement Date: June 20, 2024
Expiration Time: July 18, 2024 at 9:00 PM Pacific Time
We are offering you the opportunity to exchange some or all of your eligible options, as described in the Offer to Exchange Certain Outstanding Options for Restricted Stock Units (the "Offer to Exchange"), for a number of new restricted stock units ("RSUs"). We refer to this program as the "Option Exchange."
Make My Election
You have 29 days left to elect whether to keep your eligible options or exchange some or all of them for RSUs.
Before you make your election, we encourage you to carefully read the offering materials in the Resources section.
Election Form
Resources
Click on any of the links below to learn more.
Schedule TO
Offer to Exchange
Election Terms and Conditions
Form of Confirmation Email
Form of Reminder Email
Option Exchange Frequently Asked Questions
The PDF documents above require Adobe Acrobat Reader. If necessary you can download it from Adobe.
The Option Exchange is being made pursuant to the terms and conditions set forth in IGM Biosciences' Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange, filed with the Securities and Exchange Commission, which are available free of charge at http://www.sec.gov or on the Option Exchange website located at: www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including risks related thereto.
Need Help?
Contact: IGM@infiniteequity.com
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Value Calculator

The Value Calculator has been provided to you as a convenience for purposes of making limited mathematical calculations regarding the potential amount that could be received from RSUs to be granted pursuant to the Option Exchange if you choose to exchange your eligible options. The Value Calculator also does not take into account all of the factors that you should consider in deciding whether to participate in the Option Exchange. For example, the Value Calculator does not account for vesting or the remainder of the term of the eligible options. Note that you will be able to profit from the RSUs only if they actually vest. Therefore, even if the Value Calculator shows that the potential profit on the RSUs is greater than for an eligible option at the assumed prices you enter, you would be able to profit from the RSUs only if they actually vest. Note also that because of the rounding resulting from fractional shares, the values shown could be higher or lower than the actual result.

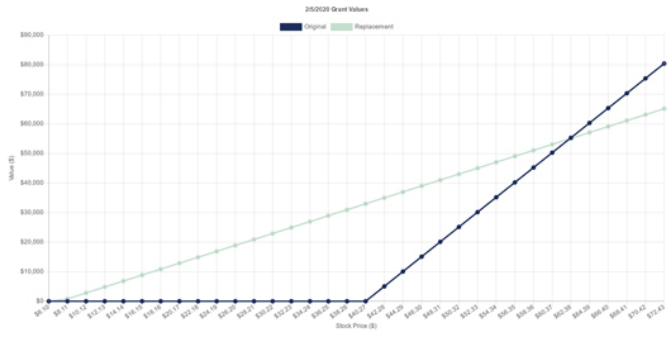
Elections Resources

See the value of awards at: 7.31

GRANT NUMBER	GRANT DATE	OPTION TYPE	SHARES SUBJECT TO OPTION	EXERCISE PRICE	VALUE[1]	EXCHANGE RATIO	TOTAL NEW RSUS	VALUE[1]	BREAK-EVEN PRICE[2]
DEMOGRANT1	2/5/2020	ISO	2,500	$40.27	$0	2.50	1,000	$7,310	$67.12
DEMOGRANT2	8/13/2020	ISO	1,000	$54.01	$0	2.50	400	$2,924	$90.02
DEMOGRANT3	7/1/2021	ISO	4,472	$89.43	$0	3.00	1,491	$10,899	$134.16
DEMOGRANT4	7/1/2021	NQ	4,528	$89.43	$0	3.00	1,509	$11,031	$134.13
DEMOGRANT5	9/1/2022	ISO	16,164	$19.88	$0	2.00	8,082	$59,079	$39.76
DEMOGRANT6	9/1/2022	NQ	536	$19.88	$0	2.00	268	$1,959	$39.76
DEMOGRANT7	2/1/2023	ISO	4,900	$23.16	$0	2.00	2,450	$17,910	$46.32
TOTAL			34,100		$0		15,200	$111,112	

[1]Value is based on the stock price entered above by you. For options, it is equal to the product of (i) the number of shares subject to the option and (ii) the stock price less the exercise price. For RSUs, it is equal to the product of the number of RSUs and the stock price.

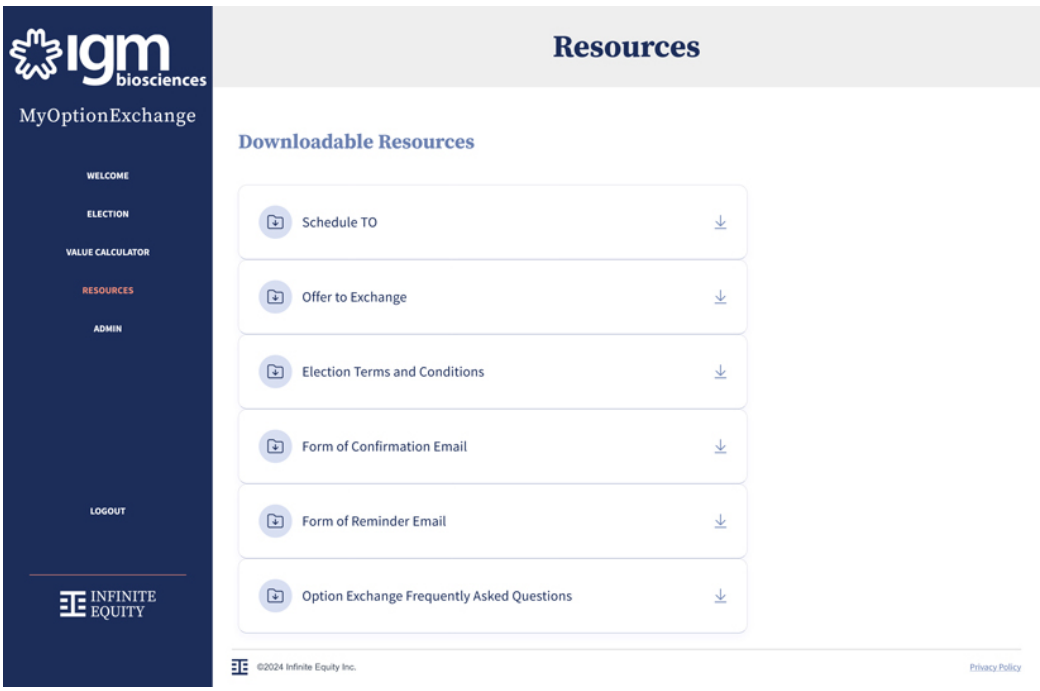
[2]The breakeven stock price is the price at which the value of the eligible options exchanged is equal to the value of the RSUs received. Any future stock price greater than the breakeven price would result in the eligible options being more valuable than the RSUs received after the exchange.



The Option Exchange is being made pursuant to the terms and conditions set forth in IGM Biosciences' Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange, filed with the Securities and Exchange Commission, which are available free of charge at http://www.sec.gov or on the Option Exchange website located at www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including risks related thereto.

Important Legal Notification: The Value Calculator is not a financial or tax planning tool and information received using the Value Calculator does not constitute a recommendation as to whether or not to participate in the Option Exchange. The simulations are hypothetical and do not reflect your personal tax or financial circumstances. You should consult your tax, financial and legal advisors for advice related to your specific situation. Additionally, in the Value Calculator, the Company makes no forecast or projection regarding the value of the RSUs that will be granted in the Option Exchange or as to the future market price of IGM Biosciences's common stock, which may increase or decrease. You are responsible for verifying the accuracy of any information that you enter into the Value Calculator.

Privacy Policy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MyOptionExchange
WELCOME
ELECTION
VALUE CALCULATOR
RESOURCES
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LOGOUT
INFINITE EQUITY
Resources
Downloadable Resources
Schedule TO
Offer to Exchange
Election Terms and Conditions
Form of Confirmation Email
Form of Reminder Email
Option Exchange Frequently Asked Questions
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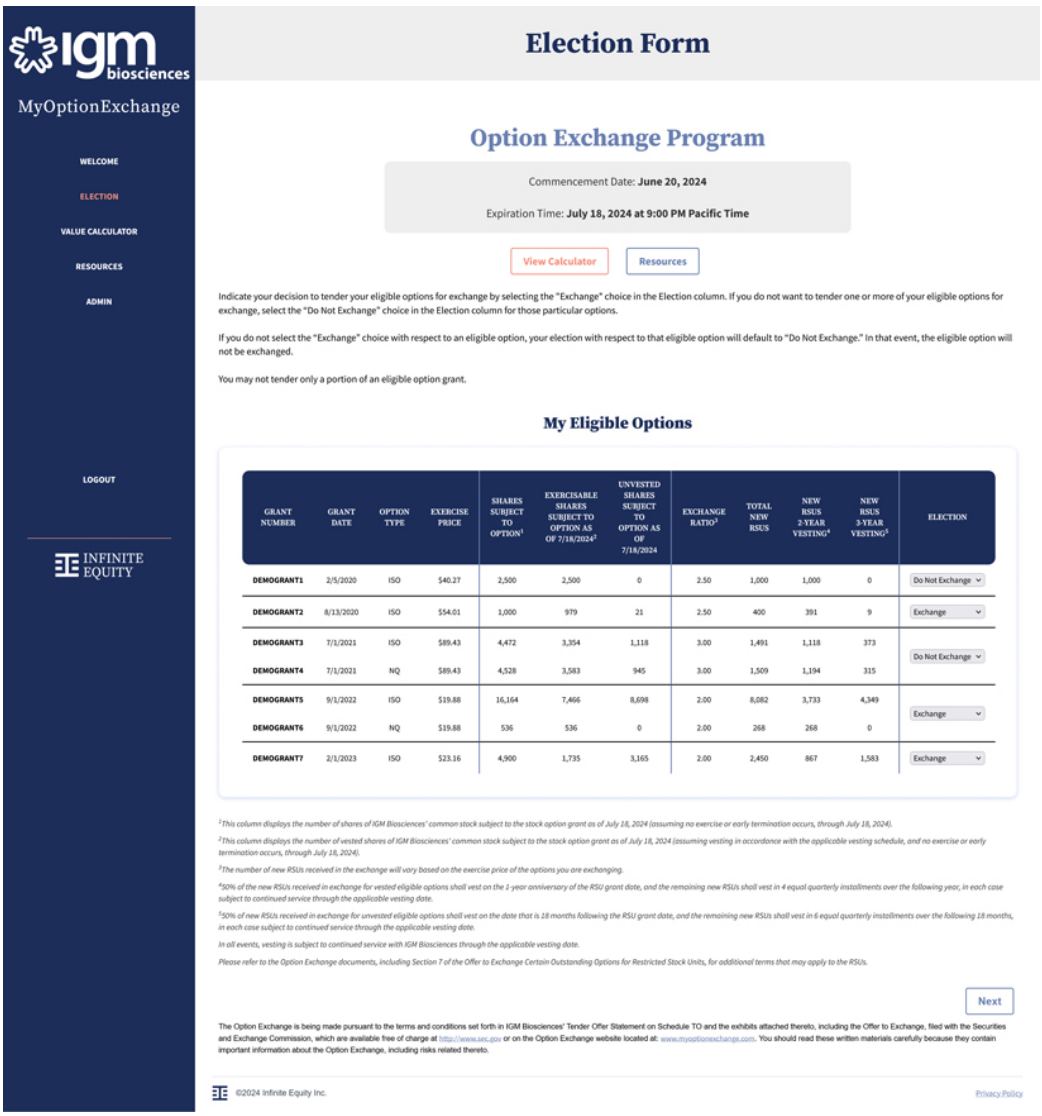
MyOptionExchange
WELCOME
ELECTION
VALUE CALCULATOR
RESOURCES
ADMIN
LOGOUT
INFINITE EQUITY
Election Form
Option Exchange Program
Commencement Date: June 20, 2024
Expiration Time: July 18, 2024 at 9:00 PM Pacific Time
View Calculator
Resources
Indicate your decision to tender your eligible options for exchange by selecting the "Exchange" choice in the Election column. If you do not want to tender one or more of your eligible options for exchange, select the "Do Not Exchange" choice in the Election column for those particular options.
If you do not select the "Exchange" choice with respect to an eligible option, your election with respect to that eligible option will default to "Do Not Exchange." In that event, the eligible option will not be exchanged.
You may not tender only a portion of an eligible option grant.
My Eligible Options
GRANT NUMBER
GRANT DATE
OPTION TYPE
EXERCISE PRICE
SHARES SUBJECT TO OPTION[1]
EXERCISABLE SHARES SUBJECT TO OPTION AS OF 7/18/2024[2]
UNVESTED SHARES SUBJECT TO OPTION AS OF 7/18/2024
EXCHANGE RATIO[3]
TOTAL NEW RSUS
NEW RSUS 2-YEAR VESTING[4]
NEW RSUS 3-YEAR VESTING[5]
ELECTION
DEMOGRANT1 2/5/2020 ISO $40.27 2,500 2,500 0 2.50 1,000 1,000 0 Do Not Exchange
DEMOGRANT2 8/13/2020 ISO $54.01 1,000 979 21 2.50 400 391 9 Exchange
DEMOGRANT3 7/1/2021 ISO $89.43 4,472 3,354 1,118 3.00 1,491 1,118 373 Do Not Exchange
DEMOGRANT4 7/1/2021 NQ $89.43 4,528 3,583 945 3.00 1,509 1,194 315
DEMOGRANT5 9/1/2022 ISO $19.88 16,164 7,466 8,698 2.00 8,082 3,733 4,349 Exchange
DEMOGRANT6 9/1/2022 NQ $19.88 536 536 0 2.00 268 268 0
DEMOGRANT7 2/1/2023 ISO $23.16 4,900 1,735 3,165 2.00 2,450 867 1,583 Exchange
[1] This column displays the number of shares of IGM Biosciences' common stock subject to the stock option grant as of July 18, 2024 (assuming no exercise or early termination occurs, through July 18, 2024).
[2] This column displays the number of vested shares of IGM Biosciences' common stock subject to the stock option grant as of July 18, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through July 18, 2024).
[3] The number of new RSUs received in the exchange will vary based on the exercise price of the options you are exchanging.
[4] 50% of the new RSUs received in exchange for vested eligible options shall vest on the 1-year anniversary of the RSU grant date, and the remaining new RSUs shall vest in 4 equal quarterly installments over the following year, in each case subject to continued service through the applicable vesting date.
[5] 50% of new RSUs received in exchange for unvested eligible options shall vest on the date that is 18 months following the RSU grant date, and the remaining new RSUs shall vest in 6 equal quarterly installments over the following 18 months, in each case subject to continued service through the applicable vesting date.
In all events, vesting is subject to continued service with IGM Biosciences through the applicable vesting date.
Please refer to the Option Exchange documents, including Section 7 of the Offer to Exchange Certain Outstanding Options for Restricted Stock Units, for additional terms that may apply to the RSUs.
Next
The Option Exchange is being made pursuant to the terms and conditions set forth in IGM Biosciences' Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange, filed with the Securities and Exchange Commission, which are available free of charge at http://www.sec.gov or on the Option Exchange website located at: www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including risks related thereto.
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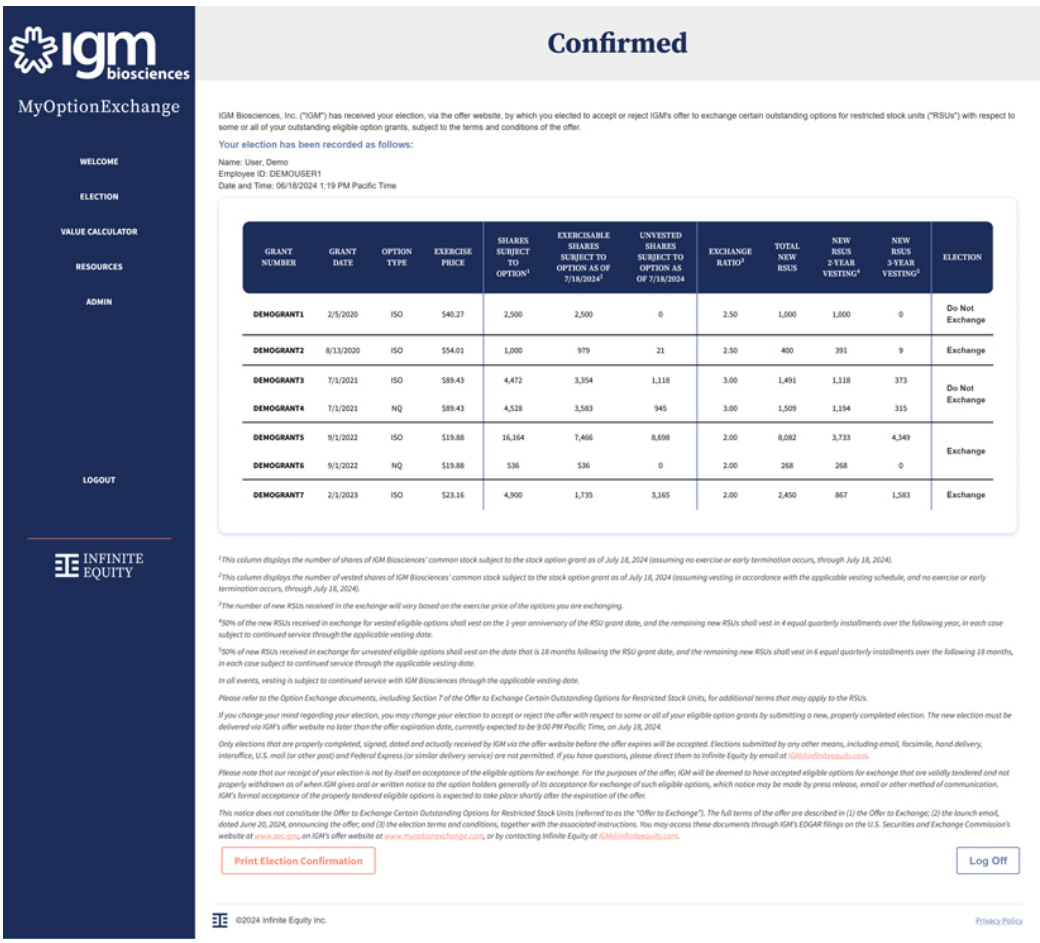

MyOptionExchange

WELCOME

ELECTION

VALUE CALCULATOR

RESOURCES

ADMIN

LOGOUT

INFINITE EQUITY

Confirmed

IGM Biosciences, Inc. ("IGM") has received your election, via the offer website, by which you elected to accept or reject IGM's offer to exchange certain outstanding options for restricted stock units ("RSUs") with respect to some or all of your outstanding eligible option grants, subject to the terms and conditions of the offer.

Your election has been recorded as follows:

Name: User, Demo
Employee ID: DEMOUSER1
Date and Time: 06/18/2024 1:19 PM Pacific Time

GRANT NUMBER	GRANT DATE	OPTION TYPE	EXERCISE PRICE	SHARES SUBJECT TO OPTION[1]	EXERCISABLE SHARES SUBJECT TO OPTION AS OF 7/18/2024[2]	UNVESTED SHARES SUBJECT TO OPTION AS OF 7/18/2024	EXCHANGE RATIO[3]	TOTAL NEW RSUS	NEW RSUS 2-YEAR VESTING[4]	NEW RSUS 3-YEAR VESTING[5]	ELECTION
DEMOGRANT1	2/5/2020	ISO	$40.27	2,500	2,500	0	2.50	1,000	1,000	0	Do Not Exchange
DEMOGRANT2	8/13/2020	ISO	$54.01	1,000	979	21	2.50	400	391	9	Exchange
DEMOGRANT3	7/1/2021	ISO	$89.43	4,472	3,354	1,118	3.00	1,491	1,118	373	Do Not Exchange
DEMOGRANT4	7/1/2021	NQ	$89.43	4,528	3,583	945	3.00	1,509	1,194	315	
DEMOGRANT5	9/1/2022	ISO	$19.88	16,164	7,466	8,698	2.00	8,082	3,733	4,349	Exchange
DEMOGRANT6	9/1/2022	NQ	$19.88	536	536	0	2.00	268	268	0	
DEMOGRANT7	2/1/2023	ISO	$23.16	4,900	1,735	3,165	2.00	2,450	867	1,583	Exchange

[1] *This column displays the number of shares of IGM Biosciences' common stock subject to the stock option grant as of July 18, 2024 (assuming no exercise or early termination occurs, through July 18, 2024).*

[2] *This column displays the number of vested shares of IGM Biosciences' common stock subject to the stock option grant as of July 18, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through July 18, 2024).*

[3] *The number of new RSUs received in the exchange will vary based on the exercise price of the options you are exchanging.*

[4] *50% of the new RSUs received in exchange for vested eligible options shall vest on the 1 year anniversary of the RSU grant date, and the remaining new RSUs shall vest in 4 equal quarterly installments over the following year, in each case subject to continued service through the applicable vesting date.*

[5] *50% of new RSUs received in exchange for unvested eligible options shall vest on the date that is 18 months following the RSU grant date, and the remaining new RSUs shall vest in 6 equal quarterly installments over the following 18 months, in each case subject to continued service through the applicable vesting date.*

In all events, vesting is subject to continued service with IGM Biosciences through the applicable vesting date.

Please refer to the Option Exchange documents, including Section 7 of the Offer to Exchange Certain Outstanding Options for Restricted Stock Units, for additional terms that may apply to the RSUs.

If you change your mind regarding your election, you may change your election to accept or reject the offer with respect to some or all of your eligible option grants by submitting a new, properly completed election. The new election must be delivered via IGM's offer website no later than the offer expiration date, currently expected to be 9:00 PM Pacific Time, on July 16, 2024.

Only elections that are properly completed, signed, dated and actually received by IGM via the offer website before the offer expires will be accepted. Elections submitted by any other means, including email, facsimile, hand delivery, interoffice, U.S. mail (or other post) and Federal Express (or similar delivery service) are not permitted. If you have questions, please direct them to Infinite Equity by email at IGM@infiniteequity.com.

Please note that our receipt of your election is not by itself an acceptance of the eligible options for exchange. For the purposes of the offer, IGM will be deemed to have accepted eligible options for exchange that are validly tendered and not properly withdrawn as of when IGM gives oral or written notice to the option holders generally of its acceptance for exchange of such eligible options, which notice may be made by press release, email or other method of communication. IGM's formal acceptance of the properly tendered eligible options is expected to take place shortly after the expiration of the offer.

This notice does not constitute the Offer to Exchange Certain Outstanding Options for Restricted Stock Units (referred to as the "Offer to Exchange"). The full terms of the offer are described in (1) the Offer to Exchange; (2) the launch email, dated June 20, 2024, announcing the offer; and (3) the election terms and conditions, together with the associated instructions. You may access these documents through IGM's EDGAR filings on the U.S. Securities and Exchange Commission's website at www.sec.gov, on IGM's offer website at www.myoptionexchange.com, or by contacting Infinite Equity at IGM@infiniteequity.com.

Print Election Confirmation

Log Off

Privacy Policy

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MyOptionExchange

WELCOME

ELECTION

VALUE CALCULATOR

RESOURCES

ADMIN

LOGOUT

INFINITE EQUITY

Confirm

You have made the following elections with respect to your eligible options.

My Eligible Options

GRANT NUMBER	GRANT DATE	OPTION TYPE	EXERCISE PRICE	SHARES SUBJECT TO OPTION[1]	EXERCISABLE SHARES SUBJECT TO OPTION AS OF 7/18/2024[2]	UNVESTED SHARES SUBJECT TO OPTION AS OF 7/18/2024	EXCHANGE RATIO[3]	TOTAL NEW RSUS	NEW RSUS 2-YEAR VESTING[4]	NEW RSUS 3-YEAR VESTING[5]	ELECTION
DEMOGRANT1	2/5/2020	ISO	$40.27	2,500	2,500	0	2.50	1,000	1,000	0	Do Not Exchange
DEMOGRANT2	8/13/2020	ISO	$54.01	1,000	979	21	2.50	400	391	9	Exchange
DEMOGRANT3	7/1/2021	ISO	$89.43	4,472	3,354	1,118	3.00	1,491	1,118	373	Do Not Exchange
DEMOGRANT4	7/1/2021	NQ	$89.43	4,528	3,583	945	3.00	1,509	1,194	315	
DEMOGRANT5	9/1/2022	ISO	$19.88	16,164	7,466	8,698	2.00	8,082	3,733	4,349	Exchange
DEMOGRANT6	9/1/2022	NQ	$19.88	536	536	0	2.00	268	268	0	
DEMOGRANT7	2/1/2023	ISO	$23.16	4,900	1,735	3,165	2.00	2,450	867	1,583	Exchange

[1] *This column displays the number of shares of IGM Biosciences' common stock subject to the stock option grant as of July 18, 2024 (assuming no exercise or early termination occurs, through July 18, 2024).*

[2] *This column displays the number of vested shares of IGM Biosciences' common stock subject to the stock option grant as of July 18, 2024 (assuming vesting in accordance with the applicable vesting schedule, and no exercise or early termination occurs, through July 18, 2024).*

[3] *The number of new RSUs received in the exchange will vary based on the exercise price of the options you are exchanging.*

[4] *50% of the new RSUs received in exchange for vested eligible options shall vest on the 1 year anniversary of the RSU grant date, and the remaining new RSUs shall vest in 4 equal quarterly installments over the following year, in each case subject to continued service through the applicable vesting date.*

[5] *50% of new RSUs received in exchange for unvested eligible options shall vest on the date that is 18 months following the RSU grant date, and the remaining new RSUs shall vest in 6 equal quarterly installments over the following 18 months, in each case subject to continued service through the applicable vesting date.*

In all events, vesting is subject to continued service with IGM Biosciences through the applicable vesting date.

Please refer to the Option Exchange documents, including Section 7 of the Offer to Exchange Certain Outstanding Options for Restricted Stock Units, for additional terms that may apply to the RSUs.

☐ **I acknowledge that I have read all of the Option Exchange documents, including the Offer to Exchange Certain Outstanding Options for Restricted Stock Units, which contain the specific terms and conditions of the Option Exchange. I acknowledge that, if I change my election, my election in effect at 9:00 PM Pacific Time on July 18, 2024 will be my final election. I also agree to the Election Terms and Conditions and related instructions included in the Resources section of this Option Exchange website.**

☐ **If I elected to exchange my eligible options for RSUs, my electronic signature below indicates my agreement to be bound by the terms and conditions of IGM Biosciences' Amended and Restated 2018 Omnibus Incentive Plan, as amended, and the restricted stock unit agreement for RSUs. If I elect not to exchange my eligible options for RSUs, my eligible options will remain outstanding under their current terms and I will not receive any RSUs.**

Electronic signature*

Use your mouse or finger to draw your signature above. Clear

An email confirmation will be sent to igm@infiniteequity.com

Cancel

Submit

The Option Exchange is being made pursuant to the terms and conditions set forth in IGM Biosciences' Tender Offer Statement on Schedule TO and the exhibits attached thereto, including the Offer to Exchange, filed with the Securities and Exchange Commission, which are available free of charge at http://www.sec.gov or on the Option Exchange website located at: www.myoptionexchange.com. You should read these written materials carefully because they contain important information about the Option Exchange, including risks related thereto.

Privacy Policy

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Global Leaders in IgM Antibodies

REIMAGINING

antibody medicines™

Option Exchange Program

Education & Information Session

Begins: Thursday, June 20, 2024
Ends: Thursday, July 18, 2024 at 9pm (PT)

Disclaimer

The statements in this presentation concerning the Option Exchange, Eligible Options, the equity incentive plans, and the replacement RSUs are summaries and are not complete descriptions thereof.

The full text of these documents has been filed with the Securities and Exchange Commission and are accessible on the website resources page, which we strongly encourage you to review prior to deciding whether to participate in the Option Exchange.

Agenda

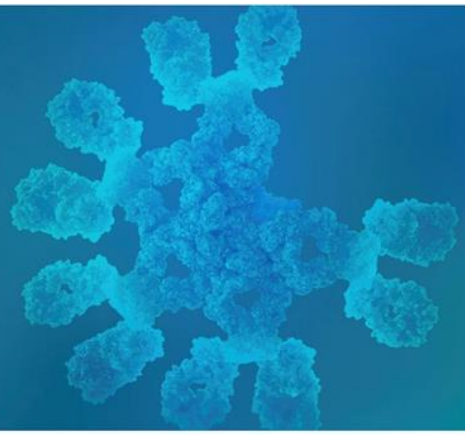
Overview 01

Program Details 02

Making Your Elections 03

Key Dates & Next Steps 04

Overview

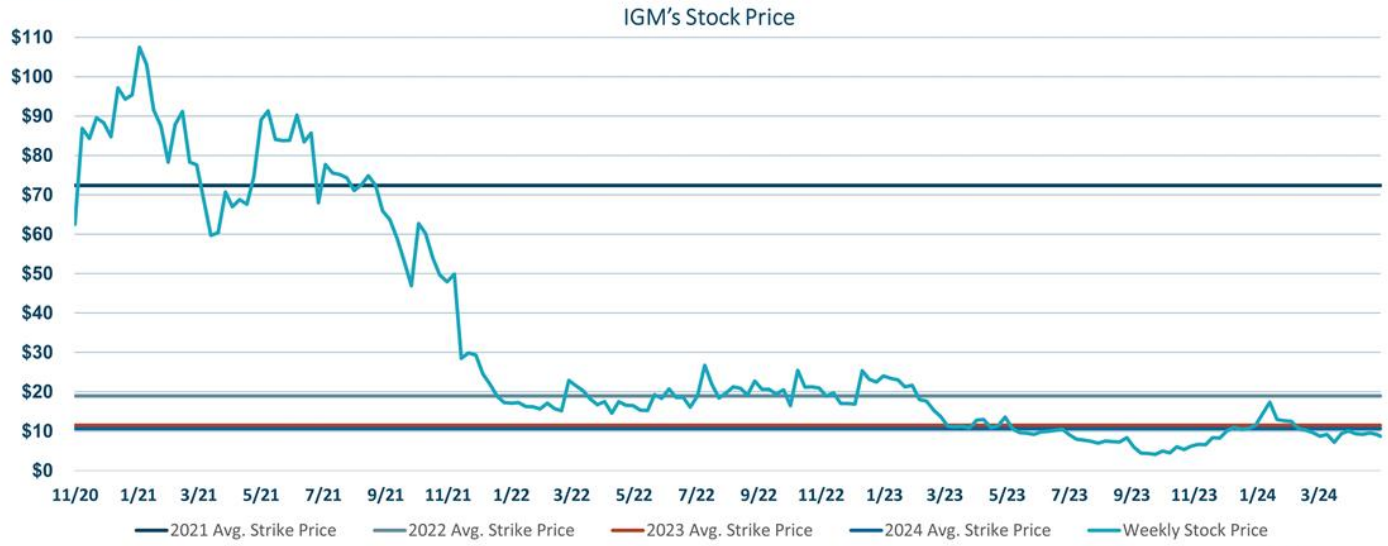


Our Compensation Philosophy

Equity awards, including Options and RSUs, are a key component of our incentive and retention program. We have offered them broadly, at all employee levels, since the Company's founding.

Underwater Options

IGM's share price has declined over recent years, leaving Options 'Underwater' *(i.e., they have a Strike Price that is higher than the current price of IGM stock)*.



Why An Exchange Program?

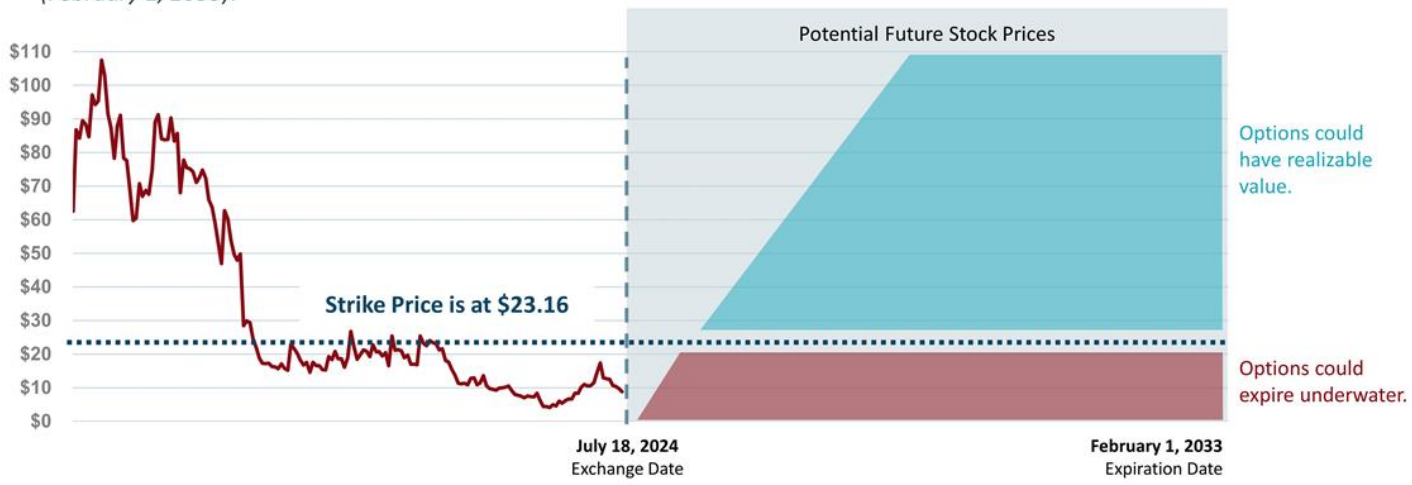
Option exchange programs aim to restore the value of employees' stock Options as an **incentive** and a **retentive** tool.

Unlike Options, RSUs have value as long as the shares have value. Exchanging your Options for RSUs also allows you the potential to recognize value from any increase in IGM's share price from the time of the exchange *(as opposed to recognizing value only when IGM's share price rises above the original strike price)*.

The exchange is designed to be "value-neutral" – this means that the aggregate value of the RSUs received in the exchange is approximately equal to the aggregate "tail value" of your surrendered Options *(based on the accounting values)*, subject to a floor of 2 Options for one RSU.

Underwater Options and "Tail Value"

- Currently underwater Options have a "tail value" because IGM's share price could rise before the expiration of the Option's 10-year term.
- The table below illustrates the "tail value" of a February 1, 2023, grant at a strike price of $23.16, that expires ten years from grant *(February 1, 2033)*.



Exchange Program

IGM Biosciences is pleased to offer a **voluntary**, **one-time** opportunity to exchange Eligible Options for RSUs.

Participating

- All active employees with Eligible Options, **excluding** CEO and non-employee directors are entitled to exchange Eligible Options for RSUs.
- Can be done on a grant-by-grant basis:
  - Eligible Options you elect to exchange will be cancelled.
  - Replacement RSUs will be granted.
  - A new Grant Agreement will be provided by E*TRADE.

Not Participating

There is no obligation to participate in the Option Exchange, and your election to participate will have no effect on our decision to grant future equity awards.

Stock Options vs RSUs

There are several differences between Stock Options and RSUs, including:

Stock Options

- Have an Exercise Price.
- Once vested, can generally be exercised through the 10-year term.
- Have value when stock prices increases.
- You have control over the timing of the taxable event.
- NQSOs: The difference between the value of the shares exercised and the exercise price (the "spread") is taxed as compensation at the time of exercise.
- ISOs: The spread is treated as an AMT adjustment at the time of exercise.

RSUs

- Do not have an Exercise Price.
- No term or expiration date; Value is delivered automatically at vest.
- Value is equal to IGM's stock price.
- You have no control over the timing of the taxable event *(occurs on vest date)*.
- Taxed as compensation at vest.

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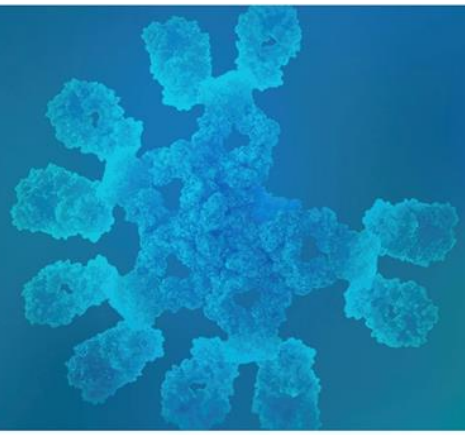
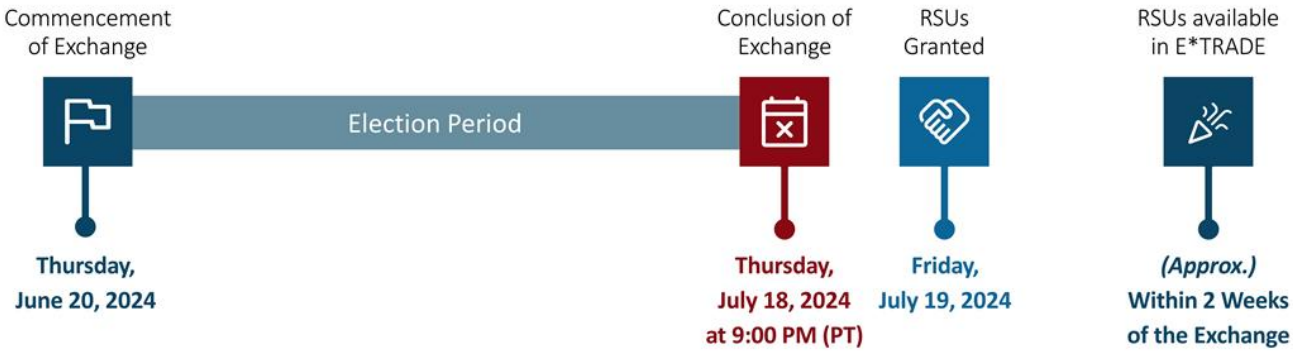
Program Details



Exchange Program Basics

Who is Eligible?	• All active employees with Eligible Options excluding CEO • Remain employed through the completion of the Option exchange • Hold at least one eligible Option.



The Exchange Offer

Options for RSUs

The number of RSUs received in the exchange will be less than the number of Options exchanged.

- Granted on or before 3/1/2023
- Have a strike price at or higher than $17.70.

March 1, 2023

- Not Eligible

The exchange ratios for the grants are determined by the strike price of each grant, as detailed below:

Strike Price	Exchange Ratio (Ratio of Surrendered Eligible Options to RSUs)
$17.70 - $39.99	**2.0 for 1**
$40.00 - $79.99	**2.5 for 1**
≥ $80.00	**3.0 for 1**

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Exchange Ratio Example

The following illustration is based on the February 1, 2023, eligible grant from the example earlier:

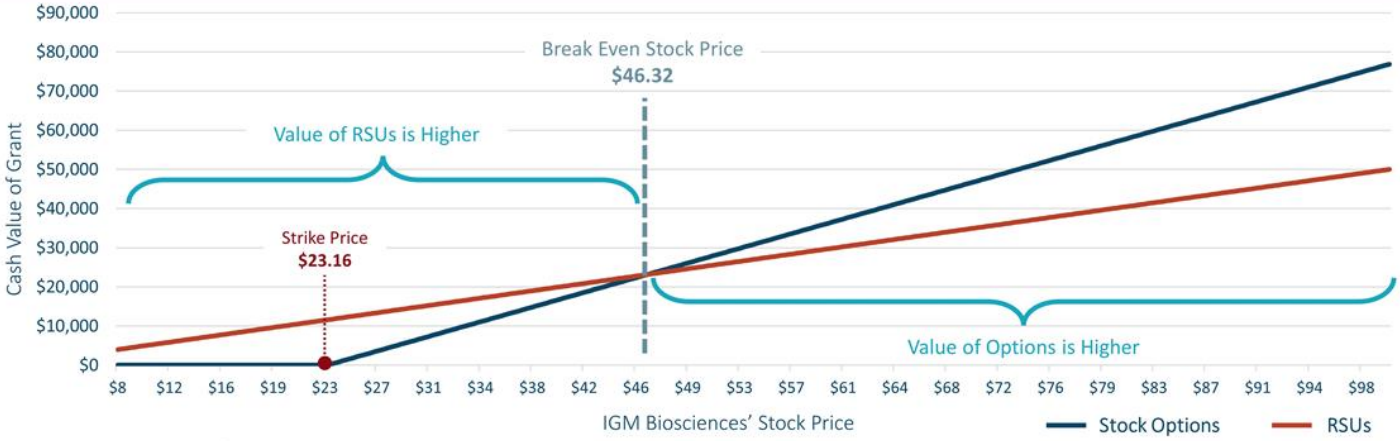
	Options	RSUs
Number of Shares	1,000	500[1]
Expiration Date	February 1, 2033	None

If you have 1,000 options granted on February 1, 2023, you can elect to exchange them for 500[1] RSUs.

[1] Fractional RSUs will be rounded down to the nearest whole share.

Exchange Ratio Example Continued

The following chart illustrates the crossover price for the February 1, 2023 eligible grant:

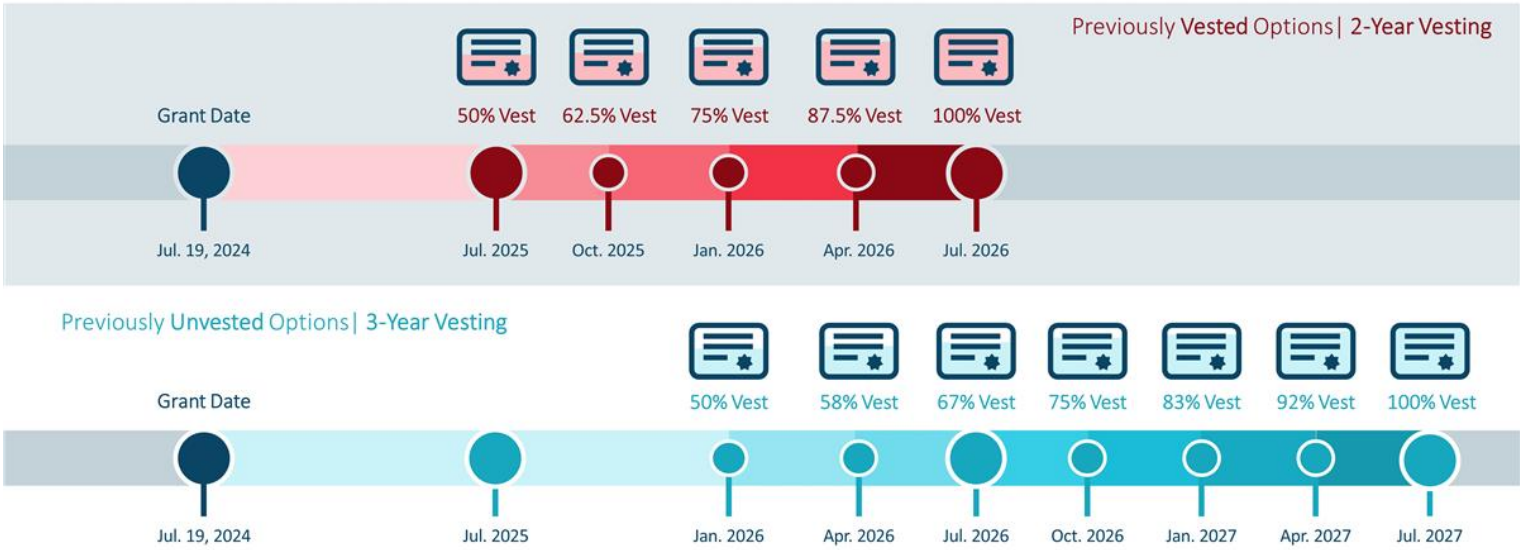


Cash Value of Grant | 1,000 Options to 500 RSUs

Grant	$10.00	$20.00	$30.00	$40.00	$50.00	$60.00	$70.00	$80.00	$90.00	$100.00
Options	$0	$0	$6,840	$16,840	**$26,840**	**$36,840**	**$46,840**	**$56,840**	**$66,840**	**$76,840**
RSUs	**$5,000**	**$10,000**	**$15,000**	**$20,000**	$25,000	$30,000	$35,000	$40,000	$45,000	$50,000

RSU Vesting Schedule

The RSUs will vest based on the vesting date of the original Options:



[1] Should you terminate employment with IGM Biosciences before the vesting period is over, any RSUs that have not yet vested will be forfeited *(even if the option award exchanged in the Option Exchange had previously fully vested)*.

One underwater option could result in 1/2 RSU grants due to vesting schedules. Tranches within a grant that have already vested will get the new 2-year schedule; Unvested tranches will get the 3-year schedule.

U.S. Taxation

Choosing to participate in the exchange **is not** a taxable event. However, tax events vary between Options and RSUs.

Stock Options

	ISO	NQSO
Vest	No Taxable Event	No Taxable Event
Exercise	Alternative minimum tax adjustment based on spread between stock price at exercise and exercise price.	Compensation income tax due based on spread between stock price at exercise and exercise price.
Sale	If ISO holding periods met, capital gain tax[1] based on spread between sale price and exercise price. If ISO holding periods not met, capital gain tax based on spread between sale price and stock price at exercise, income tax based on spread between stock price at exercise and exercise price.	Capital gain tax[1] based on spread between sale price and stock price at exercise.

RSUs

Vest	The value of the stock at vest is subject to income tax, similar to cash compensation.
Exercise	**Not Applicable**
Sale	Difference between sale price and the price at vest is taxed as capital gains[1].

[1] Capital gains are the responsibility of the employee to report and remit to the IRS and is not included in your W-2.

We strongly recommend that you **consult with your own legal counsel, accountant, financial and/or tax advisor(s)** to determine the personal tax consequences of participating in the Option Exchange.

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Your Choice

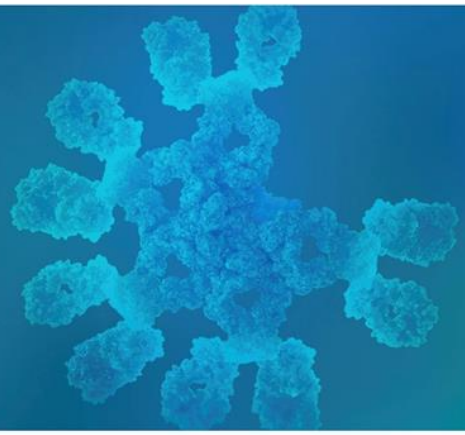
Participation

The choice to participate in the Option Exchange is solely up to **YOU**. If you do not participate in the Option Exchange, you will continue to hold your eligible Options. Your election to participate in the Option Exchange will have no effect on our decision to grant future equity awards.

Approvals

Although the IGM Biosciences Board of Directors has approved this Option Exchange, neither IGM, the members of our Board of Directors, nor our management is making any recommendations as to whether you should participate in the Option Exchange.

Making Your Elections



Overview

Your final elections must be received prior to the Option Exchange deadline of 9:00 PM (EST) on Thursday, July 18, 2024.

Make Elections

Your elections can be made through the Option Exchange Program website:
https://myoptionexchange.com

What You Can Do

- View Offer Documents and FAQs.
- Elect to exchange eligible Stock Options on a grant-by-grant basis.
- View the cross-over point for each eligible Stock Option and model the value of your Stock Options and your new potential grants at assumed future Stock Prices.

Confirmation of Elections

You will receive an email confirmation of your elections upon completion.

- You can change your election any time during the offer period.
- Once the Option Exchange has closed, only the final election will be considered.

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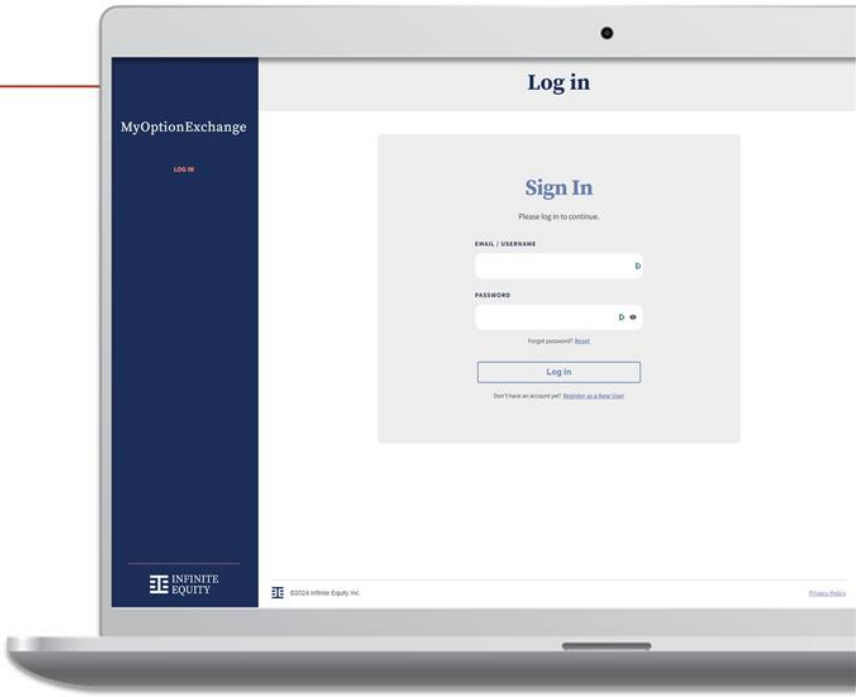
MyOptionExchange.com

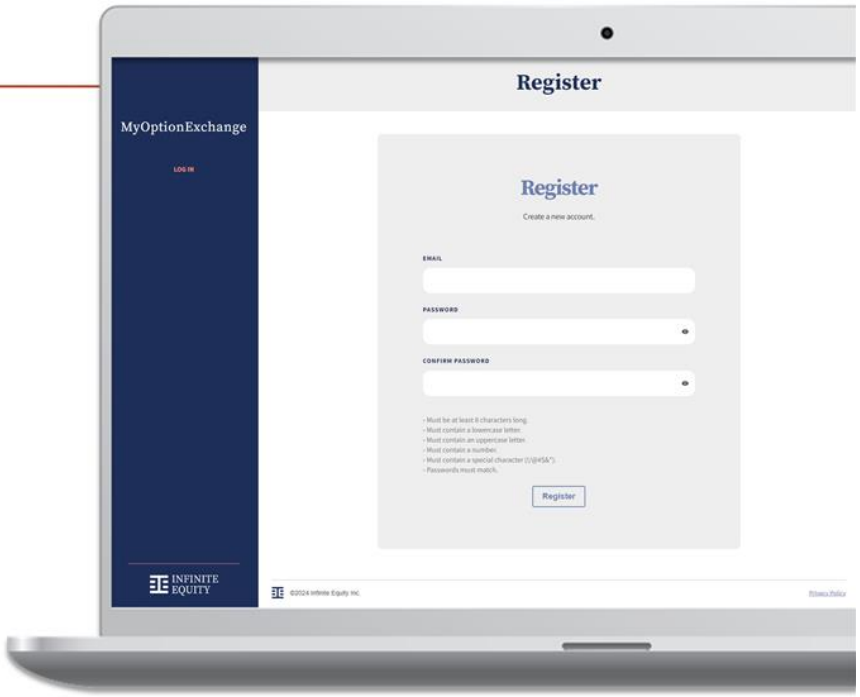
1. Go to: **https://www.MyOptionExchange.com** and click on the link shown on the right to register to create a new user account.



MyOptionExchange.com

2. Create a new account using your **work email** and selecting a password of your choice.

   Passwords must be a minimum of 8 characters, include both upper and lower-case letters, and at least one special character.

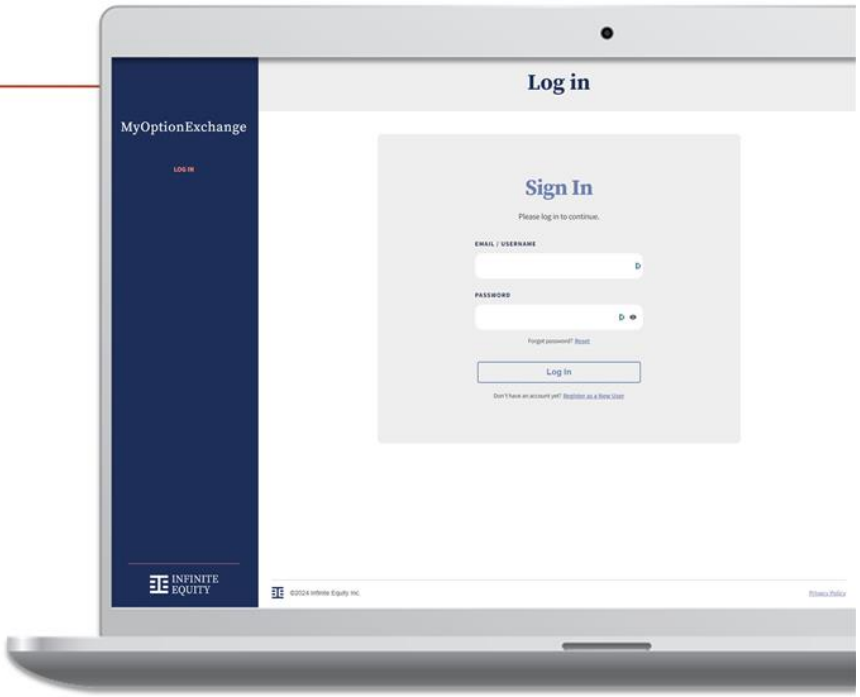


MyOptionExchange.com

3. Once you've created a new account, log in using your work email and newly-created password.

MyOptionExchange utilizes verification identity, so each time you attempt to log in you'll need to provide a verification code.

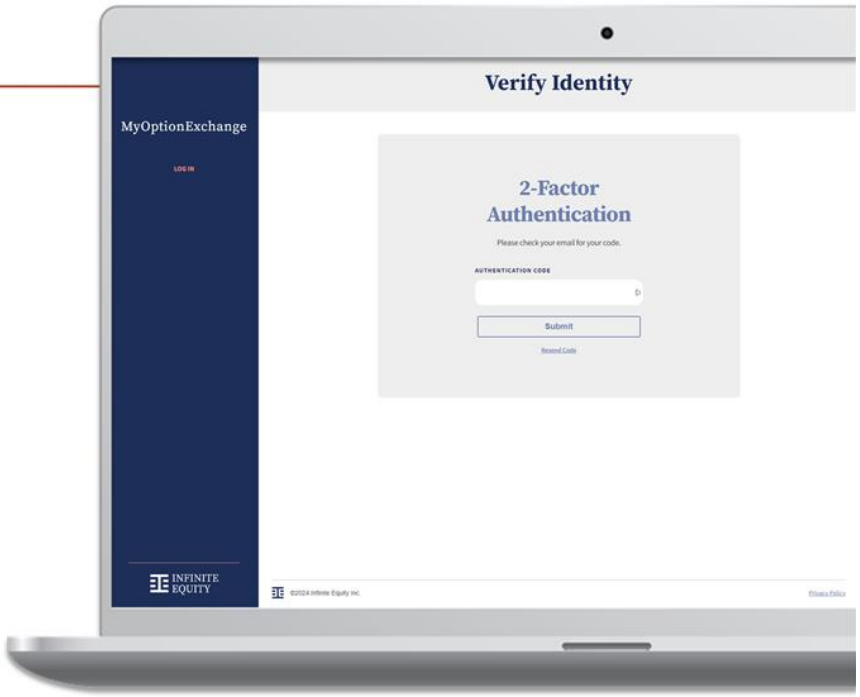
A verification code will be sent to your work e-mail. The verification code will remain active for approximately 30 minutes, after which a new code will need to be requested.



MyOptionExchange.com

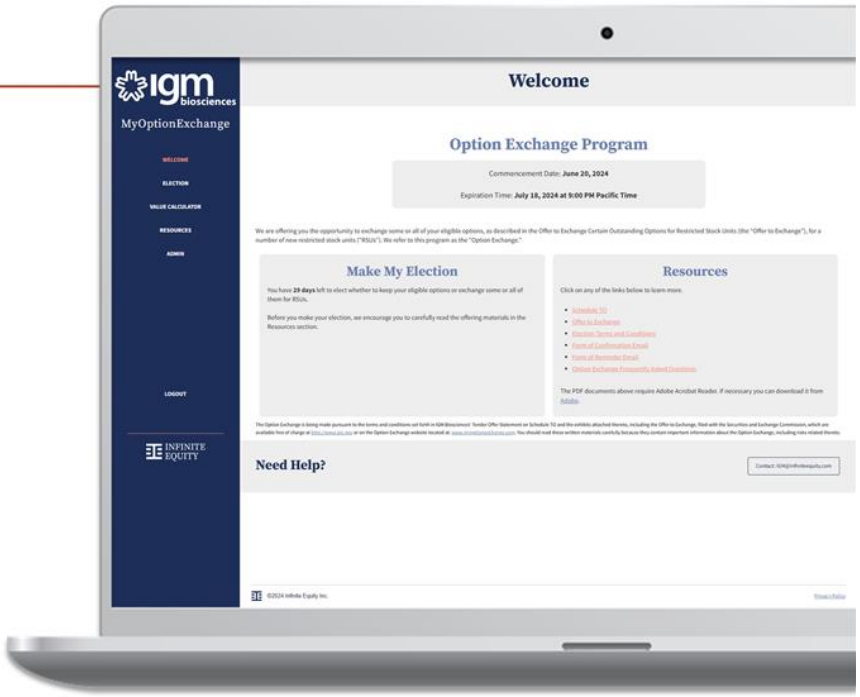
4. If you need a new verification code, click ‘Resend Code’, otherwise, type in the verification code you received via email.

The verification email will come from info@mail.infiniteequity.com.



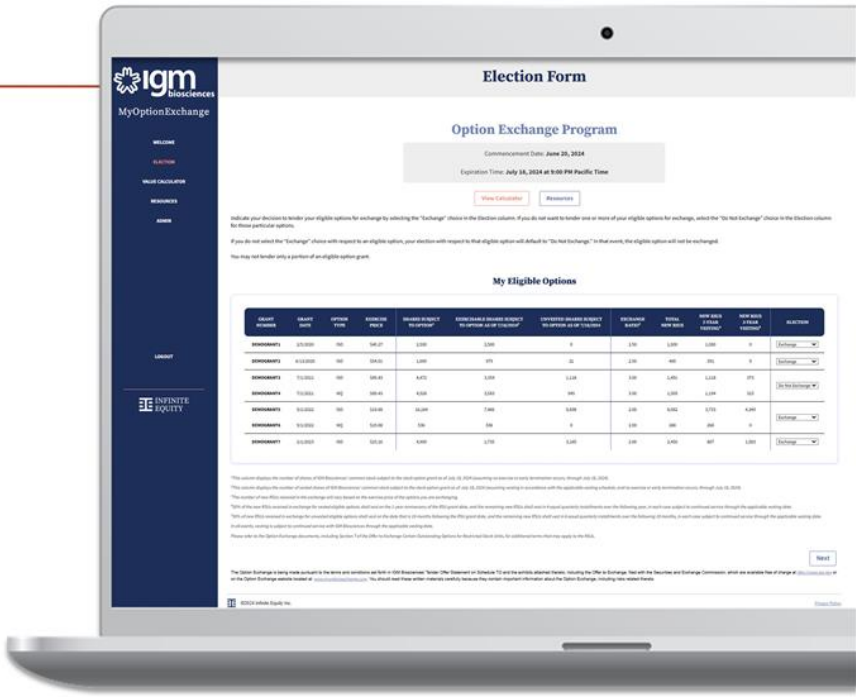
MyOptionExchange.com

5. The homepage has resources as well as information about the exchange. You will want to click the ‘Election Form’ button or the ‘Election Form’ tab at the top of the screen in order to proceed with making your elections.



MyOptionExchange.com

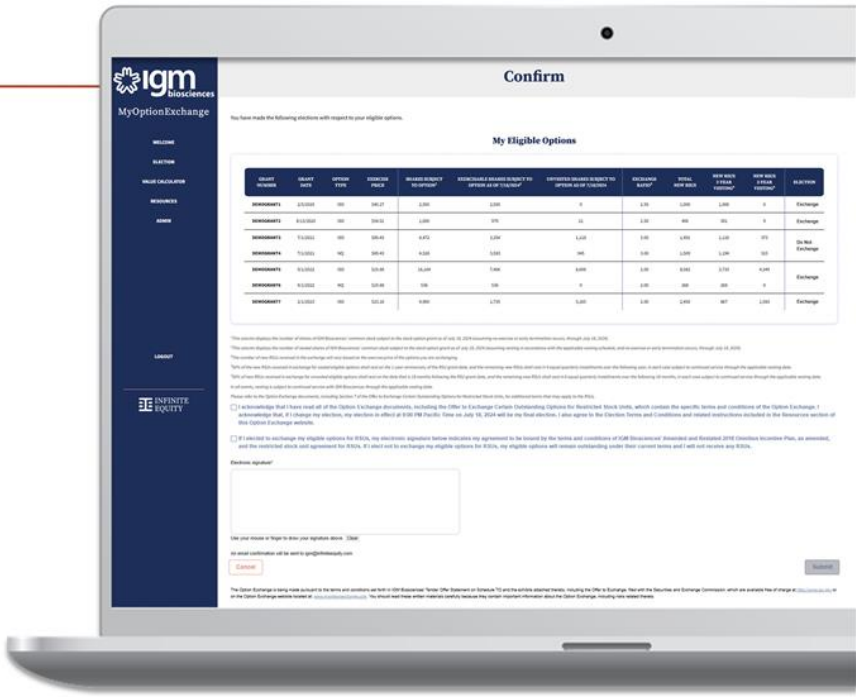
6. You can now proceed with making your elections. You will submit your elections on the Election Form page by indicating which Eligible Options you wish to exchange by selecting “Exchange” or “Do Not Exchange” in the Election column.



MyOptionExchange.com

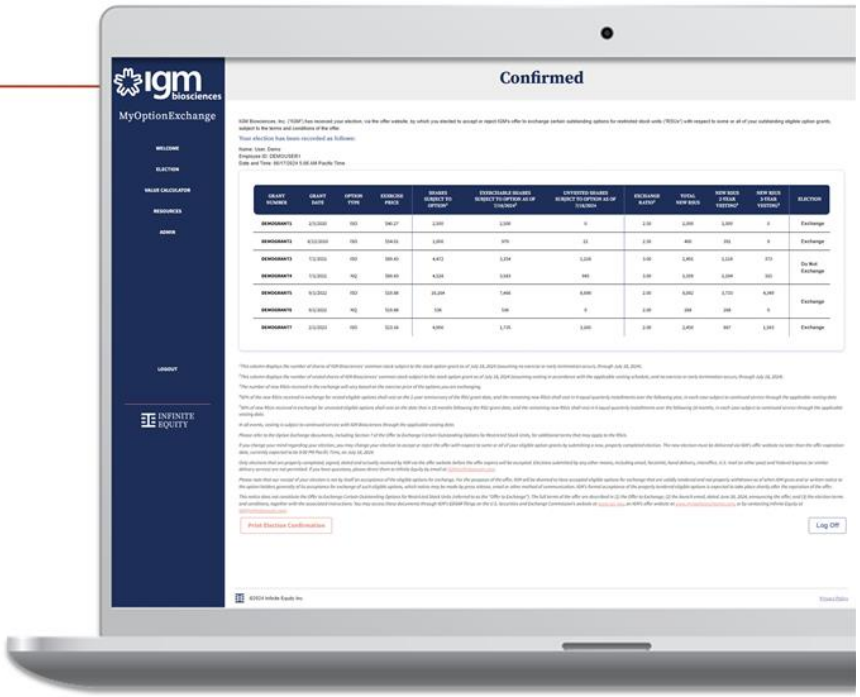
7. After making your elections, you will be asked to confirm them through electronic signature.

   You will be sent an email confirmation after you hit 'Submit'.



MyOptionExchange.com

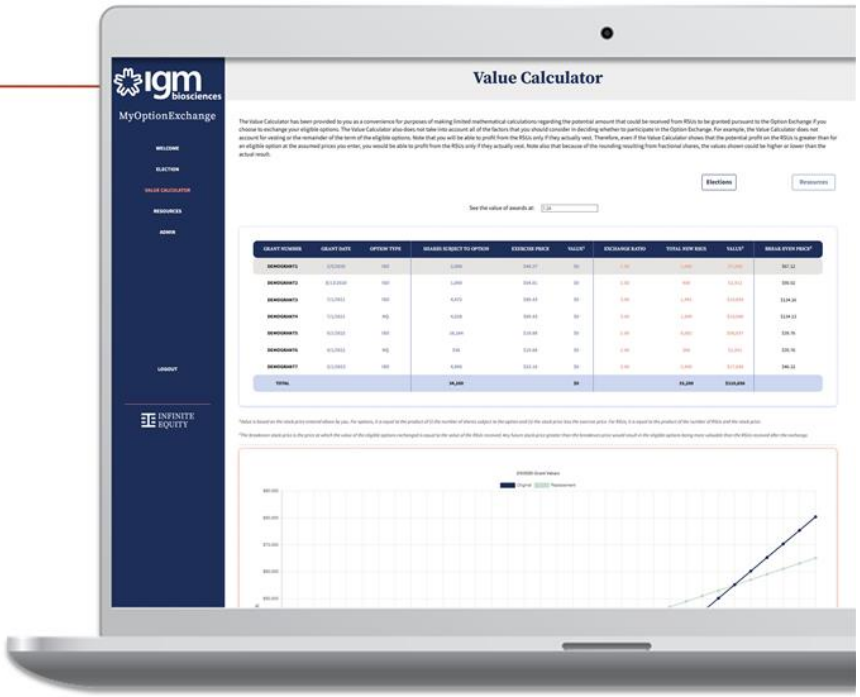
8. Once you have **confirmed your election** and are ready to exit your session, click the ‘Log Off’ button.



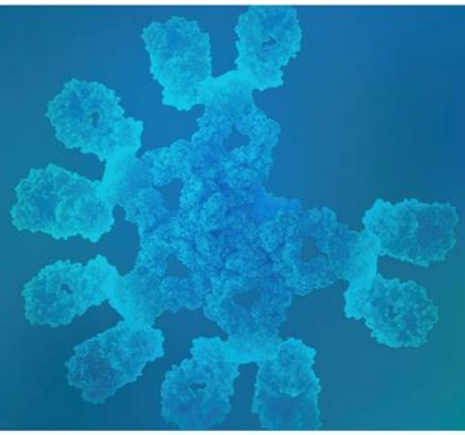
MyOptionExchange.com

MyOptionExchange.com has tools to model out the value of your Eligible Options at various potential future stock prices based on which grants you choose to exchange.

Just click the 'Value Calculator' button on the exchange page or the 'Value Calculator' tab to access this tool.



Key Dates & Next Steps



Key Dates and Next Steps

Commencement of Exchange

Thursday, June 20, 2024

Eligible employees can elect whether to exchange Options on a grant-by-grant basis through the MyOptionExchange.com portal.

- Exchange window closes at 9:00 PM (PT) on July 18, 2024
- Exchanged Eligible Options cancelled

Thursday, July 18, 2024

Friday, July 19, 2024

RSUs are granted, and new grant agreements will be made for acceptance.

More Information

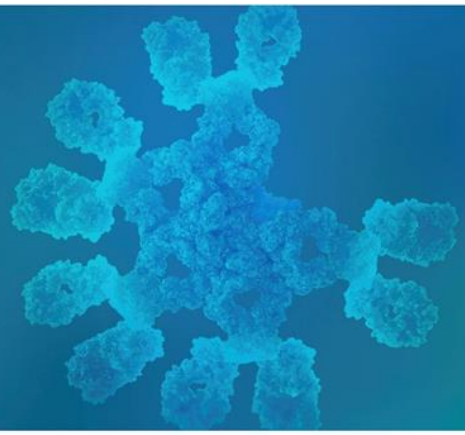
Today's meeting is just the first step.

Please reach out to our dedicated Option Exchange email:

igm@infiniteequity.com

if you have any questions.

Appendix



Exchange Program Synopsis | FAQ

What are the Exchange Dates:	Thursday, June 20, 2024 – Thursday, July 18, 2024 at 9pm (PT)
Who is Eligible:	All active employees with Eligible Options, **excluding** CEO and non-employee directors are entitled to exchange Eligible Options for RSUs.
What is being Exchanged *(Exchange Offer)*:	Eligible Options for RSUs
What are the Eligible Grants:	Grants on or prior to March 1, 2023, and have a strike price of **$17.70** or higher.
Can you exchange Partial Grants?	No. You may elect to exchange your Eligible Options on a grant-by-grant basis. No partial exchanges of any grants will be permitted. You either exchange all options granted on a certain date, or none of those options.
What are the Exchange Ratios:	• **$17.70 - $39.99:** 2 : 1 • **$40.00 - $79.99:** 2.5 : 1 • **≥ $80.00:** 3 : 1
What is the RSU Vesting Schedule:	• **Vested Options:** 2-Year Vesting Schedule • **Unvested Options:** 3-Year Vesting Schedule
Can You Change Your Elections:	**Yes.** On myoptionexchange.com you can change your elections at any time before the conclusion of the exchange.

Key Terms & Definitions

Exchange Ratio	The number of shares underlying Eligible Options you will need to exchange for RSUs *(e.g., 2 shares underlying a Stock Option for 1 share RSU)*.
Expiration Time	The last possible time you can elect to participate in the Option Exchange. The Option Exchange is scheduled to expire at 9:00 PM (PT) on July 18, 2024, unless extended.
Eligible Options	The Stock Options that are allowed to be exchanged during the Option Exchange Offer.
Stock Option	The right to buy a share of IGM Biosciences common stock, at a fixed price (called the Strike Price or Exercise Price) for a certain period of time.
Strike Price / Exercise Price	The price at which IGM Biosciences shares can be purchased upon exercise of a Stock Option. The Strike Price is set when the Stock Option is granted.
Underwater Option	A Stock Option that has a Strike Price that is higher than the current price of IGM Biosciences stock.
Restricted Stock Units	The shares granted to you, in place of the Eligible Options, if you chose to participate in the Option Exchange. Shares are issued automatically at the end of each Vesting Period.
Vesting Period	The time period in which you must remain in employment or service with IGM in order to vest in the RSUs received. Any unvested RSUs may be forfeited at the time of a termination of service.

SLIDE 2

Please take a moment to review the disclaimer on this slide as it relates to the offer to exchange.

SLIDE 3

Our focus for today's session is to:
Provide you with key details about IGM's Option exchange program so that you can make an informed decision about your participation, including how to access your account and make your election to participate.

SLIDE 5

- Options have been historically granted at IGM but the company has shifted towards granting more restricted stock units, or RSUs
- Both options and RSUs allow employees to share in the share price growth of the company and encourage employees to think and act like owners.
- The beneficial feature of RSUs is that they will always retain value as long as the shares have value, even with a decrease in stock price.

SLIDE 6

- Many IGM Stock Options are underwater.
    - Underwater Options are Options with a strike price higher than the current share price; it is not rational to exercise an underwater Option, since you could buy a share for less on the open market.

SLIDE 7

- Option exchange programs aim to restore the incentive and retentive value of employees' Stock Options by providing an opportunity to exchange underwater Options.
- There is an opportunity here to exchange Options for RSUs.
- The exchange changes the distribution of value. Your Options have larger upside, but also a higher chance of delivering no value. RSUs received in the exchange will deliver value as long as the shares have value, but have less upside (since you have fewer awards). I'll show you in a few pages an example of when your original Option awards might be more valuable than the new RSU awards.
- The program is "value-neutral" – meaning that the "tail value" of your current Options would equal the value of the RSUs received in the exchange.

SLIDE 8

- This example focuses on a grant made on the February 1, 2023, at an exercise (or "strike") price of $23.16 per share.

- Even though underwater Options cannot be exercised for value now, the Options still have value because the share price could rise above the strike price in the future (prior to expiration of Option). We call this “tail value”.
- However, Options could expire underwater and deliver no value if the share price does not increase above the strike price over the remaining term of the Option.

SLIDE 9

IGM is offering a one-time, voluntary opportunity for eligible stock Option holders to exchange their eligible stock Options, both vested and unvested (unexercised), for RSUs, or Restricted Stock Units.

- If you elect to participate in the Option Exchange, which can be done on a grant-by-grant basis, the stock Options you elect to surrender will be cancelled, RSUs will be granted, and a new grant agreement will be provided through E*TRADE.
- **There is no obligation to participate in the Option Exchange. It is completely your choice. If you do not choose to participate in the Option Exchange, you will continue to hold your stock Options.**

SLIDE 10

RSUs and Stock Options are both forms of employee equity compensation — or non-cash compensation — offered to an employee by an employer and are generally the most common forms of equity compensation.

Stock Options and RSUs differ significantly in terms of the form of compensation received, and how they are taxed.

- The most important distinction between Stock Options and RSUs is what exactly you’re receiving.
  - When you’re granted Stock Options, you have the choice to purchase company stock at a specific price before a certain date. Whether you purchase the stock is entirely up to you.
  - RSUs, on the other hand, grant you the stock itself once the vesting period is complete. You don’t have to purchase it.
- In addition, RSUs are distinctly different than Stock Options with respect to economic value. Any value realized from a Stock Option is dependent on the current value of the stock being higher than the Option price. Unlike Stock Options which have a cost to the employee (the Option price), employees do not pay for Restricted Stock Units, so the award always has value as long as the shares have value.

SLIDE 12

- Eligibility:
  - You are eligible to participate in the exchange if you are an active U.S. based employee of IGM Biosciences, excluding CEO and non-employee directors.
- The exchange window is open June 20, 2024, and is set to expire on July 18, 2024, at 9:00 pm (PT).

- July 18, 2024, will be the last day you can exchange your Options.
- Any exchanged Options will be cancelled on this date!

- Following the conclusion of the Option Exchange, eligible Stock Options opted into by the employee will be cancelled, while RSUs will be granted on the first business day following the expiration of the Option Exchange, **July 19**.
  - You will be notified if that date is extended, but basically, each RSU granted to you in the Option Exchange will be granted under a new plan, subject to you remaining continuously employed or engaged with IGM through the vesting dates.
    - The RSUs will be available in your **E*TRADE** account within approximately **2 weeks** of the conclusion of the exchange.

SLIDE 13

- An eligible Option in the Offer will include only those Options that, were granted on or prior to March 1, 2023, remain outstanding and unexercised prior to the expiration of the Option exchange. Options granted after this are excluded.
  - Any Options with an exercise price greater than the higher of (i) 150% of the closing price or (ii) the 52-week high of the intra-day high price, as of a date shortly prior to the commencement of the program (this translates to at or higher than $17.70)
  - Strike Prices lower than $17.70 are excluded from the exchange.
- You may participate on a grant-by-grant basis, but for each grant, your selection must be on an all-or-nothing basis.
  - No partial exchanges are permitted.
- The exchange ratio will vary based on the strike price of the grant.
  - For example, if the exchange ratio is 2:1, you can exchange 1,000 options for 500 RSUs.
    - Any fractional shares will be rounded down to the nearest whole share.
  - Ratios closer to 1:1 mean less of a decrease in the number of RSUs received.
  - Higher ratios (2:1 or 3:1) mean more of a decrease in the number of RSUs.

SLIDE 14

- As discussed, the exchange is providing an opportunity to turn in options for RSUs.
- Which scenario is worth more depends on IGM's future stock price.
- For example, if you hold a stock option for 1,000 shares with a strike price of $23.16, you can elect to exchange it for 500 RSUs. The value that you can realize from the RSUs, or your existing Stock Options, depends on IGM's share price.
  - As we will show in the next slide, if the share price goes up significantly (above $46.32), you'd be better off having the option grant —also known as the "Break Even" point.
    - Keep in mind, the option grant is only valuable if the share price rises above the Strike price of $23.16 – if below that, the option has $0 value.

- In contrast, the RSU will always retain value as long as the shares have value, even below the $23.16 strike price, it just will be less valuable than the Options if the stock price rises above the Break-Even price.

- If you decide to not participate in the exchange, nothing changes with your grant, so you will retain the same number of exercisable options with the same expiration date, in this example, of **February 1, 2033**.
    - Nothing changes, and then there's no impact to that option grant whatsoever.

SLIDE 15

- For the February 1, 2023, grant in our example, you'd hold more value by exchanging your options to RSUs if IGM's stock price is below $46.32. If IGM's stock price goes above $46.32, you'd hold more value with your options (no exchange).
- This value chart and crossover point is unique to each grant, and you'll be able to see the cross-over point for each grant in your election portal.

SLIDE 16

- RSUs received in the exchange will vest based on the vesting state of the original options at **the last day of the exchange offer**.
    - Options with tranches that have already vested within a grant will have the 2-year vesting schedule, while unvested tranches in a grant will have a 3-year vesting schedule.
        - This means that you could have one underwater option grant exchanged for 1 or 2 new RSU grants due to the options vesting state.
- For Options that are vested and exchanged for RSUs, they will have a new vesting requirement of 2-years:
    - 50% will vest at the one-year anniversary of the RSU grant date, followed by quarterly installments over the following year.
- For Options that are unvested and exchanged for RSUs, they will have a vesting schedule of 3-years:
    - 50% will vest 18 months following the RSU grant date, and the remainder of the grant will vest in six, quarterly installments over the following 18 months.

SLIDE 17

We realize that many of you have questions such as, what are the tax implications for me?
Choosing to participate in the exchange is **NOT** expected to give rise to an immediate U.S. taxable event in the ordinary course.

- If you choose to not participate in the exchange, your tax events for your options will remain the same.
- If you do exchange your options for RSUs, your taxation will happen at vest and at sale.
    - The FMV on the vest date is a taxable gain to you, and Federal, state, local, and social taxes must be paid on any taxable gain recognized by you. IGM is required to withhold these taxes on your behalf and will be authorized to sell or withhold a portion of the vested shares to pay these taxes.

- At a later sale by you, you'll generally recognize a capital gain or loss equal to the difference between the price at vest and the sale price.
    - The holding period for long-term capital gains purposes generally commences on the date of vesting.
- Capital gains are the responsibility of the employee to report and remit to the IRS and is not included in your W-2.
- We strongly recommend that you consult with your own tax advisor to determine the personal tax consequences of participating in the Exchange Offer.

SLIDE 18

- As a reminder, choosing to participate in the Option Exchange is solely up to you.
- Although **IGM Biosciences' board has approved this offer**, we will not make any recommendations as to whether you should participate in the offer. That is completely up to you.

SLIDE 20

- Your elections will be made through the stock option exchange program website, which is myoptionexchange.com.
- On that site, you'll be able to do the following:
    - You'll be able to view all of the Offering documents, including the questions and answers that are common with this type of program.
    - You'll be able to elect to exchange options on a grant-by-grant basis;
    - There is also a nice calculator that you can use to view what the value of your Stock Options and your RSUs are at assumed future stock prices.
- Once you've made your elections, you'll receive confirmation of your elections upon completion.
- You can change your election at any time during the Exchange period.
    - You could change it a hundred times, if you want, but it'll be whatever is done as of **July 18, 2024 at 9 PM (PT)** (unless the Offer is extended) — that will be the only election that we considered.
    - You can go in even on **July 18** (or later date if the Offer is extended) and make changes as long as it's before **9 PM PT** on that day.

SLIDE 21

- When you receive the information for this option exchange program, you should have received an email from IGM biosciences with a link to the website: https://myoptionexchange.com.
- Once you've loaded that page, click on "Register as a new user".

SLIDE 22

- You'll be prompted to create a new account and register.
- You'll put it in your IGM Biosciences email address and create a password.

SLIDE 23

- Once you've done that, you'll receive another email from Infinite Equity that will give you a verification code.
- You'll input that code and submit, and you'll be able to log in.

SLIDE 24

- Please note that your verification code will only be valid for 30 mins. If you need a new code, simply click "Resend Code", otherwise type in the verification code you received via email.
- As a reminder, this is through Infinite Equity's site, and not through E*TRADE or Morgan Stanley. So, you won't be able to make this election through your E*TRADE or Morgan Stanley account.

SLIDE 25

- After logging in, you will be presented with this welcome screen.
- This landing page is great because it contains all the resources you would be able to access, as well as links to any documents we have filed with the SEC.
    - This employee presentation will also be available on that site.
    - You can then proceed to the election form by clicking the blue button labeled "Election Form" when you are ready to proceed with your elections.

SLIDE 26

- On this next page, in the chart, you will find a list of all the options that are eligible for exchange.
- The dropdown menu on the table will allow you to select the grants for which you wish to make an election. In addition, you can see the number of Options you will receive in place of the eligible options if you elect to exchange that grant.
    - You have the option of exchanging or not exchanging.
    - It is important to remember that you can make different elections for different grants, but each grant is "all or nothing".
        - You can either exchange all the options granted on a certain date, or you cannot exchange any of them.
        - Once you have made your selections, click "Next" to proceed to the next step.

SLIDE 27

- The following page will take you to the "Confirm Elections" screen.
- The election choices you made will be displayed on this page.

- In order to complete the process, you will need to check off two boxes acknowledging that you have read and understood the offering materials and that you have confirmed your selections.
- After checking the boxes, you will be required to type or sign with an electronic signature, confirming that this is what you wish to exchange.
- Once you have reviewed your election choices, click “Submit” to process your choices.

SLIDE 28

- As soon as you submit your elections, you will be directed to a page that indicates that your elections were successfully submitted.
- You will need to make sure that you reach the Elections Complete page in order to see a summary of what has been exchanged and what has not been exchanged.
- It is imperative to note that if you do not see this screen, your elections have not been confirmed.
- The same breakdown will also be emailed to you every time you make a change to your election once confirmed by Infinite Equity.
- You may then log out of the platform.

SLIDE 29

- The website also has some valuable tools such as the Value Calculator tool where you can graph hypothetical scenarios to see what future values would look like.
- The tool will show you more details about the value of your stock options, including:
  - The value of your eligible options at whatever price you input.
  - The value of your replacement options at whatever price you input.

SLIDE 31

- The commencement of the exchange begins **June 20, 2024**.
- You will have until **July 18, 2024, at 9pm (PT)** to make your election choices or change them.
- On **July 18, 2024**, your exchanged eligible options will be cancelled, and you will be granted RSUs on **July 19, 2024.**

SLIDE 32

- Today’s meeting is the first step in this process.
- Please feel free to reach out to the email address included on this slide if you have any questions.

SLIDE 34

Take a moment to familiarize yourself with some of the commonly asked questions surrounding the exchange.

SLIDE 35

We’ve included a list of key terms and definitions to help clear up any confusion that you can reference.

Exhibit 107

Calculation of Filing Fee Tables

Schedule TO
(Form Type)

IGM Biosciences, Inc.
(Exact Name of Registrant as Specified in its Charter)

Table 1: Transaction Valuation

	Transaction Valuation	Fee Rate	Amount of Filing Fee
Fees to Be Paid	$7,131,683(1)	0.0001476	$1,052.64(2)
Fees Previously Paid	—		
Total Transaction Valuation	$7,131,683(1)		
Total Fees Due for Filing			$1,052.64
Total Fees Previously Paid			$ —
Total Fee Offsets			$ —
Net Fee Due			$1,052.64

(1) Estimated solely for purposes of calculating the amount of the filing fee. The calculation of the Transaction Valuation assumes that all stock options to purchase shares of the issuer's common stock that may be eligible for exchange in the offer will be exchanged pursuant to this offer. This calculation assumes stock options to purchase an aggregate of 1,859,148 shares of the issuer's common stock, having an aggregate value of $7,131,683 as of June 12, 2024, calculated based on a Black-Scholes model, will be exchanged or cancelled pursuant to this offer.

(2) The amount of the filing fee, calculated in accordance with Rule 0-11(b) of the Securities Exchange Act of 1934, as amended, equals $147.60 per $1,000,000 of the aggregate amount of the Transaction Valuation (or 0.01476% of the aggregate Transaction Valuation). The Transaction Valuation set forth above was calculated for the sole purpose of determining the filing fee and should not be used for any other purpose.