UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2026

OR

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

FOR THE TRANSITION PERIOD FROM TO

Commission File Number 001-38792

Alector, Inc.

(Exact name of Registrant as specified in its Charter)

Delaware **(State or other jurisdiction of incorporation or organization)**	**82-2933343** **(I.R.S. Employer Identification No.)**
131 Oyster Point Blvd, Suite 600 **South San Francisco, California** **(Address of principal executive offices)**	**94080** **(Zip Code)**

Registrant's telephone number, including area code: 415-231-5660

Not applicable

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

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock	ALEC	The Nasdaq Stock Market LLC (The Nasdaq Global Select Market)

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

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

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

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

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

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

As of October 30, 2026, the registrant had 148,877,074 shares of common stock, $0.0001 par value per share, outstanding.

Alector, Inc.

Table of Contents

		Page
PART I.	FINANCIAL INFORMATION	
Item 1.	Financial Statements	1
	Condensed Consolidated Balance Sheets	1
	Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)	2
	Condensed Consolidated Statements of Stockholders' Equity (Deficit)	3
	Condensed Consolidated Statements of Cash Flows	5
	Notes to Condensed Consolidated Financial Statements	6
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	16
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	25
Item 4.	Controls and Procedures	25
PART II.	OTHER INFORMATION	
Item 1.	Legal Proceedings	26
Item 1A.	Risk Factors	26
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	80
Item 3.	Defaults Upon Senior Securities	80
Item 4.	Mine Safety Disclosures	80
Item 5.	Other Information	80
Item 6.	Exhibits	80
	Signatures	82

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements. All statements other than statements of historical facts contained in this report, including statements regarding our future results of operations and financial position, business strategy, product candidates, plans for and results of our research, preclinical studies and clinical trials, research and development costs, regulatory approvals, timing, and likelihood of success, as well as plans and objectives of management for future operations, are forward-looking statements. These statements involve known and unknown risks, uncertainties, and other important factors that are in some cases beyond our control and may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as "may," "will," "should," "would," "expect," "plan," "anticipate," "could," "intend," "target," "project," "contemplate," "believe," "estimate," "predict," "potential," or "continue" or the negative of these terms or other similar expressions. Forward-looking statements contained in this report include, but are not limited to, statements about:

- our plans relating to the research, development, and manufacture of our product candidates;
- our plans and timing for advancing research and pre-clinical stage programs into clinical development and our ability to execute on those plans;
- the ability of our clinical trials to demonstrate safety and efficacy of our product candidates, and other positive results;
- the beneficial characteristics, safety, efficacy, and therapeutic effects of our product candidates;
- the expected potential benefits of strategic collaborations and licenses with third parties and our ability to attract collaborators with development, regulatory and commercialization expertise;
- our estimates of the number of patients in the United States, the European Union, and other regions who suffer from the diseases we are targeting and the number of patients that will enroll in our clinical trials;
- the timing and focus of our future clinical trials, and the reporting of data from those trials;
- our plans relating to commercializing our product candidates, if approved, including our sales and marketing strategy and the regions and countries selected for commercialization activities;
- the size of the market opportunity for our product candidates in each of the diseases we are targeting;
- our ability to expand our product candidates into additional indications and patient populations;
- the impact of competing therapies that are or may become available;
- the capabilities of our product candidates and technologies relative to competing therapies and technologies that are or may become available;
- the timing or likelihood of regulatory filings and approvals, including our expectation to seek special designations, such as orphan drug designation, for our product candidates for various diseases;
- our ability to obtain and maintain regulatory approval of our product candidates;
- existing and potential future government actions, legislation, regulations, regulatory developments, and regulatory agency policies and procedures in the United States and other jurisdictions;
- our continued reliance on third parties to conduct clinical trials of our product candidates, and for the manufacture of our product candidates for preclinical studies and clinical trials;
- our plans and ability to obtain or protect intellectual property rights, including extensions of existing patent terms where available;
- our ability to anticipate our personnel needs and to attract and retain personnel;
- the accuracy of our estimates regarding expenses, future revenue, capital requirements, and additional financing needs;
- our financial performance, including potential volatility in our stock price;

- the impact of worldwide economic conditions, including macroeconomic conditions, inflation, supply chain disruptions, trade tariffs, and economic impacts of pandemics or other public health outbreaks and geopolitical events, such as international conflict, on our business; and
- the sufficiency of our existing cash, cash equivalents, and marketable securities to fund our future operating expenses and capital expenditure requirements.

We have based these forward-looking statements largely on our current expectations and projections about our business, the industry in which we operate and financial trends that we believe may affect our business, financial condition, results of operations, and prospects, and these forward-looking statements are not guarantees of future performance or development. These forward-looking statements speak only as of the date of this report and are subject to a number of risks, uncertainties, and assumptions described in the section titled "Risk Factors" and elsewhere in this report. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, or otherwise.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain, and you are cautioned not to unduly rely upon these statements.

PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

ALECTOR, INC.

Condensed Consolidated Balance Sheets

(Unaudited)

(In thousands, except share and per share data)

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 75,472	$ 65,802
Marketable securities	63,225	190,222
Prepaid expenses and other current assets	6,649	10,428
Total current assets	145,346	266,452
Property and equipment, net	7,657	10,841
Operating lease right-of-use assets	10,629	13,712
Restricted cash	1,846	1,846
Other assets	299	386
Total assets	$ 165,777	$ 293,237
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 1,140	$ 1,691
Accrued clinical supply costs	283	3,669
Accrued liabilities	8,383	19,299
Deferred revenue, current portion	—	6,684
License fee payable	15,000	—
Payable to collaboration partner	1,319	17,289
Refund liability to collaboration partner, current portion	—	11,449
Operating lease liabilities, current portion	9,290	9,056
Debt, current portion	—	366
Total current liabilities	35,415	69,503
Deferred revenue, long-term portion	—	164,537
Debt, long-term portion	—	9,323
Operating lease liabilities, long-term portion	11,710	17,488
Other long-term liabilities	2,083	1,737
Total liabilities	49,208	262,588
Commitments and contingencies (Note 4)		
Stockholders' equity :		
Common stock, $0.0001 par value; 200,000,000 shares authorized; 112,274,895 and 110,362,581 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	11	11
Additional paid-in capital	1,010,166	1,002,528
Accumulated other comprehensive (loss) income	(232)	166
Accumulated deficit	(893,376)	(972,056)
Total stockholders' equity	116,569	30,649
Total liabilities and stockholders' equity	$ 165,777	$ 293,237

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

ALECTOR, INC.

Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
(Unaudited)
(In thousands, except share and per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Collaboration revenue	$ 162,866	$ 3,260	$ 167,232	$ 14,808
Operating expenses:				
Research and development	30,034	29,350	67,351	90,602
General and administrative	8,991	11,518	25,352	40,647
Total operating expenses	39,025	40,868	92,703	131,249
Income (loss) from operations	123,841	(37,608)	74,529	(116,441)
Other income, net	819	2,941	4,341	10,779
Income (loss) before income taxes	124,660	(34,667)	78,870	(105,662)
Income tax expense	60	—	190	—
Net income (loss)	124,600	(34,667)	78,680	(105,662)
Unrealized (loss) gain on marketable securities	(106)	101	(398)	(64)
Comprehensive income (loss)	$ 124,494	$ (34,566)	$ 78,282	$ (105,726)
Net income (loss) per share:				
Basic net income (loss) per share	$ 1.11	$ (0.34)	$ 0.71	$ (1.05)
Diluted net income (loss) per share	$ 1.11	$ (0.34)	$ 0.70	$ (1.05)
Weighted-average shares in calculating:				
Basic net income (loss) per share	111,861,933	102,597,601	111,230,090	100,800,863
Diluted net income (loss) per share	112,477,348	102,597,601	111,968,475	100,800,863

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

ALECTOR, INC.

Condensed Consolidated Statement of Stockholders' Equity (Deficit)
(Unaudited)
(In thousands, except share data)

	Common Stock		Additional Paid-In	Accumulated Other Comprehensive Income		Total Stockholders'
	Shares	Amount	Capital	(Loss)	Accumulated Deficit	Equity (Deficit)
Balance — December 31, 2025	110,362,581	$ 11	$ 1,002,528	$ 166	$ (972,056)	$ 30,649
Vesting of restricted stock units	641,231	—	—	—	—	—
Exercise of stock options	21,375	—	25	—	—	25
Stock-based compensation	—	—	2,908	—	—	2,908
Unrealized loss on marketable securities	—	—	—	(270)	—	(270)
Net loss	—	—	—	—	(22,930)	(22,930)
Balance — March 31, 2026	111,025,187	11	$ 1,005,461	$ (104)	$ (994,986)	$ 10,382
Vesting of restricted stock units	583,920	—	—	—	—	—
Exercise of stock options	1,250	—	2	—	—	2
Purchase of common stock under employee stock purchase plan	46,448	—	48	—	—	48
Stock-based compensation	—	—	2,610	—	—	2,610
Unrealized loss on marketable securities	—	—	—	(22)	—	(22)
Net loss	—	—	—	—	(22,990)	(22,990)
Balance — June 30, 2026	111,656,805	$ 11	$ 1,008,121	$ (126)	$ (1,017,976)	$ (9,970)
Vesting of restricted stock units	580,527	—	—	—	—	—
Exercise of stock options	37,563	—	49	—	—	49
Stock-based compensation	—	—	1,996	—	—	1,996
Unrealized loss on marketable securities	—	—	—	(106)	—	(106)
Net Income	—	—	—	—	124,600	124,600
Balance — September 30, 2026	112,274,895	$ 11	$ 1,010,166	$ (232)	$ (893,376)	$ 116,569

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

ALECTOR, INC.

Condensed Consolidated Statement of Stockholders' Equity
(Unaudited)
(In thousands, except share data)

	Common Stock		Additional Paid-in	Accumulated Other Comprehensive Income		Total Stockholders'
	Shares	Amount	Capital	(Loss)	Accumulated Deficit	Equity
Balance — December 31, 2024	99,085,888	$ 9	$ 955,657	$ 261	$ (829,127)	$ 126,800
Vesting of restricted stock units	906,712	—	—	—	—	—
Stock-based compensation	—	—	8,351	—	—	8,351
Unrealized loss on marketable securities	—	—	—	(70)	—	(70)
Net loss	—	—	—	—	(40,471)	(40,471)
Balance — March 31, 2025	99,992,600	$ 9	$ 964,008	$ 191	$ (869,598)	$ 94,610
Vesting of restricted stock units	1,111,421	—	—	—	—	—
Purchase of common stock under employee stock purchase plan	108,308	—	122	—	—	122
Stock-based compensation	—	—	7,062	—	—	7,062
Unrealized loss on marketable securities	—	—	—	(95)	—	(95)
Net loss	—	—	—	—	(30,524)	(30,524)
Balance — June 30, 2025	101,212,329	$ 9	$ 971,192	$ 96	$ (900,122)	$ 71,175
Vesting of restricted stock units	818,565	—	—	—	—	—
Issuance of common stock, net of issuance costs of $300	5,415,162	1	14,700			14,701
Stock-based compensation	—	—	6,402	—	—	6,402
Unrealized gain on marketable securities	—	—	—	101	—	101
Net loss	—	—	—	—	(34,667)	(34,667)
Balance — September 30, 2025	107,446,056	$ 10	$ 992,294	$ 197	$ (934,789)	$ 57,712

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

ALECTOR, INC.

Condensed Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities:		
Net Income (loss)	$ 78,680	$ (105,662)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	3,111	4,550
Stock-based compensation	7,514	21,815
Amortization of premiums and accretion of discounts on marketable securities	(1,409)	(5,333)
Amortization of right-of-use assets	3,005	2,852
Amortization of debt discount and debt issuance costs	177	215
Impairment of right-of-use assets and leasehold improvements	—	1,151
Loss on extinguishment of debt	603	—
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	3,779	2,143
Other assets	47	73
Accounts payable	(551)	2,542
Accrued liabilities and accrued clinical supply costs	(14,302)	(13,993)
Payable to collaboration partner	(15,970)	4,874
Deferred revenue	(167,232)	(14,808)
License fee payable	15,000	—
Refund liability to collaboration partner	(15,438)	(38,104)
Lease liabilities	(5,544)	(4,865)
Other long-term liabilities	346	210
Net cash used in operating activities	(108,184)	(142,340)
Cash flows from investing activities:		
Sale of property and equipment	300	—
Purchase of property and equipment	(149)	(41)
Purchase of marketable securities	(85,409)	(190,831)
Maturities of marketable securities	213,417	358,890
Sale of marketable securities	—	2,981
Net cash provided by investing activities	128,159	170,999
Cash flows from financing activities:		
Proceeds from issuance of common stock, net of issuance costs	—	14,701
Proceeds from the exercise of options to purchase common stock	76	—
Purchase of common stock under employee stock purchase plan	48	122
Repayment of debt financing	(10,429)	—
Net cash (used in) provided by financing activities	(10,305)	14,823
Net increase in cash, cash equivalents, and restricted cash	9,670	43,482
Cash, cash equivalents, and restricted cash at beginning of period	67,648	34,867
Cash, cash equivalents, and restricted cash at end of period	$ 77,318	$ 78,349
Supplemental Disclosures:		
Cash paid for interest	$ 489	$ 218

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

1. The Company and Liquidity

Alector, Inc. (Alector or the Company) is a Delaware corporation headquartered in South San Francisco, California. Alector is a biotechnology company focused on developing therapies to counteract the devastating progression of neurodegeneration.

At-the-Market Offering

On November 7, 2023, the Company entered into an at-the-market sales agreement with TD Securities (USA) LLC, formerly known as Cowen and Company, LLC (TD Cowen), pursuant to which the Company may offer and sell from time to time through TD Cowen up to $125,000,000 of shares of its common stock, in such share amounts as the Company may specify by notice to TD Cowen (the 2023 Sales Agreement). Prior to its termination, the Company had issued an aggregate of 7,110,162 shares and received approximately $20.0 million in net proceeds under the 2023 Sales Agreement, all of which were issued during 2025.

On May 7, 2026, the Company entered into an at-the-market sales agreement with TD Cowen, pursuant to which the Company may offer and sell from time to time through TD Cowen up to $125,000,000 of shares of its common stock, in such share amounts as the Company may specify by notice to TD Cowen (the 2026 Sales Agreement). Immediately prior to the effectiveness of the 2026 Sales Agreement, the Company and TD Cowen terminated the 2023 Sales Agreement. As of September 30, 2026, the Company had not issued any shares or received any proceeds from the sale of securities pursuant to the 2026 Sales Agreement.

The Company did not issue any shares under either the 2023 Sales Agreement or the 2026 Sales Agreement during the three and nine months ended September 30, 2026.

2. Summary of Significant Accounting Policies

Basis of Presentation

The condensed consolidated financial statements have been prepared in conformity with generally accepted accounting principles in the United States (GAAP) as defined by the Financial Accounting Standards Board (FASB). In the opinion of management, these unaudited condensed consolidated financial statements include all normal, recurring adjustments that are necessary to present fairly the results of the interim periods presented. The condensed consolidated financial statements include the accounts of Alector, Inc. and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The results of operations for the interim periods are not necessarily indicative of the results of operations to be expected for the full year. These interim financial statements should be read in conjunction with the audited financial statements as of and for the year ended December 31, 2025, and the notes thereto, which are included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC) on February 25, 2026.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expense during the reporting period. The Company evaluates its estimates, including those related to revenue recognition, manufacturing accruals, clinical accruals, fair value of assets and liabilities, income taxes uncertainties, stock-based compensation, and related assumptions on an ongoing basis using historical experience and other factors and adjusts those estimates and assumptions when facts and circumstances dictate. Actual results could materially differ from those estimates.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash, cash equivalents, and short-term marketable securities. Cash and cash equivalents are deposited in checking and sweep accounts at financial institutions. Such deposits may, at times, exceed federally insured limits.

Cash, Cash Equivalents, and Restricted Cash

The Company considers all highly liquid investments with original maturities of three months or less at the date of purchase to be cash and cash equivalents. Cash equivalents, which consist of amounts invested in money market funds, are stated at fair value.

Restricted cash of $1.5 million relates to a letter of credit established for a lease entered into in June 2018. Restricted cash of $0.3 million was held as collateral to secure the use of corporate cards under a cash pledge agreement entered into in December 2024.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the condensed consolidated balance sheets that sum to the total of the same amounts shown in the condensed consolidated statements of cash flows:

	Nine Months Ended September 30,	
	2026	2025
	(In thousands)	
Cash and cash equivalents	$ 75,472	$ 76,503
Restricted cash	1,846	1,846
Total cash, cash equivalents, and restricted cash	$ 77,318	$ 78,349

Marketable Securities

All marketable securities have been classified as “available-for-sale” and are carried at fair value, based upon quoted market prices. The Company considers its available-for-sale portfolio as available for use in current operations. Accordingly, the Company may classify certain investments as short-term marketable securities, even though the stated maturity date may be one year or more beyond the current balance sheet date. For available-for-sale debt securities, unrealized gains, net of any related tax effects, are excluded from earnings and are included in other comprehensive income and reported as a separate component of stockholders’ equity (deficit) until realized. The Company assesses available-for-sale debt securities on a quarterly basis to see if any unrealized loss is due to credit-related factors. Factors considered in determining whether an impairment is credit-related include the extent to which the investment’s fair value is less than its cost basis, declines in published credit ratings, changes in interest rates, and any other adverse factors related to the security. If it is determined that a credit-related impairment exists, the Company will measure the credit loss based on a discounted cash flows model. Credit-related impairments on available-for-sale debt securities are recognized as an allowance for credit losses with a corresponding adjustment to other income, net in the Company’s consolidated statement of operations. The unrealized loss position that is not credit-related is recorded, net of any related tax effects, in other comprehensive income until realized. There were no credit-related losses recognized for the periods presented.

The cost of securities sold is based on the specific-identification method. The amortized cost of securities is adjusted for amortization of premiums and accretion of discounts to maturity. In accordance with our investment policy, management invests in money market funds, U.S. treasury securities, corporate bonds, certificates of deposit, and commercial paper. The Company has not experienced any losses on its deposits of cash, cash equivalents, and marketable securities.

Fair Value of Financial Instruments

The Company’s financial instruments include cash and cash equivalents, marketable securities, current and noncurrent prepaid expenses, accounts payable, payable to collaboration partner, and accrued liabilities. The Company's investments in marketable securities are measured at fair value. The Company’s other financial instruments approximate fair value due to their relatively short maturities.

For investments in marketable securities, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Company determines the fair value of its financial instruments based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1 – Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date;

Level 2 – Inputs are observable, unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities; and

Level 3 – Unobservable inputs that are significant to the measurement of the fair value of the assets or liabilities that are supported by little or no market data.

Leases

The Company determines whether an arrangement is or contains a lease at the inception of the arrangement. Leases are recognized on the balance sheet as right-of-use assets and lease liabilities. Lease liabilities and their corresponding right-of-use assets are recorded based on the present value of lease payments over the expected lease term. The Company utilizes the appropriate incremental borrowing rate, which is the rate incurred to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment. Certain adjustments to the right-of-use asset may be required for items such as initial direct costs paid or incentives received and any prepaid or accrued rent. Rent expense for the operating lease is recognized on a straight-line basis over the lease term and is included in operating expenses on the statements of operations and comprehensive loss. Variable lease payments include lease operating expenses.

The Company excludes balance sheet recognition of operating leases having a term of 12 months or less (short-term leases) and does not separate lease components and non-lease components for its long-term leases.

Revenue Recognition

The Company recognizes revenue when control of promised goods or services is transferred to customers in an amount that reflects the consideration that is expected to be received for those goods or services. In determining the appropriate amount of revenue to be recognized as the Company fulfills its obligations under contractual arrangements, the Company performs the following steps: (i) identify the contract(s) with a customer, (ii) identify the performance obligations in the contract, (iii) determine the transaction price, (iv) allocate the transaction price to the performance obligations in the contract, and (v) recognize revenue when (or as) the entity satisfies the performance obligation. If it is determined that multiple performance obligations exist, the transaction price is allocated at the inception of the agreement to all identified performance obligations based on the relative standalone selling price (SSP). The relative SSP for each performance obligation is estimated using externally sourced evidence if it is available. If externally sourced evidence is not available, the Company uses its best estimate of the SSP for the performance obligation.

The Company recognizes revenue at a point in time when control of the promised good or service has been transferred to the customer. The Company recognizes revenue over time by measuring the progress toward complete satisfaction of the performance obligation using an input measure. In order to recognize revenue over the research and development period, the Company measures actual costs incurred to date compared to the overall total expected costs to satisfy the performance obligation. Revenues are recognized as the program costs are incurred. The Company re-evaluates the estimate of expected costs to satisfy the performance obligation each reporting period.

Stock-based Compensation

Stock-based compensation is measured on the grant date based on the fair value of the awards. The fair value of options to purchase common stock is measured using the Black-Scholes option-pricing model. Stock-based compensation associated with restricted stock units (RSUs) is based on the fair value of the Company's common stock on the grant date, which equals the closing price of the Company's common stock on the grant date. The Company recognizes expense over the vesting period of the awards. Expense for options and RSUs that vest based only on a service condition is recognized on a straight-line basis.

The fair value of RSUs with market conditions is estimated using a Monte Carlo simulation model. Assumptions and estimates utilized in the model include the stock price on grant date, risk-free interest rate, dividend yield, expected stock volatility, and estimated period to achieve the market condition. The expense is recognized based on continued employment of the participants, regardless of achievement of the market condition. Expense related to the RSUs with market conditions is recognized using the accelerated attribution method.

The Company accounts for forfeitures as they occur for all awards.

Comprehensive Loss

Comprehensive loss includes net loss and certain changes in stockholders' equity (deficit) that are the result of transactions and economic events other than those with stockholders. The Company's only element of other comprehensive loss was net unrealized loss on marketable securities.

Debt

Debt is initially recognized at cost and presented net of original issue discount and debt issuance costs on the consolidated balance sheets. Amortization of debt discount and debt issuance costs is recognized as interest expense over the period of the debt, using the effective interest rate method.

Segments

The Company operates in one segment. The Company's chief operating decision maker (CODM), its Chief Executive Officer, manages the Company's operations on a consolidated basis for purposes of allocating resources. When evaluating the Company's financial performance, the CODM reviews total revenues, total expenses and expenses by function.

The table below is a summary of the segment profit or loss, including significant segment expenses (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Collaboration revenue	$ 162,866	$ 3,260	$ 167,232	$ 14,808
Less:				
Compensation and benefits	6,102	13,036	21,417	43,855
Lab expenses and outside research services	3,594	3,570	11,850	9,697
Clinical supply costs	2,524	2,329	6,931	9,276
Clinical trials	(629)	5,947	4,126	20,041
Support functions	6,217	7,368	18,640	23,355
License expense	15,500	—	15,500	—
Other segment expenses[(a)]	5,717	8,618	14,239	25,025
Total operating expenses	39,025	40,868	92,703	131,249
Income (loss) from operations	123,841	(37,608)	74,529	(116,441)
Other income, net	819	2,941	4,341	10,779
Income (loss) before income taxes	124,660	(34,667)	78,870	(105,662)
Income tax	60	—	190	—
Segment and consolidated income (loss)	$ 124,600	$ (34,667)	$ 78,680	$ (105,662)

(a) Other segment expenses include consultants & contractor expense, contra-R&D expense for GSK collaboration, depreciation expense, impairment loss, restructuring expense, and stock-based compensation expense.

Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU No. 2024-03, *Disaggregation of Income Statement Expenses (Topic 220)* (ASU 2024-03), requiring that public business entities disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. The amendments of ASU 2024-03 are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. The requirements of ASU 2024-03 may be applied either prospectively to financial statements issued for reporting periods after the effective date or retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact of adopting ASU 2024-03 on its condensed consolidated financial statements and disclosures.

3. Fair Value Measurements

The following tables summarize the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy:

	September 30, 2026				
	Fair Value Hierarchy	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Market Value
			(In thousands)		
Money market funds	Level 1	$ 23,074	$ —	$ —	$ 23,074
U.S. government treasury securities	Level 1	9,923	—	(61)	9,862
Certificates of deposit	Level 2	2,576	1	—	2,577
Commercial paper	Level 2	57,000	—	(20)	56,980
Corporate bonds	Level 2	45,940	—	(152)	45,788
Total cash equivalents and marketable securities		$ 138,513	$ 1	$ (233)	$ 138,281

	December 31, 2025				
	Fair Value Hierarchy	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Market Value
			(In thousands)		
Money market funds	Level 1	$ 36,834	$ —	$ —	$ 36,834
U.S. government treasury securities	Level 1	13,915	13	—	13,928
Certificates of deposit	Level 2	9,468	7	—	9,475
Commercial paper	Level 2	92,887	9	(7)	92,889
Corporate bonds	Level 2	102,135	151	(7)	102,279
Total cash equivalents and marketable securities		$ 255,239	$ 180	$ (14)	$ 255,405

The Company's Level 2 securities are valued using third-party pricing sources. The pricing services utilize industry standard valuation models for which all significant inputs are observable. The Company classifies marketable securities available to fund current operations as current assets. As of September 30, 2026, the remaining contractual maturities of $125.3 million of investments were less than one year and $13.0 million of investments were after one year through two years. The Company does not intend to sell the investments that are currently in an unrealized loss position, and it is highly unlikely that the Company will be required to sell the investments before recovery of their amortized cost basis, which may be at maturity.

4. Commitments and Contingencies

Contingencies

From time to time, the Company may be involved in litigation related to claims that arise in the ordinary course of its business activities. The Company accrues for these matters when it is probable that future expenditures will be made and these expenditures can be reasonably estimated. As of September 30, 2026, the Company does not believe that any such matters, individually or in the aggregate, will have a material adverse effect on the Company's financial position, results of operations or cash flows.

Indemnification

The Company enters into customary indemnification arrangements in the ordinary course of business with vendors, clinical trial sites and other parties. Pursuant to these arrangements, the Company indemnifies, holds harmless and agrees to reimburse the indemnified parties for certain losses suffered or incurred by the indemnified party. The term of these indemnification agreements is generally perpetual any time after the execution of the agreement. The maximum potential amount of future payments the Company could be required to make under these arrangements is not determinable. The Company has never incurred costs to defend lawsuits or settle claims related to these indemnification agreements. As a result, the Company has not recorded a liability related to such indemnification agreements as of September 30, 2026. As permitted under Delaware law, the Company has entered into indemnification agreements with its directors and officers that requires it to indemnify its directors and officers against liabilities that may arise by reason of their status or service as directors or officers to the fullest extent permitted by law. The Company also has directors' and officers' insurance.

5. Collaboration, License, and Option Agreements

Collaboration Agreement with GSK

On July 1, 2021, the Company entered into a Collaboration and License Agreement with Glaxo Wellcome UK Limited, a subsidiary of GlaxoSmithKline plc (GSK), pursuant to which the Company and GSK collaborate on the global development and commercialization of progranulin-elevating monoclonal antibodies, including latozinemab and nivisnebart (formerly AL101/GSK4527226) (GSK Agreement). The GSK Agreement became effective on August 17, 2021. The Company and GSK discontinued developing latozinemab and nivisnebart in frontotemporal dementia due to a GRN mutation (FTD-*GRN*) and Alzheimer's disease (AD), respectively, following the INFRONT-3 Phase 3 clinical trial readout in October 2025 and the PROGRESS-AD Phase 2 clinical trial interim analysis in April 2026 for those product candidates.

Under the terms of the GSK Agreement, the Company received $700 million in upfront payments, of which $500 million was received in August 2021 and $200 million was received in January 2022. The Company had been eligible for but did not achieve up to an additional $1.5 billion in clinical development, regulatory, and commercial launch-related milestone payments; an equal share of profits and losses in the United States; and tiered royalties outside the United States. The Company and GSK jointly conducted certain development activities under the GSK Agreement and shared development costs 60% by GSK and 40% by the Company, except that, subject to the GSK Amendment (defined below), the Company solely bore the development costs of initial Phase 2 clinical trials.

In May 2023, the Company and GSK amended the GSK Agreement (GSK Amendment). Under the terms of the GSK Amendment, the Company was responsible for funding and sharing in GSK's and the Company's development costs up to $140.5 million for the conduct of the Phase 2 clinical trial of nivisnebart in AD. As of September 30, 2026, the Company has funded the full $140.5 million funding and cost sharing obligation. The GSK Amendment was determined to be a contract modification to the GSK Agreement. The expected cost reimbursement to GSK was accounted for as a refund liability, which reduced the transaction price for the GSK Agreement.

During the three months ended September 30, 2023, as a result of the planned closure of the latozinemab Phase 2 trial and concurrent agreement by the Company to cost-share additional research and development, the Company determined there was a modification of the GSK Agreement, resulting in a decrease of the scope of the performance obligation associated with the latozinemab FTD-*C9orf72* Phase 2 trial and an increase in the amount of research and development cost-shared by the Company in future periods. The impact of this additional cost share was accounted for as a refund liability, which reduced the transaction price for the GSK Agreement.

The transaction price at inception included fixed consideration consisting of the upfront payments of $700 million. The transaction price as of September 30, 2026 was $564.0 million due to the estimated refund liabilities created from the contract modifications. The remaining estimated refund liabilities to collaboration partner as of September 30, 2026 and December 31, 2025 was zero and $11.4 million, respectively. All potential future milestones and other payments were considered constrained at the inception of the GSK Agreement and as of September 30, 2026, since the Company could not conclude it was probable that a significant reversal in the amount of revenue recognized would not occur.

On July 6, 2026, GSK provided written notice to the Company terminating the GSK Agreement (the Notice). Under the terms of the GSK Agreement, the termination will be effective 180 days from the Notice, or January 2, 2027. In the third quarter of 2026, the Company and GSK confirmed there were no remaining performance obligations with respect to any new clinical trials, including any new Phase 2 trials. Accordingly, under ASC606, the Company determined there was a modification of the GSK Agreement, resulting in a decrease of the scope of its performance obligations by removing the Company's remaining clinical development obligations. Therefore, as of September 30, 2026, the

Company determined that in accordance with ASC 606, Revenue from Contracts with Customers, it had no remaining performance obligations under the GSK Agreement, and the remaining deferred revenue of $162.9 million was recognized as collaboration revenue during the three months ended September 30, 2026.

Collaboration revenue under the GSK Agreement during the three and nine months ended September 30, 2026 was $162.9 million and $167.2 million, respectively, the entire amount of which was included in deferred revenue at the beginning of the respective period. For the three and nine months ended September 30, 2025, collaboration revenue under the GSK Agreement was $3.3 million and $14.8 million, respectively. The deferred revenue related to the GSK Agreement was zero and $171.2 million as of September 30, 2026 and December 31, 2025, respectively. The Company does not expect to derive further revenue from the GSK Agreement.

Costs associated with co-development activities performed under the agreement are included in research and development expenses in the condensed consolidated statements of operations, with any reimbursement of costs by GSK reflected as a reduction of such expenses. For the three months ended September 30, 2026, the Company recognized an increase of $1.3 million of research and development expense, and for the nine months ended September 30, 2026, the Company recognized a reduction of research and development expense of $0.2 million, under the GSK Agreement. For the three and nine months ended September 30, 2025 the Company recognized a reduction of research and development expense of $1.3 million and $11.6 million, respectively, under the GSK Agreement.

License Agreement with Genentech

On September 30, 2026, the Company entered into a License Agreement (Genentech License Agreement) with Genentech, Inc. (Genentech), pursuant to which the Company granted Genentech exclusive worldwide rights to develop and commercialize the Company's AL050 program, a brain-penetrant engineered glucocerebrosidase (GCase) enzyme replacement therapy (GCase Candidates). Genentech will be responsible for the development, regulatory, manufacturing, and commercialization activities for the GCase Candidates, and the Company assigned to Genentech certain of its existing patents specific to the GCase Candidates. The Company retains ownership of its Alector Brain Carrier (ABC) platform and the right to apply the platform outside of GCase.

Under the Genentech License Agreement, the Company received a $100.0 million upfront payment subsequent to September 30, 2026, and is eligible to receive up to an additional $1.17 billion in development, regulatory, and commercial milestone payments, as well as tiered royalties on net sales of the GCase Candidates at rates ranging from single-digit to double-digit percentages. For a specified period, the Company is subject to certain restrictions on the exploitation of compounds and products that contain or target GCase. Either party may terminate the Genentech License Agreement for the other party’s insolvency or uncured material breach, and Genentech may terminate the Genentech License Agreement for convenience upon prior written notice. Upon certain termination events, certain patents and other assets related to the AL050 program will revert to the Company.

The Company evaluated the Genentech License Agreement under ASC 606, Revenue from Contracts with Customers, and concluded that Genentech is a customer and that the arrangement is within the scope of ASC 606 in its entirety. The Company identified a single combined performance obligation comprising an exclusive license to develop and commercialize the GCase Candidates and related know-how.

The Company determined that the transaction price at inception included fixed consideration consisting of the non-refundable upfront payment of $100.0 million. All potential future development, regulatory, and commercial milestone payments represent variable consideration and were constrained at the inception of the Genentech License Agreement, as the Company concluded it was not probable that a significant reversal in the amount of revenue recognized would not occur. The Company will reassess this constraint at each reporting period. Sales-based royalties and sales-based milestone payments will be recognized in the period in which the related sales occur or the applicable sales threshold is achieved, as such payments relate to the license.

Revenue will be recognized at a point in time upon the transfer of the license and related know-how. No revenue had been recognized under the Genentech License Agreement during the three and nine months ended September 30, 2026.

Option and License Agreement with Spur Therapeutics

On August 14, 2026, the Company entered into an Option and License Agreement (Spur Agreement) with Spur Therapeutics Limited (Spur) and paid Spur a one-time option fee of $0.5 million. On September 30, 2026, the Company exercised its option and obtained a worldwide, non-exclusive, sublicensable, royalty-bearing license under certain Spur patents related to its engineered GCase (Spur Patents). As a result of the option exercise and the Company's receipt of the upfront payment under the Genentech License Agreement, the Company paid Spur $15.0 million on November 2, 2026. The Company is also obligated to pay Spur a percentage in the teens of milestone and other non-royalty income it receives from sublicensees of the Spur Patents, including under the Genentech License Agreement, as well as a percentage of royalties it receives from such sublicensees. Either party may terminate the Spur Agreement for the other party’s insolvency or uncured material breach, Spur may terminate the Spur Agreement upon certain challenges to the Spur Patents, and the Company may terminate the Spur Agreement for convenience upon prior written notice.

During the three and nine months ended September 30, 2026, the Company recognized $15.5 million as research and development expense, consisting of the $0.5 million option fee and the $15.0 million license fee payable to Spur upon exercise of the option, as described above. Consistent with the Company’s research and development expense policy, these amounts were expensed as incurred, as the Spur Patents relate to pre-commercial technology with no alternative future use. As of September 30, 2026, the $15.0 million license fee was recorded within license fee payable, as a current liability on the condensed consolidated balance sheet; this amount was subsequently paid on November 2, 2026.

6. Stock-based Compensation

The Company recognized stock-based compensation as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Research and development	$ 456	$ 2,590	$ 2,399	$ 9,090
General and administrative	1,540	3,812	5,115	12,725
Total stock-based compensation	$ 1,996	$ 6,402	$ 7,514	$ 21,815

7. Income Taxes

For the three and nine months ended September 30, 2026, the Company's effective tax rate was less than 0.1% and 0.2%, respectively. For the three and nine months ended September 30, 2025, the Company's effective tax rate was zero. The difference between the effective tax rate for the three and nine months ended September 30, 2026 and 2025, and the U.S. federal statutory rate of 21% was primarily due to the Company recording a full valuation allowance to its net deferred tax asset.

8. Debt

On July 8, 2026, the Company repaid in full and terminated the Loan and Security Agreement, dated as of November 14, 2024, as amended (the Loan Agreement), by and among the Company, Alector LLC, a Delaware limited liability company, as co-borrower (together with the Company, the Borrowers), the several banks and other financial institutions or entities from time to time parties thereto, as lenders (collectively, referred to as the Lenders), and Hercules Capital, Inc., in its capacity as administrative agent and collateral agent for itself and the Lenders (Hercules). The Company repaid a total of $10.4 million, consisting of $10.0 million aggregate principal amount of outstanding loans plus accrued interest and end of term and prepayment charges thereon.

As such, the Company extinguished its outstanding debt prior to maturity. The net carrying value of the debt at the time of extinguishment was $9.8 million, which is the face value of the outstanding balance of the loans of $10.0 million, less unamortized discount, issuance costs and unaccreted value of the end-of-term fee totaling $0.2 million. The Company recognized a loss on extinguishment of debt of $0.6 million during the three and nine months ended

September 30, 2026. The loss is included in other income, net in the condensed consolidated statements of operations and comprehensive income (loss).

9. Net Income (Loss) Per Share

The following tables set forth the computation of the basic and diluted net income (loss) per share (in thousands, except share and per share data).

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Numerator:				
Net income (loss)	$ 124,600	$ (34,667)	$ 78,680	$ (105,662)
Denominator:				
Weighted-average number of shares outstanding basic	111,861,933	102,597,601	111,230,090	100,800,863
Dilutive effect of outstanding common stock options, ESPP shares issuable, and restricted stock units	615,415	—	738,385	—
Weighted-average number of shares outstanding diluted	112,477,348	102,597,601	111,968,475	100,800,863
Net income (loss) per share, basic	$ 1.11	$ (0.34)	$ 0.71	$ (1.05)
Net income (loss) per share, diluted	$ 1.11	$ (0.34)	$ 0.70	$ (1.05)

Potentially dilutive securities have been excluded from the calculation of diluted net income (loss) per share for the periods presented due to their anti-dilutive effect:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Restricted stock units subject to future vesting	965,899	4,788,750	1,460,461	4,788,750
Options to purchase common stock	9,579,373	9,339,551	10,021,147	9,339,551
Shares committed under 2019 ESPP	37,242	99,033	16,415	99,033
Total	10,582,514	14,227,334	11,498,023	14,227,334

10. Restructuring

On March 7, 2025, the Company committed to a plan to reduce its workforce by approximately 13% as part of its cost reduction initiatives in order to align resources with the Company's strategic priorities, including advancing its preclinical and research pipeline. The Company initiated a reduction in force impacting approximately 25 employees across the organization. For the three months ended September 30, 2025, the Company recognized a reduction of approximately $0.1 million to previously recognized restructuring charges, and for the nine months ended September 30, 2025, the Company incurred restructuring costs of approximately $2.2 million, that were included in operating expenses. Cash payments related to these expenses were paid out in 2025.

On October 21, 2025, the Company committed to a plan to reduce its workforce, which impacted approximately 47% of its workforce, in order to align resources with the Company's strategic priorities, following the results of the Phase 3 INFRONT-3 clinical trial evaluating the safety and efficacy of latozinemab in individuals with frontotemporal dementia due to a progranulin gene mutation (FTD-*GRN*). Total incremental restructuring charges associated with the reduction in force were approximately $7.0 million, consisting primarily of severance and related termination benefits. Cash payments related to these expenses were paid out and the reduction in force was completed during the first half of 2026. There was no expense recorded related to the restructuring costs for the three months ended September 30, 2026. For the nine months ended September 30, 2026, the Company recorded a reduction of less than $0.4 million to

previously recognized restructuring costs, primarily due to lower-than-expected related termination benefits and this was included in operating expenses.

11. Subsequent Events

Option Repricing

On October 13, 2026 (the Effective Date), the Company's Board of Directors approved an option repricing (the Option Repricing). The Option Repricing generally applied to stock options to purchase shares of the common stock of the Company that: (i) were granted to current employees under the Company's 2019 Equity Incentive Plan, as amended (the 2019 Plan), or the Company's 2017 Stock Option and Grant Plan (together with the 2019 Plan, the Plans) and applicable award agreements thereunder; (ii) as of the Effective Date, were held by continuing employees; and (iii) had an exercise price per share greater than $1.87 (the Eligible Options). The repriced options include Eligible Options held by current employees, including executive officers. The new exercise price for repriced options is $1.87 per share, the closing price of the Company's common stock on the Effective Date. The Option Repricing includes a retention period provision (the Retention Period) which is the period that begins on the Effective Date of the repricing and ends on the earliest of the following: (i) one year following the Effective Date; (ii) a Change in Control (as defined in the applicable Plan); and (iii) the option holder's death or Disability (as defined in the applicable Plan). The total number of shares underlying all repriced options was approximately 4.1 million shares. The repriced options previously had exercise prices ranging from $6.48 to $33.11 per share. The repricing resulted in approximately $2.7 million of incremental stock-based compensation expense, to be recognized over the Retention Period.

Registered Direct Offering

On October 15, 2026, the Company entered into an underwriting agreement with Morgan Stanley & Co. LLC and BTIG, LLC (collectively, the Underwriters), relating to the issuance and sale (the 2026 Offering) of 36.6 million shares of the Company's common stock at a price per share of $2.05 paid by the Underwriters. Aggregate gross proceeds from the 2026 Offering were approximately $75.0 million before deducting underwriting discounts and commissions and other offering expenses payable by the Company. The 2026 Offering closed on October 19, 2026.

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

You should read the following discussion and analysis of our financial condition and results of operations together with our condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q. This discussion contains forward-looking statements that involve risks and uncertainties, including those described in the section titled "Special Note Regarding Forward-Looking Statements." Our actual results and the timing of selected events could differ materially from those discussed below. Factors that could cause or contribute to such differences include, but are not limited to, those identified below and those set forth under the section titled "Risk Factors" included elsewhere in this report.

Overview

We are a biotechnology company focused on discovering and developing therapies for neurodegenerative diseases with high unmet medical need, including Alzheimer's disease and Parkinson's disease. Our pipeline is built around the Alector Brain Carrier (ABC) platform, a proprietary blood-brain barrier (BBB) technology that enables diverse therapeutic modalities, including antibodies, enzymes, proteins and siRNA, to reach genetically validated targets in the central nervous system. On September 30, 2026, we licensed our AL050 program, our ABC-enabled glucocerebrosidase (GCase) enzyme replacement therapy, to Genentech, Inc. (Genentech). Our other programs are wholly owned.

The ABC platform is designed to enhance brain exposure while optimizing both safety and efficacy. Built on the principles of versatility, translatability, and differentiated binding to a distinct region of the transferrin receptor (TfR), the platform supports efficient delivery of therapeutic cargos across the BBB. By offering a broad range of TfR binding affinities, binding kinetics, and engineered formats, the ABC platform can be tailored to the requirements of different therapeutic modalities while preserving the ability to recruit the brain's immune system when desired. These proprietary features are intended to balance brain uptake, potency, and safety across our pipeline.

Our next-generation portfolio, built on the ABC platform and distinct from our prior clinical programs, is designed to address neurodegenerative diseases through targeted mechanisms, including the removal of pathogenic proteins, replacement of deficient proteins, and restoration of normal cellular function.

AL137 Program

Our AL137 program combines our proprietary anti-amyloid beta (Aβ) antibody with our proprietary ABC platform, for the treatment of Alzheimer's disease (AD). It is designed to efficiently remove brain Aβ plaques, with the goal of minimizing treatment-related adverse effects and enabling convenient subcutaneous administration.

The ABC platform was specifically engineered to reduce co-engagement of transferrin receptor (TfR) on reticulocytes and peripheral immune cells while preserving full Fc-mediated engagement of immune cells at Aβ plaques. This design is intended to achieve efficient plaque clearance while minimizing the hematologic adverse effects associated with TfR-targeting antibodies.

AL137 incorporates a high-affinity, fully human antibody that selectively binds pyroglutamate-3 Aβ (PyroGlu3 Aβ), a validated and pathogenic form of Aβ enriched in amyloid plaques. In preclinical studies, AL137 demonstrated robust brain penetration in non-human primates, while a murine surrogate has shown significant reduction of brain Aβ42 levels in Alzheimer's disease mouse models.

Following comparative evaluation of AL137 and AL037, we selected AL137 as the lead development candidate and subcutaneous (SC) administration as the intended clinical route, with AL037 designated as the backup development candidate. AL137 completed IND-enabling studies, in which it was well tolerated in nonhuman primates (NHPs) with repeated SC administration. We submitted a registration to a Human Research Ethics Committee (HREC) in Australia in October 2026 and are targeting first-in-human SC dosing in Australia by April 2027. We are also targeting submission of a U.S. Investigational New Drug (IND) application in the second quarter of 2027 to enable Phase 1b studies in AD patients.

ABC-Enabled siRNA Platform

We continue to advance our ABC-enabled siRNA platform. The platform is designed for peripheral dosing, offering the potential for more convenient and scalable administration compared with traditional intrathecal delivery, as well as the potential for homogeneous drug distribution throughout the brain. Our siRNA programs, which span multiple disease mechanisms, include AL164, our tau siRNA program for AD and other tauopathies; AL062, our alpha-synuclein siRNA program for Parkinson's disease (PD) and Lewy body dementia (LBD); and ADP065-ABC, an earlier-stage NLRP3 siRNA program for multiple neurodegenerative conditions. Together, these programs reflect the broad applicability of the ABC

platform across disease mechanisms. We continue to evolve our research and development plans and timing for each of our ABC-enabled siRNA programs.

AL064/AL164 Program

Our lead siRNA program, AL164, is a tau siRNA program for AD and other tauopathies. AL164 aims to reduce all forms of toxic tau by degrading tau mRNA and reducing tau protein expression and aims to slow cognitive decline in AD and other tauopathies. AL064 demonstrated robust and homogeneous tau mRNA knockdown and durable reduction of phospho-Tau 217 in multiple NHP brain regions tested. AL164, which incorporates a well-validated chemical modification intended to further optimize AL064's siRNA stability, is targeted for first-in-human studies in the second quarter of 2028.

AL062 Program

AL062 is an ABC-enabled α-synuclein siRNA program for PD and LBD that aims to silence the production of intracellular α-synuclein, the primary component of Lewy bodies and a likely driver of Parkinson's disease and Lewy Body Dementia pathology. Following SC dosing in NHPs, AL062 reduced SNCA expression by up to 94% across multiple brain regions and was well tolerated, with no AL062-related adverse findings. We are targeting first-in-human studies in the second quarter of 2028.

AL050 Program and Genentech License Agreement

AL050 is designed to address GCase deficiency, a driver of neurodegeneration in PD that is most pronounced in, but not limited to, carriers of GBA1 mutations. There is currently no approved therapy that addresses the underlying enzyme deficiency. AL050 combines an Alector-engineered GCase, optimized for greater enzymatic activity and a longer half-life, with ABC, which is designed to transport therapeutics across the blood-brain barrier (BBB). Delivered into the brain, the enzyme is intended to break down glucosylsphingosine and glucosylceramide, lipids that accumulate in neurons and other brain cells upon GCase deficiency and contribute to neurodegeneration, with the aim of reducing cellular dysfunction and slowing disease progression.

On September 30, 2026, we entered into a License Agreement (Genentech License Agreement) with Genentech, Inc. (Genentech), under which we granted Genentech exclusive worldwide rights to develop and commercialize our AL050 program. Genentech will be responsible for the further development, regulatory, manufacturing, and commercialization activities for the AL050 program. Under the Genentech License Agreement, we received a $100.0 million upfront payment subsequent to September 30, 2026, and are eligible to receive up to an additional $1.17 billion in development, regulatory, and commercial milestone payments, as well as tiered royalties on a specified percentage of net sales at rates ranging from single-digit to double-digit percentages. We assigned ownership of certain of our existing patents specific to the AL050 program to Genentech, and we retain ownership of our ABC platform and the right to apply it across our wholly owned pipeline outside of GCases. For further information, see Note 5, "Collaboration, License, and Option Agreements.

In addition, on September 30, 2026, we exercised our option under our Option and License Agreement, dated August 14, 2026 (Spur Agreement), with Spur Therapeutics Limited (Spur) to obtain a non-exclusive license under certain Spur patents related to its engineered GCase (Spur Patents). As a result, we paid Spur $15.0 million on November 2, 2026, and are obligated to pay Spur a percentage in the teens of any milestone and other non-royalty payments, and a percentage of any royalties, that we receive from sublicensees of the Spur Patents, including Genentech.

Our operations have been financed primarily through our collaboration with GSK, for which GSK provided written notice of termination on July 6, 2026, following discontinuation of the global Phase 2 PROGRESS-AD trial of nivisnebart (AL101/GSK4527226) in April 2026; our previous collaboration with AbbVie, entered into in October 2017 and terminated in February 2025; the issuance and sale of convertible preferred stock and of common stock upon the completion of our initial public offering (IPO); follow-on equity financings, and the Genentech License Agreement.

To date, we have not had any products approved for sale and have not generated any product or royalty revenue from product sales. Further, we do not expect to generate revenue from product sales until such time, if ever, that we are able to successfully complete the development and obtain marketing approval for one of our product candidates. We will continue to require additional capital to develop our product candidates, advance our research and preclinical programs, and fund operations for the foreseeable future. We have incurred net losses in each year since inception, and we expect to continue to incur net losses for the foreseeable future. Our ability to generate product revenue will depend on the successful development and eventual commercialization of one or more of our product candidates. Our net income was $124.6 million and $78.7 million for the three and nine months ended September 30, 2026, respectively. Our net losses were $34.7 million and $105.7 million for the three and nine months ended September 30, 2025, respectively. As of September 30, 2026, we had an accumulated deficit of $893.4 million. Substantially all of our net losses have resulted from costs incurred in connection with

our research and development programs and from general and administrative costs associated with our operations. We expect our expenses will increase substantially in connection with our ongoing activities, as we:

- advance product candidates through preclinical studies and clinical trials;
- pursue regulatory approval of product candidates;
- discover, validate, and develop additional product candidates;
- manufacture drug supply for our research, preclinical studies and clinical trials; and
- obtain, maintain, and protect our intellectual property portfolio.

On October 21, 2025, we committed to a plan to reduce our workforce by approximately 47% in order to align resources with the Company's strategic priorities following the results of the Phase 3 INFRONT-3 clinical trial evaluating the safety and efficacy of latozinemab (AL001) in individuals with frontotemporal dementia due to a GRN mutation (FTD-*GRN*).

As of September 30, 2026, we had cash, cash equivalents, and marketable securities of $138.7 million. Together with the $100.0 million upfront payment we received subsequent to September 30, 2026, under the Genentech License Agreement, net of the $15.0 million payment made to Spur under the Spur Agreement on November 2, 2026, and the net proceeds from the October 2026 underwritten offering, we anticipate that our existing cash, cash equivalents, and marketable securities will enable us to fund our operations into the second half of 2029.

Components of Results of Operations

Revenue

We have not generated any product or royalty revenue from product sales and do not expect to do so in the near future. Our revenue to date has been primarily related to the AbbVie Agreement and GSK Agreement for the license and co-development of product candidates with those parties. We recognized revenue from the upfront payments and the milestone payment received from AbbVie over time as services were provided. We recognized revenue from the upfront payments from GSK at a point in time for a development license and over time for research and development services. Revenues for research and development services were recognized as the program costs were incurred by measuring actual costs incurred to date compared to the overall total expected costs to satisfy the performance obligation.

The Company and GSK discontinued developing latozinemab and nivisnebart in FTD-*GRN* and AD, respectively, following the INFRONT-3 Phase 3 clinical trial readout in October 2025 and the PROGRESS-AD Phase 2 clinical trial interim analysis in April 2026 for those product candidates. On July 6, 2026, GSK provided written notice to the Company terminating the GSK Agreement (Notice). Under the terms of the GSK Agreement, the termination will be effective 180 days from the Notice, or January 2, 2027.

Under the terms of the GSK Agreement, the Company received $700 million in upfront payments, of which $500 million was received in August 2021 and $200 million was received in January 2022. The Company had been eligible for but did not achieve up to an additional $1.5 billion in clinical development, regulatory, and commercial launch-related milestone payments; an equal share of profits and losses in the United States; and tiered royalties outside the United States. The Company and GSK jointly conducted certain development activities under the Agreement and shared development costs 60% by GSK and 40% by the Company, except that, subject to the GSK Amendment, the Company solely bore the development costs of initial Phase 2 clinical trials. Under the terms of the GSK Amendment, the Company was responsible for funding and sharing in GSK's and the Company's development costs up to $140.5 million for the conduct of the Phase 2 clinical trial of nivisnebart in AD. As of September 30, 2026, the Company has funded the full $140.5 million amount of its funding and cost sharing obligation.

As of September 30, 2026, the Company determined that in accordance with ASC 606, it had no remaining performance obligations under the GSK Agreement, and the remaining deferred revenue of $162.9 million was recognized as collaboration revenue during the three months ended September 30, 2026. We do not expect to derive further revenue from the GSK Agreement.

Under the Genentech License Agreement, the Company received a $100.0 million upfront payment subsequent to September 30, 2026, and are eligible to receive up to an additional $1.17 billion in development, regulatory, and commercial milestone payments, as well as tiered royalties on net sales of products from the AL050 program at rates ranging from single-digit to double-digit percentages. The achievement of any milestones and the generation of any sales on which royalties may be payable depend on Genentech's successful development and commercialization efforts, which are outside of our control, and may never occur. As a result, we may not receive any milestone payments or royalties under the Genentech License Agreement, and any revenue we recognize under the Genentech License Agreement may vary significantly from period to period.

We expect that our revenue for the next several years will be derived primarily from the Genentech License Agreement.

Research and Development Expenses

Research and development expenses account for a significant portion of our operating expenses. We record research and development expenses as incurred. Research and development expenses consist primarily of costs incurred for the discovery and development of our product candidates, which include:

- expenses incurred under agreements with third-party contract organizations, preclinical testing organizations, and consultants;
- costs related to production of research, preclinical, and clinical materials, including fees paid to contract manufacturers;
- laboratory and vendor expenses related to the execution of research, preclinical studies and clinical trials;
- personnel-related expenses, including salaries, benefits, and stock-based compensation for personnel engaged in research and development functions;
- costs related to the preparation of regulatory submissions;
- third-party license fees; and
- facilities and other expenses, which include expenses for rent and maintenance of facilities, depreciation and amortization expenses, and other supplies.

We expense all research and development costs in the periods in which they are incurred. Costs for certain development activities are recognized based on an evaluation of the progress to completion of specific tasks using information and data provided to us by our vendors, collaborators, and third-party service providers. Nonrefundable advance payments for goods or services to be received in future periods for use in research and development activities are deferred and capitalized. The capitalized amounts are then expensed as the related goods are delivered and as services are performed.

Specific program expenses include expenses associated with the development of our product candidate, nivisnebart, which was being studied in the PROGRESS-AD Phase 2 clinical trial. That trial has been discontinued following a pre-specified interim futility analysis, in which an IDMC concluded that the trial was unlikely to meet its primary endpoint of slowing disease progression at completion. We also have expenses related to the research and development of future product candidates and separately tracked expenses related to programs that we expect to move out of preclinical studies and into Phase 1 clinical trials. These expenses primarily relate to salaries and benefits, stock-based compensation, facility expenses, including depreciation, and lab consumables.

Where we share costs with our collaboration partners, such as in our GSK Agreement, research and development expenses may include reimbursements from, or payments to, our partner.

At this time, we cannot reasonably estimate or know the nature, timing, and estimated costs of the efforts that will be necessary to complete the development of, and obtain regulatory approval for, any of our product candidates. We expect our research and development expenses relating to latozinemab and nivisnebart, to decrease in the foreseeable future as a result of the discontinuation and wind-down of clinical trials for latozinemab and nivisnebart. However, we continue to invest in research and development activities related to programs in our research and preclinical pipeline and to the advancement of those programs into clinical trials.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel-related costs, including stock-based compensation, for our personnel in executive, legal, finance and accounting, information technology, human resources, and other administrative functions. General and administrative expenses also include legal fees relating to intellectual property and

corporate matters, professional fees paid for accounting, auditing, consulting, and tax services, insurance costs, and facility costs not otherwise included in research and development expenses.

Other Income, Net

Other income, net consists primarily of interest earned on our cash equivalents and marketable securities.

Income Tax Expense

Income tax expense consists of federal and state income tax provisions.

Results of Operations

Comparison of the Three Months Ended September 30, 2026 and 2025

	Three Months Ended September 30,		Dollar Change
	2026	2025	
	(In thousands)		
Collaboration revenue	$ 162,866	$ 3,260	$ 159,606
Operating expenses:			
Research and development	30,034	29,350	684
General and administrative	8,991	11,518	(2,527)
Total operating expenses	39,025	40,868	(1,843)
Income (loss) from operations	123,841	(37,608)	161,449
Other income, net	819	2,941	(2,122)
Income (loss) before income taxes	124,660	(34,667)	159,327
Income tax expense	60	—	60
Net income (loss)	$ 124,600	$ (34,667)	$ 159,267

Revenue

Collaboration revenue was $162.9 million for the three months ended September 30, 2026, compared to $3.3 million for the three months ended September 30, 2025. The $159.6 million increase primarily attributable to the recognition of the remaining deferred revenue under the GSK Agreement following receipt of the termination notice and the extinguishment of the Company's remaining performance obligations.

Research and Development Expenses

Research and development expenses were $30.0 million for the three months ended September 30, 2026, compared to $29.3 million for the three months ended September 30, 2025. The increase of $0.7 million was primarily due to the option and license fees paid under the Spur Agreement, partially offset by decreases in latozinemab and nivisnebart program costs due to the wind-down of both programs and lower personnel-related costs resulting from the reductions in force.

	Three Months Ended September 30,		Dollar Change
	2026	2025	
		(In thousands)	
Direct research and development expenses			
Latozinemab	$ 842	$ 3,662	$ (2,820)
Nivisnebart	153	2,286	(2,133)
AL037/AL137	3,504	—	3,504
AL002	—	644	(644)
Other programs	18,474	5,921	12,553
Indirect research and development expenses			
Personnel related (including stock-based compensation)	4,252	11,224	(6,972)
Facilities and other unallocated research and development expenses	2,809	5,613	(2,804)
Total research and development expenses	$ 30,034	$ 29,350	$ 684

General and Administrative Expenses

General and administrative expenses were $9.0 million for the three months ended September 30, 2026 and $11.5 million for the three months ended September 30, 2025. The decrease of $2.5 million was mainly driven by a decrease in personnel-related costs as a result of the reductions in force.

Other Income, Net

Other income, net was $0.8 million for the three months ended September 30, 2026, compared to $2.9 million for the three months ended September 30, 2025. The decrease of $2.1 million was mainly due to lower interest income from a reduction in marketable securities used to fund our operations and a loss on extinguishment of debt related to the repayment of our term loan with Hercules Capital, Inc.

Income Tax Expense

Income tax expense was less than $0.1 million for the three months ended September 30, 2026, compared to zero income tax expense for the three months ended September 30, 2025.

Comparison of the Nine Months Ended September 30, 2026 and 2025

	Nine Months Ended September 30,		Dollar Change
	2026	2025	
		(In thousands)	
Collaboration revenue	$ 167,232	$ 14,808	$ 152,424
Operating expenses:			
Research and development	67,351	90,602	(23,251)
General and administrative	25,352	40,647	(15,295)
Total operating expenses	92,703	131,249	(38,546)
Income (loss) from operations	74,529	(116,441)	190,970
Other income, net	4,341	10,779	(6,438)
Income (loss) before income taxes	78,870	(105,662)	184,532
Income tax expense	190	—	190
Net income (loss)	$ 78,680	$ (105,662)	$ 184,342

Revenue

Collaboration revenue was $167.2 million for the nine months ended September 30, 2026, compared to $14.8 million for the nine months ended September 30, 2025. The $152.4 million increase was primarily attributable to the recognition of the remaining deferred revenue under the GSK Agreement following receipt of the termination notice and the extinguishment of the Company's remaining performance obligations.

Research and Development Expenses

Research and development expenses were $67.4 million for the nine months ended September 30, 2026, compared to $90.6 million for the nine months ended September 30, 2025. The decrease of $23.2 million was mainly due to a decrease in personnel-related costs as a result of the reductions in force.

	Nine Months Ended September 30,		Dollar Change
	2026	2025	
		(In thousands)	
Direct research and development expenses			
Latozinemab	$ 3,299	$ 6,761	$ (3,462)
Nivisnebart	1,687	4,241	(2,554)
AL037/AL137	11,460	—	11,460
AL002	—	6,078	(6,078)
Other programs	24,053	15,775	8,278
Indirect research and development expenses			
Personnel related (including stock-based compensation)	15,811	39,944	(24,133)
Facilities and other unallocated research and development expenses	11,041	17,803	(6,762)
Total research and development expenses	$ 67,351	$ 90,602	$ (23,251)

General and Administrative Expenses

General and administrative expenses were $25.4 million for the nine months ended September 30, 2026 and $40.6 million for the nine months ended September 30, 2025. The decrease of $15.2 million was mainly driven by a decrease in personnel-related costs as a result of the reductions in force.

Other Income, Net

Other income, net was $4.3 million for the nine months ended September 30, 2026, compared to $10.8 million for the nine months ended September 30, 2025. The decrease of $6.5 million was mainly due to lower interest income from a reduction in marketable securities used to fund our operations and a loss on extinguishment of debt related to the repayment of our term loan with Hercules Capital, Inc.

Income Tax Expense

Income tax expense was $0.2 million for the nine months ended September 30, 2026, compared to zero income tax expense for the nine months ended September 30, 2025.

Liquidity and Capital Resources

Since our inception through September 30, 2026, our operations have been financed primarily by our collaborations with GSK, and previously, AbbVie, the issuance and sale of convertible preferred stock and of common stock upon the completion of our IPO, follow-on equity, and debt financings.

As of September 30, 2026, we had $138.7 million of cash, cash equivalents, and marketable securities. As of September 30, 2026, we had an accumulated deficit of $893.4 million.

Subsequent to September 30, 2026, we received a $100.0 million upfront payment under the Genentech License Agreement and on November 2, 2026, we paid Spur $15.0 million.

In October 2026, the Company completed an underwritten offering of 36.6 million shares of common stock for gross proceeds of approximately $75.0 million before deducting underwriting discounts and commissions and other offering expenses.

Future Funding Requirements

Our primary uses of cash are to fund our operations, which consist primarily of research and development expenditures related to our programs, and to a lesser extent, general and administrative expenditures. We expect our expenses relating to

nivisnebart and latozinemab to decrease in the foreseeable future as a result of the discontinuation and wind-down of clinical trials for nivisnebart and latozinemab. However, we continue to invest in research and development activities related to programs in our research and preclinical pipeline and the advancement of those programs into clinical trials. In addition, we expect to incur costs associated with operating as a public company.

Under the Spur Agreement, we are obligated to pay Spur a percentage in the teens of milestone and other non-royalty payments, and a percentage of royalties, that we receive from sublicensees of the Spur Patents, including Genentech. These obligations will reduce the net amounts we retain from the Genentech License Agreement.

Based on our current operating plan, we believe that our existing cash, cash equivalents, and marketable securities, together with the upfront payment received subsequent to September 30, 2026, under the Genentech License Agreement, net of the payment made under the Spur Agreement, and the net proceeds from the October 2026 underwritten offering, will enable us to fund our operations and capital expenditure requirements into the second half of 2029. We reduced our workforce to better align our resources with our current strategic priorities and maintain our expectations with respect to our ability to fund our operations. We have based this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we currently expect. We may also choose to seek additional financing opportunistically. We may seek to raise capital through public equity or debt financings, license agreements, collaboration agreements or other arrangements with other companies, asset sales, or through other sources of financing. We have an omnibus shelf registration statement on Form S-3 with the SEC, which became effective on April 30, 2026, which permits us to issue up to $400 million in common stock, other equity securities and/or debt securities.

On November 7, 2023, we entered into an at-the-market sales agreement with TD Cowen, pursuant to which we may offer and sell from time to time through TD Cowen up to $125,000,000 of shares of our common stock, in such share amounts as we may specify by notice to TD Cowen (the 2023 Sales Agreement). Prior to its termination, we had issued an aggregate of 7,110,162 shares and received approximately $20.0 million in net proceeds under the 2023 Sales Agreement, all of which were issued during 2025.

On May 7, 2026, we entered into an at-the-market sales agreement with TD Cowen, pursuant to which we may offer and sell from time to time through TD Cowen up to $125,000,000 of shares of our common stock, in such share amounts as we may specify by notice to TD Cowen (the 2026 Sales Agreement). In connection with entering into the 2026 Sales Agreement, we and TD Cowen terminated the 2023 Sales Agreement. As of September 30, 2026, we had not issued any shares or received any proceeds from the sale of securities under the 2026 Sales Agreement.

On January 17, 2024, we entered into an underwriting agreement with Cantor Fitzgerald & Co. (Cantor), pursuant to which we offered and sold 10,869,566 shares of the Company's common stock at a price per share of $6.57 paid by Cantor. Additionally, on November 14, 2024, we entered into a loan agreement with our subsidiary, Alector LLC, as a co-borrower, the Lenders, and Hercules Capital, Inc. (Hercules), in its capacity as administrative agent and collateral agent for itself and the Lenders (the Loan Agreement), pursuant to which we could access up to two tranches of Term Loans in an aggregate principal amount of up to $50,000,000, subject to the satisfaction of certain conditions. We borrowed $10,000,000 principal amount of the first tranche of Term Loans on the closing date of the Loan Agreement. On July 8, 2026, we entered into a payoff letter with Hercules and paid the final payoff amount. All obligations under the Loan Agreement were paid in full, all liens and security interests granted to secure such obligations were terminated, and the Loan Agreement and related loan documents were terminated.

We will need to obtain substantial additional funding in the future for our research and development activities and continuing operations. If we are unable to raise capital when needed or on favorable terms, we would be forced to delay, reduce, or eliminate our research and development programs or future commercialization efforts.

Our future capital requirements will depend on many factors, including:

- the timing and progress of preclinical and clinical development activities;
- the number and scope of preclinical and clinical programs we decide to pursue;
- successful enrollment in and completion of clinical trials;
- our ability to establish agreements with third-party manufacturers for clinical supply for our clinical trials and, if our product candidates are approved, commercial manufacturing;
- the timing and progress of our current research and development programs and our ability to establish new research and development programs;
- addition or retention of key research and development personnel;
- our efforts to maintain or enhance operational, financial, and information management systems;

- the costs associated with workforce reductions;
- negotiating favorable terms in any collaboration, licensing, or other arrangements into which we may enter and performing our obligations in such collaborations;
- the timing and amount of milestone and other payments we may receive under any collaboration, licensing, or other arrangements;
- the amount and timing of payments we are required to make to Spur under the Spur Agreement;
- the costs and timing of regulatory approvals;
- our eventual commercialization plans for our product candidates;
- the effects of macroeconomic conditions, including inflationary pressures and economic impacts of tariffs, global trade disruptions, and international conflicts; and
- the costs involved in prosecuting, defending, and enforcing patent claims and other intellectual property claims.

A change in the outcome of any of these or other variables with respect to the development of any of our product candidates could significantly change the costs and timing associated with the development of that product candidate. Furthermore, our operating plans may change in the future, and we may need additional funds to meet operational needs and capital requirements associated with such operating plans.

Cash Flows

The following table summarizes our cash flows for the periods indicated (in thousands):

	Nine Months Ended September 30,	
	2026	2025
Net cash used in operating activities	$ (108,184)	$ (142,340)
Net cash provided by investing activities	128,159	170,999
Net cash (used in) provided by financing activities	(10,305)	14,823

Operating Activities

For the nine months ended September 30, 2026, cash used in operating activities was $108.2 million. We had net income during the period of $78.7 million. We also had an increase in license fee payable of $15.0 million related to the Spur Option and License Agreement and a decrease in prepaid expenses and other current assets of $3.8 million. In addition, we had a decrease in deferred revenue of $167.2 million as revenue was recognized related to the GSK Termination Agreement, a decrease in collaboration payable of $16.0 million, a decrease in refund liability to collaboration partner of $15.4 million, a decrease in accrued liabilities and accrued clinical supply costs of $14.3 million, and a decrease in lease liabilities of $5.5 million. This was offset by a non-cash charge of $7.5 million for stock-based compensation.

For the nine months ended September 30, 2025, cash used in operating activities was $142.3 million. This was mainly due to the net loss of $105.7 million. We also had a decrease in refund liability to collaboration partner of $38.1 million, a decrease in deferred revenue of $14.8 million, and a decrease in accrued liabilities and accrued clinical supply costs of $14.0 million. This was offset by a non-cash charge of $21.8 million for stock-based compensation.

Investing Activities

For the nine months ended September 30, 2026, cash provided by investing activities of $128.2 million was primarily related to the maturities of marketable securities of $213.4 million offset by purchases of marketable securities $85.4 million.

For the nine months ended September 30, 2025, cash provided by investing activities of $171.0 million was primarily related to the maturities of marketable securities of $358.9 million offset by purchases of marketable securities of $190.8 million.

Financing Activities

For the nine months ended September 30, 2026, cash used in financing activities of $10.3 million was primarily due to the repayment in full of the $10.0 million outstanding principal under the Loan Agreement, together with end of term and prepayment charges, partially offset by proceeds from the exercise of options to purchase common stock and the purchase of common stock under the employee stock purchase plan.

For the nine months ended September 30, 2025, cash provided by financing activities of $14.8 million was primarily from the proceeds from the sale of securities pursuant to the sales agreement with TD Cowen.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States (GAAP). The preparation of these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported revenue generated and expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions and any such differences may be material. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

There have been no material changes to our critical accounting policies and estimates from those described in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K, as filed with the SEC on February 25, 2026.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company, as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and in Item 10(f)(1) of Regulation S-K, and are not required to provide the information under this item.

Item 4. Controls and Procedures.

Conclusions Regarding the Effectiveness of Disclosure Controls and Procedures

As of September 30, 2026, management, with the participation of our Principal Executive Officer, Principal Financial Officer, and Principal Accounting Officer, performed an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act. Our disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including the Principal Executive Officer, Principal Financial Officer, and Principal Accounting Officer, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objective, and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on this evaluation, our Principal Executive Officer, Principal Financial Officer, and Principal Accounting Officer concluded that, as of September 30, 2026, the design and operation of our disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended September 30, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may become involved in litigation or other legal proceedings. We are not currently a party to any litigation or legal proceedings that, in the opinion of our management, are likely to have a material adverse effect on our business. Regardless of outcome, litigation or other legal proceedings can have an adverse impact on us because of legal fees and settlement costs, diversion of management resources, and other factors.

Item 1A. Risk Factors.

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below, as well as the other information in this Quarterly Report on Form 10-Q, including our financial statements and the related notes and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations," and in our other public filings, in evaluating our business. The occurrence of any of the events or developments described below could harm our business, financial condition, results of operations, and growth prospects. In such an event, the market price of our common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations and the market price of our common stock.

Summary of Risk Factors

Our business is subject to numerous risks and uncertainties that you should consider before investing in our company, as more fully described below. The principal factors and uncertainties that make investing in our company risky include, among others:

- We are in preclinical drug development and have a limited operating history and no products approved for commercial sale, which may make it difficult to evaluate our current business and predict our future success and viability.
- We have incurred significant net losses in each year since our inception and anticipate that we will continue to incur net losses for the foreseeable future.
- Drug development is a highly uncertain undertaking and involves a substantial degree of risk.
- We will need to obtain substantial additional financing to complete the development and any commercialization of our product candidates, and a failure to obtain this necessary capital when needed on acceptable terms, or at all, could force us to delay, limit, reduce, or terminate our commercialization efforts, product development, or other operations.
- Due to the significant resources required for the development of our product candidates, and depending on our ability to access capital, we must prioritize development of certain product candidates. Moreover, we may expend our limited resources on programs that do not yield a successful product candidate or fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success.
- Research and development of biopharmaceutical products is inherently risky. Our business is heavily dependent on the successful development of our product candidates, which are in various stages of preclinical development. We cannot give any assurance that any of our product candidates will receive regulatory, including marketing, approval, which is necessary before they may be commercialized.
- We may not be successful in our efforts to continue to create a pipeline of product candidates from our research and drug discovery platform or to develop commercially successful products. If we fail to successfully identify and develop additional product candidates from our research and drug discovery platform, our commercial opportunity may be limited.
- We may not be successful in our efforts to obtain approval for additional or expanded indications for any product candidates that receive approval for a given indication.
- We have concentrated our research and development efforts on the treatment of neurodegenerative diseases, a field that has seen both limited success in drug development and evolving standards for regulatory approval. Further, our product candidates are based on innovative approaches and technologies, making it difficult to predict the time and cost of product candidate development and subsequent regulatory approval.

- We may encounter substantial delays in our clinical trials or may not be able to conduct or complete our clinical trials on the timelines we expect, if at all.
- Our clinical trials may reveal significant adverse events, toxicities, or other side effects and may fail to demonstrate substantial evidence of the safety and efficacy of our product candidates, which would prevent, delay, or limit the scope of regulatory approval and commercialization.
- We may not be successful in developing product candidates that effectively compete with therapeutics that are developed or commercialized by our competitors, including therapeutics that affect the same biological targets or pathways.
- Changes or reductions in the FDA's or other government agencies' management and personnel, or changes in such agencies' funding, could impact their ability to hire and retain key leadership and other personnel, impact the timing for development or commercialization of new products and services, or otherwise impact those agencies' performance of historically typical functions upon which the operation of our business may rely, which could negatively impact our business.
- We may not realize milestones, royalties, or other payments for any product candidate that we license to a third party, if such third party does not successfully research, develop, and commercialize such candidate.
- We expect to rely on third parties to conduct our clinical trials and some aspects of our research and preclinical testing, and those third parties may not perform satisfactorily, including failing to meet deadlines for the completion of such trials, research, or testing.
- We may not be successful in our efforts to carry out our obligations under any collaborations for our product development and research programs.
- Our operations, financial results, and the market price of our common stock could be adversely impacted by the effects of worldwide economic conditions, including macroeconomic downturns, global recessions, increased inflation, supply chain disruptions, trade tariffs or other disruptions in global trade, pandemics or other public health outbreaks, and geopolitical events and conflicts.
- We are highly dependent on our key personnel, and if we are not successful in attracting, motivating, and retaining highly qualified personnel, we may not be able to successfully implement our business strategy.
- Raising additional capital may cause dilution to our existing stockholders, restrict our operations, or require us to relinquish rights to our technologies or product candidates.

Risks Related to Our Business, Financial Condition, and Capital Requirements

We are in preclinical drug development and have a limited operating history and no products approved for commercial sale, which may make it difficult to evaluate our current business and predict our future success and viability.

We are a biotechnology company with preclinical stage programs, focused on developing therapeutics for neurodegenerative diseases, including Alzheimer's disease and Parkinson's disease. We commenced operations in May 2013. To date, we have financed our operations primarily through equity and debt financings and upfront payments received in connection with the GSK Agreement and previously, our October 2017 collaboration agreement with AbbVie Biotechnology, Ltd. (AbbVie Agreement). In September 2026, we entered into a license agreement (Genentech License Agreement) with Genentech, Inc. (Genentech), under which we granted Genentech exclusive worldwide rights to develop and commercialize our AL050 program, and from which we expect to derive revenue, including from an upfront payment and any milestone payments and royalties we may receive. We currently have no active clinical trials. We have no products approved for commercial sale and have not generated any revenue from product sales. Drug development is a highly uncertain undertaking and involves a substantial degree of risk.

In April 2026, GSK discontinued the global Phase 2 PROGRESS-AD trial of nivisnebart (AL101/GSK4527226) in individuals with early AD after a pre-specified interim futility analysis conducted by an IDMC, concluded that the trial was unlikely to meet its primary endpoint of slowing disease progression at completion.

In October 2025, we decided to stop the open label extension portion of the INFRONT-3 trial and the continuation study of our product candidate latozinemab based on the results of the INFRONT-3 Phase 3 clinical trial evaluating the safety and efficacy of latozinemab in slowing disease progression in individuals with frontotemporal dementia due to a progranulin gene mutation (FTD-*GRN)*. We previously terminated development of our AL002 product candidate based on the results of

the INVOKE-2 Phase 2 clinical trial, terminated development of our AL003 product candidate, and closed the Phase 1 clinical trial for our AL044 product candidate.

To date, we have not obtained a positive readout from a pivotal clinical trial, obtained marketing approval for any product candidates, manufactured a commercial scale product or arranged for a third party to do so on our behalf, or conducted sales and marketing activities necessary for successful product commercialization. Our limited operating history as a company makes any assessment of our future success and viability subject to significant uncertainty.

We will encounter risks and difficulties frequently experienced by biotechnology companies in rapidly evolving fields, and we have not yet demonstrated an ability to successfully overcome such risks and difficulties. If we do not address these risks and difficulties successfully, our business will suffer.

We have incurred significant net losses in each year since our inception and anticipate that we will continue to incur net losses for the foreseeable future.

We have incurred net losses in almost every reporting period since our inception. We incurred net income of $124.6 million and $78.7 million for the three and nine months ended September 30, 2026, respectively. We incurred net losses of $34.7 million and $105.7 million for the three and nine months ended September 30, 2025, respectively. As of September 30, 2026, we had an accumulated deficit of $893.4 million.

We have invested significant financial resources in research and development activities, including for our preclinical and clinical product candidates. We do not expect to generate revenue from product sales for several years, if at all. The revenue we have generated from our collaboration arrangements with GSK, and previously, AbbVie, has been, and from our collaboration arrangement with GSK, is expected to be, limited in amount. Other than the upfront payment, any revenue we may generate under the Genentech License Agreement will depend on Genentech's achievement of development, regulatory, and commercial milestones and on sales of products from the AL050 program, which may never occur.

Developing our product candidates is expensive, and we expect to continue to spend substantial amounts as we fund our early-stage research projects and continue to advance our programs through preclinical and clinical development. Even if we are successful in developing our product candidates and obtaining regulatory approvals, launching and commercializing any product candidate will require substantial additional funding as we continue to advance other candidates in our pipeline.

We expect to continue to incur significant expenses and increasingly higher operating losses for the foreseeable future. We anticipate that our expenses will increase substantially if and as we:

- continue our research and drug discovery activities;
- advance our research and development pipeline, including our target, indication, patient, and biomarker selections;
- continue to develop and apply our ABC technology to potentially enhance our current and future product candidates' penetration of the blood-brain barrier;
- progress our current and any future product candidates through preclinical and clinical development;
- initiate and conduct additional preclinical, clinical, or other studies for our product candidates and future commercial products;
- work with our CDMOs to develop and scale up the manufacturing processes for our product candidates or, in the future, establish and operate a manufacturing facility;
- change or add contract manufacturers or suppliers for our product candidates and future commercial products;
- seek regulatory approvals and marketing authorizations for our product candidates;
- establish sales, marketing, and distribution infrastructure to commercialize any products for which we obtain approval;
- make milestone, royalty, or other payments due under any license or collaboration agreements;
- take steps to seek protection of our intellectual property and defend our intellectual property against challenges from third parties;
- obtain, maintain, protect, and enforce our intellectual property portfolio, including intellectual property obtained through license and collaboration agreements;
- attract, hire, and retain qualified personnel;

- provide additional internal infrastructure to support our continued research and development operations and any planned commercialization efforts in the future;
- implement additional internal systems and infrastructure related to cybersecurity and artificial intelligence;
- meet the requirements and demands of being a public company;
- withstand high rates or sustained periods of inflation; and
- defend against any product liability claims or other lawsuits related to our products.

Our prior losses and expected future losses have had and will continue to have an adverse effect on our stockholders' equity (deficit) and working capital. In any particular quarter or quarters, our operating results could be below the expectations of securities analysts or investors, which could cause our stock price to decline.

Drug development is a highly uncertain undertaking and involves a substantial degree of risk.

We have no products approved for commercial sale. To obtain revenues from the sales of our product candidates that are significant or large enough to achieve profitability, we must succeed, either alone or with third parties, in developing, obtaining regulatory approval for, manufacturing, and marketing therapies with significant commercial success. Our ability to generate revenue and achieve profitability depends on many factors, including:

- completing research and preclinical and clinical development of our product candidates, or meeting anticipated timelines for progressing our product candidates through preclinical and clinical development;
- obtaining regulatory approvals and marketing authorizations for product candidates for which we successfully complete clinical development and clinical trials;
- developing a sustainable and scalable manufacturing process for our product candidates and future commercial products;
- establishing and maintaining commercially viable supply relationships with third parties that can provide adequate products and services to support clinical activities and commercial demand of our product candidates and future commercial products;
- identifying, assessing, acquiring, and/or developing new product candidates;
- negotiating favorable terms in any collaboration, licensing, or other arrangements into which we may enter;
- launching and successfully commercializing product candidates for which we obtain regulatory and marketing approval, whether alone or in collaboration with a partner, including the establishment of any necessary sales, marketing, and distribution infrastructure;
- obtaining and maintaining an adequate price for any future commercial products, both in the United States and in foreign countries where our products are commercialized;
- obtaining adequate reimbursement for our product candidates and future commercial products from payors;
- obtaining market acceptance of our product candidates and future commercial products as viable treatment options;
- addressing any competing technological and market developments;
- receiving milestones, royalties, and other payments under any collaboration, licensing, or other arrangements;
- addressing impacts on our clinical trials resulting from factors related to the effects of U.S. and worldwide economic conditions, including macroeconomic downturns or global recessions stemming from the economic impacts of increased inflation, supply chain disruption, trade tariffs, pandemics or other public health outbreaks, and geopolitical events and conflicts;
- maintaining, protecting, expanding, and enforcing our portfolio of intellectual property rights, including patents, trade secrets, and know-how; and
- attracting, hiring, and retaining qualified personnel in the face of reductions in force, layoffs, hiring freezes, employee attrition, policy changes for foreign worker visas, or a competitive compensation environment.

To date, clinical development of five of our product candidates has been terminated. In April 2026, GSK discontinued the global Phase 2 PROGRESS-AD trial of nivisnebart (AL101/GSK4527226) in individuals with early Alzheimer's disease (AD) after a pre-specified interim futility analysis conducted by an IDMC, concluded that the trial was unlikely to meet its

primary endpoint of slowing disease progression at completion. In October 2025, we decided to stop the open label extension portion of INFRONT-3 and the continuation study of our product candidate latozinemab based on the results of the INFRONT-3 Phase 3 clinical trial evaluating the safety and efficacy of latozinemab in slowing disease progression in individuals with FTD-*GRN*. Latozinemab failed to meet the clinical co-primary endpoint in that trial. In November 2024, our AL002 program was terminated, based on the results of the INVOKE-2 Phase 2 clinical trial evaluating the safety and efficacy of AL002 in slowing disease progression in individuals with early AD, in which AL002 failed to meet the primary endpoint. In 2022, we and AbbVie concluded that further development of our product candidate AL003 was not warranted. Additionally, we decided to close the Phase 1 clinical trial for our AL044 product candidate based on initial pharmacokinetics and tolerability data.

Because of the numerous risks and uncertainties associated with drug development, we are unable to predict the timing or amount of our expenses, or when we will be able to generate any meaningful revenue or achieve or maintain profitability, if ever. In addition, our expenses could increase beyond our current expectations if we are required by the FDA or foreign regulatory agencies to perform studies in addition to those that we currently anticipate, or if there are any delays in any of our or our current or future collaborators' clinical trials or the development of any of our product candidates. Even if one or more of our product candidates is approved for commercial sale, we anticipate incurring significant costs associated with launching and commercializing any approved product candidate and ongoing compliance efforts.

We will need to obtain substantial additional financing to complete the development and any commercialization of our product candidates, and a failure to obtain this necessary capital when needed on acceptable terms, or at all, could force us to delay, limit, reduce, or terminate our commercialization efforts, product development, or other operations.

Our operations have required substantial amounts of cash since inception. We expect our expenses relating to latozinemab and nivisnebart to decrease in the foreseeable future as a result of the discontinuation and wind-down of clinical trials for latozinemab and nivisnebart. However, we continue to invest in research and development activities related to programs in our research and preclinical pipeline and to the advancement of those programs into clinical trials. To date, we have financed our operations primarily through the sale of equity securities and upfront payments received in connection with our collaboration arrangements with GSK, and previously, AbbVie. Under the Genentech License Agreement, we expect to derive revenue, including from an upfront payment and any milestone payments and royalties we may receive. Developing our product candidates and conducting clinical trials for the treatment of neurodegenerative diseases, including Alzheimer's disease and Parkinson's disease, will require substantial amounts of capital. Even if our clinical trials are successful, preparing for and applying for regulatory approval of our product candidates will require a significant amount of capital, and if we do not have sufficient capital, we may be unable to seek regulatory approval, or regulatory approval may be significantly delayed, in any or all desired markets. Likewise, even if our product candidates are approved, commercialization of our product candidates will require a significant amount of capital, and if we do not have sufficient capital, we may be unable to commercialize our approved products, or commercialization of such products may be significantly delayed, in any or all desired markets.

As of the date of this report, we had cash, cash equivalents, and marketable securities, which, together with the upfront payment received subsequent to September 30, 2026, under the Genentech License Agreement, net of the payment made under the Spur Agreement, and the net proceeds from the October 2026 underwritten offering, we anticipate provides runway into the second half of 2029. Our estimate as to how long we expect our existing cash, cash equivalents, and marketable securities to be available to fund our operations is based on assumptions that may prove to be inaccurate, and we could use our available capital resources sooner than we currently expect. In addition, changing circumstances, including periods of rising inflation, may cause us to increase our spending significantly faster than we currently anticipate, and we may need to spend more money than currently expected because of circumstances beyond our control.

Global markets recently have experienced volatility and instability in connection with macroeconomic downturns stemming from tariffs and global trade uncertainties, increased inflation, supply chain disruption, and geopolitical events, including the ongoing wars in the Middle East and the ongoing conflict between Russia and Ukraine, among other matters. In addition, the public market for and stock prices of biotechnology companies have experienced significant downturns over the last few years. Our ability to raise money in the public markets may be severely impacted for the foreseeable future due to these factors. Additional capital may not be available when we need it, on terms acceptable to us, or at all. If adequate capital is not available to us on a timely basis, we may be required to significantly delay, scale back, or discontinue our research and development programs or the commercialization of any product candidates, if approved, or be unable to continue or expand our operations, or otherwise capitalize on our business opportunities, as desired, which could materially affect our business, financial condition, results of operations, and growth prospects and cause the price of our common stock to decline.

To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of a common stockholder. If we raise additional funds through collaborations, strategic alliances,

licensing or other transactions, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs, or product candidates, or grant licenses on terms that may not be favorable to us. Debt financing, if available, may be on unfavorable terms, including unfavorable interest rates, and may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures, or declaring dividends.

Due to the significant resources required for the development of our product candidates, and depending on our ability to access capital, we must prioritize development of certain product candidates. Moreover, we may expend our limited resources on programs that do not yield a successful product candidate or fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success.

We continue to develop our research and preclinical pipeline, including our ABC technology platform and ABC-enabled product candidates. Together, the development of these programs and product candidates and this platform requires significant capital investment. Due to the significant resources required, we must focus our programs and product candidates on specific diseases and disease pathways and decide which product candidates to pursue and advance and the amount of resources to allocate to each. One aspect of our drug development strategy is to clinically test and seek regulatory approval for our product candidates in indications in which we believe there is a high probability of generating proof-of-concept data. For certain product candidates, we may choose to expand clinical testing and seek regulatory approvals in other neurodegenerative indications based on genetic and mechanistic overlap with the primary indication.

However, even if our product candidates are able to gain regulatory approval in one indication, there is no guarantee that we will be able to obtain approval in other indications, and we may expend significant resources in seeking such approvals. Our decisions concerning the allocation of research, development, collaboration, management, and financial resources toward particular technologies, product candidates or therapeutic areas may not lead to the development of any viable commercial product and may divert resources away from better opportunities. Similarly, our potential decisions to delay, terminate, or collaborate with or license to third parties in respect of certain programs may subsequently also prove to be suboptimal and could 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 biopharmaceutical industry, in particular for neurodegenerative diseases, such events could have a material adverse effect on our business, financial condition, and results of operations. As a result, we may fail to capitalize on viable commercial products or profitable market opportunities, be required to forego or delay opportunities with other product candidates or other diseases and disease pathways 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. Our reliance on genetics and use of biomarkers to align patient risk profiles with targeted intervention may eventually require us to develop and use companion diagnostics, which could impact product development costs and timelines depending on the specific diagnostic test and any applicable regulatory requirements that would need to be met to enable its use.

Risks Related to the Discovery, Development, and Commercialization of Our Product Candidates

Research and development of biopharmaceutical products is inherently risky. Our business is heavily dependent on the successful development of our product candidates, which are in various stages of preclinical development. We cannot give any assurance that any of our product candidates will receive regulatory, including marketing, approval, which is necessary before they can be commercialized.

To date, we have invested substantially in our efforts and financial resources to identify, procure intellectual property for, and develop our programs, product candidates, and ABC technology platform, and provide general and administrative support for these operations. Our future success is dependent on our ability to successfully develop, obtain regulatory approval for, and then successfully commercialize our product candidates, and we may fail to do so for many reasons, including the following:

- our preclinical studies or clinical trials of our product candidates may not be successfully completed or may not establish sufficient efficacy or safety to merit further clinical development or regulatory approval;
- a product candidate may upon further study be shown to have harmful side effects or other characteristics that indicate it is unlikely to have an acceptable safety profile or be sufficiently effective or otherwise does not meet applicable regulatory criteria;
- our competitors may develop therapeutics that render our product candidates obsolete or less attractive;

- our competitors may develop and commercialize therapeutics that achieve greater market acceptance than our product candidates, including therapeutics that affect the same biological targets or pathways as our product candidates;
- the product candidates that we develop may not be sufficiently covered by intellectual property for which we hold exclusive rights;
- the product candidates that we develop may be covered by third parties' patents or other intellectual property or exclusive rights that we may not be able to license on reasonable terms or at all;
- the market for a product candidate may change so that the continued development of that product candidate is no longer reasonable or commercially attractive;
- a product candidate may not be capable of being produced in sufficient quantities for development or commercialization at an acceptable cost, or at all;
- if a product candidate obtains regulatory approval, we may be unable to establish sales and marketing capabilities, or successfully market such approved product candidate, to gain market acceptance; and
- a product candidate may not be accepted as safe and effective by patients, the medical community, or third-party payors, if applicable.

If any of these events occur, we may be forced to abandon our development efforts for a program or programs, which would have a material adverse effect on our business and could potentially cause us to cease operations.

We may not be successful in our efforts to further develop our current product candidates. For example, clinical trials of our product candidates may not demonstrate their safety or efficacy, e.g., the trials may not meet their primary endpoints or otherwise demonstrate evidence of clinical benefit, or interim analyses of our clinical trials may result in a decision to terminate such trials due to failure of our product candidates to meet certain criteria. We are not permitted to market or promote any of our product candidates before we receive regulatory approval from the FDA or comparable foreign regulatory authorities, and we may never receive such regulatory approval for any of our product candidates. Our product candidates will require preclinical, clinical, and manufacturing activities, regulatory approval, adequate manufacturing supply, a commercial organization, and significant marketing efforts before we generate any revenue from product sales, if at all.

We cannot be certain that any of our product candidates will be successful in any future clinical trials. Our future clinical trials of our product candidates may not demonstrate their safety or efficacy, either in the first indication tested or in any other indication, or either as single agent therapies or in combination with other therapeutics. For example, we were developing our product candidate latozinemab with GSK to treat patients with FTD-*GRN*. Latozinemab was an investigational human monoclonal antibody (mAb) designed to block and internalize the sortilin receptor (SORT1) to elevate PGRN levels in the brain. In October 2025, latozinemab failed to meet the clinical co-primary endpoint in the INFRONT-3 Phase 3 trial, and we decided to stop the open label extension portion of that study and the continuation study of latozinemab. On July 6, 2026, GSK provided written notice to the Company terminating the GSK Agreement.

In November 2024, our AL002 program was terminated based on the results of the INVOKE-2 Phase 2 clinical trial evaluating the safety and efficacy of AL002 in slowing disease progression in individuals with early AD, in which AL002 failed to meet the primary endpoint. In 2022, we and AbbVie concluded that further development of our product candidate AL003 was not warranted. Our collaboration with AbbVie terminated in 2025.

For any product candidates that have advanced into clinical trials, we may terminate such trials or the clinical program prior to their completion. For example, in April 2026, we and GSK decided to discontinue the PROGRESS-AD Phase 2 clinical trial of nivisnebart in early AD following the pre-specified interim futility analysis. An independent data monitoring committee concluded that the trial was unlikely to meet its primary endpoint of slowing disease progression at completion. In 2023, we decided to close the Phase 1 clinical trial for our AL044 product candidate based on initial pharmacokinetics and tolerability data.

If any of our product candidates successfully complete clinical trials, we generally plan to seek regulatory approval to market our product candidates in the United States, the European Union, and in additional foreign countries where we believe there is a viable commercial opportunity. We have never commenced, compiled, or submitted an application seeking regulatory approval to market any product candidate and we may encounter difficulties or delays in doing so, even if such product candidate successfully completed clinical trials. We may never receive regulatory approval, or we may not receive approval in the desired timeframe, to market any product candidates even if such product candidates successfully complete clinical trials, which would adversely affect our viability. To obtain regulatory approval in countries outside the United States, we must comply with numerous and varying regulatory requirements of such countries regarding safety, efficacy,

manufacturing and controls, clinical trials, commercial sales, pricing, and distribution of our product candidates. We may also rely on our collaborators or partners to conduct the required activities to support an application for regulatory approval, and to seek approval, for one or more of our product candidates. We cannot be sure that our collaborators or partners will conduct these activities or do so within the timeframe we desire. Even if we (or our collaborators or partners) are successful in obtaining approval in one jurisdiction, we cannot ensure that we will obtain approval in any other jurisdiction. If we are unable to obtain approval for our product candidates in multiple jurisdictions, our business, financial condition, results of operations, and our growth prospects could be negatively affected.

Even if we receive regulatory approval to market any of our product candidates, whether for the treatment of neurodegenerative diseases or other diseases, we cannot be assured that any such product candidate will be successfully commercialized, widely accepted in the marketplace, or more effective than other commercially available alternatives.

Investment in biopharmaceutical product development involves significant risk that any product candidate will fail to demonstrate adequate efficacy or an acceptable safety profile, gain regulatory approval, and become commercially viable. We cannot provide any assurance that we will be able to successfully advance any of our product candidates through the development process or, if approved, successfully commercialize any of our product candidates.

We may not be successful in our efforts to continue to develop and apply our ABC platform, to create a pipeline of product candidates from our research and drug discovery platform, or to develop commercially successful products. If we fail to successfully identify and develop additional product candidates from our research and drug discovery platform, our commercial opportunity may be limited.

One of our strategies is to identify and pursue clinical development of additional product candidates. Identifying, developing, obtaining regulatory approval for, and commercializing additional product candidates will require substantial additional funding and are prone to the risks of failure inherent in drug development. We cannot provide any assurance that we will be able to successfully identify or acquire additional product candidates, advance any of these additional product candidates through the development process, successfully commercialize any such additional product candidates, if approved, or assemble sufficient resources to identify, acquire, develop, or, if approved, commercialize additional product candidates. If we are unable to successfully identify, acquire, develop, and commercialize additional product candidates, our commercial opportunity may be limited.

We have developed and continue to develop our proprietary BBB technology platform (Alector Brain Carrier, or ABC) and have applied it to product candidates in our research and preclinical pipeline. The goal of our ABC technology is to deliver therapeutic candidates at a lower dose and provide deeper blood-brain barrier penetration while optimizing efficacy, safety and cost. If our ABC technology does not function as intended, our future pipeline opportunities may be reduced.

We seek to develop product candidates incorporating our ABC technology in our preclinical and research pipeline for a range of neurodegenerative diseases. For example, we are currently pursuing AL137, our brain-penetrant anti-amyloid beta antibody program in AD; AL164, our brain-penetrant tau siRNA, in AD; and AL062, our brain-penetrant alpha-synuclein siRNA, in PD and LBD. We exclusively licensed AL050, our brain-penetrant GCase enzyme replacement therapy, to Genentech in September 2026, and Genentech is responsible for further development of that program in Parkinson's disease. AL137, AL164, and AL062 are all enabled by ABC, which uses a TfR-based transport mechanism.

Those product candidates have complex structures and multiple functional elements, relative to standard antibody candidates that have previously been our main focus. Therefore, those product candidates may pose additional challenges, including with respect to their manufacture and their ability to function as intended. We may encounter difficulties achieving product candidates with desired properties relating to, e.g., pharmacokinetics, tolerability, dosing regimen, formulation, including for subcutaneous delivery, and other properties sufficient to support advancement into and through clinical development. If we are unable to advance those programs or other preclinical or research candidates, or if we encounter significant delays in our anticipated timeline for progressing those candidates, our future pipeline opportunities may be reduced.

We may not be successful in our efforts to obtain approval for additional or expanded indications for any product candidates that receive approval for a given indication.

Our drug development strategy includes clinically testing and seeking regulatory approval for our product candidates in indications in which we believe we can generate proof-of-concept data. For certain product candidates, we may choose to expand clinical testing and seek regulatory approvals in other neurodegenerative indications based on genetic and mechanistic overlap with the initial indication. Conducting clinical trials for additional indications for our product candidates requires substantial technical, financial, and human capital resources and is prone to the risks of failure inherent in drug development. We cannot provide any assurance that we will be successful in our effort to obtain regulatory approval for our product candidates for additional indications even if we obtain approval for an initial indication.

We have concentrated a substantial portion of our research and development efforts on the treatment of neurodegenerative diseases, a field that has seen limited success in drug development. Further, our product candidates are based on innovative approaches and technologies to address the complex mechanisms underlying neurodegeneration, which makes it difficult to predict the time and cost of product candidate development and to subsequently obtain regulatory approval.

We are focusing our research and development efforts on addressing neurodegenerative diseases. Collectively, efforts by biopharmaceutical companies in the field of neurodegenerative diseases have seen limited success in drug development. There are currently limited approved therapeutic options available for patients with Alzheimer's disease, Parkinson's disease, and other neurodegenerative diseases. Recently approved therapies for the treatment of Alzheimer's disease target a specific pathology (amyloid plaques). Our future success is highly dependent on the successful development of our product candidates for treating neurodegenerative diseases. Developing product candidates and, if approved, commercializing our products for treatment of neurodegenerative diseases subject us to a number of challenges, including obtaining disease modifying activity and efficacious dosing and obtaining regulatory approval from the FDA and other regulatory authorities who have only a limited set of precedents to rely on.

Our approach to developing treatments for neurodegenerative diseases is based on understanding the complex mechanisms underlying neurodegeneration, including the roles of misfolded proteins, deficient proteins, and dysfunctional immune cells and neurons. Our approach further leverages our understanding of the genetic associations with disease. Through this approach, our product candidates seek to remove toxic proteins, replace critical deficient proteins, and restore immune and nerve cells to normal function. One aspect of this approach has been to identify and select targets enriched in microglia and other myeloid immune cells which are genetically associated with neurodegenerative diseases. Another aspect of this approach is to select known or validated targets for neurodegenerative diseases. We identify and develop product candidates that utilize our ABC technology and are designed to cross the blood-brain barrier in sufficient quantity and potency to enable efficacious delivery to the brain and engage the intended target. We seek to identify and develop biomarkers and biomarker assays that can accurately identify signs of a disease or condition, assist us in selecting the right patient population, demonstrate target and pathway engagement, and measure the impact on disease progression of our product candidates. This strategy may not prove to be successful. We cannot be sure that our approach will yield satisfactory therapeutic products that are safe and effective, scalable, or profitable.

We may encounter substantial delays in our clinical trials or may not be able to conduct or complete our clinical trials on the timelines we expect, if at all.

Clinical testing is expensive, time consuming, and subject to uncertainty. We cannot guarantee that any clinical trials will be conducted as planned or completed on schedule, if at all. We cannot be sure that submission of an IND, a clinical trial application (CTA), or a Clinical Trial Notification (CTN (Australia)) will result in the FDA, EMA, or HREC (Human Research Ethics Committee), as applicable, allowing clinical trials to begin in a timely manner, if at all. Moreover, even if these trials begin, issues may arise that could suspend or terminate such clinical trials. A failure of one or more clinical trials can occur at any stage of testing, and any of our current or future clinical trials may not be successful. Events that may prevent successful or timely initiation or completion of clinical trials include:

- inability to generate sufficient preclinical, toxicology, or other in vivo or in vitro data to support the submission of an IND or initiation or continuation of clinical trials;
- delays in confirming target engagement, patient selection, or other relevant biomarkers to be utilized in preclinical and clinical product candidate development;
- delays in reaching a consensus with regulatory agencies on study design;
- delays in reaching agreement on acceptable terms with prospective CROs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and clinical trial sites;
- delays in identifying, recruiting, and training suitable clinical investigators;
- delays in obtaining required Institutional Review Board (IRB)/Ethics Committee (EC) approval at each clinical trial site;
- imposition of delays to clinical trials, including as a result of temporary or permanent clinical hold by regulatory agencies for any number of reasons (see for example our discussions of ARIA and other risks described in this "Risk Factors" section), including:
    - after review of an IND or amendment, CTA or amendment, or equivalent application or amendment;

- as a result of a new safety finding that presents unreasonable risk to clinical trial participants;
- as a result of modifications to clinical trial protocols or related documentation;
- a negative finding from an inspection of our clinical trial operations or study sites; or
- the finding that the investigational protocol or plan is clearly deficient to meet its stated objectives;

- delays in identifying, recruiting, and enrolling suitable patients to participate in our clinical trials, and delays caused by patients withdrawing from clinical trials, or failing to return for post-treatment follow-up;
- difficulty collaborating with patient groups and investigators;
- failure by our CROs, other third parties, or us to adhere to clinical trial protocols and other requirements;
- failure to perform in accordance with the FDA's or any other regulatory authority's current good clinical practices (cGCPs) requirements, or applicable EMA or other regulatory guidelines in other countries;
- occurrence of adverse events associated with the product candidate that are viewed to outweigh its potential benefits;
- changes in regulatory requirements and guidance that require amending or submitting new clinical protocols;
- changes in the standard of care on which a clinical development plan was based, which may require new or additional trials;
- the cost of clinical trials of our product candidates being greater than we anticipate, including costs associated with tariffs or other import or export restrictions;
- delays in correspondence from, reviews by, or other interactions with the FDA or regulatory agencies in other countries;
- clinical trials of our product candidates producing negative or inconclusive results, which may result in our deciding, or regulators requiring us, to conduct additional clinical trials or abandon product development programs;
- interim analyses of clinical trials that result in a decision to terminate those trials due to failure of our product candidates to meet certain criteria; and
- delays in manufacturing, testing, releasing, validating, or importing/exporting sufficient stable quantities of our product candidates for use in clinical trials or the inability to do any of the foregoing.

Any inability to successfully initiate or complete clinical trials could result in additional costs to us or impair our ability to generate revenue. In addition, if we make manufacturing or formulation changes to our product candidates, we may be required to or we may elect to conduct additional studies to bridge our modified product candidates to earlier versions. Clinical trial delays could also shorten any periods during which our products have patent protection and may allow our competitors to bring products to market before we do or sooner than anticipated, which could impair our ability to successfully commercialize our product candidates and may harm our business and results of operations.

We could also encounter delays if a clinical trial is suspended or terminated by us, by the data safety monitoring board for such trial or by the FDA, EMA, or any other regulatory authority, or if the IRBs of the institutions in which such trials are being conducted suspend or terminate the participation of their clinical investigators and sites subject to their review. Such authorities may suspend or terminate a clinical trial due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the FDA, EMA, or other regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a product candidate, changes in governmental regulations or administrative actions, decreases in regulatory agency funding, staffing, or operations, lack of adequate funding to continue the clinical trial, and impacts of worldwide economic conditions, including trade tariffs, public health outbreaks, geopolitical events, and international conflicts. Should the FDA or other government agency issue additional guidance that mandates material changes to our clinical trials, e.g., in response to a pandemic or other public health outbreak, the costs of such clinical trials may increase.

We may in the future advance product candidates into clinical trials and terminate such trials prior to their completion, which could adversely affect our business. Further, FDA's policy to release in "real time" newly issued Complete Response Letters associated with withdrawn or abandoned applications for approval of drug or biological products, if applicable to any of our product candidates, could materially impact our competitive advantage and intellectual property.

Delays in the initiation or completion of any clinical trial of our product candidates will increase our costs, slow down our product candidate development and approval process and delay, or potentially jeopardize, our ability to commence product sales and generate revenue. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates.

We may encounter difficulties enrolling patients in our clinical trials, and our clinical development activities could thereby be delayed or otherwise adversely affected.

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 its conclusion. We may experience difficulties in patient enrollment in clinical trials for a variety of reasons, including:

- the size and nature of the patient population;
- the patient eligibility criteria defined in the protocol, including biomarker-driven identification and/or certain highly specific criteria related to stage of disease progression, which may limit the patient populations eligible for our clinical trials to a greater extent than competing clinical trials for the same indication that do not have biomarker-driven patient eligibility criteria;
- the size of the study population required for analysis of the trial's primary endpoints;
- the proximity of patients to a trial site;
- the design of the trial;
- our ability to recruit clinical trial investigators with the appropriate competencies and experience;
- delays in enrolling patients in our clinical trials caused by worldwide economic conditions, including pandemics or other public health outbreaks and other geopolitical events;
- competing clinical trials for similar therapies or that target patient populations meeting our patient eligibility criteria;
- availability of approved products that target the patient populations that we are seeking to enroll;
- clinicians' and patients' perceptions of the potential advantages and side effects of the product candidate being studied in relation to other available therapies and product candidates;
- our ability to obtain and maintain patient consents; and
- the risk that patients enrolled in clinical trials will not complete such trials or that we may not be able to collect data from such patients for any reason.

We or our partners may encounter difficulties or delays in enrollment of our clinical trials, due to the availability of newly approved therapies and competing products. For example, lecanemab received FDA approval for the treatment of Alzheimer's disease in 2023, and donanemab received FDA approval for the treatment of Alzheimer's disease in July 2024. As a result, our or our partners' ability to enroll participants in clinical trials for Alzheimer's disease may be hampered if potential participants choose to instead avail themselves of approved therapies.

Our clinical trials may reveal significant adverse events, toxicities, or other side effects and may fail to demonstrate substantial evidence of the safety and efficacy of our product candidates, which would prevent, delay, or limit the scope of regulatory approval and commercialization.

Before obtaining regulatory approvals for the commercial sale of any of our product candidates, we must demonstrate through lengthy, complex, and expensive preclinical studies and clinical trials that our product candidates are both safe and effective for use in each target indication. For those product candidates that are subject to regulation as biological drug products, we will need to demonstrate that they are sufficiently safe, pure, and potent for use in their target indications. Each product candidate must demonstrate an adequate risk versus benefit profile in its intended patient population and for its intended use.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. The results of preclinical studies of our product candidates may not be predictive of the results of early-stage or later-stage clinical trials, and results of early-stage clinical trials of our product candidates may not be predictive of the results of later-stage clinical trials. The results of clinical trials in healthy volunteers or in one set of patients or disease indications may not be predictive of those obtained in another. In some instances, there can

be significant variability in safety or efficacy results between different clinical trials of the same product candidate due to numerous factors, including changes in trial procedures set forth in protocols, differences in the size and type of the patient populations, changes in and adherence to the dosing regimen and other clinical trial protocol elements, and the rate of dropout among clinical trial participants. Open-label or long-term extension studies may also extend the timing and cost of a clinical program substantially.

Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy profile despite having progressed through preclinical studies and initial clinical trials. An advanced clinical trial may still fail due to lack of efficacy or unacceptable safety issues, notwithstanding promising results in earlier trials. This is particularly true in neurodegenerative diseases, where failure rates historically have been higher than in many other disease areas. Most product candidates that begin clinical trials are never approved by regulatory authorities for commercialization. For example, in April 2026, we and GSK decided to discontinue the PROGRESS-AD Phase 2 clinical trial of nivisnebart in early AD following a pre-specified interim futility analysis. An independent data monitoring committee concluded that the trial was unlikely to meet its primary endpoint at trial completion. In October 2025, because latozinemab did not meet the clinical co-primary endpoint in the INFRONT-3 Phase 3 clinical trial, we decided to stop the open label portion of that trial and the continuation study for latozinemab. In November 2024, we decided to stop the long term extension study of our product candidate AL002 after results from the INVOKE-2 Phase 2 clinical trial showed that AL002 failed to meet the primary endpoint.

In addition, in our INVOKE-2 Phase 2 clinical trial in Alzheimer's disease, treatment-emergent MRI findings resembling ARIA were observed. ARIA are MRI findings that may include vasogenic edema, sulcal effusions, microhemorrhages and/or superficial siderosis. To mitigate the associated risks, we stopped enrolling patients that were most at risk and implemented additional monitoring procedures, and the trial continued to completion.

We have limited experience in designing clinical trials and may be unable to design and execute a clinical trial that generates data sufficient to support continued clinical development or marketing approval of any of our product candidates. We cannot be certain that any of our clinical trials will be successful. Additionally, any safety concerns observed in any one of our clinical trials in our targeted indications could limit the prospects for regulatory approval of our product candidates in those and other indications, which could have a material adverse effect on our business, financial condition, and results of operations.

In addition, even if any of our clinical trials are successfully completed, we cannot guarantee that the FDA or foreign regulatory authorities will interpret the results as we do, and more trials could be required before we submit our product candidates for approval. To the extent that the results of the trials are not satisfactory to the FDA or foreign regulatory authorities for support of a marketing application, we may be required to expend significant resources, which may not be available to us, to conduct additional trials in support of potential approval of our product candidates. Even if regulatory approval is secured for any of our product candidates, the terms of such approval may limit the scope and use of our product candidates, which may also limit its commercial potential. Further, even if regulatory approval is secured for any of our product candidates, we cannot be assured that a federal court will not modify, invalidate, or revoke such approval.

We face significant competition in an environment of rapid technological and scientific change. Some competitors have achieved, and there is a possibility that other competitors will achieve, regulatory approval before us. Our competitors' therapies may be safer, more advanced, or more effective than ours, which may negatively impact our ability to successfully market or commercialize any product candidates we may develop and ultimately harm our financial condition.

The development and commercialization of new drug products is highly competitive. Moreover, the neurodegenerative field is characterized by strong and increasing competition, with a strong emphasis on intellectual property. We may face competition with respect to any of our product candidates that we seek to develop or commercialize in the future from major pharmaceutical companies, specialty pharmaceutical companies, and biotechnology companies worldwide. Potential competitors also include academic institutions, government agencies, and other public and private research organizations that conduct research, seek patent protection, and establish collaborative arrangements for research, development, manufacturing, and commercialization.

There are a number of large pharmaceutical and biotechnology companies that are currently pursuing the development of products for the treatment of neurodegenerative diseases, including Alzheimer's disease and Parkinsons disease. Many of these current or potential competitors, either alone or with their strategic partners, have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals, and marketing approved products than we do. For example, in July 2024, the FDA approved donanemab, which was developed by Eli Lilly and Company (Eli Lilly), for the treatment of Alzheimer's disease. Donanemab targets amyloid plaques by binding to insoluble N-truncated pyroglutamate amyloid beta. In January 2023, the FDA granted accelerated approval, and in July 2023, the FDA granted full approval, to lecanemab, an anti-amyloid beta

protofibril antibody for the treatment of Alzheimer's disease developed by Eisai Co., Ltd. (Eisai) and Biogen Inc. (Biogen). Lecanemab has been approved as a treatment for slowing progression of mild cognitive impairment and mild dementia due to Alzheimer's disease in Japan, and in April 2025, lecanemab received final marketing authorization in Europe for treating mild cognitive impairment or mild dementia due to Alzheimer's disease in patients who have only one or no copy of the ApoE4 allele.

There are competing pharmaceutical and biotechnology companies, such as Denali Therapeutics, Inc. (Denali), F. Hoffman La Roche Ltd. (Roche), Aliada Therapeutics, Inc. (acquired by AbbVie), Eli Lilly, BioArctic Neuroscience AB, JCR Pharmaceuticals Co., Ltd., Korsana Biosciences, Inc. (Korsana), Arrowhead Pharmaceuticals, Inc. (Arrowhead), and Ossianix, Inc., who have developed and continue to develop technologies for the transport of products across the blood-brain barrier using transferrin receptor (TfR)-based transfer mechanisms. Other companies may successfully develop technologies for blood-brain barrier transport that are based on mechanisms other than TfR and that effectively compete with TfR-based mechanisms. Our ABC platform, which uses a TfR-based transfer mechanism, faces competition from such third-party technologies.

Additionally, those competing blood-brain barrier transport technologies are being applied to antibodies and product candidates that act on the same disease targets as we are pursuing. For example, Denali, Korsana, and Roche are advancing antibody candidates, each of which targets A-beta and incorporates blood-brain barrier transport mechanisms that act through TfR, and Arrowhead is advancing a tau-siRNA candidate with a TfR binding antibody fragment. Other companies, including Bial Holdings, S.A. (Bial), Vanqua Bio, Inc. (Vanqua Bio), Gain Therapeutics, Inc. (Gain Therapeutics), Prevail Therapeutics Inc., Voyager Therapeutics, Inc., Denali, and Roche have clinical or pre-clinical programs targeting GCase through allosteric activation, gene therapy, or enzyme replacement, with the latter approach incorporating TfR-based blood-brain barrier transfer mechanisms. Those and other competitors are pursuing product candidates that act on some of the same targets or through comparable mechanisms of action as we are pursuing.

Several companies are employing nucleic acid-based strategies, such as anti-sense oligonucleotides and siRNA, directed to neurodegenerative disease targets in conjunction with TfR-based blood-brain barrier technologies. Certain of those companies, including Eli Lilly, Arrowhead, Novartis AG, Denali, Roche and Manifold Biotechnologies, Inc., are applying this approach to some of the same targets that we are pursuing, including tau and alpha-synuclein.

Current or potential competitors may develop products with a market advantage due to their mode of delivery, such as oral small molecule or subcutaneous formulation. For example, Eisai received FDA approval for a subcutaneous formulation of lecanemab in August 2025, and Bial, Vanqua Bio, and Gain Therapeutics are developing small molecule allosteric activators of GCase.

Furthermore, mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of our competitors. 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 and establishing clinical trial sites and patient enrollment in clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs. 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 side effects, are more convenient, or are less expensive than any products that we may develop. Furthermore, currently approved products could be discovered to have application for treatment of neurodegenerative disease indications, which could give such products significant regulatory and market timing advantages over any of our product candidates. Our competitors also may obtain FDA, EMA, or other regulatory approval for their products more rapidly than we may obtain approval for ours, including through fast track designation, priority review, accelerated approval or breakthrough therapy designation, and may obtain orphan drug exclusivity from the FDA for indications our product candidates are targeting, which could result in our competitors establishing a strong market position before we are able to enter the market. Additionally, products or technologies developed by our competitors may render our potential product candidates uneconomical or obsolete, and we may not be successful in marketing any product candidates we may develop against competitors.

In addition, we could face litigation or other proceedings with respect to the scope, ownership, validity, and/or enforceability of our patents relating to our competitors' products. Furthermore, our competitors may allege that our products infringe, misappropriate, or otherwise violate their intellectual property. The availability of our competitors' products could limit the demand, and the price we are able to charge, for any products that we may develop and commercialize.

The manufacture of our product candidates is complex, and we may encounter difficulties in production. If we or any of our third-party manufacturers encounter such difficulties, or fail to meet rigorously enforced regulatory standards, our ability to provide supply of our product candidates for clinical trials or our products, if approved for patients, could be delayed or stopped, or we may be unable to maintain a commercially viable cost structure.

The processes involved in manufacturing our product candidates are complex, expensive, highly-regulated, and subject to multiple risks. Manufacturing certain product candidates, such as non-antibody protein product candidates or product candidates incorporating ABC and other active components, may be especially challenging and may require complex and integrated supply chains and CDMO networks. Further, as product candidates are developed from preclinical studies through late-stage clinical trials towards approval and commercialization, it is common that various aspects of the development program, such as manufacturing methods, are altered along the way in an effort to scale processes and optimize results. Such changes carry the risk that they will not achieve these intended objectives, and any of these changes could cause our product candidates to perform differently and affect the results of planned clinical trials or other future clinical trials.

In order to conduct clinical trials of our product candidates, or supply commercial products, if approved, we will need to manufacture them in large quantities. Our CDMOs may be unable to successfully produce or increase the manufacturing scale or capacity for any of our product candidates in a timely or cost-effective manner, or at all. In addition, quality issues may arise during scale-up activities or in connection with production of commercial supply. If any of the foregoing occurs, the development, testing, and clinical trials of that product candidate may be delayed or become infeasible, and/or regulatory approval or commercial launch of any resulting product may be delayed or not obtained in any or all jurisdictions in which such approval or launch is intended, which could significantly harm our business. The same risks would apply to our own manufacturing facilities, should we in the future decide to build our own manufacturing capacity, which would carry significant risks in terms of being able to plan, design, and execute on a complex project to build manufacturing facilities in a timely and cost-efficient manner. Likewise, the same risks would apply to a licensee or collaboration partner manufacturing our product candidates or commercial products, if approved, using their CDMOs or their own facilities, and that partner may be unable to maintain a commercially viable cost structure.

In addition, the manufacturing process for any products that we may develop is subject to FDA, EMA, and other foreign regulatory authority approval processes and continuous oversight, and we will need to contract with manufacturers who can meet all applicable FDA, EMA, and other foreign regulatory authority requirements, including complying with current good manufacturing practices (cGMPs) on an ongoing basis. Further, the manufacturers that we or our partners work with will be subject to any future legislation by Congress or other government action that may curtail the ability of foreign CDMOs to provide services to U.S. biotechnology companies. In addition, tariffs may be imposed on products that are manufactured by foreign CDMOs and imported into the U.S. to incentivize manufacturing activity in the U.S. versus abroad. If we or our third-party manufacturers are unable to reliably produce products to specifications acceptable to the FDA, EMA, or other regulatory authorities, we may not obtain or maintain the approvals we need to commercialize such products. Even if we obtain regulatory approval for any of our product candidates, there is no assurance that either we or our CDMOs will be able to manufacture the approved product to specifications acceptable to the FDA, EMA, or other regulatory authorities, to produce it in sufficient quantities to meet the requirements for the potential launch of the product, or to meet potential future demand. Any of these challenges could delay completion of clinical trials, require bridging clinical trials or the repetition of one or more clinical trials, increase clinical trial costs, delay approval of our product candidates, impair commercialization efforts, increase our cost of goods, and have an adverse effect on our business, financial condition, results of operations, and growth prospects.

If, in the future, we are unable to establish sales and marketing capabilities or enter into agreements with third parties to sell and market any product candidates we may develop, we may not be successful in commercializing those product candidates if and when they are approved.

We do not have a sales or marketing infrastructure and have no experience in the sale, marketing, or distribution of pharmaceutical products. To achieve commercial success for any approved product for which we retain sales and marketing responsibilities, we must either develop a sales and marketing organization or outsource these functions to third parties. In the future, we may choose to build a focused sales, marketing, and commercial support infrastructure to sell, or participate in commercial activities with our partners for, some of our product candidates if and when they are approved.

There are risks involved with both establishing our own commercial capabilities and entering into arrangements with third parties to perform these services. For example, recruiting and training a sales force or reimbursement specialists are expensive and time consuming and could delay any product launch. If the commercial launch of a product candidate for which we recruit a sales force and establish marketing and other commercialization capabilities is delayed or does not occur for any reason, we would have prematurely or unnecessarily incurred these commercialization expenses. This may be costly, and our investment would be lost if we cannot retain or reposition our commercialization personnel.

Factors that may inhibit our efforts to commercialize any approved product on our own include:

- our inability to recruit and retain adequate numbers of effective sales, marketing, reimbursement, customer service, medical affairs, and other personnel;
- the inability of sales personnel to obtain access to physicians or persuade adequate numbers of physicians to prescribe any future approved products;
- the inability to negotiate arrangements for formulary access, reimbursement, and other acceptance by payors;
- the inability to price our products at a sufficient price point to ensure an adequate and attractive level of profitability, and our ability to recognize revenue from such prices;
- restricted or closed distribution channels that make it difficult to distribute our products to segments of the patient population;
- the lack of complementary products to be offered by sales personnel, which may put us at a competitive disadvantage relative to companies with more extensive product lines; and
- unforeseen costs and expenses associated with creating an independent commercialization organization.

If we enter into arrangements with third parties to perform sales, marketing, commercial support, and distribution services, our product or royalty revenue or the profitability of such revenue may be lower than if we were to market and sell any product we may develop ourselves. In addition, we may not be successful in entering into arrangements with third parties to commercialize our product candidates or may be unable to do so on terms that are favorable to us. We may have little control over such third parties, and any of them may fail to devote the necessary resources and attention to sell and market our products effectively. If we do not establish commercialization capabilities successfully, either on our own or in collaboration with third parties, we will not be successful in commercializing our product candidates if approved.

Even if any product candidates we develop receive marketing approval, they may fail to achieve the degree of market acceptance by physicians, patients, healthcare payors, and others in the medical community necessary for commercial success.

The commercial success of any of our products will depend upon its degree of market acceptance by physicians, patients, third-party payors, and others in the medical community. Even if any product candidate we develop receives marketing approval, it may nonetheless fail to gain sufficient market acceptance by physicians, patients, healthcare payors, and others in the medical community. The degree of market acceptance of any product candidate we may develop, if approved for commercial sale, will depend on a number of factors, including:

- the efficacy and safety as demonstrated in clinical trials and published in peer-reviewed journals;
- the potential and perceived advantages compared to alternative treatments;
- the ability to offer our products for sale at competitive prices;
- sufficient third-party coverage or reimbursement;
- the ability to offer appropriate patient access programs, such as co-pay assistance;
- the extent to which physicians recommend our products to their patients;
- convenience and ease of dosing and administration compared to alternative treatments;
- the clinical indications for which the product candidate is approved by the FDA, EMA, or other regulatory agencies;
- product labeling or product insert requirements of the FDA, EMA, or other comparable foreign regulatory authorities, including any limitations, contraindications, or warnings contained in a product's approved labeling;
- restrictions on how the product is distributed;
- the timing of market introduction of competitive products;
- publicity concerning our products or competing products and treatments;
- the strength of marketing and distribution support; and

- the prevalence and severity of any side effects.

If any product candidates we develop do not achieve an adequate level of acceptance, we may not generate significant revenue, and we may not become profitable.

Any products that we, a collaboration partner, or licensee commercialize may become subject to unfavorable pricing regulations, third-party reimbursement practices, or healthcare reform initiatives, which would harm our business.

The regulations that govern marketing approvals, pricing, and reimbursement for new drugs vary widely from country to country. In the United States, recently enacted or potential future legislation or other government action may significantly change the approval requirements in ways that could involve additional costs and cause delays in obtaining approvals. 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 continued governmental control even after initial approval is granted. As a result, a product candidate might obtain marketing approval in a particular country, but then be subject to price regulations that delay or render commercially inviable commercial launch of the product, possibly for lengthy time periods, and negatively impact the revenue otherwise expected from the sale of the product in that country, either by us or by a collaboration partner or licensee. Adverse pricing limitations may hinder our ability to recoup our investment in one or more product candidates, even if any product candidates we may develop obtain marketing approval.

The ability to successfully commercialize any products that we may develop also will depend in part on the extent to which reimbursement for these products and related treatments will be available from government health administration authorities, private health insurers, and other organizations. Government authorities and third-party payors, such as private health insurers and health maintenance organizations, decide which medications they will pay for and establish reimbursement levels. A primary trend in the U.S. healthcare industry and elsewhere is cost containment. Government authorities and third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. Government authorities currently impose mandatory discounts for certain patient groups, such as Medicare, Medicaid, and Veterans Affairs hospitals, and may seek to increase such discounts at any time. Future regulation may negatively impact the price of our products, if approved. Increasingly, third-party payors are requiring that drug companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products. We cannot be sure that reimbursement will be available for any product candidate that we commercialize and, if reimbursement is available, the level of reimbursement.

Reimbursement may impact the demand for, or the price of, any product candidate for which we obtain marketing approval. In order to get reimbursement, physicians may need to show that patients have superior treatment outcomes with our products compared to standard of care drugs, including lower-priced generic versions of standard of care drugs. If reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize any product candidate for which we obtain marketing approval. In the United States, no uniform policy of coverage and reimbursement for products exists among third-party payors, and coverage and reimbursement levels for products can differ significantly from payor to payor. As a result, the coverage determination process is often a time consuming and costly process that may require us to provide scientific and clinical support for the use of our products to each payor separately, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance.

There may be significant delays in obtaining reimbursement for newly approved drugs, and coverage may be more limited than the purposes for which the medicine is approved by the FDA, EMA, or other comparable foreign regulatory authorities. Moreover, eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale, and distribution. Interim reimbursement levels for new drugs, if applicable, may also not be sufficient to cover our 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. Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future relaxation of laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the United States. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement policies. Our inability to promptly obtain coverage and profitable payment rates from both government-funded and private payors for any approved products we may 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.

Current and future Centers for Medicare and Medicaid Services (CMS) coverage restrictions on classes of drugs that encompass our product candidates, including our candidates for treating Alzheimer’s disease, could have a material adverse impact on our ability to commercialize our product candidates, if approved, generate revenue and attain profitability. It is unclear how future CMS coverage decisions and policies will impact our business.

Further, the current administration has issued an executive order focused on decreasing prescription drug prices, which directs the Secretary of Health and Human Services (HHS) to establish a mechanism through which American patients can buy drugs directly from manufacturers who sell at a most-favored-nation price. The order further directs the U.S. Trade Representative and Secretary of Commerce to take action to ensure foreign countries are not engaged in practices that purposefully and unfairly undercut market prices and drive price hikes in the United States. If HHS sets most-favored-nation pricing targets for prescription drugs or increases generic and biosimilar drug entry sooner than expected, then those actions could have a material adverse effect on our ability to set adequate pricing, recoup our investment in R&D, and commercialize our product candidates, if approved. As discussed in the Risk Factor entitled "*Healthcare legislative and executive measures aimed at reducing healthcare costs may have a material adverse effect on our business and results of operations*," U.S. government's implementation of the most-favored-nation prescription drug pricing policies, such as the GENEROUS Medicaid Model and the GLOBE Model, can materially impact cross-border collaborations and licensing arrangements, including reduced financial returns on products, increased regulatory obligations under U.S. MFN policies, and increased antitrust risks. We cannot predict the full impact of this executive order, its implementation, or other measures that may be implemented by the current administration related to drug pricing.

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

Even if we are successful in achieving regulatory approval to commercialize a product candidate ahead of our competitors, our product candidates may face competition from biosimilar products. In the United States, our product candidates are regulated by the FDA as biological products and we intend to seek approval for these product candidates pursuant to the BLA pathway. BPCIA created an abbreviated pathway for the approval of biosimilar and interchangeable biological products. The abbreviated regulatory pathway establishes legal authority for the FDA to review and approve biosimilar biologics, including the possible designation of a biosimilar as "interchangeable" based on its similarity to an existing brand product. Under the BPCIA, an application for a biosimilar product cannot be approved by the FDA until 12 years after the original branded product was approved under a BLA. The law is complex and is still being interpreted and implemented by the FDA. As a result, its ultimate impact, implementation, and meaning are subject to uncertainty. While it is uncertain when such processes intended to implement BPCIA may be fully adopted by the FDA, any such processes could have a material adverse effect on the future commercial prospects for our product candidates.

We believe that any of our product candidates approved as a biological product under a BLA should qualify for the 12-year period of exclusivity. However, there is a risk that this exclusivity could be shortened due to Congressional action or otherwise, or that the FDA will not consider our product candidates to be reference products entitled to the 12-year period of exclusivity, potentially creating the opportunity for competition sooner than anticipated. Moreover, the extent to which a biosimilar product, once approved, will be substituted for any one of our reference products in a way that is analogous to traditional generic substitution for non-biological products is not yet clear, and will depend on a number of marketplace and regulatory factors that are still developing. In addition, a competitor could decide to forego the biosimilar approval path and submit a full BLA after completing its own preclinical studies and clinical trials. In such cases, any exclusivity to which we may be eligible under the BPCIA would not prevent the competitor from marketing its product as soon as it is approved.

In Europe, the European Commission has granted marketing authorizations for several biosimilar products pursuant to a set of general and product class-specific guidelines for biosimilar approvals issued over the past few years. In Europe, a competitor may reference data supporting approval of an innovative biological product subject to various limitations that impact the marketing exclusivity period. In addition, companies may be developing biosimilar products in other countries that could compete with our products, if approved.

If competitors are able to obtain marketing approval for biosimilars referencing our product candidates, if approved, such product candidates may become subject to competition from such biosimilars, with the attendant competitive pressure and potential adverse consequences. Such competitive products may be able to immediately compete with us in each indication for which our product candidates may have received approval.

Any legal proceedings or claims involving or against us could be costly and time-consuming to defend and could harm our reputation regardless of the outcome.

We may become subject to legal proceedings and claims that arise in the ordinary course of business, including intellectual property, data privacy, product liability, employment, class action or derivative, whistleblower and other litigation claims, and governmental and other regulatory investigations and proceedings. Such matters can be time-consuming, divert management's attention and resources, cause us to incur significant expenses or liability, or require us to change our business practices. In addition, the expense of litigation and the timing of this expense from period to period are difficult to estimate, subject to change, and could adversely affect our financial condition and results of operations. Because of the potential risks, expenses, and uncertainties of litigation, we may, from time to time, settle disputes, even where we

have meritorious claims or defenses, by agreeing to settlement agreements. Any of the foregoing could adversely affect our business, financial condition, and results of operations.

If product liability lawsuits are 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 as a result of the clinical testing of our product candidates and will face an even greater risk when and if we commercialize any products. For example, we may be sued if our product candidates cause or are perceived to cause injury or are found to be otherwise unsuitable during clinical testing, manufacturing, marketing, or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability, or a breach of warranties. Claims could also be asserted under state consumer protection acts or in countries outside the United States under the applicable legal regimes. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit testing and commercialization of our product candidates. Even successful defense or negotiations of a settlement would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased or interrupted demand for our products;
- injury to our reputation;
- withdrawal of clinical trial participants and inability to continue clinical trials;
- initiation of investigations by regulators;
- costs to defend the related litigation;
- a diversion of management's time and our resources;
- substantial monetary awards to trial participants or patients;
- product recalls, withdrawals or labeling, marketing, or promotional restrictions;
- loss of revenue;
- exhaustion of any available insurance and our capital resources; and
- the inability to commercialize any product candidate.

Our inability to obtain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of products we develop, alone or with collaborators. Our insurance policies may have various exclusions, and we may be subject to a product liability claim for which we have no coverage. We may have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts. Even if our agreements with any future corporate collaborators entitle us to indemnification against losses, such indemnification may not be available or adequate should any claim arise.

Risks Related to Regulatory Approval and Other Legal Compliance Matters

The regulatory approval processes of the FDA, EMA, and comparable foreign regulatory authorities are lengthy, time consuming, and inherently unpredictable. If we are ultimately unable to obtain regulatory approval for our product candidates, we will be unable to generate product revenue and our business will be substantially harmed.

The time required to obtain approval by the FDA, EMA, and comparable foreign regulatory authorities is unpredictable, typically takes many years following the commencement of clinical trials, and depends upon numerous factors, including the type, complexity, and novelty of the product candidates involved. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions, which may cause delays in the approval or the decision not to approve an application. Regulatory authorities have substantial discretion in the approval process and may refuse to accept any application or may decide that our data are insufficient for approval and require additional preclinical, clinical, or other studies. We have not submitted an application for or obtained regulatory approval for any product candidate, and it is possible that none of our existing product candidates or any product candidates we may seek to develop in the future will ever obtain regulatory approval.

Further, development of our product candidates and/or regulatory approval may be delayed for reasons beyond our control. For example, the U.S. federal government has experienced and may in the future experience major reductions in the federal workforce, shutdowns or budget sequestrations, which has resulted and could result in significant reductions to the FDA's budget, employees, and/or operations, which may lead to slower response times and longer review periods, potentially affecting our ability to progress development of our product candidates or obtain regulatory approval for our product candidates. FDA and other regulatory authorities may also experience delays or limited resources due to the effects of worldwide economic conditions, including tariffs and global trade disruptions, pandemics or other public health outbreaks, other geopolitical events, conflicts or other reasons. To the extent FDA and other regulatory authorities experience any delays or limited resources in reviewing our regulatory applications or requests for meetings and/or guidance, and inspection of manufacturing facilities prior to regulatory approval, we may experience significant delays in our anticipated timelines for our clinical studies and/or for seeking regulatory approvals, which could adversely affect our business.

Applications for our product candidates could fail to receive regulatory approval in an initial or subsequent indication for many reasons, including but not limited to the following:

- the FDA, EMA, or comparable foreign regulatory authorities may disagree with the design, implementation, or the interpretation of the results of our clinical trials;
- the FDA, EMA, or comparable foreign regulatory authorities may determine that our product candidates are not safe and effective, only moderately or insufficiently effective or have undesirable or unintended side effects, toxicities, or other characteristics that preclude our obtaining marketing approval or prevent or limit commercial use;
- the population studied in the clinical program may not be sufficiently broad or representative to assure efficacy and safety in the full population for which we seek approval;
- the FDA, EMA, or comparable foreign regulatory authorities may disagree with our interpretation of data from preclinical studies or clinical trials;
- the data collected from clinical trials of our product candidates may not be sufficient to support the submission of an NDA, BLA, or other submission or to obtain regulatory approval in the United States or elsewhere;
- we may be unable to demonstrate to the FDA, EMA, or comparable foreign regulatory authorities that a product candidate's risk-benefit ratio, on its own or when compared to the standard of care, is acceptable;
- the FDA, EMA, or comparable foreign regulatory authorities may fail to approve the manufacturing processes, test procedures, and specifications, or facilities of third-party manufacturers with which we contract for clinical and commercial supplies; and
- the approval policies or regulations of the FDA, EMA, or comparable foreign regulatory authorities may significantly change in a manner rendering our clinical data insufficient for approval or resulting in delays in our regulatory approval, as seen, for example, in connection with the FDA's approval of Biogen's Aduhelm in Alzheimer's disease amid questions regarding the underlying data, as well as the government investigation of the FDA's approval process for Aduhelm.

This lengthy approval process, as well as the unpredictability of the results of clinical trials, may result in our failing to obtain regulatory approval to market any of our product candidates, which would significantly harm our business, results of operations, and growth prospects.

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. In June 2024, the Supreme Court overturned their 1984 decision that gave rise to the *Chevron* doctrine. That doctrine gave deference to regulatory agencies such as FDA, rather than the courts, to interpret relevant statutes where the law is ambiguous. As a result of the Supreme Court's rejection of the *Chevron* doctrine, more companies and other stakeholders may bring lawsuits against the FDA to challenge longstanding FDA decisions and policies, which could undermine the FDA's authority, lead to uncertainties in the industry, and disrupt the FDA's normal operations, potentially resulting in the delay of the FDA's review of our regulatory submissions. We cannot predict the full impact of this decision on us or the pharmaceutical and biotechnology industries in general.

Additionally, changes in the current administration's focus and policies, departure of senior leadership at the FDA and other agencies under HHS, reductions in agency funding and staffing at HHS, government shutdowns, lapses in government appropriations, and changes in the staffing and resourcing levels at the FDA may impact the FDA's operations, including the FDA's ability to meet current review, approval, and inspection schedules, as well as our ongoing correspondence with the FDA, including correspondence regarding progression to the next phases of development. Likewise, restructuring,

downsizing, and decreased funding of federal agencies including the FDA may result in our not realizing all the benefits of Breakthrough Designation and Fast Track designation, particularly benefits related to priority review, frequent communications with the FDA, and intensive guidance from the FDA, to the extent such benefits are applicable to any of our product candidates. Any of the above impacts could in turn delay our anticipated timelines, which can increase the cost of clinical development of our product candidates. Other policy changes may lead to fewer agency guidance documents or to changes in our clinical development plans, which could result in delays, additional expenses, or refusals to approve products. Further, FDA's "real-time" release of newly issued Complete Response Letters associated with withdrawn or abandoned applications, if applicable to any of our product candidates, can materially impact our competitive advantage and intellectual property. It is unclear how our industry and our clinical programs will be impacted by policies or regulations implemented under the current administration and FDA commissioner or other executive orders. To the extent the agency's reduction in force and other agency changes lead to disruptions in the FDA's operations, our interactions, correspondence, and regulatory review processes with the FDA may be delayed.

Our product candidates may cause undesirable side effects or have other properties that could halt their clinical development, prevent their regulatory approval, limit their commercial potential, or result in significant negative consequences.

Adverse events or other undesirable side effects caused by our product candidates could cause us or regulatory authorities to interrupt, delay, or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA, EMA, or other comparable foreign regulatory authorities.

Drug-related side effects could affect patient recruitment, the ability of enrolled patients to complete the study, and/or result in potential product liability claims. We are required to maintain product liability insurance pursuant to certain of our development and commercialization agreements. We may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses due to liability. A successful product liability claim or series of claims brought against us could adversely affect our results of operations, business, and reputation. In addition, regardless of merit or eventual outcome, product liability claims may result in impairment of our business reputation, withdrawal of clinical trial participants, costs due to related litigation, distraction of management's attention from our primary business, initiation of investigations by regulators, substantial monetary awards to patients or other claimants, the inability to commercialize our product candidates, and decreased demand for our product candidates, if approved for commercial sale.

For example, treatment-emergent MRI findings resembling ARIA were observed in our INVOKE-2 Phase 2 clinical trial. ARIA are MRI findings that may include vasogenic edema, sulcal effusions, microhemorrhages and/or superficial siderosis. In INVOKE-2, most cases resembling ARIA were asymptomatic and non-serious. We mitigated ARIA-related risks by discontinuing enrollment of patients who were most at risk based on their genotype, and we implemented additional monitoring procedures.

Additionally, if one or more of our product candidates receives marketing approval, and we or others later identify undesirable side effects or adverse events caused by such products, a number of potentially significant negative consequences could result, including but not limited to:

- regulatory authorities may withdraw approvals of such product and cause us to recall our products;
- regulatory authorities may require additional warnings on the label;
- we may be required to change the way the product is administered, monitor patients over the course of treatment, or conduct additional clinical trials or post-approval studies;
- we may be required to create a Risk Evaluation and Mitigation Strategy plan, which could include a medication guide outlining the risks of such side effects for distribution to patients, a communication plan for healthcare providers, pre-prescription screening or ongoing monitoring for adverse events (such as ARIA-like events), and/or other elements, such as boxed warning on the packaging (for example, as required for lecanemab), to assure safe use;
- we could be sued and held liable for harm caused to patients; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the particular product candidate, if approved, and could significantly harm our business, financial condition, results of operations, and growth prospects.

Data on our future product candidates resulting from clinical trials conducted outside the United States may not be accepted by the FDA, EMA, and applicable foreign regulatory authorities.

We plan to conduct future clinical trials outside the United States, including in Europe, Latin America, Australia, or Asia. The acceptance of study data from clinical trials conducted outside the United States or another jurisdiction by the FDA, EMA, or applicable foreign regulatory authority may be subject to certain conditions. In cases where data from foreign clinical trials are intended to serve as the basis for marketing approval in the United States, the FDA will generally not approve the application on the basis of foreign data alone unless (i) the data are applicable to the United States population and United States medical practice; and (ii) the trials were performed by clinical investigators of recognized competence and pursuant to cGCP regulations. Additionally, the FDA's clinical trial requirements, including sufficient size of patient populations and statistical powering, must be met. Many foreign regulatory bodies have similar approval requirements. In addition, such foreign trials would be subject to the applicable local laws of the foreign jurisdictions where the trials are conducted. There can be no assurance that the FDA, EMA, or any applicable foreign regulatory authority will accept data from trials conducted outside of the United States or the applicable jurisdiction, as regulatory authorities in different jurisdictions may impose different requirements for approval, including requirements with respect to trial design or trial diversity. If the FDA, EMA, or any applicable foreign regulatory authority does not accept such data, it would result in the need for additional trials, which would be costly and time-consuming and delay aspects of our business plan, and which may result in our product candidates not receiving approval or clearance for commercialization in the applicable jurisdiction. Our reliance on genetic screening and use of biomarkers to align patient risk profiles with targeted intervention may eventually require us to develop and use companion diagnostics, which could likewise require generation of data that would be acceptable to FDA, EMA, or any applicable foreign regulatory authority.

Obtaining and maintaining regulatory approval of our product candidates in one jurisdiction does not mean that we will be successful in obtaining regulatory approval of our product candidates in other jurisdictions.

Obtaining and maintaining regulatory approval of our product candidates in one jurisdiction does not guarantee that we will be able to obtain or maintain regulatory approval in any other jurisdiction, but a failure or delay in obtaining regulatory approval in one jurisdiction may have a negative effect on the regulatory approval process in others. For example, even if the FDA or EMA grants marketing approval of a product candidate, comparable regulatory authorities in foreign jurisdictions must also approve the manufacturing, marketing, and promotion of the product candidate in those countries. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from those in the United States, including additional preclinical studies or clinical trials as clinical trials conducted in one jurisdiction may not be accepted by regulatory authorities in other jurisdictions. In many jurisdictions outside the United States, a product candidate must be approved for reimbursement before it can be approved for sale in that jurisdiction. In some cases, the price that we intend to charge for our products is also subject to regulatory approval.

Obtaining foreign regulatory approvals and compliance with foreign regulatory requirements could result in significant delays, difficulties, and costs for us and could delay or prevent the introduction of our products in certain countries. If we or any partner we work with fails to comply with the regulatory requirements in international markets or fails to receive applicable marketing approvals, our target market will be reduced, and our ability to realize the full market potential of our product candidates will be harmed.

Even if we obtain regulatory approval for a product candidate, our products will remain subject to extensive post-marketing requirements and regulatory scrutiny.

If any of our product candidates are approved, they will be subject to ongoing regulatory requirements for manufacturing, labeling, packaging, storage, advertising, promotion, sampling, record-keeping, conduct of post-marketing studies, and submission of safety, efficacy, and other post-market information, including both federal and state requirements in the United States and requirements of comparable foreign regulatory authorities.

Manufacturers and manufacturers' facilities are required to comply with extensive requirements imposed by the FDA, EMA, and comparable foreign regulatory authorities, including ensuring that quality control and manufacturing procedures conform to cGMP regulations. As such, we and our contract manufacturers will be subject to continual review and inspections to assess compliance with cGMP and adherence to commitments made in any NDA, BLA, or marketing authorization application (MAA). Accordingly, we and others with whom we work must continue to expend time, money, and effort in all areas of regulatory compliance, including manufacturing, production, and quality control.

Any regulatory approvals that we receive for our product candidates will be subject to limitations on the approved indicated uses for which the product may be marketed and promoted or to the conditions of approval (including any requirement to implement a Risk Evaluation and Mitigation Strategy), or contain requirements for potentially costly post-marketing testing. We will be required to report certain adverse reactions and production problems, if any, to the FDA, EMA,

and comparable foreign regulatory authorities. Any new legislation or other government action addressing drug safety issues could result in delays in product development or commercialization, or increased costs to ensure compliance. The FDA and other agencies, including the Department of Justice, closely regulate and monitor the post-approval marketing and promotion of products to ensure that they are manufactured, marketed, and distributed only for the approved indications and in accordance with the provisions of the approved labeling. We will have to comply with requirements concerning advertising and promotion for our products. Promotional communications with respect to prescription drugs are subject to a variety of legal and regulatory restrictions and must be consistent with the information in the product's approved label. As such, we may not promote our products for indications or uses for which they do not have approval. The holder of an approved NDA, BLA, or MAA must submit new or supplemental applications and obtain approval for certain changes to the approved product, product labeling, or manufacturing process. We could also be asked to conduct post-marketing clinical trials to verify the safety and efficacy of our products in general or in specific patient subsets. If original marketing approval was obtained via the accelerated approval pathway, we could be required to conduct a successful post-marketing clinical trial to confirm clinical benefit for our products. An unsuccessful post-marketing study or failure to complete such a study could result in the withdrawal of marketing approval.

If a regulatory agency discovers previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or problems with the facility where the product is manufactured, or disagrees with the promotion, marketing or labeling of a product, such regulatory agency may impose restrictions on that product or us, including requiring withdrawal of the product from the market. If we fail to comply with applicable regulatory requirements, a regulatory agency or enforcement authority may, among other things:

- issue warning letters that would result in adverse publicity and potentially cause disruptions to our business;
- impose civil or criminal penalties;
- suspend or withdraw regulatory approvals;
- suspend any of our ongoing clinical trials;
- refuse to approve pending applications or supplements to approved applications submitted by us;
- impose restrictions on our operations, including closing our contract manufacturers' facilities;
- seize or detain products; or
- require a product recall.

Any government investigation of alleged violations of law could require us to expend significant time and resources in response and could generate negative publicity. Any failure to comply with ongoing regulatory requirements may significantly and adversely affect our ability to commercialize and generate revenue from our products. If regulatory sanctions are applied or if regulatory approval is withdrawn, the value of our company and our operating results will be adversely affected.

We may seek orphan drug designation for our product candidates, but we may be unable to obtain such designations or to maintain the benefits associated with orphan drug status, including market exclusivity, which may cause our revenue, if any, to be reduced.

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug or biologic intended to treat a rare disease or condition, defined as a disease or condition with a patient population of fewer than 200,000 in the United States, or a patient population greater than 200,000 in the United States when there is no reasonable expectation that the cost of developing and making available the drug or biologic in the United States will be recovered from sales in the United States of that drug or biologic. Orphan drug designation must be requested before submitting an NDA or BLA. In the United States, orphan drug designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages, and user-fee waivers. After the FDA grants orphan drug designation, the generic identity of the drug and its potential orphan use are disclosed publicly by the FDA. Orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process. While certain of our prior candidates had orphan drug designation for treatment of FTD, we may be unable to reap the benefits associated with orphan drug status. In addition, we may be unable to obtain orphan drug designation for any additional product candidates, if we seek such designation.

If a product that has orphan drug designation subsequently receives the first FDA approval for a particular active ingredient for the disease for which it has such designation, the product is entitled to orphan drug exclusivity. This means that the FDA may not approve any other NDA or BLA application to market the same drug or biologic for the same indication for seven years, except in limited circumstances such as if the same drug or biologic shows clinical superiority to the product with orphan exclusivity, if the FDA revokes the orphan drug designation, or if the FDA finds that the holder of the orphan

exclusivity has not assured 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. Even if the FDA approves orphan drug status for one of our product candidates for treatment of FTD, the FDA can still approve other drugs that have a different active ingredient for use in treating FTD. Furthermore, orphan drug exclusivity does not prevent the FDA from approving another marketing application for the same drug product for a different indication before the expiration of the orphan exclusivity period. FDA's longstanding position that orphan drug exclusivity only applies to the approved use or indication within an eligible disease was codified in the Consolidated Appropriations Act of 2026.

Healthcare legislative and executive measures aimed at reducing healthcare costs may have a material adverse effect on our business and results of operations.

Third-party payors, whether domestic or foreign, or governmental or commercial, are developing increasingly sophisticated methods of controlling healthcare costs. In both the United States and certain foreign jurisdictions, there have been a number of legislative, executive, and regulatory changes to the healthcare system that could impact our ability to sell our products profitably.

In particular, in 2010, the Patient Protection and Affordable Care Act, or Affordable Care Act (ACA) was enacted, which, among other things, subjected biological products to potential competition by lower-cost biosimilars, addressed a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted, or injected, increased the minimum Medicaid rebates owed by most manufacturers under the Medicaid Drug Rebate Program, extended the Medicaid Drug Rebate Program to utilization of prescriptions of individuals enrolled in Medicaid managed care organizations, subjected manufacturers to new annual fees and taxes for certain branded prescription drugs, and provided incentives to programs that increase the federal government's comparative effectiveness research. In June 2021, the United States Supreme Court held that Texas and other challengers had no legal standing to challenge the ACA, dismissing the case without specifically ruling on the constitutionality of the ACA. Accordingly, the ACA remains in effect in its current form. It is unclear how this Supreme Court decision, future litigation, or healthcare measures promulgated by administrative or legislative action will impact our business, financial condition, and results of operations. Complying with any new legislation or other changes in healthcare regulation could be time-intensive and expensive, resulting in a material adverse effect on our business.

Under the American Rescue Plan Act of 2021, the statutory cap on Medicaid Drug Rebate Program rebates that manufacturers pay to state Medicaid programs were eliminated. Elimination of this cap may require pharmaceutical manufacturers to pay more in rebates than they receive on the sale of approved products, which could have a material impact on our business. In August 2022, Congress passed the Inflation Reduction Act of 2022, 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. In March 2023, CMS published its first guidance on how negotiations will be conducted, starting in 2026 for high expenditure drugs as determined and selected by Health and Human Services. In June 2023, CMS issued a revised guidance for the Medicare Drug Price Negotiation Program under the Inflation Reduction Act. In August 2024, CMS released the first set of negotiated prices for ten drugs under the Medicare Drug Price Negotiation Program for 2026. Various industry stakeholders, including pharmaceutical companies have initiated lawsuits against the federal government asserting that the price negotiation provisions of the Inflation Reduction Act are unconstitutional. With the Supreme Court's June 2024 decision that overturning the Chevron doctrine, the Inflation Reduction Act as well as other administration decisions of HHS, including those of CMS, may be subject to increased litigation and judicial scrutiny.

Further, the current administration has issued executive orders focused on decreasing prescription drug prices, including directing the Secretary of Health and Human Services to establish a mechanism through which American patients can buy drugs directly from manufacturers who sell at a most-favored-nation (MFN) price and directing the U.S. Trade Representative and Secretary of Commerce to take action to ensure foreign countries are not engaged in practices that purposefully and unfairly undercut market prices and drive price hikes in the United States. The OBBBA includes provisions that will impact the U.S. healthcare system in various ways, including by cuts to Medicaid and introducing new participant work and eligibility requirements for Medicaid coverage, which are expected to significantly change the administration and applicability of Medicaid coverage. In January 2026, CMS launched the GENEROUS Model (GENErating cost Reductions fOr U.S. Medicaid Model), which aims to ensure fair and reasonable drug prices for Medicaid through CMS-led negotiations with drug manufacturers. Under the GENEROUS Model, manufacturers will provide supplemental rebates to participating states for drugs included in the model to align Medicaid net prices with what certain other countries pay. The GENEROUS Model is voluntary for manufacturers and states. In October 2026, CMS published the Global Benchmark for Efficient Drug Pricing (GLOBE) Model Final Rule, which will implement a mandatory Medicare Part B five-year demonstration payment model that will require manufacturers of certain high-spend Part B drugs and biologicals to pay rebates to CMS tied to international drug prices for those products. The Final Rule added exclusions for orphan-only drugs, cellular and gene therapy products, and plasma-derived products, and delayed the start of the first performance year to April 1, 2027. CMS also noted that it intends to waive GLOBE's mandatory participation requirements for manufacturers in any calendar quarter during which they are participating in the GENEROUS Model.

Such MFN pricing agreements and other government measures that use most-favored-nation pricing targets for prescription drugs, including the use of international pricing references to set drug prices in the United States, or increased and earlier generic and biosimilar drug entry, can have a material adverse effect on our industry, including the ability to set adequate pricing for new drugs to recover research and development costs, and the ability to attract potential investors and potential buyers in the future. We cannot predict the full impact of these and other measures that may be implemented by the current administration related to drug pricing. The impact of ongoing judicial challenges against provisions of the Inflation Reduction Act as well as future legislative, executive, and administrative actions under the current presidential administration, including changes in leadership at HHS, CMS, and FDA, and new agency rules implemented by the government on us and the pharmaceutical industry as a whole is unclear. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our product candidates if approved.

Many states have proposed or enacted legislation that seeks 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. For example, a number of states are considering or have recently enacted state drug price transparency and reporting laws that could substantially increase our compliance burdens and expose us to greater liability under such state laws once we begin commercialization after obtaining regulatory approval for any of our products candidates. Such initiatives and legislation may affect the prices we may obtain or demand for any of our product candidates for which we may obtain regulatory approval.

In April 2022, CMS released a national policy for coverage of aducanumab and any future monoclonal antibodies directed against amyloid approved by the FDA with an indication for use in treating Alzheimer's disease. CMS reiterated this policy in January 2023 in connection with the accelerated approval of lecanemab. According to the two-part National Coverage Determination (NCD), Medicare will cover monoclonal antibodies that target amyloid (or plaque) for the treatment of Alzheimer's disease that receive traditional approval from the FDA under coverage with evidence development. Following full approval of lecanemab in July 2023, CMS reiterated that it would broadly cover the medication while continuing to gather data. Additionally, for drugs that the FDA has not determined to have shown a clinical benefit or that received an accelerated approval, Medicare will provide coverage in FDA or National Institutes of Health approved clinical trials. In February 2023, CMS again reiterated these policies in rejecting a petition from the Alzheimer's Association to provide wider coverage for lecanemab. In June 2023, CMS announced that Medicare will cover new Alzheimer's drugs with traditional FDA approval when a physician and clinical team participate in CMS' registry to collect evidence on how these drugs work in the real world. Current and future CMS coverage restrictions on classes of drugs that encompass our product candidates could have a material adverse impact on our ability to commercialize our product candidates, if approved, generate revenue and attain profitability. It is unclear how future CMS coverage decisions and policies will impact our business.

At the state level, legislatures have increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. A number of states are considering or have recently enacted state drug price transparency and reporting laws that could substantially increase our compliance requirements and expose us to greater liability under such state laws once we begin commercialization after obtaining regulatory approval for any of our products.

Further, the FDA has recently authorized the state of Florida to develop a program to import certain prescription drugs from Canada for a limited period 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 are unable to predict the future course of federal or state healthcare legislation or actions in the United States directed at broadening the availability of healthcare and containing or lowering the cost of healthcare. These and any further changes in the law or regulatory framework that reduce our revenue or increase our costs could also have a material and adverse effect on our business, financial condition, and results of operations.

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 if we obtain regulatory approval;
- our ability to receive or set a price that we believe is fair for our products;
- 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.

In addition, the One Big Beautiful Bill Act (OBBBA), includes provisions that will impact the United States healthcare system in various ways, including budget cuts to Medicaid and introducing new participant work and eligibility requirements for Medicaid coverage, which are expected to significantly change the administration and applicability of Medicaid coverage. The OBBBA also expanded exemptions for orphan designated drugs for Medicare drug price negotiations, which is expected to incentivize development of orphan designated drugs or increase competition for drug development in orphan diseases or conditions. Although the full impact of the OBBBA on the healthcare system and our business is uncertain, the resulting changes may increase the cost and complexity of completing clinical development of and launching any product candidates for which we may receive regulatory approval or increase our competition in the marketplace, any of which could adversely affect our business and prospects. We expect that the above healthcare reform measures and others that have been and may be adopted in the future, such as the OBBBA, may result in additional reductions in Medicare and other healthcare funding, more rigorous coverage criteria, lower reimbursement, and new payment methodologies. Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors. This could lower the price that we receive for any approved product. There may be further federal and state legislation, regulations, and other actions designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures. Any denial in coverage or reduction in reimbursement from Medicare or other government-funded programs may result in a similar denial or reduction in payments from private payors, which may prevent us from being able to generate sufficient revenue, attain profitability, or commercialize our product candidates, if approved. 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-marketing testing and other requirements.

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

We are exposed to the risk of fraud, misconduct, or other illegal activity by our employees, independent contractors, consultants, commercial partners, and vendors. Misconduct by these parties could include intentional, reckless, and negligent conduct that fails to:

- comply with the laws of the FDA, EMA, and other comparable foreign regulatory authorities;
- provide true, complete, and accurate information to the FDA, EMA, and other comparable foreign regulatory authorities;
- comply with clinical or manufacturing standards;
- comply with healthcare fraud and abuse laws in the United States and similar foreign fraudulent misconduct laws; or
- report financial information or data accurately or disclose unauthorized activities to us.

If we obtain FDA approval of any of our product candidates and begin commercializing those products in the United States, our potential exposure under such laws will increase significantly, and our costs associated with compliance with such laws are also likely to increase. In particular, research, sales, marketing, education, and other business arrangements in the healthcare industry are subject to extensive laws designed to prevent fraud, kickbacks, self-dealing, and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, educating, marketing and promotion, sales and commission, certain customer incentive programs, and other business arrangements generally. We have adopted a code of business conduct and ethics and other policies, but it is not always possible to identify and deter misconduct by employees and third parties, 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 be in compliance with such laws. 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 fail to comply with healthcare laws, we could face substantial penalties and our business, operations, and financial conditions could be adversely affected.

If we obtain FDA approval for any of our product candidates and begin commercializing those products in the United States, our operations will be subject to various federal and state fraud and abuse laws. The laws that may impact our operations include the following:

- Among other things the federal Anti-Kickback Statute prohibits persons from knowingly and willfully soliciting, receiving, offering, or paying any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, either the referral of an individual, or the purchase, lease, order, or recommendation of any good, facility, item or service for which payment may be made, in whole or in part, under a federal healthcare program, such as the Medicare and Medicaid programs. A person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. In addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act.
- Federal civil and criminal false claims laws and civil monetary penalty laws, including the False Claims Act, impose criminal and civil penalties, including through civil “qui tam” or “whistleblower” actions, against individuals or entities from knowingly presenting, or causing to be presented, claims for payment or approval from Medicare, Medicaid, or other third-party payors that are false or fraudulent or knowingly making a false statement to improperly avoid, decrease, or conceal an obligation to pay money to the federal government. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of these statutes or specific intent to violate them in order to have committed a violation.
- The federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) created new federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or 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 of 2009 (HITECH) and their respective implementing regulations, impose requirements on certain covered healthcare providers, health plans, and healthcare clearinghouses as well as their respective business associates that perform services for them that involve the use, or disclosure of, individually identifiable health information, relating to the privacy, security, and transmission of individually identifiable health information without appropriate authorization.
- The federal Physician Payment Sunshine Act, created under the ACA, and its implementing regulations, require applicable manufacturers of drugs, devices, biologicals, and medical supplies for which payment is available under Medicare, Medicaid, or the Children’s Health Insurance Program to report annually to the U.S. Department of Health and Human Services under the Open Payments Program, information related to payments and other transfers of value made to covered recipients, including physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), certain non-physician healthcare professionals (such as nurse practitioners and physician assistants, among others) and teaching hospitals, and information regarding

ownership and investment interests held by physicians (as defined by law) and their immediate family members.

- Federal consumer protection and unfair competition laws broadly regulate marketplace activities and activities that potentially harm consumers.
- Analogous state and foreign laws and regulations, such as state and foreign anti-kickback, false claims, consumer protection, and unfair competition laws may apply to pharmaceutical business practices, including but not limited to, research, distribution, sales, and marketing arrangements, as well as submitting claims involving healthcare items or services reimbursed by any third-party payer, including commercial insurers.
- State laws require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines, and the relevant compliance guidance promulgated by the federal government that otherwise restricts payments that may be made to healthcare providers and other potential referral sources.
- State laws also require drug manufacturers to file reports with states regarding pricing and marketing information, such as the tracking and reporting of gifts, compensations and other remuneration, and items of value provided to healthcare professionals and entities.
- State and foreign laws also govern the privacy and security of health information in certain circumstances, such as Washington's My Health, My Data Act, which, among other things, provides for a private right of action. Many of these laws differ from each other in significant ways and may not have the same effect, thus complicating compliance efforts.

Because of the breadth of these laws and the narrowness of the statutory exceptions and safe harbors available, it is possible that some of our business activities could, despite our efforts to comply, be subject to challenge under one or more of such laws. Efforts to ensure that our business arrangements will comply with applicable healthcare laws may involve substantial costs. It is possible that governmental and enforcement authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law interpreting applicable fraud and abuse or other healthcare laws and 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 civil, criminal, and administrative penalties, damages, disgorgement, monetary fines, possible exclusion from participation in Medicare, Medicaid, and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of our operations, any of which could adversely affect our ability to operate our business and our results of operations. In addition, the approval and commercialization of any of our product candidates outside the United States will also likely subject us to foreign equivalents of the healthcare laws mentioned above, among other foreign laws.

If we or any contract manufacturers and suppliers we engage fail to comply with environmental, health, and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on our business.

We and any contract manufacturers and suppliers we engage are subject to numerous federal, state, and local environmental, health, and safety laws, regulations, and permitting requirements, including those governing laboratory procedures; the generation, handling, use, storage, treatment, and disposal of hazardous and regulated materials and wastes; the emission and discharge of hazardous materials into the ground, air, and water; and employee health and safety. Our operations involve the use of hazardous and flammable materials, including chemicals and biological and radioactive materials. Our operations also produce hazardous waste. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. Under certain environmental laws, we could be held responsible for costs relating to any contamination at our current or past facilities and at third-party facilities. We also could incur significant costs associated with civil or criminal fines and penalties.

Compliance with applicable environmental laws and regulations may be expensive, and current or future environmental laws and regulations may impair our research, product development, and manufacturing efforts. In addition, we cannot entirely eliminate the risk of accidental injury or contamination from these materials or wastes. Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of hazardous materials, this insurance may not provide adequate coverage against potential liabilities. We do not carry specific biological or hazardous waste insurance coverage, and our property, casualty, and general liability insurance policies specifically exclude coverage for damages and fines arising from biological or hazardous waste exposure or contamination. Accordingly, in the event of contamination or injury, we could be held liable for damages or be penalized

with fines in an amount exceeding our resources, and our clinical trials or regulatory approvals could be suspended, which could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Our business is subject to complex and evolving U.S. and foreign laws and regulations relating to security, privacy and data protection. These laws and regulations are subject to change and uncertain interpretation, and could result in claims, changes to our business practices, or monetary penalties, and otherwise may harm our business.

A wide variety of state, national, and international laws and regulations apply to security and cybersecurity requirements and the collection, use, retention, protection, disclosure, transfer, and other processing of personal data, including the data obtained in our clinical trials. These laws and regulations include the General Data Protection Regulation (GDPR) in the European Union and similar requirements in other jurisdictions, as well as privacy laws and regulations within the United States. These laws and regulations are evolving and may result in ever-increasing regulatory and public scrutiny and escalating levels of enforcement and sanctions. We are continually working to comply with these laws and regulations, and we have devoted, and anticipate needing to continue to devote, significant additional resources to our compliance efforts. It is possible that new legislation, regulations, or other government action may impose, or purport to impose, new or modified obligations and requirements on us and similarly situated companies, and these laws or regulations may be interpreted and applied in a manner that is inconsistent from jurisdiction to jurisdiction, that can result in new or modified compliance obligations or that may be inconsistent with our policies and practices. Our actual or perceived failure to adequately comply with applicable laws, regulations, or other actual or asserted obligations relating to security, privacy, and data protection, to protect our systems, personal data, and other data we process or maintain, or to obtain appropriate consent with respect to our use, processing, disclosure or transfer of personal data, including data obtained in our clinical trials, could result in regulatory fines, investigations and enforcement actions, penalties and other liabilities, claims for damages by affected individuals, and damage to our reputation, and could impact our ability to use, disclose, transfer, or otherwise process data obtained in our clinical trials, any of which could materially affect our business, financial condition, results of operations, and prospects.

Changes or reductions in the FDA's or other government agencies' management and personnel, or changes in such agencies' funding, could impact their ability to hire and retain key leadership and other personnel, impact the timing for development or commercialization of new products and services, or otherwise impact those agencies' performance of historically typical 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, agency reorganizations, 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 and may increase due to recent reductions in FDA staffing. In addition, government funding of 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. Changes at the FDA and other agencies 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. Changes in the leadership at federal agencies under the current presidential administration, as well as executive orders and actions, such as staffing cuts, hiring freezes, regulatory freeze pending review by the new administration, and a freeze on external communications and federal funding, may also impact our clinical development and business operations and that of our partners or collaborators. The U.S. government has experienced budgetary shutdowns and certain regulatory agencies, such as the FDA, have had to furlough critical FDA and other government employees and stop critical activities. In the event of a prolonged government shutdown, or if regulatory agencies continue to experience workforce reductions, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Further, in our operations as a public company, future government shutdowns could impact our ability to access the public markets and obtain necessary capital in order to properly capitalize and continue our operations.

Our business activities may be subject to the Foreign Corrupt Practices Act (FCPA), similar anti-bribery and anti-corruption laws, and other regulations.

Our business activities may be subject to the FCPA and similar anti-bribery or anti-corruption laws, regulations, or rules of other countries in which we operate, including the U.K. Bribery Act. The FCPA generally prohibits offering, promising, giving, or authorizing others to give anything of value, either directly or indirectly, to a non-U.S. government official in order to influence official action, or otherwise obtain or retain business. The FCPA also requires public companies to make and keep books and records that accurately and fairly reflect the transactions of the corporation and to devise and maintain an adequate system of internal accounting controls. Our business is heavily regulated and therefore involves significant interaction with public officials, including officials of non-U.S. governments. Additionally, in many other countries, the healthcare providers who engage in our clinical trials or prescribe pharmaceuticals are employed by their

government, and the purchasers of pharmaceuticals are government entities; therefore, our dealings with these investigators, prescribers and purchasers are subject to regulation under the FCPA.

In the past, the SEC and Department of Justice undertook significant FCPA enforcement activities with respect to biotechnology and pharmaceutical companies. There is no certainty that all of our employees, agents, contractors, or collaborators, or those of our affiliates, will comply with all applicable laws and regulations, particularly given the high level of complexity of these laws. Violations of these laws and regulations could result in fines, criminal sanctions against us, our officers, or our employees, the closing down of our facilities, requirements to obtain export licenses, cessation of business activities in sanctioned countries, implementation of compliance programs, and prohibitions on the conduct of our business. Any such violations could include prohibitions on our ability to offer our products in one or more countries and could materially damage our reputation, our brand, our international expansion efforts, our ability to attract and retain employees, and our business, prospects, operating results, and financial condition.

Risks Related to Our Reliance on Third Parties

We expect to depend on partnerships with third parties, including collaborations and licenses, for the research, development, and commercialization of certain of the product candidates we may develop. If any such partnerships are not successful, we may not be able to realize the market potential of those product candidates.

We have contracted with, and in the future may contract with, third parties, including collaborators and licensees, for the research, development, and commercialization of certain product candidates we may develop, and those partnerships may not be successful. On July 6, 2026, GSK provided written notice to the Company terminating the GSK Agreement, following the discontinuation of the development of latozinemab and nivisnebart based on the results of the INFRONT-3 Phase 3 clinical trial and the PROGRESS-AD Phase 2 interim analysis for those product candidates, respectively. Adimab can terminate its agreement with us in the event of our uncured material breaches, and subject to certain notice requirements. In January 2025, AbbVie decided to terminate the AbbVie Agreement based on the results of the INVOKE-2 Phase 2 clinical trial. In September 2026, we entered into the Genentech License Agreement, under which Genentech is solely responsible for the development, regulatory, manufacturing, and commercialization activities for our AL050 program. Genentech may terminate the Genentech License Agreement in the event of our uncured material breach or for convenience upon prior written notice. In the event that any of our partnerships terminate, we may not be able to find a suitable alternative partner or partners, or we may need to obtain and expend additional and unanticipated capital to maintain our current development programs.

Our likely partners for any other partnering arrangements include large and mid-sized pharmaceutical companies, regional and national pharmaceutical companies, biotechnology companies, and academic institutions. Such arrangements with any third parties generally provide us with shared or limited control over the amount and timing of resources that our partners dedicate to the development or potential commercialization of any product candidates we may seek to develop with them. Our ability to generate revenue from these arrangements with commercial entities will depend on our partners' abilities to successfully perform the functions assigned to them in these arrangements. We cannot predict the success of our current or any future partnerships.

Partnerships involving our research or preclinical programs, or any product candidates we may develop, pose risks to us, including the following:

- partners generally have significant discretion in determining the efforts and resources that they will apply to partnerships;
- partners may decide to delay or not pursue development and commercialization of any product candidates we develop or may elect not to continue or renew development or commercialization programs, for example, based on clinical trial results, changes in the partner's strategic focus or available funding, the partner's assessment regarding the commercial viability of the product candidate, external factors such as an acquisition that diverts resources or creates competing priorities, or the partner's deciding to fund or commercialize a competing product;
- partners may delay clinical trials, provide insufficient funding for a clinical trial program, provide insufficient quantities of materials 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;

- partnerships may be terminated in their entirety or with respect to certain product candidates or technologies and, if so terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable product candidates or technologies;
- partners may not properly obtain, maintain, enforce, or defend intellectual property or proprietary rights relating to our product candidates or research programs or may use our proprietary information in such a way as to expose us to potential litigation or other intellectual property related proceedings, including proceedings challenging the scope, ownership, validity, and enforceability of our intellectual property;
- partners may own or co-own intellectual property covering our product candidates or research and development programs, including intellectual property that arises from the partnership, and in such cases, we may not have the exclusive right to commercialize such intellectual property or such product candidates or research programs;
- we may need the cooperation of our partners to enforce or defend any intellectual property we contribute to or that arises out of our partnerships, which may not be provided to us, or our partners may have the right to enforce or defend such intellectual property, which they may choose not to do;
- partners may control certain interactions with regulatory authorities, which may impact our ability to obtain and maintain regulatory approval of our product candidates;
- disputes may arise between the partners and us that result in the delay or termination of the research, development, or commercialization of our product candidates or research programs or that result in costly litigation or arbitration that diverts management attention and resources;
- partners could independently develop, or develop with third parties, products that compete directly or indirectly with our product candidates or research programs if the partners believe that competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than ours;
- partners may restrict us from researching, developing, or commercializing certain products or technologies without their involvement or at all;
- partners with manufacturing, marketing, or distribution rights to one or more product candidates may not commit sufficient resources to the manufacture, marketing, or distribution of such product candidates;
- we may lose certain valuable rights under circumstances identified in our partnerships, including if we undergo a change of control;
- 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 pursue the partnership in a direction that is not in our best interest;
- 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 partner relating to our products, product candidates, or research programs;
- significant reductions in federal funding, such as research grants, to academic and other institutions may result in reduced opportunities to partner with such institutions;
- key personnel of our partners may leave, which could negatively impact our ability to productively work with such partners;
- 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 partners do not satisfy their obligations under our agreements with them, if they terminate the partnership, or if we fail to satisfy our obligations to our partners, we may not be able to develop or commercialize product candidates as planned;
- the terms of a partnership agreement may be amended in a manner that could negatively impact us;

- partnerships 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 partnership or our ability to share in revenue generated under the partnership;
- partnership agreements may not lead to development or commercialization of product candidates in the most efficient manner or at all; and
- if a present or future partner of ours were to be involved in a business combination, such as a merger or acquisition, the continued pursuit and emphasis on our development or commercialization program under such partnership could be delayed, diminished, or terminated.

For example, AbbVie, after reviewing the CD33 collaboration program with us, decided to terminate the CD33 collaboration program, under which AL003 was being developed. AbbVie later decided to terminate the TREM2 collaboration program, under which AL002 was being developed, resulting in termination of the AbbVie Agreement. Prior to its discontinuation for futility, the PROGRESS-AD Phase 2 trial with nivisnebart was being conducted by GSK and GSK is winding down the study. As of September 30, 2026, we have funded $140.5 million of the costs of the study, which represents the full amount of our funding and cost sharing obligation. As such, the timing at which the costs of winding down the study are outside of our control. In addition, under the Genentech License Agreement, Genentech controls the development, regulatory, manufacturing, and commercialization of AL050, and we will have limited or no ability to influence the amount and timing of resources Genentech dedicates to the program. Under the Genentech License Agreement, we are also restricted for a specified period from exploiting certain compounds and products that contain or target GCase, which will limit our ability to pursue opportunities in this area.

We may face significant competition in seeking appropriate partnerships. For example, business combinations among biotechnology and pharmaceutical companies have resulted in a reduced number of potential partners. In addition, the negotiation process is time-consuming and complex, and we may not be able to negotiate partnerships on a timely basis, on acceptable terms, or at all. If we are unable to do so, we may have to curtail the development of the product candidate for which we are seeking a partnership, reduce or delay its development program or 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 increase our expenditures to fund development or commercialization activities on our own, we may need to obtain additional capital, which may not be available to us on acceptable terms or at all. If we do not have sufficient funds, we may not be able to further develop product candidates or bring them to market and generate revenue.

We may not realize the benefit of a partnership if we or our partner are unable to successfully develop a product candidate and commercialize it upon approval or integrate a product candidate into existing operations and company culture. For example, in January 2025, AbbVie decided to terminate the TREM2 collaboration program, which resulted in termination of the AbbVie Agreement, after the INVOKE-2 Phase 2 clinical trial evaluating the safety and efficacy of AL002 in slowing disease progression in individuals with early AD failed to meet the primary endpoint. Therefore, we did not receive a $250.0 million milestone payment for AbbVie’s opting into the AL002 program or any future payments, and all rights to the TREM2 program have reverted back to us. In October 2025, we announced that latozinemab failed to meet the clinical co-primary endpoint in the INFRONT-3 Phase 3 clinical trial. As a result, we will not be seeking approval for and commercializing latozinemab in FTD-*GRN*, and certain milestone payments ($160 million for the first US commercial sale and $90 million for the first commercial sale in two or more EU countries) will not be achieved. On July 6, 2026, GSK provided written notice to the Company terminating the GSK Agreement. Therefore we will not receive up to an additional $1.5 billion in clinical development, regulatory, and commercial launch-related milestone payments, an equal share of profits and losses in the United States, and tiered royalties outside the United States, as we had been eligible for under that agreement.

Under the Genentech License Agreement, we are eligible to receive up to $1.17 billion in development, regulatory, and commercial milestone payments, as well as tiered royalties ranging from single-digit to double-digit percentages on net sales. Our receipt of any of these payments depends entirely on Genentech's successful development and commercialization of AL050, and we may not receive any milestone payments or royalties. If Genentech terminates the Genentech License Agreement, we may not receive any milestones or royalties. In addition, under the Spur Agreement, we are obligated to pay Spur a percentage in the teens of milestone and other non-royalty payments, and a percentage of royalties, that we receive under the Genentech License Agreement, which will reduce the net amount of any such payments that we retain.

In addition, if our agreement with any of our partners terminates, our access to technology and intellectual property licensed to us by that partner may be restricted or terminate entirely, which may delay our continued development of our product candidates utilizing the partner’s technology or intellectual property or require us to stop development of those product candidates completely. For example, if Genentech terminates the Genentech License Agreement, then certain patents

and other intellectual property and assets related to AL050 would revert to us, while our access to certain technology and intellectual property developed by Genentech under the Genentech License Agreement would be subject to negotiation with Genentech, which may not be adequate for our further development of AL050. We may also find it more difficult to find a suitable replacement partner or attract new partners, and our development programs may be delayed or the perception of us in the business and financial communities could be adversely affected. Many of the risks relating to product development, regulatory approval, and commercialization described in this "Risk Factors" section also apply to the activities of our partners, and any negative impact on our partners may adversely affect us.

We expect to rely on third parties to conduct our clinical trials and some aspects of our research and preclinical testing, and those third parties may not perform satisfactorily, including failing to meet deadlines for the completion of such trials, research, or testing.

We currently rely and expect to continue to rely on third parties, such as laboratory service providers and other vendors, CROs, clinical data management organizations, medical institutions, and clinical investigators, to conduct some aspects of our research and preclinical testing and our clinical trials. Any of these third parties may terminate their engagements with us or be unable to fulfill their contractual obligations. If we need to enter into alternative arrangements, it would delay our research, preclinical and clinical development activities.

Our reliance on these third parties for research and development activities reduces our control over these activities but does not relieve us of our responsibilities. For example, we remain responsible for ensuring that each of our clinical trials is conducted in accordance with the general investigational plan and protocols for the trial. For example, if our CROs or clinical sites deviate from the clinical protocol or cGCPs, then such deviations could have serious negative impacts on our trials, including exclusion of patients or sites from our trials, which could put patients at risk or make assessment of the clinical endpoints infeasible or inconclusive. Moreover, the FDA requires us to comply with cGCPs for conducting, recording, and reporting the results of clinical trials to assure that data and reported results are credible, reproducible, and accurate and that the rights, integrity, and confidentiality of trial participants are protected. We also are required to register ongoing clinical trials and post the results of completed clinical trials on government-sponsored databases within certain timeframes. We may also be exposed to additional liabilities if our contracted third parties engage in activities associated with improper use of information obtained in the course of patient recruitment for our clinical trials, cGCP noncompliance or noncompliance under applicable privacy laws, which could result in regulatory sanctions and cause serious harm to our reputation and business operations. Failure to do so can result in fines, adverse publicity, and civil and criminal sanctions.

If these third parties do not successfully carry out their contractual duties, meet expected deadlines, or comply with regulatory requirements or our stated protocols, we will not be able to obtain, or may be delayed in obtaining, data to advance development of any of our product candidates or to achieve marketing approvals for any of our product candidates and we will not be able to, or may be delayed in our efforts to, successfully commercialize our medicines.

We also expect to rely on other third parties to store and distribute drug supplies for our clinical trials. Any performance failure on the part of our distributors, including with the shipment of any drug supplies, could delay clinical development or marketing approval of any product candidates we may develop or commercialization of our medicines, producing additional losses and depriving us of potential revenue.

We contract with third parties for the manufacture of materials for our research programs, preclinical studies, clinical trials, and for commercialization of any product candidates that we may develop. Additionally, current and potential partners, currently have or may in the future have certain product manufacturing rights under their respective agreements. This reliance on third parties carries and may increase the risk that we will not have sufficient quantities of such materials, product candidates, or any medicines that we may develop and commercialize, or that such supply will not be available to us at an acceptable cost, which could delay, prevent, or impair our development or commercialization efforts.

We do not have any manufacturing facilities. We currently rely on CDMOs for the manufacture of our materials for research, preclinical studies and clinical trials and expect to continue to do so for research, preclinical studies, clinical trials, and for commercial supply of any product candidates that we may develop. We currently have established relationships with several CDMOs for the manufacture of each of our product candidates. We may be unable to establish any further agreements with CDMOs or to do so on acceptable terms. Even if we are able to establish agreements with third-party manufacturers, reliance on CDMOs entails additional risks, including:

- the possible breach of the manufacturing agreement by the third party;
- the possible termination or nonrenewal of the agreement by the third party at a time that is costly or inconvenient for us;

- the possible site closure or other change by the third party that would require adjustments to our production processes, location or otherwise;
- reliance on the third party for regulatory compliance, quality assurance, safety, and pharmacovigilance and related reporting; and
- the inability to produce required volume in a timely manner and to quality standards.

Third-party manufacturers may not be able to comply with cGMP regulations or similar regulatory requirements outside the United States. Our failure, or the failure of our CDMOs or collaboration partners, to comply with applicable regulations could result in clinical holds on our trials, sanctions being imposed on us, including fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocations, seizures, or recalls of product candidates or medicines, operating restrictions, and criminal prosecutions, any of which could significantly and adversely affect supplies of our medicines and harm our business, financial condition, results of operations, and prospects.

Any medicines that we may develop may compete with other product candidates and products for access to manufacturing facilities. There are a limited number of manufacturers that operate under cGMP regulations and that might be capable of manufacturing for us.

Any performance failure on the part of our existing or future third-party manufacturers could delay clinical development or marketing approval. If any one of our current contract manufacturers cannot perform as agreed, we may be required to replace that manufacturer and may incur added costs and delays in identifying and qualifying any such replacement. Furthermore, securing and reserving production capacity with contract manufacturers may result in significant costs.

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

We, and the CDMO partners on which we rely, depend on third-party suppliers for key raw materials used in our manufacturing processes, and the loss of these third-party suppliers or their inability to supply us with adequate raw materials, could harm our business.

We and the CDMO partners on which we rely depend on third-party suppliers for the supply of the raw materials required for the production of our product candidates, and we expect to continue to depend on third-party manufacturers for the commercial supply of any of our product candidates for which we obtain marketing approval. Their dependence on these third-party suppliers and the challenges faced in obtaining adequate supplies of raw materials involve several risks, including supply chain issues caused by the effects of worldwide economic conditions, including pandemics and other public health outbreaks, national security concerns, export or import restrictions, trade tariffs, or other geopolitical events, limited control over pricing, the availability of such materials, the quality of such materials, and delivery schedules. To the extent our business relies on customers, vendors, or suppliers in countries where the U.S. government has imposed any of these or other trade restrictions, our business may experience a material adverse effect. As a small company, our negotiation leverage is limited, and we are likely to get lower priority than our competitors who are larger than we are. We do not have long-term supply agreements, and we purchase our required drug product on a development manufacturing services agreement or purchase order basis. We cannot be certain that suppliers will continue to provide the quantities of these raw materials that are required or satisfy the anticipated specifications and quality requirements. Any supply interruption in limited or sole sourced raw materials, including those caused by the effects of worldwide economic conditions including pandemics and other public health outbreaks, geopolitical events, export or import restrictions, or trade tariffs, could materially harm our ability to manufacture our product candidates until a new source of supply, if any, can be identified and qualified. In such an event, we may be unable to find a sufficient alternative supply channel in a reasonable time or on commercially reasonable terms. Any performance failure on the part of the suppliers could delay the development and potential commercialization of

our product candidates, including limiting supplies necessary for clinical trials and regulatory approvals, which would have a material adverse effect on our business.

Risks Related to Our Intellectual Property

If we are unable to obtain and maintain patent protection for any product candidates we develop, our competitors could develop and commercialize products similar or identical to ours, and our ability to successfully commercialize any product candidates we may develop may be adversely affected.

Our success depends in large part on our ability to obtain and maintain patent protection in the United States and other countries with respect to our proprietary product candidates and other technologies we may develop. We seek to protect our proprietary position by filing patent applications in the United States and abroad relating to our core programs and product candidates, as well as other technologies, including our ABC platform, that are important to our business. As our product candidates enter and progress through clinical development, we continue to pursue intellectual property protection with respect to certain aspects of those product candidates. For example, we have filed or intend to file patent applications on aspects of our technology and core product candidates; however, there can be no assurance that any such patent applications will issue as granted patents. Furthermore, in cases in which we have only filed provisional patent applications on certain aspects of our technology and product candidates, each of those provisional patent applications is not eligible to become an issued patent until, among other things, we file a non-provisional patent application or an international (PCT) patent application within 12 months of the filing date of the applicable provisional patent application. Any failure to file a non-provisional patent application within this timeline could cause us to lose the ability to obtain patent protection for the inventions disclosed in the associated provisional patent applications.

Furthermore, in some cases, we may not be able to obtain issued claims covering compositions relating to our core programs and product candidates, as well as other technologies that are important to our business, and instead may need to rely on filing patent applications with claims covering a method of use and/or method of manufacture for protection of such core programs, product candidates, and other technologies. There can be no assurance that any such patent applications will issue as granted patents, and even if they do issue, such patent claims may be insufficient to prevent third parties, such as our competitors, from utilizing our technology. Moreover, if we decide to abandon certain patent applications or cease maintaining issued patents relating to programs or product candidates that are no longer important to our business, there is a risk that our interest in such programs or product candidates may resume at a future time, e.g., due to new information available to us or in the field, and our intellectual property rights with respect to those programs or product candidates may be weakened due to the abandonment of or failure to maintain such patent applications and patents, respectively. Any failure to obtain or maintain patent protection with respect to our core programs and product candidates could have a material adverse effect on our business, financial condition, results of operations, and prospects.

If any of our patent applications, or those of our collaborators, do not issue as patents in any jurisdiction, we may not be able to compete effectively.

Changes in either the patent laws or their interpretation in the United States and other countries may diminish our ability to protect our inventions, obtain, maintain, and enforce our intellectual property rights and, more generally, could affect the value of our intellectual property or narrow the scope of our patents or those of our collaborators with respect to our product candidates. With respect to both our intellectual property and that of our collaborators related to our product candidates, we cannot predict whether the patent applications we and our collaborators are currently pursuing will issue as patents in any particular jurisdiction or whether the claims of any issued patents will provide sufficient protection from competitors or other third parties.

The patent prosecution process is expensive, time-consuming, and complex, and we or our collaborators may not be able to file, prosecute, maintain, enforce, or license all necessary or desirable patent applications at a reasonable cost or in a timely manner. It is also possible that we will fail to identify patentable aspects of our research and development output in time to obtain patent protection. Although we enter into nondisclosure and confidentiality agreements with parties who have access to confidential or patentable aspects of our research and development output, such as our employees, corporate collaborators, outside scientific collaborators, CROs, CDMOs, consultants, advisors, and other third parties, any of these parties may breach the agreements and disclose such output before a patent application is filed, thereby jeopardizing our ability to seek patent protection. In addition, our ability to obtain and maintain valid and enforceable patents depends on whether the differences between our inventions and the prior art allow our inventions to be patentable over the prior art. Furthermore, publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we or our collaborators were first to file for patent protection of such inventions.

If the scope of any patent protection we obtain is not sufficiently broad, or if we lose any of our patent protection, our ability to prevent our competitors from commercializing similar or identical technology and product candidates would be adversely affected.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions, and has been the subject of much litigation in recent years. As a result, the issuance, scope, validity, enforceability, and commercial value of our patent rights are highly uncertain. Our or our collaborators' pending and future patent applications may not result in patents being issued which protect our product candidates or other technologies or which effectively prevent others from commercializing competitive technologies and product candidates.

Moreover, the coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. Even if patent applications we or our collaborators license or own currently or in the future issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors or other third parties from competing with us, or otherwise provide us with any competitive advantage. Any patents to which we or our collaborators have rights may be challenged, narrowed, circumvented, or invalidated by third parties. Consequently, we do not know whether product candidates or other technologies will be protectable or remain protected by valid and enforceable patents. Our competitors or other third parties may be able to circumvent our patents by developing similar or alternative technologies or products in a non-infringing manner which could materially adversely affect our business, financial condition, results of operations and prospects.

The issuance of a patent is not conclusive as to its inventorship, scope, validity, or enforceability, and our patents may be challenged in the courts or patent offices in the United States and abroad. We or our collaborators may be subject to a third-party pre-issuance submission of prior art to the United States Patent and Trademark Office (USPTO) or foreign patent offices or become involved in opposition, derivation, revocation, reexamination, post-grant and *inter partes* review, inventorship dispute, or interference proceedings or other similar proceedings challenging our or our collaborators' patent rights. An adverse determination in any such submission, proceeding, or litigation could reduce the scope of, or invalidate or render unenforceable, such patent rights, allow third parties to commercialize our product candidates or other technologies and compete directly with us, without payment to us. Moreover, we, or any one of our collaborators, may have to participate in post-grant challenge proceedings, such as oppositions in a foreign patent office, in which a third party challenges the features of patentability with respect to our or our collaborators' patents and patent applications. Such challenges may result in loss of patent rights, loss of exclusivity, or in patent claims being narrowed, invalidated, or held unenforceable, which could limit our ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection for our product candidates and other technologies. Such proceedings also may result in substantial cost and require significant time from our scientists and management, even if the eventual outcome is favorable to us. If we or our collaborators are unsuccessful in any such proceeding or other inventorship dispute, we may be required to obtain and maintain licenses from third parties. Such licenses may not be available on commercially reasonable terms or at all, or may be non-exclusive. If we are unable to obtain and maintain such licenses, we may need to cease the development, manufacture, and commercialization of one or more of the product candidates we may develop. The loss of exclusivity or the narrowing of our owned and licensed patent claims could limit our ability to stop others from using or commercializing similar or identical technology and products.

In addition, given the amount of time required for the development, testing, and regulatory review of new product candidates, patents protecting such product candidates might expire before or shortly after such product candidates are commercialized. As a result, our intellectual property may not provide us with rights to exclude others for a sufficient period of time from commercializing products similar or identical to ours.

Some of our patents and patent applications may be co-owned with third parties or assigned to partners. In addition, collaborators, licensees, or future licensors may co-own their patents and patent applications with other third parties with whom we do not have a direct relationship. Our rights to certain of these patents and patent applications may be dependent, in part, on inter-institutional or other operating agreements between the joint owners of such patents and patent applications, who are not parties to our license agreements. If our collaborators, licensees, or future licensors do not have exclusive control of the grant of licenses under any such third-party co-owners' interest in such patents or patent applications or we are otherwise unable to secure such exclusive rights, 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 to the extent such products and technology are not also covered by our intellectual property. In addition, we may need the cooperation of any such co-owners of our patents in order 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, financial conditions, results of operations, and prospects.

Our rights to develop and commercialize are subject, in part, to the terms and conditions of agreements with others, including terms and conditions regarding intellectual property rights.

We may rely on certain patent rights and proprietary technology from third parties that are important or necessary to the development of our product candidates, and development and commercialization of our product candidates may be subject to the terms and conditions of collaboration or other agreements with third parties. Such agreements may not provide exclusive rights to use certain intellectual property and technology retained by the collaborator in all relevant fields of use and in all territories in which we may wish to develop or commercialize our technology and products in the future. For example, our license under the Spur Agreement to certain patents related to its engineered GCase (Spur Patents) is non-exclusive, and Spur may license the Spur Patents to third parties, including our competitors or competitors of Genentech. As a result, we may not be able to prevent competitors or other third parties from developing and commercializing competitive products that utilize technology retained by such collaborators to the extent such products are not also covered by our intellectual property. In addition, subject to the terms of any such agreements, we may not have the right to control the preparation, filing, prosecution, and maintenance, and we may not have the right to control the enforcement and defense of certain patents and patent applications relating to or affecting our development candidates.

We cannot be certain that patents and patent applications as to which preparation, filing, prosecution, maintenance, enforcement, or defense are controlled by our collaborators or licensees will be prepared, filed, prosecuted, maintained, enforced, and defended in a manner consistent with the best interests of our business. Patents and patent applications controlled by our collaborators or licensees may include patents and patent applications owned by us and exclusively licensed to such collaborator or licensee, or patents and patent applications assigned by us to such collaborator or licensee, such as Genentech. If our collaborators fail to prosecute, maintain, enforce, and defend such patents, or lose rights to those patents or patent applications, our rights to such patents may be reduced or eliminated, our right to develop and commercialize any of our product candidates that are the subject of such rights could be adversely affected, and we may have a reduced ability to prevent competitors from making, using, and selling competing products. In addition, even where we have the right to control prosecution of patent applications we have licensed to and from collaborators, licensees or licensors, as applicable, we may still be adversely affected or prejudiced by actions or inactions of such collaborators, licensees or licensors that took place prior to the date upon which we assumed control of patent prosecution.

Furthermore, our patents or the patents of our collaborators, licensees, or licensors may be subject to a reservation of rights by one or more third parties. For example, we received an award from the National Institute of Health in support of our research into the production and characterization of novel therapeutic antibodies against the neurotrophic factor PGRN degrading receptor SORT1, which led to the development of latozinemab and nivisnebart. As a result, the U.S. government may have certain rights to resulting intellectual property. When new technologies are developed with U.S. government funding, the U.S. government generally obtains certain rights in any resulting patents, including a non-exclusive license authorizing the U.S. government to use the invention or to have others use the invention on its behalf. The U.S. government's rights may also permit it to disclose the funded inventions and technology to third parties and to exercise march-in rights to use or allow third parties to use the technology developed using U.S. government funding. The U.S. government may exercise its march-in rights if it determines that action is necessary because we fail to achieve the practical application of the government funded technology, or because action is necessary to alleviate health or safety needs, to meet requirements for public use under 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 facilities in the United States in certain circumstances and if the U.S. government does not waive this requirement. Any exercise by the U.S. government of its rights, including denial of a request for a waiver of the above requirements to manufacture certain products in facilities in the United States, or by any third party of its reserved rights, could have a material adverse effect on our competitive position, business, financial condition, results of operations, and prospects, including our plans and timing for potential commercialization.

Moreover, the government may implement new policies and guidelines that impose certain risks on our intellectual property. On July 28, 2023, President Biden issued an Executive Order that emphasized a preference for domestic manufacturing for subject inventions under the Bayh Dole Act (Bayh Dole). On December 7, 2023, the National Institutes of Science and Technology (NIST) published a draft framework for expanding the use of the government's march-in rights under Bayh Dole. In August 2025, the U.S. Department of Commerce under the Trump administration initiated a comprehensive review of Harvard University's federally funded research programs and expressly reserved the government's right to exercise its march-in authority with respect to Harvard's patent portfolio. If the U.S. government exercises its march-in rights for any of our subject inventions under its policy, this action could have a material adverse effect on our competitive position, business, financial condition, results of operations, and prospects, including our plans and timing for potential commercialization.

If we fail to comply with our obligations in the agreements under which we option or license intellectual property rights from our collaborators or current or future licensors or otherwise experience disruptions to our business relationships with our collaborators or current or future licensors, we could lose intellectual property rights that are important to our business.

We have entered into agreements with our collaborators and with our licensor, Spur Therapeutics Limited, to option or license certain intellectual property, and we may need to obtain additional intellectual property rights from others to advance our research or allow commercialization of product candidates we may develop. It is possible that we may be unable to obtain additional intellectual property rights at a reasonable cost or on reasonable terms, if at all. In that event, we may be required to expend significant time and resources to redesign our technology, product candidates, or the methods for manufacturing them or to develop or license replacement technology, all of which may not be feasible on a technical or commercial basis. If we are unable to do so, we may be unable to develop or commercialize the affected product candidates, which could harm our business, financial condition, results of operations, and prospects significantly. We cannot provide any assurances that third-party patents do not exist which might be enforced against our current technology, manufacturing methods, product candidates, or future methods or products resulting in either an injunction prohibiting our manufacture or future sales, or, with respect to our future sales, an obligation on our part to pay royalties and/or other forms of compensation to third parties, which could be significant.

In addition, each of our agreements with collaborators and licensors do, and we expect our future agreements will, impose various economic, development, diligence, commercialization, and other obligations on us. For example, in September 2026, we exercised our option under the Spur Agreement to obtain a license under the Spur Patents, which we have sublicensed to Genentech under the Genentech License Agreement. The Spur Agreement imposes payment and other obligations on us, and Spur may terminate the Spur Agreement upon certain challenges to the Spur Patents. Any termination of the Spur Agreement could adversely affect the Genentech License Agreement and our ability to receive payments under it. Certain of our collaboration agreements may require us to meet development timelines, or to exercise commercially reasonable efforts to develop and commercialize licensed products. In spite of our efforts, our collaborators and licensors might conclude that we have materially breached our obligations under such agreements and might therefore terminate or seek damages under the agreements, thereby removing or limiting our ability to develop and commercialize products and technology covered by these agreements. If termination of these agreements causes us to lose the rights to certain patents or other intellectual property, or if the underlying patents fail to provide the intended exclusivity, competitors or other third parties may have the freedom to seek regulatory approval of, and to market, products similar to or identical to ours and we may be required to cease our development and commercialization of certain of our product candidates. Any of the foregoing could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and growth prospects.

Moreover, disputes may arise regarding intellectual property subject to a collaboration or licensing agreement, including:

- the scope of the option or license rights granted under the agreement and other interpretation-related issues;
- the extent to which our technology and processes infringe on intellectual property of the collaborator or licensor that is not subject to the option or license rights granted under the agreement;
- the sublicensing of patent and other rights under our collaborative development relationships;
- our diligence obligations under the agreement and what activities satisfy those diligence obligations; and
- the inventorship and ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our collaborators and us and our other partners.

In addition, the agreements under which we currently have rights to option or license intellectual property or technology from 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 effect on our business, financial condition, results of operations, and growth prospects. Moreover, if disputes over intellectual property that we have optioned or licensed prevent or impair our ability to maintain our current arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected product candidates, which could have a material adverse effect on our business, financial conditions, results of operations, and growth prospects.

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

Filing, prosecuting, and defending patents on our product candidates and other technologies in all countries throughout the world would be prohibitively expensive, and the laws of foreign countries may not protect our rights to the same extent as the laws of 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 or 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 products, and our patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

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 intellectual property and proprietary rights generally. Proceedings to enforce our intellectual property and proprietary 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, could put our patent applications at risk of not issuing, and could provoke third parties to assert counterclaims 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 and proprietary rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

Many countries have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, many countries limit the enforceability of patents against government agencies or government contractors. In these countries, the patent owner may have limited remedies, which could materially diminish the value of such patents. If we, our collaborators, or any of our future licensors is forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position may be impaired, and our business, financial condition, results of operations, and prospects may be adversely affected.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment, and other requirements imposed by government 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 government fees on patents and applications will be due to the USPTO and various government patent agencies outside of the United States over the lifetime of our owned or licensed patents and applications. In certain circumstances, we rely on our collaborators or licensing partners to pay these fees due to U.S. and non-U.S. patent agencies. The USPTO and various non-U.S. government agencies require compliance with several procedural, documentary, fee payment, and other similar provisions during the patent application process. We also are dependent on our collaborators or licensors to take the necessary action to comply with these requirements with respect to our licensed intellectual property. In some cases, an inadvertent lapse can be cured by payment of a late fee or by other means in accordance with the applicable rules. There are situations, however, in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in a partial or complete loss of patent rights in the relevant jurisdiction. In such an event, potential competitors might be able to enter the market with similar or identical products or technology, which could have a material adverse effect on our business, financial condition, results of operations, and growth prospects.

The ongoing conflict between Russia and Ukraine, including the sanctions targeting Russia, could interfere with filing of patent applications, prosecution of applications, and maintenance of issued patents in Russia, Ukraine, and via the Eurasian Patent Office. For example, the conflict and sanctions could interfere with payment of filing fees, extension fees, and annuities. The conflict and sanctions could also interfere with enforcement or defense of patents issued in Russia, Ukraine, and via the Eurasian Patent Office. Similarly, the ongoing conflicts in the Middle East could interfere with our ability to prosecute, maintain, enforce and defend patents in Israel. These conflicts and associated sanctions could therefore increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of any future issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Changes in U.S. patent law could diminish the value of patents in general, thereby impairing our ability to protect our products.

Changes in either the patent laws or interpretation of the patent laws in the United States could increase the uncertainties and costs surrounding the prosecution of patent applications and the enforcement or defense of issued patents. For example, under the Leahy-Smith America Invents Act (the America Invents Act), the first inventor to file a patent application in the United States is entitled to the patent on an invention regardless of whether another party was the first to invent the claimed invention. Therefore, a third party that filed a patent application in the USPTO after March 2013, but before us, could be awarded a patent covering an invention of ours even if we had made the invention before it was made by such third party. This possibility requires us to be cognizant of the time from invention to the time of filing a patent application. Because patent applications in the United States and most other countries are confidential for a period of time after filing or until issuance, we cannot be certain that we were the first to file any patent application related to our product candidates or other technologies.

Certain procedures at the USPTO under the America Invents Act could affect the way patent applications are prosecuted and also may affect patent litigation. These include allowing third-party submission of prior art to the USPTO during patent prosecution and additional procedures to attack the validity of a patent by USPTO administered post-grant proceedings, including post-grant review, *inter partes* review, and derivation proceedings. Because of a lower evidentiary standard in USPTO proceedings compared to the evidentiary standard in United States federal courts necessary to invalidate a patent claim, a third party could potentially provide evidence in a USPTO proceeding sufficient for the USPTO to hold a claim invalid even though the same evidence would be insufficient to invalidate the claim if presented in a district court action. Accordingly, a third party may attempt to use the USPTO procedures to invalidate our patent claims that would not have been invalidated if challenged by the third party as a defendant in a district court action. Therefore, the America Invents Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our patent applications and the enforcement or defense of our issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations, and prospects.

In addition, the patent positions of companies in the development and commercialization of pharmaceuticals are particularly uncertain. Rulings from the U.S. Supreme Court and the U.S. Court of Appeals for the Federal Circuit have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. Certain rulings, for example, have applied the enablement and written description requirements to limit the scope of claims covering antibodies and other inventions relating to biologic therapeutics. These rulings have created uncertainty with respect to the validity and enforceability of patents, once obtained, for example, with respect to written description and enablement requirements. Depending on future actions by the U.S. Congress, the federal courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that could have a material adverse effect on our existing patent portfolio and our ability to protect and enforce our intellectual property in the future.

Issued patents covering our product candidates and other technologies could be found invalid or unenforceable if challenged in court or before administrative bodies in the United States or abroad.

If we initiate legal proceedings against a third party to enforce a patent covering our product candidates or other technologies, the defendant could counterclaim that such patent is invalid or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity or unenforceability are commonplace. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, written description, or enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, or made a misleading statement, during prosecution. Third parties may raise claims challenging the validity or enforceability of our patents before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include re-examination, post-grant review, *inter partes* review, derivation proceedings, and equivalent proceedings in foreign jurisdictions (e.g., opposition proceedings). Such proceedings could result in the revocation of, cancellation of, or amendment to our patents in such a way that they no longer cover our product candidates or other technologies. The outcome following legal assertions of invalidity and unenforceability is unpredictable. With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which we or our licensing partners and the patent examiner were unaware during prosecution. If a third party were to prevail on a legal assertion of invalidity or unenforceability, we would lose at least part, and perhaps all, of the patent protection on our product candidates or other technologies. Such a loss of patent protection would have a material adverse impact on our business, financial condition, results of operations, and growth prospects.

If we do not obtain patent term extension and data exclusivity for any product candidates we may develop, our business may be materially harmed.

Depending upon the timing, duration, and specifics of any FDA marketing approval of any product candidates we may develop, one or more of our U.S. patents may be eligible for limited patent term extension under the Hatch-Waxman Act. The Hatch-Waxman Act permits a patent term extension of up to five years as compensation for 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, only one patent may be extended, and only those claims covering the approved drug, a method for using it, or a method for manufacturing it may be extended. Similar extensions as compensation for patent term lost during regulatory review processes are also available in certain foreign countries and territories, such as in Europe under a Supplementary Protection Certificate. However, we may not be granted an extension in the United States and/or foreign countries and territories because of, for example, failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents, or otherwise failing to satisfy applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. If we are unable to obtain patent term extension or the term of any such extension is shorter than what we request, our competitors may obtain approval of competing products following our patent expiration, and our business, financial condition, results of operations, and growth prospects could be materially harmed.

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

We may be subject to claims that former employees, collaborators or other third parties have an interest in our patents, trade secrets, or other intellectual property as an inventor or co-inventor. For example, we may have inventorship disputes arise from conflicting obligations of employees, consultants, or others who are or were involved in developing our product candidates or other technologies. Litigation may be necessary to defend against these and other claims challenging inventorship or ownership of our patents, trade secrets, or other intellectual property. If the defense of any such claims fails, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, intellectual property that is important to our product candidates and other technologies. 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. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, and growth prospects.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed.

In addition to seeking patents for our product candidates and other technologies, we also rely on trade secrets and confidentiality agreements to protect our unpatented know-how, technology, and other proprietary information and to maintain our competitive position. We consider trade secrets and know-how to be one of our primary sources of intellectual property. Trade secrets and know-how can be difficult to protect. Our trade secrets and know-how may over time be disseminated within the industry through independent development, the publication of journal articles describing the methodology, and the movement of personnel to other positions in the industry.

We seek to protect these trade secrets and other proprietary technology, in part, by entering into non-disclosure and confidentiality agreements with parties who have access to them, such as our employees, corporate and academic collaborators, outside scientific collaborators, CROs, CDMOs, consultants, advisors, and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants, train our employees not to bring or use proprietary information or technology from former employers to us or in their work, and remind former employees when they leave their employment of their confidentiality obligations. We cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary technology and processes. Despite our efforts, any of these parties may breach the agreements and disclose our proprietary information, including our trade secrets, and we may not be able to obtain adequate remedies for such breaches. In addition, some courts inside and outside the United States are less willing or unwilling to protect trade secrets. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them 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 other third party, our competitive position would be materially and adversely harmed.

Further, FDA's policy to release in "real time" newly issued Complete Response Letters associated with withdrawn or abandoned applications for approval of drug or biological products, if applicable to any of our product candidates, could materially impact our intellectual property by publicly disclosing our trade secrets or other confidential information in the absence of an opportunity to redact or otherwise protect such information contained in such applications.

We may not be successful in obtaining, through acquisitions or otherwise, necessary rights to our product candidates or other technologies.

Many pharmaceutical companies, biotechnology companies, and academic institutions that are competing with us in the field of neurodegeneration therapy may have patents and have filed and are likely filing patent applications potentially relevant to our business. In order to avoid infringing these third-party patents, we may find it necessary or prudent to obtain licenses to such patents from such third-party intellectual property holders. We may also require licenses from third parties for certain technologies for use with future product candidates. In addition, with respect to any patents we co-own with third parties, we may wish to obtain licenses to such co-owners' interest to such patents. However, we may be unable to secure such licenses or otherwise acquire any rights to compositions, methods of use, processes, or other intellectual property rights from third parties that we identify as necessary for our future product candidates. The licensing or acquisition of third-party intellectual property rights is a competitive area, and more established companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, capital resources, and greater clinical development and commercialization capabilities. In addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third-party intellectual property rights on terms that would allow us to make an appropriate return on our investment or at all. If we are unable to successfully obtain rights to required third-party intellectual property rights or maintain the existing intellectual property rights we have, we may have to abandon development of the relevant program or product candidate, which could have a material adverse effect on our business, financial condition, results of operations, and growth prospects.

We may be subject to claims that our employees, consultants, or advisors have wrongfully used or disclosed alleged trade secrets of their current or former employers or claims asserting ownership of what we regard as our own intellectual property.

Many of our employees, consultants, and advisors are currently or were previously employed at universities or other biotechnology or pharmaceutical companies, including our competitors and potential competitors. Although we try to ensure that our employees, consultants, and advisors do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or these individuals have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's current or former employer. Litigation may be necessary to defend against these claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

In addition, 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. The assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. Such claims could have a material adverse effect on our business, financial condition, results of operations, and growth prospects.

Third-party claims of intellectual property infringement, misappropriation, or other violation against us or our collaborators may prevent or delay the development and commercialization of our product candidates and other technologies.

The field of discovering treatments for neurodegenerative diseases is highly competitive and dynamic. Due to the focused research and development that is taking place by various companies, including us and our competitors, in this field, the intellectual property landscape is in flux, and it may remain uncertain in the future. As such, there may be significant intellectual property related litigation and proceedings relating to our, and other third party, intellectual property and proprietary rights in the future.

Our commercial success depends in part on our and our collaborators' or licensees' ability to develop, manufacture, market, and sell any product candidates that we develop and to use our proprietary technologies without infringing, misappropriating, and otherwise violating the patents and other intellectual property rights of third parties. There is a substantial amount of complex litigation involving patents and other intellectual property rights in the biotechnology and pharmaceutical industries, and we may become subject to, or threatened with, such actions in the future, regardless of their merit. In addition, we may undertake costly administrative proceedings for challenging third party patents, including post-grant, derivation, and reexamination proceedings before the USPTO or oppositions and other comparable proceedings in foreign jurisdictions.

Numerous U.S. and foreign issued patents and pending patent applications owned by third parties exist in the fields in which we are developing our product candidates. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that our product candidates and other technologies may give rise to claims of infringement of the patent rights of others. We cannot be assured that our product candidates and other technologies that we have developed, are developing, or may develop in the future will not infringe existing or future patents owned by third parties. There may be third party patent applications that may issue or patents that have already issued and that a third party, for example, a competitor in the fields in which we are developing product candidates and other technologies, might assert are infringed by our current or future product candidates or other technologies, including claims to compositions, formulations, methods of manufacture or methods of use or treatment that cover our product candidates or other technologies. It is also possible that patents owned by third parties of which we are aware, but which we do not believe are relevant to our product candidates or other technologies, could be found to be infringed by our product candidates or other technologies. In addition, because patent applications can take many years to issue, there may be currently pending patent applications that may later result in issued patents that our product candidates or other technologies may infringe.

Third parties may have patents or obtain patents in the future and claim that the manufacture, use or sale of our product candidates or other technologies infringes upon these patents. In the event that any third-party claims that we infringe their patents or that we are otherwise employing their proprietary technology without authorization and initiates litigation against us, even if we believe such claims are without merit, a court of competent jurisdiction could hold that such patents are valid, enforceable, and infringed by our product candidates or other technologies. In this case, the holders of such patents may be able to block our ability to manufacture or commercialize the applicable product candidate or technology unless we obtain a license under the applicable patents, or until such patents expire or are finally determined to be held invalid or unenforceable. Such a license may not be available on commercially reasonable terms or at all. Even if we are able to obtain a license, the license would likely obligate us to pay license fees or royalties or both, and the rights granted to us might be nonexclusive, which could result in our competitors gaining access to the same intellectual property. If we are unable to obtain a necessary license to a third-party patent on commercially reasonable terms, we may be unable to commercialize our product candidates or other technologies, or such commercialization efforts may be significantly delayed, which could in turn significantly harm our business.

Defense of infringement claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of management and other employee resources from our business, and may impact our reputation. In the event of a successful claim of infringement against us, we may be enjoined from further developing or commercializing our infringing product candidates or other technologies. In addition, we may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, obtain one or more licenses from third parties, pay royalties, and/or redesign our infringing product candidates or technologies, which may be impossible or require substantial time and monetary expenditure. In that event, we would be unable to further develop and commercialize our product candidates or other technologies, which could harm our business significantly.

Engaging in litigation to defend against third parties alleging that we have infringed, misappropriated, or otherwise violated their patents or other intellectual property rights is very expensive, particularly for a company of our size, and time-consuming. Some of our competitors may be able to sustain the costs of litigation or administrative proceedings more effectively than we can because of greater financial resources. Patent litigation and other proceedings may also absorb significant management time. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings against us could impair our ability to compete in the marketplace. The occurrence of any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, and growth prospects.

We may become involved in lawsuits to protect or enforce our patents and other intellectual property rights or to defend against allegations of patent infringement, which could be expensive, time consuming, and unsuccessful.

Competitors may infringe our patents or the patents of our licensing partners, or we may be required to defend against claims of infringement. In addition, our patents or the patents of our licensing partners also may become involved in inventorship or validity disputes. To counter or defend against such claims can be expensive and time consuming. In an infringement proceeding, a court may decide that a patent in which we have an interest is invalid or unenforceable, the other party's use of our patented technology falls under the safe harbor to patent infringement under 35 U.S.C. §271(e)(1), or may refuse to stop the other party from using the technology at issue on the grounds that our patents do not cover the technology in question and are therefore not infringed. An adverse result in any litigation proceeding could put one or more of our patents at risk of being invalidated or interpreted narrowly. 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.

Even if resolved in our favor, litigation or other legal proceedings relating to intellectual property claims may cause us to incur significant expenses and could distract our personnel from their normal responsibilities. In addition, there could be public announcements of the results of hearings, motions, or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing, or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Some of our competitors may be able to sustain the costs of such litigation or proceedings more effectively than we can because of their greater financial resources and more mature and developed intellectual property portfolios. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace.

If our trademarks and trade names are not adequately protected, then we may not be able to build name recognition in our markets of interest and our business may be adversely affected.

Our registered or unregistered trademarks or trade names may be challenged, infringed, circumvented, or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names, which we need to build name recognition among potential partners or customers in our markets of interest. At times, competitors or other third parties may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered or unregistered trademarks or trade names. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, then we may not be able to compete effectively and our business may be adversely affected. Our efforts to enforce or protect our proprietary rights related to trademarks, trade secrets, domain names, copyrights or other intellectual property may be ineffective and could result in substantial costs and diversion of resources and could adversely affect our business, financial condition, results of operations, and growth prospects.

Intellectual property rights do not necessarily address all potential threats.

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. For example:

- others may be able to make products that are similar to our product candidates or utilize similar technology but that are not covered by the claims of the patents that we license or may own;
- our future licensors or collaborators might not have been the first to invent the claimed inventions covered by the issued patents or pending patent applications that we license in the future;
- we, or our current or future licensors or collaborators, might not have been the first to file patent applications covering certain of our or their inventions;
- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our owned or licensed intellectual property rights;
- it is possible that our current or future pending owned or licensed patent applications will not lead to issued patents;
- issued patents that we hold rights to may be held invalid or unenforceable, including as a result of legal challenges by our competitors or other third parties;
- our competitors or other third parties 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 not develop additional proprietary technologies that are patentable;
- the patents of others may harm our business; and
- we may choose not to file a patent application in order to maintain certain trade secrets or know-how, and a third party may subsequently file a patent application covering such intellectual property.

Should any of these events occur, they could have a material adverse effect on our business, financial condition, results of operations, and growth prospects.

Risks Related to Our Operations

We are highly dependent on our key personnel, and if we are not successful in attracting, motivating, and retaining highly qualified personnel, we may not be able to successfully implement our business strategy.

Our ability to compete in the highly competitive biotechnology and pharmaceutical industries depends upon our ability to attract, motivate, and retain highly qualified managerial, scientific, and medical personnel. We are highly dependent on our leadership, including our Chief Executive Officer, Dr. Arnon Rosenthal. The loss of the services provided by any of our executive officers, other key employees, and other scientific and medical advisors, and our inability to either find suitable replacements in the event of such loss or to attract senior management personnel to fill open positions could result in delays in the development of our product candidates and harm our business.

We conduct our operations at our facility in South San Francisco, California, a region that is headquarters to many other biotechnology companies as well as many academic and research institutions, which may limit our ability to hire competitively and retain highly qualified personnel from or outside of our region.

To induce valuable employees to remain at our company, in addition to salary and cash incentives, we have provided and will continue to provide restricted stock units, stock option grants, and/or other equity awards that vest over time. The value to employees of these equity grants that vest over time may be significantly affected by movements in our stock price that are beyond our control and may at any time be insufficient to counteract more lucrative offers from other companies. Although we have employment agreements with our key employees, these employment agreements provide for at-will employment, which means that any of our employees could leave our employment at any time, with or without notice. If we are unable to attract, retain, and incentivize quality personnel on acceptable terms, or at all, it may cause our business and operating results to suffer.

We will need to effectively manage the size and capabilities of our organization.

Our future financial performance and our ability to continue to develop and, if approved, commercialize our product candidates will depend, in part, on our ability to effectively manage any future growth.

Our near-term financial performance and development plans also require that we manage our personnel, and in each of 2024 and 2025 we committed to plans to reduce our workforce to better align our resources with our strategic priorities. We initiated a reduction in force in October 2025 that impacted approximately 47% of our workforce. Total incremental restructuring charges associated with the reduction in force are approximately $7.0 million, consisting primarily of severance and related termination benefits. Cash payments related to these expenses were paid out during the first half of 2026. We previously initiated reductions in force effective March 2025 and effective November 2024.

Any future reductions in or restructurings of our workforce may generate severance and other costs that may cause our business and operating results to suffer. Future reductions in force or restructuring of our workforce may occur as a result of market downturns, uncertainty in capital markets, or other macroeconomic changes, or may occur if we are unable to obtain additional capital to develop our product candidates or fund operations or if our future clinical trials are not successful. Future reductions in force may require the company to manage significant personnel and operational changes, which may negatively impact our business.

We currently rely, and for the foreseeable future will continue to rely, in substantial part on certain independent contractors, advisors, and consultants to provide certain services. There can be no assurance that the services of these independent contractors, advisors, and consultants will continue to be available to us on a timely basis when needed, or that we can find qualified replacements. In addition, if we are unable to effectively manage our outsourced activities or if the quality or accuracy of the services provided is compromised for any reason, our research, preclinical development and clinical trials may be negatively impacted, and we may not be able to advance our programs or obtain regulatory approval of or successfully commercialize our product candidates or otherwise advance our business. There can be no assurance that we will be able to manage our existing independent contractors, advisors or consultants or find other competent outside contractors and consultants on economically reasonable terms, if at all.

If we are not able to effectively manage our organization by retaining key employees, consultants and contractors, we may not be able to successfully execute the tasks necessary to further our research and preclinical development activities. Moreover, clinical trials may be negatively impacted, and we may not be able to obtain regulatory approval of or successfully commercialize our product candidates. Accordingly, we may not achieve our research, development, and commercialization goals.

We have engaged in strategic collaborations and may in the future engage in acquisitions, collaborations, or strategic partnerships, which may increase our capital requirements, dilute our stockholders, cause us to incur additional debt or assume contingent liabilities, and subject us to other risks.

We have engaged in strategic collaborations in the past, such as our strategic collaborations with GSK, and previously, AbbVie, and we may engage in various acquisitions, collaborations, and strategic partnerships in the future, including licensing or acquiring complementary products, intellectual property rights, technologies, or businesses. Any acquisition, collaboration, or strategic partnership may entail numerous risks, including:

- increased operating expenses and cash requirements;
- volatility with respect to the financial reporting related to such arrangements, such as our expected variability in the recognition of revenue each quarter from the GSK Agreement based on the percentage-of-completion basis under the applicable accounting rules;
- assumption of indebtedness or contingent liabilities;
- potential goodwill impairment resulting from such acquisitions;
- issuance of our equity securities which would result in dilution to our stockholders;
- assimilation of operations, intellectual property, products, and product candidates of an acquired company by our partners, including difficulties associated with integrating new personnel;
- diversion of our management's attention from our existing product programs and initiatives in pursuing such an acquisition, collaboration or strategic partnership;
- risks of retention of key employees, the loss of key personnel, and uncertainties in our ability to maintain key business relationships;
- 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 regulatory approvals, that may impact their ability to fulfill their obligations under such transaction;
- risks that the other party to such a transaction may exercise its rights under the applicable agreement in a way that negatively impacts us; and
- our inability to generate revenue from acquired or partnered intellectual property, technology, and/or products sufficient to meet our objectives or even to offset the associated transaction and maintenance costs.

In addition, if we undertake such a transaction, we may issue dilutive securities, assume or incur debt obligations, incur large one-time expenses, and acquire intangible assets that could result in significant future amortization expense.

We have experienced cyberattacks in the past, and our internal computer systems, and those used by third parties with which we engage, such as research institution collaborators, clinical trial sites, and CROs or other vendors, contractors or consultants, may fail or suffer other breakdowns, outages, cyberattacks, information security breaches or releases or loss of sensitive data that could compromise the confidentiality, integrity, and availability of such systems and data, result in material disruptions of our research or development programs and business operations, risk disclosure of confidential, financial, or proprietary information, and affect our reputation.

We have experienced cyberattacks in the past that have not had a material effect on our business operations, and we face the risk of future cyberattacks that may or may not have a material effect. Despite the implementation of security measures, our internal computer systems and those of third parties with which we engage, such as research institution collaborators, clinical trial sites, and CROs and other vendors, contractors and consultants, may be vulnerable to damage, interruption, or other disruption from various causes, including computer viruses and other malicious code, and may be vulnerable to unauthorized access. Likewise, data privacy or security breaches or incidents, or breaches or other incidents undertaken or otherwise caused by employees or others, may pose a risk that sensitive data, including our intellectual property, trade secrets, or personal information of our employees, patients, customers, or other business partners, may be exposed to unauthorized persons or to the public or may otherwise be misused. As the cyber-threat landscape evolves, especially as certain of our employees have engaged in remote or hybrid work and bad actors use AI to automate attacks, these attacks are growing in frequency, sophistication, and intensity, and are becoming increasingly difficult to detect, mitigate, and defend against. Such threats are prevalent, continue to rise, and come from a variety of sources, including traditional computer "hackers," threat actors, "hacktivists," organized criminal threat actors, personnel (such as through theft or misuse), sophisticated nation states, and nation-state-supported actors. During times of war and other conflicts, we and our

business counterparties, including third parties upon which we rely, may be vulnerable to a heightened risk of these attacks. Such attacks might involve the use of sophisticated malware, including ransomware or various types of service denial tactics. They can be initiated through harmful websites or by leveraging phishing strategies, social engineering tactics, or credential stuffing. This might also include brute force attacks, along with other contemporary malicious methods which are always changing.

If a breakdown, cyberattack, or other information security breach or incident occurs, it could cause damage to or interruptions or other disruptions in our operations or those of third parties, with which we engage, and could result in damage to, the loss or unavailability of, or misappropriation or other unauthorized use or processing of, sensitive data, including personal information and confidential information, such as our intellectual property or financial information, and a material disruption of our research and development programs and our business operations could result. For example, the loss or unavailability of, or damage to, clinical trial data from completed, ongoing, 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 third-party research institution and collaborators, clinical trial sites, and CROs and other vendors, consultants and contractors for research and development of our product candidates, and we rely on other third parties, such as CDMOs and CROs, to manufacture our product candidates and to conduct clinical trials, respectively. Supply-chain attacks against third-party actors like these have increased in frequency and severity, and we cannot guarantee that third-party infrastructure in our supply chain or our third-party partners' supply chains have not been or will not be compromised. Cyberattacks, security breaches and incidents, and disruptions, interruptions, and similar events relating to their computer systems and operations could also have a material adverse effect on our business.

We and our business counterparties, including third parties on which we rely, may be unable to anticipate or prevent outages or to anticipate or prevent techniques used to obtain unauthorized access to or to compromise our or our business counterparties' systems because such techniques change frequently and are generally not detected until after an incident has occurred. We may be unable to anticipate or prevent any breakdowns or other outages due to a failure of software, software updates or other events that may cause disruptions to our systems or data. There can be no assurance that we and our business counterparties will be successful in efforts to detect, prevent, or fully recover systems or data from all breakdowns, service interruptions or other disruptions, attacks, or compromises of, or security breaches or incidents impacting, systems that could adversely affect our business and operations and/or result in the loss or unavailability of, or damage to, critical or sensitive data.

Any disruption or security breach or incident resulting in loss or unavailability of, or damage to, our data or systems, or those of third parties on which we rely, or inappropriate use, disclosure, or modification of personal, sensitive, confidential or proprietary information, could result in our being subject to claims, demands, and litigation, investigations and other regulatory proceedings, and fines and other liabilities, as well as in delays to further development and commercialization of our product candidates. While we have invested, and continue to invest, in the protection of our data and information technology infrastructure, there can be no assurance that our efforts will prevent service disruptions, or prevent or identify vulnerabilities or security breaches or incidents, that could adversely affect our business and operations or result in the loss, unavailability, or corruption of, or inappropriate access to or use of, confidential, personal, or other sensitive information or company resources. Any such interruptions, breaches or incidents, or the perception that any have occurred, could result in financial, legal, business, or reputational harm to us. In addition, our liability insurance may not be sufficient in type or amount to cover us against claims related to security breaches, cyberattacks and other privacy and security breaches or incidents.

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 our data privacy and security obligations. 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 and 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.

The use of new and evolving technologies, such as AI, in our operations may require us to expend resources and may present risks and challenges that can impact our business, including by posing security and other risks to our proprietary and personal information, any of which may result in reputational harm and liability, or otherwise adversely affect our business.

We may choose to integrate AI into our operations, and this innovation presents risks and challenges that could affect its adoption, and therefore our business. Although AI has the potential to help advance our business, there are risks involved in utilizing AI, and no assurance can be provided that the use of AI will enhance our business or assist our business in becoming more efficient or profitable. The use of certain AI technology can give rise to intellectual property risks, including compromises to proprietary intellectual property and intellectual property infringement and misappropriation. Other known risks of AI currently include inaccuracy, bias, toxicity, data privacy and cybersecurity issues, and data provenance disputes.

In addition, AI may have errors or inadequacies that are not easily detectable. AI may also be subject to data herding and interconnectedness (i.e., multiple market participants utilizing the same data). If the data used to train AI or the content, analyses, or recommendations that AI applications assist in producing are or are alleged to be deficient, inaccurate, incomplete, overbroad or biased, our business, financial condition, and results of operations may be adversely affected.

Additionally, we expect to see increasing government and supranational regulation related to AI use, which may also significantly increase the burden and cost of research, development and compliance in this area. For example, the EU's Artificial Intelligence Act (AI Act), which imposes significant obligations on providers and deployers of AI systems, entered into force on August 1, 2024 and, with some exceptions, will become effective 24 months thereafter. The rapid evolution of AI will require the expenditure of resources to design, develop, test and/or maintain our technology and products to help ensure that AI is implemented in accordance with applicable laws and regulations and in a socially responsible manner and to minimize any real or perceived unintended harmful impacts. The legal landscape and subsequent legal protection for the use of AI remains uncertain, and development of the law in this area could impact our ability to enforce our proprietary rights or protect against infringing uses. If we do not have sufficient rights to use the data on which AI relies or to the outputs produced by AI applications, we may incur liability through the violation of certain laws, third-party privacy or other rights or contracts to which we are a party. Our use of AI applications may also, in the future, result in cybersecurity incidents that implicate personal data. Any such cybersecurity incidents related to our use of AI applications could adversely affect our reputation and results of operations.

Our collaborators or other third-party service providers may also incorporate AI tools into their own offerings, and the providers of those AI tools may not meet existing or rapidly evolving regulatory or industry standards, including with respect to intellectual property, data privacy, and cybersecurity. Further, bad actors around the world use increasingly sophisticated methods, including the use of AI, to engage in illegal activities involving the theft and misuse of personal information, confidential information and intellectual property. Any of these effects could damage our reputation, result in the loss of valuable property and information, cause us to breach applicable laws and regulations, or otherwise adversely impact our business.

Business disruptions, including as a result of geopolitical events, could seriously harm our future revenue and financial condition and increase our costs and expenses.

Our operations, and those of our collaborators, CROs, CDMOs, suppliers, and other contractors and consultants, could be subject to events beyond our control, such as pandemics or the spread of disease, earthquakes, power shortages, telecommunications failures, software outages or other system failures, water shortages, floods, hurricanes, typhoons, fires, extreme weather conditions, medical epidemics, pandemics, regional health issues, geopolitical events, including the ongoing conflicts between Russia and Ukraine and in the Middle East, and other natural or man-made disasters or business interruptions, for which we are either totally or partly uninsured. In addition, we rely on our third-party research institution collaborators for conducting research and development of our product candidates, and they may be affected by government shutdowns or withdrawn funding. We rely on third-party manufacturers to produce and process our product candidates. Our ability to obtain supplies of our product candidates could be disrupted if the operations of these suppliers are affected by a man-made or natural disaster, geopolitical events, global pandemics, or other business interruption. The occurrence of any of these business disruptions could seriously harm our operations and financial condition and increase our costs and expenses. Moreover, if there is a significant pandemic or public health outbreak that poses a threat to our ability to conduct our business operations as planned, there can be no assurance that we will be able to avoid a material impact on our business from the pandemic or its consequences.

The majority of our operations including our corporate headquarters are located in a facility in South San Francisco, California. Damage or extended periods of interruption to our corporate, development, or research facilities due to fire, natural disaster, global pandemics, power loss, communications failure, unauthorized entry, earthquakes or other events that impact the use of our facilities could cause us to cease or delay development of some or all of our product candidates. Although we maintain property damage and business interruption insurance coverage on these facilities, our insurance might not cover all losses under such circumstances, and our business may be seriously harmed by such delays and interruption.

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

Our business is subject to risks associated with conducting business internationally. For example, some of our CDMOs are and some of our clinical trial sites, will be located outside the United States. Accordingly, our future results could be harmed by a variety of factors, including:

- economic weakness, including recession, inflation, or political instability in non-U.S. economies and markets;
- differing and changing regulatory requirements in non-U.S. countries;

- challenges enforcing our contractual and intellectual property rights, especially in those foreign countries that do not respect and protect intellectual property rights to the same extent as the United States;
- difficulties in compliance with non-U.S. laws and regulations (including, e.g., laws and regulations relating to export to the U.S. of human genomic data or data and biological samples derived from clinical trials or research conducted outside the U.S.);
- 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;
- shipping of biologics/drugs;
- trade protection measures, import or export licensing requirements, trade tariffs, or other restrictive actions by U.S. or non-U.S. governments;
- negative consequences from changes in tax laws (including the provisions of the federal tax legislation titled the Inflation Reduction Act);
- 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 international operations, including differing labor relations;
- potential liability under the FCPA, UK Bribery Act, or comparable foreign laws; and
- business interruptions resulting from geo-political actions, including war and terrorism, or natural disasters including earthquakes, typhoons, floods, droughts, extreme temperatures, and fires.

These and other risks associated with our planned international operations may materially adversely affect our ability to attain profitable operations. Further, there is currently significant uncertainty about the current presidential administration's policies and priorities, which could affect future relationships between the United States and various other countries, most significantly China, the European Union, and other trading partners, with respect to trade policies, treaties, tariffs, taxes, and other limitations on cross-border operations. For example, the National Defense Authorization Act of 2026, which includes Section 851 regarding the prohibition on contracting with certain biotechnology providers (the BIOSECURE Act), may ultimately limit certain U.S. biotechnology companies from using equipment or services produced or provided by Chinese biotechnology companies or their affiliates that meet the designation criteria of the new law. Moreover, both the United States and China have implemented significant trade tariffs against each other's imports. Separately, a Department of Justice rule effective in April 2025, along with subsequent action by the FDA, prohibits or restricts transfer of sensitive personal data, including health data, biometric data, and human genomic data, and patient biological materials to China and other "countries of concern" in the interests of national security. As a result of these and other laws and regulations, or the impact on trade relations between the United States and China or other countries, our business may be seriously harmed if we are unable to obtain or use services or products from existing service providers, including those of contract development and manufacturing organizations, or if alternative service providers cannot be secured at an acceptable cost or at all. Likewise, if foreign policy measures, such as those described above, cause broader disruption in drug manufacturing and related industries that impact drug development, clinical trials, and drug product availability or pricing, then our business, liquidity, financial condition, and/or results of operations would be materially and adversely affected.

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

As of December 31, 2025, we had federal and state net operating loss (NOL) carryforwards of approximately $375.6 million and $419.1 million, respectively. Federal NOL carryforwards have an indefinite life but cannot offset more than 80% of taxable income. Pursuant to Internal Revenue Code Sections 382 and 383, annual use of the Company's net operating loss and research and development credit carryforwards may be limited in the event that a cumulative change in ownership of more than 50% occurs within a three-year period. We may have experienced such an ownership change in the past, and may also experience ownership changes in the future as a result of subsequent shifts in our stock ownership, some of which are outside our control. As a result, our ability to use our pre-change NOL carryforwards and other pre-change tax attributes to offset post-change taxable income or taxes may be subject to limitation. Additionally, California has recently enacted a temporary suspension on the use of state NOL carryforwards in the taxable years beginning in 2024, 2025, and 2026, which would adversely affect our company if we earn taxable income in the impacted taxable years. Our NOL carryforwards may also be subject to other state tax limitations.

Changes in tax laws or in their implementation or interpretation may adversely affect our business and financial condition.

We are or may become subject to income and non-income taxes in the United States under federal, state, and local jurisdictions and in certain foreign jurisdictions in which we operate. Tax laws, regulations and administrative practices in these jurisdictions may be subject to significant change, with or without advance notice. For example, on January 1, 2022, a provision of the Tax Cuts and Jobs Act of 2017 (TCJA) 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 for domestic costs and 15 years for foreign costs. The OBBBA, which was enacted on July 4, 2025, made a number of changes to U.S. federal income tax law, including permanently suspending the requirement to capitalize and amortize domestic research and development costs and permitting such deductions on a current basis. The Company is currently assessing the impact of this new legislation, but does not anticipate it will have a material impact on the results of operations. Changes in tax laws, regulations, or rulings, changes in interpretations of existing laws and regulations, or changes in accounting principles could negatively or materially affect our financial position, cash flows and results of operations.

General Risk Factors

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

Although our common stock is listed on The Nasdaq Global Select Market, the market for our shares has demonstrated varying levels of trading activity. The trading price of our common stock has been and may continue to be highly volatile and could be subject to wide fluctuations in response to various factors, some of which are beyond our control. We cannot predict the prices at which our common stock will trade. It is possible that in one or more future periods our results of operations and progression of our product pipeline may not meet the expectations of public market analysts and investors, and, as a result of these and other factors, the price of our common stock may fall. Some of the factors that may cause the market price of our common stock to fluctuate or decline include:

- the success of existing or new competitive products or technologies;
- the timing and results of clinical trials for our current product candidates and any future product candidates that we may develop;
- commencement or termination of collaborations or licenses for our product development and research programs;
- failure to achieve development, regulatory, or commercialization milestones under our collaborations or licenses;
- failure or discontinuation of any of our product development and research programs;
- results of preclinical studies, clinical trials, or regulatory approvals of product candidates of our competitors, or announcements about new research programs or product candidates of our competitors;
- regulatory or legal developments in the United States and other countries;
- developments or disputes concerning patent applications, issued patents, or other proprietary rights;
- the recruitment or departure of key personnel;
- the level of expenses related to any of our research programs, clinical development programs, or product candidates that we may develop;
- the results of our efforts to develop additional product candidates or products;
- actual or anticipated changes in estimates as to financial results, development timelines, or recommendations by securities analysts;
- announcement or expectation of additional financing efforts;
- sales of our common stock by us, our insiders, or other stockholders, such as if we use our at-the-market facility;
- expiration of market standoff or lock-up agreements;
- variations in our financial results or those of companies that are perceived to be similar to us;
- changes in estimates or recommendations by securities analysts, if any, that cover our stock;

- changes in the structure of healthcare payment systems;
- market conditions in the pharmaceutical and biotechnology sectors;
- general economic, political, industry, and market conditions, including a rising rate of inflation, a period of economic recession, or increased international conflict; and
- the other factors described in this "Risk Factors" section.

In recent years, the stock market in general, and the market for pharmaceutical and biotechnology companies in particular, has experienced significant price and volume fluctuations that have often been unrelated or disproportionate to changes in the operating performance of the companies whose stock is experiencing those price and volume fluctuations. Broad market and industry factors, such as inflationary concerns, may seriously affect the market price of our common stock, regardless of our actual operating performance. Following periods of such volatility in the market price of a company's securities, securities class action litigation has often been brought against that company. Because of the potential volatility of our stock price, we may become the target of securities litigation in the future. Securities litigation could result in substantial costs and divert management's attention and resources from our business.

If securities analysts do not publish research or reports about our business or if they publish negative evaluations of our stock, the price of our stock could decline.

The trading market for our common stock relies in part on the research and reports that industry or financial analysts publish about us or our business. If one or more of the analysts covering our business cease to cover us or downgrade their evaluations of our stock or if we fail to meet their operating results estimates for us, the price of our stock could decline. If one or more of these analysts cease to cover our stock, we could lose visibility in the market for our stock, which in turn could cause our stock price to decline.

Sales of substantial amounts of our common stock in the public markets, or the perception that such sales might 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 amounts of our common stock in the public market, the market price of our common stock could decline significantly.

Certain holders of shares of our common stock may, in the future, have rights that may 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. Any sales of securities by these stockholders could have a material adverse effect on the market price for our common stock.

If we fail to comply with the continued listing requirements of the Nasdaq Stock Market, it could result in our common stock being delisted, which could adversely affect the market price and liquidity of our securities and could have other adverse effects.

Our common stock is currently listed for trading on The Nasdaq Global Select Market. We must satisfy Nasdaq's continued listing requirements, including a minimum bid price for our common stock of $1.00 per share. Given the current market environment and despite our cash position, our common stock has traded for less than $1.00 per share during the second quarter of 2025, and our aggregate market capitalization at various times over the last several quarters has valued below the total value of our cash, cash equivalents, and investments. If we do not meet these requirements, we risk possible delisting from Nasdaq, which could have a material adverse effect on our business.

A delisting could make it more difficult to buy or sell our securities and to obtain accurate quotations, and the price of our common stock could be adversely affected. In addition, a delisting would impair our ability to raise capital through the public markets, could deter broker-dealers from making a market in or otherwise seeking or generating interest in our securities, and might deter certain institutions and persons from investing in our securities.

Raising additional capital may cause dilution to our existing stockholders, restrict our operations, or require us to relinquish rights to our technologies or product candidates.

We may seek additional capital through a combination of public and private equity offerings, debt financings, strategic partnerships and alliances, and licensing arrangements. We, and indirectly, our stockholders, will bear the cost of issuing and servicing such securities. Because our decision to issue debt or equity securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing, or nature of any future

offerings. To the extent that we raise additional capital through the sale of equity or debt securities, the ownership interest of stockholders will be diluted, and the terms may include liquidation or other preferences that adversely affect the rights of stockholders. The incurrence of indebtedness would result in increased fixed payment obligations and could involve restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire, sell, or license intellectual property rights, and other operating restrictions that could adversely impact our ability to conduct our business. We have an omnibus shelf registration statement on Form S-3 with the SEC, which became effective on April 30, 2026, which permits us to issue up to $400 million in common stock, other equity securities and/or debt securities.

On November 7, 2023, we entered into an at-the-market sales agreement with TD Securities (USA) LLC, formerly known as Cowen and Company, LLC (TD Cowen) pursuant to which we may offer and sell from time to time through TD Cowen up to $125,000,000 of shares of our common stock, in such share amounts as we may specify by notice to TD Cowen (the 2023 Sales Agreement). Prior to its termination, we had issued 7,110,162 shares and received approximately $20.0 million in net proceeds from the sale of securities pursuant to the 2023 Sales Agreement.

On January 17, 2024, we entered into an underwriting agreement with Cantor, pursuant to which we offered and sold 10,869,566 shares of our common stock at a price per share of $6.57 paid by Cantor.

On May 7, 2026, we entered into an at-the-market sales agreement with TD Cowen, pursuant to which we may offer and sell from time to time through TD Cowen up to $125,000,000 of shares of our common stock, in such share amounts as we may specify by notice to TD Cowen (the 2026 Sales Agreement). Immediately prior to the effectiveness of the 2026 Sales Agreement, we and TD Cowen terminated the 2023 Sales Agreement.

On October 15, 2026, we entered into an underwriting agreement with Morgan Stanley & Co. LLC and BTIG, LLC (collectively, the Underwriters) pursuant to which we offered and sold 36,600,000 shares of our common stock at a price per share of $2.05 paid by the Underwriters.

Additionally, on November 14, 2024, we entered into the Loan Agreement with Lenders and Hercules pursuant to which we could access up to two tranches of term loans in an aggregate principal amount of up to $50,000,000, subject to the satisfaction of certain conditions. We borrowed $10,000,000 principal amount of the first tranche of Term Loans on the closing date of the Loan Agreement. On July 8, 2026, we entered into a payoff letter with Hercules and paid the final payoff amount. All obligations under the Loan Agreement were paid in full, all liens and security interests granted to secure such obligations were terminated, and the Loan Agreement and related loan documents were terminated.

Additionally, any future collaborations we enter into with third parties may provide capital in the near term but limit our potential cash flow and revenue in the future. If we raise additional funds through strategic partnerships and alliances and licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies or product candidates, or grant licenses on terms unfavorable to us.

Our principal stockholders and management own a significant percentage of our stock and will be able to exercise significant influence over matters subject to stockholder approval.

Our directors, executive officers, holders of more than 5% of our outstanding stock and their respective affiliates beneficially own 38.0% of our outstanding common stock as of October 30, 2026. As a result, these stockholders, if they act together, may significantly influence all matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions. This concentration of ownership may have the effect of delaying or preventing a change in control of our company that our other stockholders may believe is in their best interests. This in turn could have a material adverse effect on our stock price and may prevent attempts by our stockholders to replace or remove the board of directors or management.

We have incurred and will continue to incur significant additional costs as a result of operating as a public company, and our management will be required to devote substantial time to new compliance initiatives and corporate governance practices.

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. The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform, and Consumer Protection Act, the listing requirements of Nasdaq, and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. We have hired accounting, finance, and other personnel in connection with our being, and our efforts to comply with the requirements of being, a public company, and our management and other personnel have devoted and will continue to devote a substantial amount of time towards maintaining compliance with these requirements. These requirements have increased our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that the rules and regulations applicable to us as a public company may make

it more difficult and more expensive for us to maintain director and officer liability insurance, which could make it more difficult for us to attract and retain qualified members of our board of directors. We are currently evaluating these rules and regulations and cannot predict or estimate the amount of additional costs we may incur or the timing of such costs. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. Similarly, regulatory and governing bodies may propose and ultimately adopt new rules and regulations. As a result, we may experience continuing uncertainty regarding compliance matters and associated costs necessitated by ongoing revisions to disclosure and governance practices.

If we are unable to maintain effective internal controls, our business, financial position, and results of operations could be adversely affected.

As a public company, we are subject to reporting and other obligations under the Exchange Act, including the requirements of Sarbanes-Oxley Act Section 404(a), which require annual management assessments of the effectiveness of our internal control over financial reporting. Section 404(b) of the Sarbanes-Oxley Act also requires our independent auditors to attest to, and report on, this management assessment.

The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing, and possible remediation to meet the detailed standards under the rules. During the course of its testing, our management may identify material weaknesses or deficiencies which may not be remedied in time to meet the deadline imposed by the Sarbanes-Oxley Act of 2002. These reporting and other obligations place significant demands on our management and administrative and operational resources, including accounting resources. If we are not able to comply with the requirements of Section 404 or if we or our independent registered public accounting firm are unable to attest to the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports, the market price of our stock could decline and we could be subject to sanctions or investigations by Nasdaq, the SEC, or other regulatory authorities, which would require additional financial and management resources.

Our operations are subject to the effects of inflation.

The United States has previously experienced historically high levels of inflation. If the inflation rate increases in the future, particularly due to trade tariffs imposed by the United States on global trade partners or increases in energy prices, it will affect our expenses, such as employee compensation and research and development charges. Even if the rate of inflation does not increase, past inflation may still affect our expenses, such as employee compensation and research and development charges. Research and development expenses account for a significant portion of our operating expenses. Such increased charges may not be readily recoverable during the period of time that we are bringing the product candidates to market. To the extent inflation results in rising interest rates and has other adverse effects on the market, it may adversely affect our consolidated financial condition and results of operations.

Market conditions and changing circumstances, some of which may be beyond our control, could impair our ability to access our existing cash, cash equivalents and investments and to timely pay key vendors and others.

Market conditions and changing circumstances, some of which may be beyond our control, could impair our ability to access our existing cash, cash equivalents and investments and to timely pay key vendors and others. For example, on March 10, 2023, Silicon Valley Bank (SVB), where we maintained certain immaterial deposit accounts at the time, was placed into receivership with the Federal Deposit Insurance Corporation (FDIC), which resulted in all funds held at SVB being temporarily inaccessible by SVB's customers. If other banks and financial institutions with whom we have banking relationships enter receivership or become insolvent in the future, we may be unable to access, and we may lose, some or all of our existing cash, cash equivalents and investments to the extent those funds are not insured or otherwise protected by the FDIC. In addition, in such circumstances we might not be able to timely pay key vendors and others. We regularly maintain cash balances that are not insured or are in excess of the FDIC's insurance limit. Any delay in our ability to access our cash, cash equivalents and investments (or the loss of some or all of such funds) or to timely pay key vendors and others could have a material adverse effect on our operations and cause us to need to seek additional capital sooner than planned.

We do not expect to pay any dividends for the foreseeable future. Investors may never obtain a return on their investment.

Investors should not rely on an investment in our common stock to provide dividend income. We do not anticipate that we will pay any dividends to holders of our common stock in the foreseeable future. Instead, we plan to retain any earnings to maintain and expand our existing operations. In addition, any future credit facility may contain terms prohibiting or limiting the amount of dividends that may be declared or paid on our common stock. Accordingly, investors must rely on sales of

their common stock after price appreciation, which may never occur, as the only way to realize any return on their investment.

Delaware law and provisions in our amended and restated certificate of incorporation and 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 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 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 (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 is the exclusive forum 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 any claim as to which such court determines that there is an indispensable party not subject to the jurisdiction of such court (and the indispensable party does not consent to the personal jurisdiction of such court within 10 days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than such court or for which such court does not have subject matter jurisdiction):

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of fiduciary duty;

- 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 provision would not apply to suits brought to enforce a duty or liability created by the Exchange Act or any other claim for which the U.S. federal courts have exclusive jurisdiction.

Our amended and restated bylaws further provide that the federal district courts of the United States will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. 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 an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could seriously harm our business.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(a) None.

(b) None.

(c) During our last fiscal quarter, no officer or director (as defined in Rule 16a-1(f) under the Exchange Act) adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" (each as defined in Item 408 of Regulation S-K).

Item 6. Exhibits.

Exhibit Index

		Incorporated by Reference				
Number	Exhibit Title	Form	File No.	Exhibit	Filing Date	Filed Herewith
3.1	Amended and Restated Certificate of Incorporation of the Registrant.	8-K	001-38792	3.1	2/11/2019	
3.2	Amended and Restated Bylaws of the Registrant.	8-K	001-38792	3.1	6/15/2023	
10.1†	License Agreement, dated September 30, 2026, by and between Alector, Inc. and Genentech, Inc.					X
10.2†	Option and License Agreement, dated August 14, 2026, by and between Alector, Inc. and Spur Therapeutics Limited.					X
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
101.INS	Inline XBRL Instance Document: the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					X
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents					X
104	Inline XBRL for the cover page of this Quarterly Report on Form 10-Q, included in the Exhibit 101 Inline XBRL Document Set.					X

†Certain confidential information contained in this document, marked by [***], has been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K because it is both (i) not material and (ii) the type of information that the registrant treats as private or confidential.

* The certifications attached as Exhibits 32.1 and 32.2 that accompany this Quarterly Report on Form 10-Q are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of the Registrant under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

SIGNATURES

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

ALECTOR, INC.

Date: November 5, 2026

By: /s/ Arnon Rosenthal
Arnon Rosenthal, Ph.D.
Co-founder and Chief Executive Officer
(Principal Executive Officer)

Date: November 5, 2026

By: /s/ Neil Berkley
Neil Berkley
Chief Financial Officer and Chief Business Officer
(Principal Financial Officer)

Date: November 5, 2026

By: /s/ Grace Wong-Sarad
Grace Wong-Sarad
Chief Accounting Officer
(Principal Accounting Officer)

Exhibit 10.1

[***] Certain information in this document has been omitted from this exhibit pursuant to Item 601(b) of Regulation S-K because it is both not material and is the type that the Registrant treats as private or confidential.

License Agreement

This agreement ("**Agreement**") is entered into with effect as of September 30, 2026 ("**Effective Date**")

by and between

Genentech, Inc.

with offices at 1 DNA Way, South San Francisco, CA 94080 ("**GNE**" or "**Genentech**"), on the one hand

and

Alector, Inc. and Alector LLC

each with offices at 131 Oyster Point Blvd., Suite 600, South San Francisco, CA 94080 (collectively, "**Alector**"), on the other hand

TABLE OF CONTENTS

Exhibits

Exhibit 1.5 AL050-ABC Sequence
Exhibit 1.6 Existing Alector Brain Shuttle Sequence
Exhibit 1.13 Authorized Subcontractors
Exhibit 2.2 Form of Patent Assignment
Exhibit 6.2(I) Program Transfer Plan
Exhibit 6.2(II) CMC Tech Transfer Plan
Exhibit 6.2(III) Certain Costs to be Borne by GNE or Alector
Exhibit 13.1 Initial Press Release
Exhibit 14.2.1(a) Alector Patents
Exhibit 14.2.1(b) Certain Exceptions to Section 14.2.1(b)
Exhibit 14.2.1(i) Upstream Agreements
Exhibit 14.2.2(d) Agreements with CMOs

LICENSE AGREEMENT

RECITALS

WHEREAS, Alector has discovered proprietary glucocerebrosidase activators, including the molecule known as AL050-ABC, and possesses proprietary technology and intellectual property rights relating thereto;

WHEREAS, GNE has expertise in the research, development, manufacture, and commercialization of pharmaceutical products;

WHEREAS, GNE wishes to research, develop, manufacture, commercialize, and otherwise exploit Compounds and Products (as such terms are defined below), subject to and in accordance with the terms set forth in this Agreement; and

WHEREAS, Alector is willing to grant exclusive rights to GNE under certain of its intellectual property rights to research, develop, manufacture, commercialize, and otherwise exploit Compounds and Products in the Territory for use in the Field (as such terms are defined below), as contemplated herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, GNE and Alector agree as follows:

ARTICLE 1
DEFINITIONS

1.1"**Accounting Standard**" means with respect to an entity, either: (a) International Financial Reporting Standards (IFRS); or (b) United States generally accepted accounting principles (GAAP), in either case, which standards or principles (as applicable) are then-currently used at the applicable time, and as consistently applied, by such entity.

1.2"**Affiliate**" means, with respect to an entity, any entity that, directly or indirectly (through one or more intermediaries) controls, is controlled by, or is under common control with such entity, at any point in time and for so long as such control exists. For purposes of this Section 1.2, "controls", "controlled", and "control" mean (a) the direct or indirect ownership of more than fifty percent (>50%) of the voting stock or other voting interests or interest in the profits of the applicable entity or (b) the ability to otherwise control or direct the decisions of the board of directors or equivalent governing body thereof. Notwithstanding the foregoing, for purposes of this Agreement, none of Chugai Pharmaceutical Co., Ltd (for purposes of this definition, "**Chugai**") or any subsidiary of Chugai will be considered an Affiliate of GNE, unless and until GNE elects to include Chugai or such subsidiary as an Affiliate of GNE, by providing notice to Alector of such election.

1.3"**AL050 GCase**" means any protein that is the GCase included in AL050-ABC.

1.4"**AL050 GCase Variant**" means any protein that is a GCase that (a) includes a [***] and (b) has [***], provided that [***].

1.5"**AL050-ABC**" means the protein having the amino acid sequence set forth on Exhibit 1.5, which has been designated by Alector as AL050-ABC. AL050-ABC is a GCase coupled or otherwise connected to the Existing Alector Brain Shuttle.

1.6"**Alector Brain Shuttle**" means (a) the Alector proprietary Brain Shuttle having the amino acid sequence set forth on Exhibit 1.6 ("**Existing Alector Brain Shuttle**") or (b) [***].

1.7[***].

1.8[***].

1.9"**Alector IP**" means (a) the Existing GCase Patents and (b) Licensed IP.

1.10"**Alector Patents**" means (a) Existing GCase Patents and (b) Licensed Patents.

1.11"**Annual Net Sales**" means, with respect to a Product, all Net Sales of such Product in the Territory during [***].

1.12"**Applicable Law**" means any and all laws, statutes, codes, ordinances, orders, rules, rulings, directives, and regulations of any kind whatsoever of any governmental authority within the relevant jurisdiction applicable to the relevant activity.

1.13"**Authorized Subcontractor**" means, with respect to any activity assigned to Alector, a subcontractor of Alector (a) set forth on Exhibit 1.13 to perform such activity, (b) set forth in the Program Transfer Plan or CMC Tech Transfer Plan to perform such activity or (c) otherwise approved by GNE or the JSC to perform such activity, in each case, prior to initiation of such activity.

1.14"**Biosimilar Product**" means, with respect to a Product (the "**Reference Product**") in a country, a biologic product that both

(a) is sold by (i) a Third Party that is not a Sublicensee and that has not otherwise been authorized, directly or indirectly, by GNE, an Affiliate of GNE, or a Sublicensee to market and sell such product or (ii) a Compulsory Sublicensee, in each case ((i) and (ii)), in such country, and

(b) (i) is licensed or approved in the United States under 42 U.S.C. § 262(k) or in a jurisdiction other than the United States under a comparable law or (ii) has otherwise obtained Regulatory Approval in such country or other jurisdiction through reference to the BLA or other Regulatory Approval of the Reference Product pursuant to an expedited or abbreviated approval established by the Regulatory Authorities in such country or jurisdiction pursuant to Applicable Law.

1.15"**BLA**" means a biologics license application submitted to the FDA under Section 351 of the Public Health Service Act (PHSA) (42 U.S.C. § 262), for purposes of obtaining Regulatory Approval for a new biologic in the United States.

1.16"**Brain Shuttle**" means a carrier, molecular sequence or moiety that facilitates the delivery of molecules across the blood-brain barrier.

1.17"**Business Day**" means a day other than a Saturday, Sunday, or any bank or other public holiday in the State of California.

1.18"**Calendar Quarter**" means each successive period of three (3) calendar months commencing on January 1, April 1, July 1, or October 1, except that the first Calendar Quarter of the Term shall commence on the Effective Date and end on the day immediately prior to the first to occur of January 1, April 1, July 1, or October 1 after the Effective Date, and the last Calendar Quarter of the Term shall end on the last day of the Term.

1.19"**Calendar Year**" means each successive period of twelve (12) calendar months commencing on January 1 and ending on December 31, except that the first Calendar Year of the Term shall commence on the Effective Date and end on December 31 of the year in which the Effective Date occurs, and the last Calendar Year of the Term shall commence on January 1 of the year in which the Term ends and end on the last day of the Term.

1.20"**cGMP**" means the current good manufacturing practices as provided for (and as amended from time to time) in the ICH Good Manufacturing Practice Guide for Active Pharmaceutical Ingredients, Q7 (ICH Q7), the EU Guidelines to Good Manufacturing Practice Medicinal Products for Human and Veterinary Use in Volume 4 of the European Commission's Rules governing medicinal products in the European Union, the United States Code of Federal Regulations 21 C.F.R. §§ 210, 211 and 600, or analogous regulations, guidelines or standards as defined by other relevant Regulatory Authorities, in each case, as applicable to the relevant activities.

1.21"**Change of Control**" shall mean, with respect to a Party, (a) a merger or consolidation of such Party with a Third Party that results in the voting securities of such Party (or in the case of Alector, Alector, Inc.) outstanding immediately prior thereto, or any securities into which such voting securities have been converted or exchanged, ceasing to represent at least fifty percent (50%) of the combined voting power of the surviving entity or the parent of the surviving entity immediately after such merger or consolidation, (b) a transaction or series of related transactions in which a Third Party, together with its Affiliates, becomes the direct or indirect beneficial owner of fifty percent (50%) or more of the combined voting power of the outstanding securities of such Party (or in the case of Alector, Alector, Inc.), or (c) the sale or other transfer to a Third Party of all or substantially all of such Party's and its controlled Affiliates' assets to which this Agreement relates.

1.22"Clinical Trial" means any human clinical trial, including any Phase I Trial, Phase II Trial, Phase III Trial or post-marketing clinical trial.

1.23"**Combination Product**" means (a) a single pharmaceutical product in which both a Compound and one or more other pharmaceutically active ingredients are co-formulated as such pharmaceutical product's active ingredients or (b) a combination therapy comprised of (i) a pharmaceutical product containing a Compound as a pharmaceutically active ingredient and (ii) one or more other pharmaceutically active products, which are either priced and sold in a single

package containing such multiple products or packaged separately but sold together for a single price, in each case ((a) and (b)), including all dosage forms, finished forms, formulations, presentations, and package configurations thereof.

1.24"**Commercially Reasonable Efforts**" means, [***].

1.25"**Companion Diagnostic**" means any product or service that (a) identifies a person having a disease or condition, or a molecular genotype (e.g., somatic or tumor) or phenotype that predisposes a person to such disease or condition, for which a Product could be used to treat or prevent such disease or condition; (b) defines the prognosis or monitors the progress of a disease or condition in a person for which a Product could be used to treat or prevent such disease or condition; (c) is used to select a therapeutic or prophylactic regimen, wherein at least one (1) potential therapeutic or prophylactic regimen involves a Product, and where the selected regimen is determined, based on the use of such product or service, to likely be effective or to be safe for a person; or (d) is used to confirm a Product's biological activity or to optimize dosing or the scheduled administration of a Product.

1.26"**Compound**" means each of

(a) AL050-ABC;

(b) [***];

(c) [***];

(d) [***];

(e) [***];

(f) [***];

(g) [***];

(h) [***]; and

(i) [***].

[***].

1.27"**Compulsory Sublicense**" means, with respect to a particular Product in a particular country, a license or sublicense granted to a Third Party required by Applicable Law (each such Third Party acting under such license or sublicense, a "**Compulsory Sublicensee**"), through the order, decree, or grant of a governmental authority having competent jurisdiction, authorizing such Compulsory Sublicensee to make, use, sell, offer for sale, import, or export a Product in such country.

1.28"**Control**" (and, with correlative meaning, "**Controlled**" and the like) means,

(a) with respect to any Patent, Know-How, or any other intellectual property right, the rightful possession of the ability to grant a license, sublicense, or other right to exploit such Patent, Know-How or other intellectual property right, or

(b) with respect to proprietary materials, the rightful possession of the ability to provide such proprietary materials to the other Party,

in each case ((a) or (b)), (i) as contemplated herein, without violating the terms of any agreement with any Third Party and (ii) other than by operation of the terms of this Agreement, including the license(s) granted herein;

[***].

1.29"**Cover**" (and, with correlative meanings, "**Covered**", "**Covering**" and the like) means, with respect to a claim of a Patent [***] and in reference to any molecule (including any Compound), product (including any Product) or component of any Compound or Product (including [***]), that the [***] of such molecule (including any Compound), product (including any Product) or component of any Compound or Product (including [***]) in a country would, but for ownership thereof or a license thereunder, infringe such claim in the applicable country on the date of [***], or as to a claim that is pending, the [***] of such molecule (including any Compound), product (including any Product) or component of any Compound or Product (including [***]) would infringe such claim if it were to issue without modification.

1.30"**Drug Approval Application**" means a BLA or any corresponding application for Regulatory Approval of a biological product in a country or other jurisdiction outside the United States, including, with respect to the European Union, a marketing authorization application filed with the EMA pursuant to the centralized approval procedure or with the applicable Regulatory Authority of a country in the European Union with respect to the mutual recognition procedure or any other national approval, in each case, including any corresponding application pursuant to any applicable successor laws or regulations, or any supplement, amendment, variation, extension or renewal, as applicable, of any of the foregoing.

1.31"**EMA**" means the European Medicines Agency, or any successor entity thereto performing similar functions.

1.32"**European Union**" means the economic, scientific and political organization of member states known as the European Union as it may be constituted from time to time.

1.33"**Excluded IP**" means any

(a) [***]

(b) [***]

[***].

1.34"**Existing Brain Shuttle Patents**" means (a) the Patents listed in Exhibit 14.2.1(a)(1), (b) any and all patents or patent applications claiming priority thereto or common

priority therewith, worldwide, and any and all Patents issuing therefrom, (c) together with any extensions (including patent term extensions and supplementary protection certificates) and renewals of any of the foregoing, reissues, re-examinations, substitutions, confirmation patents, registration patents, invention certificates, patents of addition, divisionals, continuations, and continuations-in-part (solely with respect to claims in such continuations-in-part that claim priority to an application or patent described above), and the like of any of the foregoing.

1.35"**Existing GCase Patents**" means (a) the Patents listed in Exhibit 14.2.1(a)(2), (b) any and all patents or patent applications claiming priority thereto or common priority therewith, worldwide, and any and all Patents issuing therefrom, (c) together with any extensions (including patent term extensions and supplementary protection certificates) and renewals of any of the foregoing, reissues, re-examinations, substitutions, confirmation patents, registration patents, invention certificates, patents of addition, divisionals, continuations, and continuations-in-part (solely with respect to claims in such continuations-in-part that claim priority to an application or patent described above), and the like of any of the foregoing.

1.36"**Expert**" means a person who has [***] of relevant experience in the pharmaceutical industry who is fluent in the English language, excluding any current or former employee or consultant of either Party.

1.37"**Exploit**" means to research, develop, make, use, register, market, distribute, promote, sell, offer for sale, import, export, or otherwise exploit a referenced item (and to have performed any of the foregoing). "Exploiting" and "Exploitation" and words of similar import shall have corresponding meanings.

1.38"**FDA**" means the US Food and Drug Administration, or any successor entity thereto performing similar functions.

1.39"**Field**" means any and all uses.

1.40"**First Commercial Sale**" means, with respect to a particular Product in a given country, the first invoiced commercial sale to a Third Party of such Product following receipt of all Regulatory Approvals required in such country for the sale of such Product (or if no such Regulatory Approvals are required [***], the date of the first invoiced commercial sale to a Third Party of such Product) by or under authority of GNE or its Affiliates or Sublicensee(s) hereunder, which sale is included in the calculation of Net Sales for such Product.

1.41"**GBA**" means the gene glucosylceramidase beta 1 encoding the protein with UniProt Number P04062 (GBA1_HUMAN).

1.42"**GLP**" means the applicable then-current standards for laboratory activities for pharmaceuticals or biologicals, as set forth in the US Federal Food, Drug, and Cosmetic Act and any regulations or guidance documents promulgated thereunder, as amended from time to time, together with, with respect to work performed in a country other than the United States, any similar standards of good laboratory practice as are required by any Regulatory Authority in such country.

1.43"**GLP Toxicology Study**" means, with respect to a Product, an *in vivo* toxicology study that (a) is conducted in compliance with GLP and (b) has been designed with the intent to collect results that will enable submission of an IND in the US or European Union.

1.44"**Glucocerebrosidase**" or "**GCase**" means any (a) lysosomal enzyme β-glucocerebrosidase, (b) variant of any lysosomal enzyme β-glucocerebrosidase as may be associated with one or more mutations (e.g., substitutions, insertions, deletions, fusions, amplifications, etc.) in or splice variants of the gene or other nucleic acid encoding any such lysosomal enzyme β-glucocerebrosidase, (c) post-translationally modified version of any of the foregoing proteins or protein variants (e.g., resulting from glycosylation, phosphorylation, etc.) or (d) functional fragment of any of the foregoing proteins, protein variants or post-translationally modified proteins or protein variants.

1.45"**IND**" means an investigational new drug application filed with the FDA pursuant to 21 C.F.R. § 312 before the commencement of Clinical Trials of a pharmaceutical product, or any comparable filing with any relevant Regulatory Authority in any other jurisdiction.

1.46"**Indication**" means a specific disease, disorder or condition that is recognized by the FDA as a disease, disorder or condition. All variants of a single disease, disorder or condition (whether classified by severity or otherwise), regardless of the patient population, shall be treated as the same Indication. By way of example, (a) the treatment of a disease, disorder or condition in a particular patient population and the treatment of the same disease, disorder or condition in another population (e.g., adult population and pediatric population) shall be treated as the same Indication and (b) label expansions for a given Indication shall be treated as the same Indication. [***].

1.47"**Initiation**" (and, with correlative meaning, "**Initiated**" and the like) means, with respect to any Clinical Trial (or portion thereof), the first dosing of the first human subject in such Clinical Trial (or portion thereof, as applicable); *[***]*.

1.48"**Inventory**" means, with respect to a Compound or Product, as applicable, all clinical and non-clinical grade drug product, active pharmaceutical ingredients, intermediates, and raw materials specifically for the manufacture of a Compound or Product (a) in Alector's Control as of the Effective Date or another date prior to the initiation of the CMC Tech Transfer or (b) [***].

1.49"**Joint IP**" means all intellectual property (including Patents and Know-How) that is discovered, conceived, generated or otherwise made in the performance of this Agreement jointly by or on behalf of the Parties or their respective Affiliates and the rights therein.

1.50"**Joint Patent**" means a Patent within the Joint IP.

1.51"**Know-How**" means all [***] information (including information regarding discovery, development, marketing, pricing, distribution, cost, sales, and manufacturing), chemical, biological or other tangible materials, inventions (whether or not patentable), improvements, practices, formulas, trade secrets, techniques, methods, procedures, knowledge, results, data (including pharmacological, toxicological, pharmacokinetic, pre-clinical and clinical information and test data, pre-clinical data, clinical data, related reports, structure-activity

relationship data, statistical analysis, and analytical and quality control data), protocols, processes, models, and designs. Know-How shall not include any Patents.

1.52"**Licensed IP**" means (a) the Existing Brain Shuttle Patents, (b) the Spur Patents, (c) the Joint IP and (d) all other Patents and Know-How Controlled by Alector or any of its Affiliates on or after the Effective Date that is [***] to Exploit any Compound or Product in the Field in the Territory [***].

1.53"**Licensed Patent**" means a Patent within the Licensed IP. The Licensed Patents existing as of the Effective Date are listed in Exhibit 14.2.1(a)(1) and Exhibit 14.2.1(a)(3).

1.54"**Major [***] Country**" means each of the [***].

1.55"**Marketing Authorization**" means, with respect to a Product in a country or jurisdiction, final Regulatory Approval (including pricing approval, where required) required to sell such Product in accordance with the Applicable Law of such country or jurisdiction.

1.56"**Modified [***] Product**" means, with respect to any [***] Product, any modification of such [***] Product that (a) is made by or on behalf of Alector or any of its Affiliates [***], (b) contains a GCase [***] and (c) if such [***] Product contains an Alector Brain Shuttle, contains a Brain Shuttle [***].

1.57"**MTA**" means that certain Material Transfer Agreement by and between GNE and Alector LLC dated [***].

1.58"**Net Sales**" means, for a Product in a particular period, the amount calculated by subtracting from the Sales of such Product for such period:

(a) [***]

(b) [***]

(c) [***].

For clarity [***].

1.59[***]

1.60[***]

1.61"**Parkinson's Disease**" means the progressive, degenerative condition of the central nervous system known as Parkinson's disease. For clarity, Parkinson's Disease does not include any atypical Parkinsonian disease (including any form of ataxia, Huntington's Disease, multiple system atrophy (MSA) or dementia with Lewy bodies (DLB)).

1.62"**Parkinson's Disease Indication**" means any patient population [***].

1.63"**Party**" means Alector or GNE, as the case may be, and "**Parties**" means Alector and GNE collectively.

1.64"**Patent**" means a patent or patent application, and any and all patents or patent applications claiming priority thereto or common priority therewith, worldwide, and any and all patents issuing therefrom, together with any extensions (including patent term extensions and supplementary protection certificates) and renewals of any of the foregoing, reissues, re-examinations, substitutions, confirmation patents, registration patents, invention certificates, patents of addition, divisionals, continuations, continuations-in-part (solely with respect to claims in such continuations-in-part that claim priority to an application or patent described above in this Section 1.64), and the like of any such patent or patent application, and foreign equivalents of any of the foregoing. For clarity, the term Patent excludes Know-How.

1.65"**Patent [***]** means any [***].

1.66"**Phase I Trial**" means any Clinical Trial (or portion thereof) that, as of its Initiation, would satisfy the requirements of 21 C.F.R. § 312.21(a) (or for trials conducted outside of the US, an equivalent thereof in the applicable country).

1.67"**Phase II Trial**" means any Clinical Trial (or portion thereof) that, as of its Initiation (including, for clarity, Initiation under [***] would satisfy the requirements of 21 C.F.R. § 312.21(b) (or for trials conducted outside of the US, an equivalent thereof in the applicable country).

1.68"**Phase III Trial**" means any Clinical Trial (or portion thereof) that, as of its Initiation (including, for clarity, Initiation under [***], would satisfy the requirements of 21 C.F.R. § 312.21(c) (or for trials conducted outside of the US, an equivalent thereof in the applicable country).

1.69"**Pivotal Trial**" means any (a) Phase III Trial or (b) Phase II Trial if [***].

1.70"**Price Control Mechanism**" means (a) the Medicare Drug Price Negotiation Program under the Inflation Reduction Act of 2022, or (b) any other price negotiation, control, reduction or modification mechanism [***].

1.71"**Product**" means any pharmaceutical product containing a Compound, regardless of its dosage forms, finished forms, formulations, presentations or package configurations. For clarity, a "Combination Product" is a "Product". For purposes of [***] two (2) or more Products (including Combination Products) shall be deemed to be the same Product [***].

1.72[***]

1.73"**Prosecute and Maintain**" (including variations such as "Prosecution and Maintenance" and the like) means, with respect to a particular Patent, the preparation, filing, prosecution, and maintenance, including any supplemental examinations, re-examinations, reissues, applications for patent term adjustments and extensions, supplementary protection certificates, and the like with respect to that Patent, together with the conduct of interferences, derivation proceedings, inter partes review, post-grant review, the defense of oppositions, and other similar proceedings with respect to that Patent, but excluding any Challenge.

1.74"**Regulatory Approval**" means, with respect to a pharmaceutical product in a country or jurisdiction, any and all approvals (including approvals of Drug Approval Applications), licenses, registrations, or authorizations of any Regulatory Authority necessary to manufacture, use, store, import, transport, commercially distribute, sell, or market such pharmaceutical product in such country, including, where required to sell such pharmaceutical product, (a) pricing or reimbursement approval in such country, (b) post-approval marketing authorizations (including any prerequisite manufacturing approval or authorization related thereto), and (c) labeling approval.

1.75"**Regulatory Authority**" means any federal, national, multinational, state, provincial, or local regulatory agency, department, bureau, or other governmental entity with authority over the development, manufacturing, commercialization, or other use or exploitation (including the granting of Regulatory Approvals) of pharmaceutical products in any jurisdiction, including the FDA and EMA.

1.76"**Regulatory Documentation**" means all (a) applications for Regulatory Approvals and other submissions (including INDs), regulatory filings, registrations, licenses, authorizations, and approvals (including Regulatory Approvals), (b) correspondence and reports submitted to or received from Regulatory Authorities (including minutes, official contact reports, advice, and scientific advisory packages) and all supporting documents with respect thereto, including all regulatory drug lists, drug master files, drug dossiers, adverse event files, and complaint files, and (c) data, including all information that is made, collected, or otherwise generated pursuant to a Clinical Trial, contained or relied upon in any of the foregoing (including data related to manufacturing), in each case ((a) through (c)), relating to a Product.

1.77[***]

1.78"**Reversion Product**" means a Product

(a) [***]

(i) [***]

(ii) [***]

(b) [***]

(c) [***].

1.79"**Sales**" means, for a Product in a particular period, the sum of 1.79(a), 1.79(b) and 1.79(c):

(a) [***]

By way of example, [***] include the following:

(i) [***]

(ii) [***]

(iii)[***]

(iv)[***]

(v) [***]

(b) [***]

(c) [***]

[***]

1.80"**Spur License**" means the Option and License Agreement between Alector and Spur Therapeutics Limited ("**Spur**") dated August 14, 2026, pursuant to which Alector is granted an option to obtain, and upon exercise of such option obtains, a sublicensable license under the Spur Patents.

1.81"**Spur Patents**" means (a) the Patents listed in Exhibit 14.2.1(a)(3) and (b) any and all Patents that claim priority to or common priority with, or claiming any invention in, any of the patents or patent applications in clause (a); (c) any divisional, continuation, continuations-in-part (solely with respect to claims in such continuations-in-part that claim priority to an application or patent described in clause (a) or (b)), or patents of addition with respect to any of the foregoing patents or patent applications; (d) any patents issuing on such patent applications described in clauses (a)-(c), together with any substitutions, registrations, supplementary protection certificates, reissues, reexaminations or extensions of any kind with respect to any of the foregoing; and (e) any United States and foreign counterparts of any such patents and patent applications in clauses (a)-(d).

1.82[***]

1.83"**Sublicensee**" means any Third Party to which GNE or any of its Affiliates grants a sublicense (through one or multiple tiers) under the license granted pursuant to Section 2.1.1 or a license (directly or through one or multiple sublicenses) under the Existing GCase Patents, in each case, to commercialize a Product, other than (a) a Compulsory Sublicensee or (b) a Third Party [***] (a Third Party under clause (b), a "**Distributor**").

1.84[***]

1.85"**Territory**" means worldwide.

1.86"**Third Party**" means any entity or individual person other than a Party or any of its Affiliates.

1.87[***]

1.88[***]

1.89[***]

1.90[***]

1.91"**US**" means the United States of America and its territories and possessions.

1.92"**USD**" or "**Dollars**" or "**$**" means United States Dollars.

1.93"**Valid Claim**" means any (a) claim of any issued and unexpired patent that (i) has not been subject to irretrievable lapse, abandonment, revocation, dedication to the public or disclaimer, (ii) has not been admitted to be invalid or unenforceable through reissue, disclaimer or otherwise and (iii) has not been held permanently revoked, invalid, or unenforceable by a holding, finding or decision of a court, governmental agency, national or regional patent office or other appropriate body that has competent jurisdiction, such holding, finding or decision being final and unappealable or unappealed within the time allowed for appeal, or (b) claim of any pending patent application that was filed in good faith and with a reasonable belief that such claim could be found to be patentable and granted, which claim has not been cancelled or rejected and which patent application has not been withdrawn or abandoned without the opportunity for appeal; *provided, however*, that Valid Claim shall exclude [***]; [***].

1.94[***].

1.95"**Variant**" means, with respect to a given GCase, [***].

1.96Additional Definitions.

Each of the following definitions is set forth in the Section of this Agreement indicated below:

Definition	Section(s)
Acquiree	3.2(b)
Acquiror	3.2(a)
[***]	[***]
[***]	[***]
[***]	[***]
[***]	[***]
Alector Future Agreement	11.6.2(a)
[***]	[***]
[***]	[***]
Alector Indemnitees	15.1.1
Alector-Controlled GCase-Related Patents	11.4.4(a)
Alector-Controlled Patents	11.4.4(a)
Alliance Director	4.3
[***]	[***]
[***]	[***]
[***]	[***]
Breach Notice	16.2.1
Challenge	11.5.1
Chugai	1.2

Definition	Section(s)
CMC Tech Transfer	6.2
CMC Tech Transfer Plan	6.2
CMC Transferred Items	6.2
CMO Agreement	6.1
Completion of CMC Tech Transfer	6.2
Completion of Program Transfer	7.1
Competitive Activities	3.1
[***]	[***]
Confidential Information	12.1
[***]	[***]
[***]	[***]
[***]	[***]
CPA Firm	10.11.2
Cure Period	16.2.1
Development Milestone Event	9.2
Development Milestone Payment	9.2
[***]	[***]
Disclosing Party	12.1
Disposition Transaction	9.8
Distributor	1.83
[***]	[***]
[***]	[***]
Escalation Notice	17.1
[***]	[***]
[***]	[***]
Event Quarter	9.6.3
Exclusivity Period	3.1
Executed IP Assignment	2.2
Existing Alector Brain Shuttle	1.6
[***]	[***]
[***]	[***]
GCase Claim	11.4.4(b)
[***]	[***]
GCase Specific Third Party IP	11.6.1
[***]	[***]
GNE Indemnitees	15.1.2
GNE Sole Arising IP	11.2
[***]	[***]
GNE-Controlled Patents	11.4.3
[***]	[***]
Indemnification Claim Notice	15.1.3
Indemnified Party	15.1.3
Indemnitee	15.1.3
Indirect Taxes	10.10.1
Information Security Incident	12.8.1
Infringement	11.5.1
Initial PR	13.2
Inventor Remuneration	11.4.10

Definition	Section(s)
[***]	[***]
IP Expert	11.4.4(d)
Joint Steering Committee / JSC	4.1.1
JSC Co-Chair	4.1.1
[***]	[***]
[***]	[***]
Losses	15.1.1
New Affiliate	3.2
New Affiliate Date	3.2
Non-Disclosure Agreement	12.5
[***]	[***]
Offset Patent Rights	9.6.2
[***]	[***]
[***]	[***]
[***]	[***]
Patent Coordination Team	11.4.1
[***]	[***]
Product Trademark	11.4.12
Program Transfer	7.1
Program Transfer Plan	7.1
Program Transferred Items	7.1
Publication	13.6
Receiving Party	12.1
Reference Product	1.14
[***]	[***]
Release	13.2
[***]	[***]
Restricted Product	3.1
[***]	[***]
[***]	[***]
Reverted GCase Patent	16.3.1(f)
Royalty Term	9.5.1
Selected Alector Future Agreement	11.6.2(b)
Selected Plan Amendment	4.1.4
Spur	1.80
Spur License Payment	9.6.1
[***]	[***]
Successful Handover	4.1.2
Term	16.1
Third Party Claims	15.1.1
Third Party IP	11.6.2
Third Party Payments	9.6.2
Transaction Partner	12.4(e)
[***]	[***]
[***]	[***]
Upfront Payment	9.1
Upstream Agreements	14.2.1(i)
US Bulk Data Final Rule	5.3

Definition	Section(s)
Withholding Taxes	10.10.2

ARTICLE 2
GRANT OF LICENSES AND ASSIGNMENT

2.1Licenses.

2.1.1 Exclusive License to GNE. Alector, on behalf of itself and its Affiliates, hereby grants to GNE an exclusive (even as to Alector and its Affiliates, but subject to [***] and without limitation to Section 2.1.2), royalty-bearing, transferable (solely in accordance with Section 18.3), sublicensable (solely in accordance with Section 2.1.3) right and license under the Licensed IP to Exploit Compounds, Products or Companion Diagnostics in the Field in the Territory; *provided, however*, that (a) [***] (b) solely with respect to Licensed IP that is Spur Patents, the foregoing license excludes [***] the Field excludes the treatment of Gaucher disease Type 1, (c) the right and license granted under this Section 2.1.1, as it relates to Brain Shuttles controlled by Alector, is limited to any Alector Brain Shuttle for use as part of a Compound (i.e., as coupled or otherwise connected to a GCase) and does not include a right or license to Exploit any Brain Shuttle controlled by Alector other than any Alector Brain Shuttle and (d) the right and license granted under this Section 2.1.1 does not include a right or license to [***] of any [***] except [***].

2.1.2 Licenses to Alector.

(a) **[***].**

(i) **[***]**

(ii) **[***]**

(iii)**[***]**

(b) **[***]**.

(c) **Non-Exclusive License.** GNE hereby grants to Alector a non-exclusive, non-sublicensable, non-transferable, limited right and license under the Alector IP solely to the extent necessary to perform Alector's obligations under this Agreement.

2.1.3 Sublicenses. GNE shall have the right to grant (a) sublicenses (through multiple tiers) under the license set forth in Section 2.1.1 and (b) licenses (through multiple tiers) under the Existing GCase Patents, in each case ((a) and (b)), to its Affiliates and to Third Parties to Exploit Compounds, Products or Companion Diagnostics in the Field in the Territory, *provided* that GNE shall remain responsible for its obligations under this Agreement and shall be responsible for each Sublicensee's compliance with the applicable provisions of this Agreement. Any such (sub)license (other than to any Compulsory Sublicensee) must be subordinate to and consistent with the applicable terms of this Agreement. Any such (sub)license must include confidentiality,

non-disclosure, and non-use provisions at least as restrictive or protective of the Parties as those set forth in this Agreement.

2.2Assignment of Existing GCase Patents. Effective upon the payment of the Upfront Payment to Alector, Alector shall, and does hereby, assign (and shall cause its Affiliates to assign), to GNE (or an Affiliate of GNE designated by GNE), without additional compensation, Alector's (or its Affiliates') entire right, title and interest in and to the Existing GCase Patents so that, after giving effect to such assignment, all Existing GCase Patents shall be solely owned by GNE (or its Affiliates). With respect to any Existing GCase Patent, Alector shall promptly execute and deliver (or cause to be executed and delivered) to GNE the patent assignment set forth in Exhibit 2.2 for the purpose of perfecting such assignment to GNE (or such Affiliate) (with respect to the Existing GCase Patents existing as of the Effective Date, the "**Executed IP Assignment**"). GNE shall hold such Executed IP Assignment in escrow until the payment of the Upfront Payment. As between the Parties, GNE shall have the sole right to record such documents, and Alector shall reasonably cooperate with GNE's efforts to do so. Upon GNE's request, Alector shall promptly execute and deliver such other documents as may be necessary for perfecting and recording such assignment, including with the United States Patent and Trademark Office and patent offices for other countries. As between the Parties, subject to the license set forth in Section 2.1.2(b), GNE shall have the sole right to use, practice and grant licenses under the Existing GCase Patents. Neither GNE nor any of its Affiliates shall transfer or assign any right, title or interest in or to any Existing GCase Patent to any Third Party.

2.3Subcontracting.

2.3.1 Authorized Subcontractors. GNE shall have the right to subcontract any of its activities under this Agreement to one or more Third Parties. Alector shall not subcontract, without GNE's consent, any work or activity performed under this Agreement (including under the Program Transfer Plan or the CMC Tech Transfer Plan) to a Third Party, other than to the applicable Authorized Subcontractor. The activities performed by an Authorized Subcontractor on behalf of Alector shall be performed pursuant to a written subcontract specifying the work to be subcontracted and containing provisions consistent with the terms and conditions of this Agreement, including with respect to confidentiality and intellectual property. With respect to any such subcontract that Alector intends to enter into after the Effective Date, or any scope of work/project plan under any such subcontract (whether the subcontract was entered into prior to, on or after the Effective Date), in all cases, to the extent such subcontract (or scope of work/project plan) pertains to the CMC Tech Transfer Plan (or activities thereunder) or the Program Transfer Plan (or activities thereunder), Alector shall provide GNE the opportunity to review (at GNE's discretion) any such subcontract (or scope of work/project plan) prior to its execution. Alector shall also (a) provide GNE the opportunity to (i) participate in meetings with, or audits or inspections of, any Authorized Subcontractor and (ii) review any draft and final reports prepared by such Authorized Subcontractor and (b) provide GNE with any notification or written correspondence that Alector receives from an Authorized Subcontractor (that is a contract manufacturing organization) regarding inspectional observations, deficiencies, or similar matters from a Regulatory Authority concerning Compound or Product or the facilities where Compound or Product is manufactured.

2.3.2 Performance. Each Party will be responsible for (and liable to the other Party for) the performance of such Party's activities pursuant to this Agreement by its subcontractors and (sub)licensees and for any failure by its subcontractors or (sub)licensees, as applicable, to comply with the applicable restrictions, limitations, and obligations set forth in this Agreement as if such performance or failure of such subcontractors or (sub)licensees, as applicable, were the performance or failure of such Party under this Agreement; provided that this Section 2.3.2 shall not apply to any Compulsory Sublicensee.

2.4No Additional Rights. Except as expressly provided in this Agreement, nothing in this Agreement shall grant either Party any right, title, or interest in or to the Know-How, Patents, or other intellectual property rights of the other Party, whether by implication, estoppel, or otherwise. All rights with respect to Know-How, Patents, or other intellectual property rights that are not specifically granted herein are reserved to the owner thereof.

2.5[***].

ARTICLE 3
EXCLUSIVITY

3.1General. From the Effective Date until the earlier of (a) [***] and (b) [***] from the Effective Date (the "**Exclusivity Period**"), Alector shall not, itself or through or with any of its Affiliates or any Third Party (except in the conduct of activities specifically assigned to Alector in this Agreement), (i) Exploit or (ii) license, authorize, appoint or otherwise assist (including through the grant of any covenant not to sue) any Third Party to Exploit, in each case ((i) and (ii)), any molecule or product that

[***]

[***]

[***]

(any such molecule or product, a "**Restricted Product**," and any such activity in (i) or (ii), the "**Competitive Activities**").

3.2Exception to Exclusivity. Notwithstanding Section 3.1, if (1) a Third Party acquires or becomes an Affiliate of Alector during the Exclusivity Period through merger, acquisition, consolidation, Change of Control, or other similar transaction (any such Third Party, a "**New Affiliate**") and (2) such New Affiliate, as of the execution date of the definitive agreement with respect to such transaction ("**New Affiliate Date**") or, in the case of an Acquiror, thereafter, is engaged in Competitive Activities with respect to one or more Restricted Products, then:

(a) If such transaction results in a Change of Control of Alector, then such New Affiliate (the "**Acquiror**") and Alector and their respective Affiliates may continue to perform such Competitive Activities after such Change of Control and Alector's and its Acquiror's and their respective Affiliates' conduct of such Competitive Activities will not

constitute a breach by Alector of its exclusivity obligations set forth in Section 3.1, as long as **both:**

(i) none of [***] is used or practiced by or on behalf of Alector, the Acquiror or any of their respective Affiliates in performing or undertaking any such Competitive Activities, and

(ii) Alector, the Acquiror and each of their respective Affiliates [***].

(b) If such transaction does **not** result in a Change of Control of Alector, Alector and its New Affiliate (an "**Acquiree**") will [***] take one of the following actions within [***] of the applicable New Affiliate Date; *provided* that, Alector and the Acquiree will take one of the following actions within [***] of the applicable New Affiliate Date: (A) divest, whether by license or otherwise, all of Alector's, the Acquiree's and each of their respective Affiliate's interest in the program of applicable Competitive Activities; or (B) terminate any further Competitive Activities. During such [***] period, Alector and its Acquiree's and their respective Affiliates' conduct of such Competitive Activities will not constitute a breach by Alector of its exclusivity obligations set forth in Section 3.1, as long as during such [***] period, [***]

(i) none of [***] is used or practiced by or on behalf of Alector, the Acquiree or any of their respective Affiliates in performing or undertaking any such Competitive Activities, and

(ii) Alector, the Acquiree and each of their respective Affiliates [***].

ARTICLE 4
GOVERNANCE

4.1Joint Steering Committee.

4.1.1 Formation; Composition; Conduct. Promptly following the Effective Date (and in no event more than [***] thereafter), the Parties shall establish a joint steering committee (the "**Joint Steering Committee**" or "**JSC**"). The JSC shall be composed of up to three (3) representatives designated by each Party (which shall each be employees of the applicable Party); the Parties need not have the same number of representatives on the JSC. Each Party shall designate one of its representatives as its primary contact for JSC matters (such Party's "**JSC Co-Chair**"). The Parties, through their respective Alliance Directors, shall appoint their respective members of the JSC, ensuring that representatives are employees of the applicable Party appropriate for the tasks then being undertaken and the stage of research, in terms of their seniority, functions in their respective organizations, training, and experience. A Party may replace any or all of its JSC representatives (including its JSC Co-Chair) at any time by informing the other Party's Alliance Director (which may be by email). The JSC shall hold meetings on a [***] basis and in any case as frequently as the members of the JSC may agree is necessary (including to achieve expedient Successful Handover). Either Party may invite a reasonable number of other employees, consultants, research contractors, or scientific advisors to attend a JSC meeting in a

non-voting capacity by informing the other Party's Alliance Director in advance, provided that such invitees are bound by appropriate confidentiality and, if applicable, invention assignment obligations consistent with the terms of this Agreement.

4.1.2 Dissolution. Unless otherwise agreed by the Parties, the JSC shall meet and operate during the period commencing upon its formation until the later of (a) Completion of Program Transfer and (b) Completion of CMC Tech Transfer (collectively, (a) and (b), "**Successful Handover**"). Thereafter, the JSC shall cease operations and perform no further functions under this Agreement.

4.1.3 Responsibilities. The JSC shall be responsible for performing the following functions:

(a) reviewing the progress of, coordinating the resolution of any issues that may arise during, and overseeing the conduct of the Program Transfer and the CMC Tech Transfer;

(b) reviewing and approving any proposed amendments or modifications to the Program Transfer Plan or the CMC Tech Transfer Plan;

(c) confirming the Completion of CMC Tech Transfer and Completion of Program Transfer;

(d) discussing issues relating to the manufacture and supply of Compounds or Products, including as described in Sections 6.2 and 6.3 [***]

(e) reviewing and approving Alector subcontractors proposed to be Authorized Subcontractors based on the scope of activities to be subcontracted and the qualifications of such subcontractors;

(f) establishing, dissolving, and overseeing subteams, as appropriate, to carry out its functions and resolving any disputes that arise in such subteams (for clarity, in accordance with Section 4.1.4 and subject to Sections 4.4 and 4.5); and

(g) performing such other functions as specified in this Agreement to be performed by the JSC or otherwise agreed by the Parties.

4.1.4 Decisions. The JSC shall operate as to matters within its responsibility by attempting to reach agreement by consensus, with each Party having one (1) collective vote in each decision. If the JSC cannot reach agreement on a particular matter within [***] (or such longer period as the JSC agrees upon by consensus) after the JSC first meets to consider such matter, then [***].

4.2Committee and Subteam Meetings; Minutes. To hold any committee or subteam meeting or to make a committee or subteam decision under this ARTICLE 4, at least one (1) member of such committee or subteam from each Party must participate in the meeting or vote. Committees and subteams may meet in person or via teleconference, video conference, or the like. Each Party shall bear the expense of its respective representatives' participation in committee and

subteam meetings. Each committee or subteam shall circulate within the applicable committee or subteam an agenda for each meeting prior to such meeting and keep minutes of its meetings. Unless otherwise decided by the JSC, the Parties shall alternate the responsibility for circulating such agenda and keeping such meeting minutes for a particular committee or subteam. Action items assigned or completed and other appropriate matters shall be recorded in such meeting minutes as needed. Each decision that is made at a committee or subteam meeting shall be recorded in meeting minutes. The designee of the Party responsible for keeping minutes for a particular committee or subteam meeting shall send proposed minutes to both Parties promptly after a meeting for review, comment, and approval. The Parties shall endeavor in good faith to approve meeting minutes by consensus promptly following each meeting. The meeting minutes shall be considered final upon approval by the Parties, provided that if the Parties cannot agree on the final version of a given set of meeting minutes within [***] of when the initial draft minutes are circulated (which time period may be extended by mutual agreement of the Parties), then any disputed issue shall be noted in such meeting minutes, and such meeting minutes shall be deemed final notwithstanding. Decisions that are made by the committee or subteam outside of a meeting shall be documented in writing (which may be by email).

4.3Alliance Directors. Promptly following the Effective Date, each Party shall designate an individual to act as the primary business contact for such Party for matters related to this Agreement (each, an "**Alliance Director**"), unless another contact is expressly specified in this Agreement or designated by the Parties for a particular purpose. The Alliance Directors shall promote communication and collaboration between the Parties, ensure appropriate decision-making, and assist in the resolution of potential and pending issues and potential disputes in a timely manner. The Alliance Directors may attend all meetings of the committees and subteams contemplated herein as non-voting participants. Either Party may replace its Alliance Director at any time by informing the other Party's Alliance Director (which may be by email).

4.4Limitations on Authority. Each Party shall retain the rights, powers, and discretion granted to it under this Agreement, and no rights, powers, or discretion shall be delegated to or vested in a committee or subteam unless such delegation or vesting of rights is expressly provided for in this Agreement, or the Parties expressly so agree. No committee or subteam shall have the power to amend, modify, or waive compliance with any provision of this Agreement, which may only be amended or modified, or compliance with which may only be waived, as provided in Section 18.8. No decision of the JSC may or will be in contravention of any terms or conditions of this Agreement.

4.5Day-To-Day Conduct. The Parties recognize that each Party possesses an internal structure (including various committees, teams, and review boards) that will be involved in administering such Party's activities under this Agreement. Each Party shall have the right to make routine day-to-day decisions relating to the conduct of those activities for which it has a performance or other obligation hereunder, in each case, in a manner consistent with the then-current applicable plan (e.g., CMC Tech Transfer Plan, Program Transfer Plan) and the terms and conditions of this Agreement.

ARTICLE 5
REGULATORY

5.1Generally. GNE shall be solely responsible for regulatory affairs with respect to the Product(s), including liaising and managing interactions with Regulatory Authorities with respect thereto, preparing and submitting Regulatory Documentation in its own name, and investigating, tracking, and filing adverse events and other required safety information associated with the use of any Product in accordance with Applicable Law. Notwithstanding the foregoing, upon GNE's request, Alector shall reasonably support GNE in preparing and submitting Regulatory Documentation and obtaining Regulatory Approvals for each Product, including providing necessary documents or other material required by Applicable Law or Regulatory Authorities to obtain such Regulatory Approvals; *provided* that [***].

5.2Safety Data Exchange. If reasonably requested by either Party, the Parties shall negotiate in good faith and enter into a separate pharmacovigilance agreement addressing exchange of applicable safety data with respect to [***].

5.3US Bulk Data Final Rule. Notwithstanding any other term or condition of this Agreement to the contrary, neither Party shall be obligated under this Agreement to transfer or provide access to any clinical data or other data, information or materials (including human biospecimens) in the event that [***] determines that such transfer or provision of access would [***] the Final Rule Implementing Executive Order 14117 of February 28, 2024 (Preventing Access to Americans' Bulk Sensitive Personal Data and United States Government Related Data by Countries of Concern), 90 Fed. Reg. 1636, as interpreted in rules, guidance, policies, statements or otherwise from time to time ("**US Bulk Data Final Rule**"). In such event, the Parties shall [***].

ARTICLE 6
MANUFACTURING AND SUPPLY

6.1Assignment of CMO Agreement(s). If prior to completion of all activities under a scope of work/project plan listed on Table 1 of Appendix F of Exhibit 6.2(II) (each, a "**CMO Agreement**"), (a) Alector is able to transfer and assign to GNE (or its designee) such CMO Agreement without the counterparty's consent and such CMO Agreement is specific to the manufacture of Compounds or Products, Alector shall transfer and assign such CMO Agreement to GNE (and GNE shall accept such assignment) [***], and (b) to the extent such CMO Agreement is not assignable without the counterparty's consent or not specific to the manufacture of Compounds or Products, Alector shall [***] obtain such consent of such counterparty or otherwise execute any necessary agreements with the applicable Third Parties, or amend as necessary any existing agreements, to effectuate such transfer and assignment, with respect to the portions thereof pertaining to the manufacture of Compounds or Products, *provided*, *however*, [***]. Upon the transfer and assignment of a CMO Agreement from Alector or its Affiliates to GNE (or its designee), GNE shall [***]; *provided* that if notwithstanding [***].

6.2CMC Tech Transfer. Commencing promptly following the Effective Date, Alector shall conduct (a) the activities in the CMC Tech Transfer Plan (other than any activities therein to the extent expressly allocated to GNE) and (b) a CMC technology transfer, in each case ((a) and (b)), in accordance with a CMC technology transfer plan (as may be amended by the JSC), and [***] meet the timelines set forth therein, under the coordination of the JSC (such activities and transfer, the "**CMC Tech Transfer**"; such plan, the "**CMC Tech Transfer Plan**") to enable development of the design of the manufacturing process for the supply of non-clinical, clinical and commercial quantities of Products. The CMC Tech Transfer Plan shall include (i) a list of all Inventory to be transferred from Alector to GNE (or GNE's designee), (ii) a list of all documents, records, data, methods, materials and other Know-How, in each case, relating to the manufacture of Compounds or Products, to be transferred from Alector to GNE (or GNE's designee) (collectively (i) and (ii), "**CMC Transferred Items**"), (iii) a description of the activities to be undertaken by Alector (including (A) [***], (B) activities to accomplish a CMC technology transfer and (C) activities to support [***], (iv) a timeline for such activities, and (v) the criteria to denote Completion of CMC Tech Transfer. For clarity, all activities under the CMC Tech Transfer Plan shall be directed to transferring to GNE the CMC Transferred Items and otherwise producing [***] and the CMC Tech Transfer Plan shall not include development or manufacturing activities after production [***]. For purposes of this Agreement, "**Completion of CMC Tech Transfer**" means that (1) [***], (2) [***], and (3) [***]. The initial CMC Tech Transfer Plan is attached hereto as Exhibit 6.2(II). Until Completion of CMC Tech Transfer (or, with respect to any CMO Agreement, such earlier time, if any, as such CMO Agreement is transferred and assigned to GNE (or its designee) pursuant to Section 6.1), Alector shall maintain in full force and effect any existing agreements with applicable Third Parties, [***]. GNE shall be responsible for [***] costs payable to [***] under the CMO Agreement(s) to conduct the CMC Tech Transfer Plan to the extent required pursuant to Exhibit 6.2(III) and shall [***]). To the extent GNE enters into any additional agreements ([***]) or statements of work with [***] or modifies a CMO Agreement with [***] (or requests Alector to do so), [***] ([***]) [***])). Alector shall deliver (or cause to be delivered), [***], any CMC Transferred Items required to be delivered to GNE (or its designee) pursuant to the CMC Tech Transfer Plan. If at any time after the Completion of CMC Tech Transfer, either Party identifies additional existing materials or Inventory to be transferred from Alector to GNE (or GNE's designee), the JSC (or if the JSC has dissolved, the Parties) shall amend the CMC Tech Transfer Plan accordingly and effectuate such transfer.

6.3[***].

6.4Manufacture by GNE. Following the Completion of CMC Tech Transfer, GNE shall have the sole right to manufacture Compounds and Products in the Territory. Alector shall not be responsible (including under the CMC Tech Transfer Plan or Program Transfer Plan) for conducting development (including CMC development) or manufacturing activities after [***].

6.5GNE Cooperation. Without limiting any obligations of Alector under Section 6.2 or 7.1, GNE shall reasonably cooperate with Alector to receive the benefit of Alector's activities under the CMC Tech Transfer Plan and the Program Transfer Plan.

ARTICLE 7
PROGRAM TRANSFER

7.1Program Transfer Plan. Commencing promptly following the Effective Date, Alector shall conduct (a) the activities in the Program Transfer Plan (other than any activities therein to the extent expressly allocated to GNE) and (b) a technology transfer, in each case ((a) and (b)), in accordance with a technology transfer plan (as may be amended by the JSC), and [***], under the coordination of the JSC, whereby Alector shall transfer to GNE Know-How within the Alector IP and materials within the Inventory, in each case, [***] to Exploit Compounds or Products that are not otherwise transferred under Section 6.2 (such activities and transfer, the "**Program Transfer**"; such plan, the "**Program Transfer Plan**"). The Program Transfer Plan shall include (i) a list of all documents, data, records, methods, materials and other Know-How to be transferred from Alector to GNE (or GNE's designee) ("**Program Transferred Items**"), (ii) a description of the activities to be undertaken by Alector to accomplish such transfer, (iii) a timeline for such activities, and (iv) the criteria to denote Completion of Program Transfer in accordance with the Program Transfer Plan. For purposes of this Agreement, "**Completion of Program Transfer**" means that [***]. The initial Program Transfer Plan is attached hereto as Exhibit 6.2(I). Unless otherwise agreed by GNE in connection with an amendment or modification to the Program Transfer Plan pursuant to Section 4.1.4, each Party shall bear its own costs incurred in the performance of the Program Transfer. Alector shall deliver (or cause to be delivered), [***], any Program Transferred Items required to be delivered to GNE (or its designee) pursuant to the Program Transfer Plan.

7.2Ongoing Know-How Transfer. If, at any time during the Term, either Party identifies any additional documents, records, methods, or other Know-How within the Alector IP or materials within the Inventory [***] to Exploit Compounds or Products, such Party shall promptly provide notice to the other Party thereof, which notice will identify such item(s), and, if requested by GNE, Alector shall promptly transfer such items to GNE[***]. Alector shall respond to GNE's reasonable requests relating to the Know-How within the Alector IP, including providing reasonable access to Alector's employees and facilities, and use reasonable efforts to provide access to Third Party service providers, in all cases, upon GNE's request to answer questions or provide technical training and to enable GNE to understand and implement such Know-How[***].

7.3Acknowledgement. Alector acknowledges and agrees that Alector's obligations (or components thereof) under ARTICLE 6 and this ARTICLE 7 are unique and that GNE would not have entered into this Agreement in the absence of such obligations, and that any breach or threatened breach of any such obligations by Alector may result in irreparable injury to GNE for which damages may not be an adequate remedy.

7.4Data Privacy. If deemed applicable by either Party taking into consideration the activities under this Agreement, the Parties shall enter into the relevant agreements to enable data sharing between the Parties that are in compliance with applicable data privacy laws. Under any such agreement, each Party shall represent and warrant that (a) any personal data shall be provided to the other Party in an anonymized, pseudonymized, de-identified, or aggregated manner, as applicable, (b) it shall not disclose or otherwise make available to the other Party any code allowing identification of data subjects (e.g., patients, study participants, specimen donors), and (c) it shall

not undertake any actions to identify the data subjects or obtain access to any code to identify such data subjects, in each case to the extent required by Applicable Law.

7.5MTA. Alector acknowledges and agrees that, subject to the terms and conditions of this Agreement and notwithstanding anything to the contrary in the MTA, GNE shall have the right to retain any remaining Materials (as defined in the MTA) and any replications thereof, and such materials shall be deemed included within the Know-How of the Licensed IP.

7.6[***]. Notwithstanding this ARTICLE 7, neither Alector nor its Affiliates shall be obligated to transfer or make available to GNE or its Affiliates [***] Controlled by Alector or its Affiliates that are [***], *provided*, that the foregoing is not intended and shall not be construed to exclude from Alector's transfer requirement any tools or materials that are reasonably necessary to conduct any GLP Toxicology Study or Clinical Trial for, or manufacture of, any Compound or a Product.

ARTICLE 8
DILIGENCE

8.1Research, Development, and Commercialization. Except as otherwise set forth in ARTICLE 6 and ARTICLE 7, GNE shall have the sole right to perform research, development, manufacturing, and commercialization of Compounds and Products under this Agreement. [***] GNE shall use Commercially Reasonable Efforts to [***].

8.2Progress Reports. By [***] of each Calendar Year, beginning on [***], until [***], GNE shall provide to Alector an annual written report summarizing GNE's, its Affiliates' and its Sublicensees' progress in the development of Products through [***] of such Calendar Year.

ARTICLE 9
FINANCIAL TERMS

9.1Upfront Payment. In consideration for the rights granted by Alector under this Agreement, GNE shall pay to Alector a one-time, non-refundable, non-creditable upfront payment of One Hundred Million USD ($100,000,000) ("**Upfront Payment**") following completion of each of the following:

(a) [***];

(b) [***]

(c) [***]

(d) following the Effective Date and completion of clauses (a) through (c) above, Alector has sent to GNE an invoice for the Upfront Payment.

GNE shall pay the invoice described in clause (d) above within [***] of GNE's receipt thereof.

9.2Development Milestones. Subject to the terms and conditions of this Agreement (including Sections 9.6 and 16.3.1(a) and the remainder of this Section 9.2), with respect to each milestone event set forth in the table immediately below (each, a "**Development Milestone Event**"), GNE shall pay Alector, in accordance with Section 10.1, the applicable corresponding non-refundable, non-creditable milestone payment set forth in such table (each, a "**Development Milestone Payment**") following the first achievement of the corresponding Development Milestone Event by or on behalf of GNE, its Affiliate, or a Sublicensee; *provided* that[***].

Row	Development Milestone Event	Development Milestone Payment (USD)			
		[***]			
		[***]	[***]	[***]	[***]
1	[***]	[***]	[***]	[***]	[***]
2	[***]	[***]	[***]	[***]	[***]
3	[***]	[***]	[***]	[***]	[***]
4	[***]	[***]	[***]	[***]	[***]
5	[***]	[***]	[***]	[***]	[***]
6	[***]	[***]	[***]	[***]	[***]
7	[***]	[***]	[***]	[***]	[***]
8	[***]	[***]	[***]	[***]	[***]
9	[***]	[***]	[***]	[***]	[***]
10	[***]	[***]	[***]	[***]	[***]
11	[***]	[***]	[***]	[***]	[***]

The Development Milestone Payment for each Development Milestone Event shall be payable only once, upon the first achievement of such Development Milestone Event, and no amounts shall be due for subsequent or repeated achievements of such Development Milestone Event, whether for the same or a different Product or any additional Indications[***]. The maximum aggregate amount payable by GNE pursuant to this Section 9.2 [***] is [***].

[***].

[***].

[***].

Notwithstanding the foregoing,

(a) [***];

(b) [***];

(c) [***];

(d) [***];

(e) [***]; and

(f) [***].

9.3Annual Net Sales Milestones. Subject to the terms and conditions of this Agreement (including the last sentence of Section 9.5.1, Sections 9.6 and 16.3.1(a) and the remainder of this Section 9.3), with respect to each milestone event set forth in the table immediately below (each, an "**Annual Net Sales Milestone Event**"), GNE shall pay Alector, in accordance with Section 10.1, the applicable corresponding non-refundable, non-creditable milestone payment set forth in such table (each, an "**Annual Net Sales Milestone Payment**") following the first achievement of the corresponding Annual Net Sales Milestone Event by or on behalf of GNE, its Affiliate, or a Sublicensee; provided that[***].

Annual Net Sales Milestone Event	**Annual Net Sales Milestone Payment (USD)**			
	[***]			
	[***]	**[***]**	**[***]**	**[***]**
[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]

For clarity, [***]s. The maximum aggregate Annual Net Sales Milestone Payments payable by GNE pursuant to this Section 9.3 [***] is [***].

9.4Royalty Payments. Subject to the terms and conditions of this Agreement (including Sections 9.5.1 and 9.6), on a Product-by-Product basis, commencing upon the First Commercial Sale of a Product in the Territory, GNE shall pay Alector, in accordance with Section 10.2, a royalty on Annual Net Sales of such Product in the Territory at the following rates:

Royalty Rates Table				
	[***] [***]			
	[***]	**[***]**	**[***]**	**[***]**
[***]	[***]	[***]	[***]	[***]

Royalty Rates Table				
	[***] [***]			
	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]

No more than one stream of royalty payments will be due under this Section 9.4 with respect to sales of any one particular Product. For clarity, multiple royalty payments will not be due or payable because a Product is Covered by more than one (1) Valid Claim [***] in the country in which such Product is sold.

9.5Royalty Term; Late Developed Products.

9.5.1 Royalty Term. GNE's obligation to make royalty payments on Net Sales of a given Product in a particular country shall begin on the date of the First Commercial Sale of such Product in such country and [***] continue, on a Product-by-Product and country-by-country basis, until [***] ("**Royalty Term**"). Upon expiration of the Royalty Term with respect to a Product in a country, the license and other rights granted to GNE in Section 2.1.1 shall become [***] in respect of such Product in such country. Notwithstanding anything to the contrary herein, [***].

9.5.2 [***].

9.6Payment Offsets and Reductions [***]. Each of the payment offsets and reductions set forth in this Section 9.6 (a) shall[***] operate independently and, except for Section 9.6.1 (which shall be applied first), shall be applied in the order in which the event triggering the offset or reduction occurs, and any or all may apply to a given Product if a payment is owed with respect to such Product, and (b) shall be [***].

9.6.1 Spur License Payments. [***].

9.6.2 Third Party Payments. Subject to Section 9.6.1, if GNE (or any of its Affiliates or Sublicensees) (a) acquires rights under any Patents from a Third Party that (i) are [***] or (ii) [***] (such Patents described in clauses (i) and (ii), "**Offset Patent Rights**"), (b) reimburses any [***] pursuant to Section [***] or (c) without limiting the foregoing clause (a), [***], then GNE shall have the right to offset up to [***] of (x) with respect to the foregoing clause (a), any amounts paid by GNE (or any of its Affiliates or Sublicensees) to such Third Party for such rights [***] that are [***] the Exploitation of (1) [***] or (2) [***], (y) with respect to the foregoing clause (b), any such [***] a Product [***], or (z) with respect to the foregoing clause

(c), [***] (any such amounts under (x), (y) or (z), "**Third Party Payments**"), against any then-currently owed or future [***] for the applicable Product; *provided, however*, that (A) [***] and (B) [***]. [***].

9.6.3 Biosimilar Products; Price Control Mechanism. "**Event Quarter**" means, with respect to a Product and a country or other jurisdiction where such Product is being sold, the Calendar Quarter in which the first of the following events occurs: (a) [***] or (b) [***]. If

(x) the quarterly Net Sales of the applicable Product in the applicable country or jurisdiction in the Event Quarter or any Calendar Quarter thereafter is less than or equal to [***] but greater than [***] of the average quarterly Net Sales of such Product in such country or jurisdiction in the [***] consecutive Calendar Quarters immediately prior to the Event Quarter, then (subject to clauses (y) and (z) below) the royalty payments due under Section 9.4 with respect to Net Sales of such Product in such country or jurisdiction for that Calendar Quarter will be reduced to [***] of the amount that would have otherwise been due,

(y) the quarterly Net Sales of the applicable Product in the applicable country or jurisdiction in the Event Quarter or any Calendar Quarter thereafter is less than or equal to [***] but greater than [***] of the average quarterly Net Sales of such Product in such country or jurisdiction in the [***] consecutive Calendar Quarters immediately prior to the Event Quarter, then (subject to clause (z) below) the royalty payments due under Section 9.4 with respect to Net Sales of such Product in such country or jurisdiction for that Calendar Quarter will be reduced to [***] of the amount that would have otherwise been due, and

(z) the quarterly Net Sales of the applicable Product in the applicable country or jurisdiction in the Event Quarter or any Calendar Quarter thereafter is less than or equal to [***] of the average quarterly Net Sales of such Product in such country or jurisdiction in the [***] consecutive Calendar Quarters immediately prior to the Event Quarter, then the royalty payments due under Section 9.4 with respect to Net Sales of such Product in such country or jurisdiction for that Calendar Quarter will be reduced to [***] of the amount that would have otherwise been due;

provided that [***].

[***].

9.6.4 [***]. On a Product-by-Product and country-by-country basis, if during any portion of the applicable Royalty Term, there is no [***] that Covers such Product in such country, then the royalty payments due under Section 9.4 with respect to Net Sales of such Product in such country will be reduced by [***]. [***].

9.6.5 [***]. [***].

9.7[***]

9.8[***]

ARTICLE 10
PAYMENT TERMS, REPORTS, AND AUDITS

10.1Notice of Milestone Achievement; Timing of Milestone Payments. With respect to each of the milestone events set forth in Section 9.2, GNE shall inform Alector within [***] following the achievement of such event. With respect to each of the milestone events set forth in Section 9.3, GNE shall inform Alector within [***] following the end of the Calendar Quarter during which achievement of such event occurred. GNE shall pay Alector the applicable milestone payment within [***] of receipt of an invoice from Alector provided after Alector's receipt of the respective achievement notice from GNE of the applicable milestone (or if earlier, after the date GNE was obligated to provide such notice).

10.2Timing of Royalty Payments. All royalty payments pursuant to Section 9.4 (and all [***]) shall be made within [***] of the end of each Calendar Quarter in which the sale was made (or the [***] was received).

10.3Royalty Report. For each Calendar Quarter for which GNE has an obligation to make royalty payments pursuant to Section 9.4, such payments shall be accompanied by a report that specifies for such Calendar Quarter the following information on a Product-by-Product basis:

(a) the Sales and Net Sales in those countries where the Royalty Term is then in effect;

(b) the applicable royalty rate(s) applied;

(c) the total royalties due to Alector on such Net Sales, and the calculations thereof;

(d) any applicable royalty adjustments, reductions, or offsets set forth herein; and

(e) the total royalties due to Alector on such Net Sales after applying any applicable adjustments, reductions, and offsets as set forth herein.

Alector may review each royalty report and may request reasonable clarification regarding the report or the calculation of royalties reflected therein. GNE shall respond to such requests and provide such clarification within a reasonable period of time.

10.4[***].

10.5Mode of Payment. All payments to Alector hereunder will be made in immediately available funds to the account listed below (or such other account as Alector designates (in compliance with Section 18.2) at least [***] before the applicable payment is due):

For Wire Transfers:
Beneficiary Account Name: [***]
Beneficiary Account Number: [***]
Beneficiary Bank Name: [***]
Beneficiary Bank Swift BIC: [***]
Beneficiary Bank Routing Number: [***]

10.6Currency of Payments. All amounts set forth herein (including all payments) are in USD, unless otherwise expressly provided in this Agreement. Net Sales outside of the US will be first determined in the currency in which they are earned and will then be converted into an amount in USD as follows: (a) with respect to Sales by or on behalf of GNE or an Affiliate, using GNE's or such Affiliate's customary and usual conversion procedures, consistently applied in accordance with its Accounting Standards for purposes of publicly reporting its finances and (b) with respect to Sales by or on behalf of a Sublicensee, using the conversion procedures applicable to payments by such Sublicensee to GNE for such sales. [***] received by GNE or its Affiliate will be first determined in the currency in which they are received and will, if necessary, then be converted into an amount in USD using GNE's or such Affiliate's customary and usual conversion procedures, consistently applied in accordance with its Accounting Standards for purposes of publicly reporting its finances.

10.7Invoices. Alector shall send invoices under this Agreement to GNE via e-mail to GNE's Alliance Director at the applicable email address provided separately by GNE or to such other address(es) as GNE may designate from time to time.

10.8[***]

10.9[***].

10.10Taxes.

10.10.1Indirect Taxes. All sums payable under this Agreement are exclusive of any applicable indirect taxes, including transfer, documentary, sales, use, stamp, registration, value-added, turnover, consumption, goods and services tax or any other similar tax, interest or penalties (collectively, "**Indirect Taxes**"). [***] Indirect Taxes will be borne by [***]. Each Party agrees to reasonably assist the other Party (upon request) in claiming exemption from, or a recovery of, any applicable Indirect Tax, and in minimizing the amount of any applicable Indirect Tax.

10.10.2Withholding Taxes. If a provision under Applicable Law of any country requires withholding of [***] (other than Indirect Taxes) with respect to any royalty or other amounts payable under this Agreement to Alector or any of its Affiliates ("**Withholding Taxes**"), then GNE will be entitled to withhold or deduct any Withholding Taxes from any payments due to Alector under this Agreement or to be promptly reimbursed by Alector if no further payments are due under this Agreement. GNE will promptly pay such Withholding Taxes for and on behalf of Alector to the proper governmental authority and promptly furnish Alector with receipt of payment, and all such withheld amounts shall be treated as having been paid to Alector (or its Affiliate(s)) hereunder. Each Party agrees to reasonably assist the other Party in

claiming refunds, reductions, or exemptions from such deductions or withholdings of any Withholding Taxes under an applicable double taxation or similar agreement or treaty from time to time in force and in minimizing the amount required to be so withheld or deducted or claiming a refund thereof, including, by requesting any applicable form, certification, or other information from the other Party that may reduce or eliminate any such Withholding Taxes (a) prior to making a relevant payment or type of payment and (b) at any time thereafter when any such form, certification or other information is required to be updated or supplemented. [***].

10.11Records; Inspection.

10.11.1Records. GNE agrees to keep, for [***] from the end of the year of creation or such longer period as may be required by Applicable Law, records pertaining to [***] for each reporting period in which payments are due under [***]. Such records shall include all sales of Products for GNE and [***] in sufficient detail to enable the reports provided under Section 10.3 or any [***] to be verified.

10.11.2Audits. Alector will have the right to request that records maintained under Section 10.11.1 be verified by an independent, certified, and internationally recognized public accounting firm selected by Alector and reasonably acceptable to GNE (the "**CPA Firm**"). Such right to request a verified report will (a) be limited to the minimum [***] period during which GNE is required to maintain the same pursuant to Section 10.11.1, (b) not be exercised more than once in any Calendar Year, and (c) not be exercised more than once with respect to records covering any specific period of time. Subject to Section 10.11.3, GNE will, upon reasonable advance notice and at a mutually agreeable time during its regular business hours, make its records available for inspection by such CPA Firm at such place or places where such records are customarily kept, solely to verify the accuracy of payments due under Section [***], including, if applicable, any royalty report(s). The CPA Firm will only state factual findings in the audit reports. The CPA Firm will share all draft audit reports with GNE before any draft audit report is shared with Alector and before the final audit report is issued. All final audit reports will be shared with GNE at the same time that the applicable report is shared with Alector. Alector may [***].

10.11.3Confidentiality. Prior to any audit under Section 10.11.2, the CPA Firm will enter into a written confidentiality agreement with GNE that (a) limits the CPA Firm's use of GNE's records to the verification purpose described in Section 10.11.2; (b) limits the information that the CPA Firm may disclose to Alector to the numerical summary of payments due and paid; and (c) prohibits the disclosure of any information contained in such records to any Third Party for any purpose (except that [***]. The Parties agree that all information subject to review under Section 10.11.2 or provided by the CPA Firm to Alector is GNE's Confidential Information (including all draft and final audit reports), and Alector will not use any such information for any purpose that is not germane to Section 10.11.2.

10.11.4Underpayment; Overpayment. After reviewing the CPA Firm's final audit report, (i) GNE will promptly (and no later than [***] following receipt of such report) pay any understated amounts due to Alector or (ii) Alector will promptly (and no later than [***] following receipt of such report) refund or fully credit against amounts payable in subsequent payment periods, at GNE's election, any overpayment amounts made by GNE; *provided* that the foregoing shall not limit either Party's right to contest amounts understated or overstated, as

applicable, to the extent such Party provides the other Party notice of the amount it is contesting prior to the payment (or credit, if applicable) thereof to the other Party (and, in the case of any such contested amounts that are finally determined by mutual agreement of the Parties (or through Section 17.2) to not have been in fact an underpayment or overpayment, as applicable, the other Party will pay (or in the case of GNE contesting an overpayment, fully credit, at GNE's election) the applicable amounts promptly after the dispute is resolved). Any audit under Section 10.11.2 will be at Alector's expense; *provided, however*, that GNE will reimburse reasonable audit fees for a given audit if the results of such audit reveal that GNE underpaid Alector with respect to payments under Section [***] or more for the audited period.

10.12Late Payments. If any payment due to either Party under this Agreement is not paid when due, then the paying Party will pay interest thereon (before and after any judgment) at an annual rate (but with interest accruing on a daily basis) of [***] (or such other [***] rate acceptable to both Parties), such interest to run from the date on which payment of such sum became due until payment thereof in full together with such interest. Any payment due to either Party under this Agreement on a day other than a Business Day shall not be late if made on the next succeeding Business Day, and no interest shall be due thereon.

ARTICLE 11
INTELLECTUAL PROPERTY

11.1Disclosure. Without limiting any other disclosure obligations under this Agreement, during the Term, Alector shall regularly (or at the reasonable request of GNE) disclose to GNE any [***] Alector IP of which it becomes aware.

11.2Ownership. Subject to Section 2.2, each Party will continue to own any intellectual property (including Patents and Know-How) that it owned prior to the Effective Date or that it discovers, conceives, generates or otherwise makes independently of this Agreement. Subject to the licenses set forth in Section 2.1, ownership of any intellectual property (including Patents and Know-How, inventions, compositions of matter, articles of manufacture, or other subject matter, whether patentable or not) that is discovered, conceived, generated or otherwise made in the performance of this Agreement by or on behalf of one or both of the Parties or their respective Affiliates and the rights therein shall, as between the Parties, be determined based on inventorship (and, for clarity, as between the Parties, each Party shall own an equal, undivided joint interest in and to any Joint IP) (any such intellectual property that is discovered, conceived, generated or made in the performance of this Agreement solely by or on behalf of GNE or its Affiliates and the rights therein, as between the Parties, shall be solely owned by GNE as "**GNE Sole Arising IP**"). The determination of inventorship for purposes of allocating proprietary rights shall be made in accordance with the US patent laws. For clarity, for purposes of ownership of Know-How that is not an invention, the Party that discovered, conceived, generated or otherwise made the applicable Know-How will be deemed to have invented such Know-How. Subject to Sections 2.1.1 and 3.1, each Party has the right to practice, license, sublicense, assign, transfer, and otherwise exploit such Party's interest in the Joint IP (including Patents therein) for any and all purposes on a worldwide basis without restriction, and without the consent of and without a duty of accounting to the other Party. Each Party will grant and hereby does grant all permissions, consents, and waivers with

respect to, and all licenses under, such Party's interest in the Joint IP, throughout the world, necessary to provide the other Party with the foregoing rights.

11.3Assignment; Cooperation. The assignments necessary to accomplish the ownership provisions set forth in Section 11.2 are hereby made by each Party to the other Party, and each Party shall execute such further documentation as may be necessary or appropriate, and provide reasonable assistance and cooperation to implement the provisions of Section 11.2. Without limiting the foregoing, each Party agrees to execute such documents, render such assistance, and take such other action as the other Party may reasonably request, to apply for, register, record, perfect, confirm, and protect the other Party's rights in such intellectual property rights (including Patents) therein to effect the intent of Section 11.2.

11.4Prosecution and Maintenance.

11.4.1Patent Coordination Team. Promptly after the Effective Date, the Parties shall establish a Patent coordination team ("**Patent Coordination Team**") to facilitate communications with respect to issues germane to this ARTICLE 11. The Patent Coordination Team shall be composed of one (1) designee from each Party who is appropriate for the scope of responsibilities and activities to be undertaken. A Party may replace its Patent Coordination Team designee at any time by informing the other Party's Patent Coordination Team designee and Alliance Director (which may both be by email).

11.4.2Patents within GNE Sole Arising IP. As between the Parties, GNE shall, at its sole expense and discretion, have the sole right, but not the obligation, to control and make decisions with respect to the Prosecution and Maintenance of all Patents within GNE Sole Arising IP.

11.4.3GNE-Controlled Patents. As between the Parties, subject to [***], GNE shall, at its sole expense and discretion, have the first right, but not the obligation, to control and make decisions with respect to the Prosecution and Maintenance of the Existing GCase Patents [***] (collectively, the "**GNE-Controlled Patents**"). [***] (b) [***].

11.4.4Alector-Controlled Patents.

(a) As between the Parties, subject to the remainder of this Section 11.4.4, Alector shall, at its sole expense and discretion, have (i) subject to clause (ii) below, the sole right, but not the obligation, to control and make decisions with respect to the Prosecution and Maintenance of the Licensed Patents (including any Spur Patents and Existing Brain Shuttle Patents) [***] (collectively, the "**Alector-Controlled Patents**"), and (ii) the first right, but not the obligation, to control and make decisions with respect to the Prosecution and Maintenance of the Alector-Controlled Patents (other than Spur Patents and Existing Brain Shuttle Patents) that include a [***] or any other claim reciting any GCase ("**Alector-Controlled GCase-Related Patents**"). [***].

(b) **GCase Claim Strategy.** Within [***] following the Effective Date, Alector, through the Patent Coordination Team, shall provide to GNE Alector's strategy to date for Prosecution and Maintenance of [***] (each, a "**GCase Claim**"). [***].

(c) **GCase Claim Prosecution and Maintenance**. For any Alector-Controlled Patent that is not [***], Alector shall provide GNE with copies of any material communications to and from any patent authority and drafts of substantive official correspondence with patent authorities [***].

(d) **[***]**.

(e) **Status Report.** By [***] of each Calendar Year, Alector shall provide GNE a written high-level status report for each Alector-Controlled Patent (for clarity, including each Spur Patent).

11.4.5Cooperation. Alector shall reasonably cooperate with and assist GNE in the Prosecution and Maintenance of Patents under Section 11.4.3 or 11.4.4(a), including making inventors or other knowledgeable persons and scientific records (including copies of relevant notebook pages) reasonably available and using its reasonable efforts to have documents signed as necessary in connection with such Prosecution and Maintenance.

11.4.6Patent Term Extension. As between the Parties, with respect to each Product, GNE shall have the sole right to apply for any patent term extensions (including supplementary protection certificates) worldwide; *provided that* [***].

11.4.7Filings with Regulatory Authorities. GNE shall have the sole right to make all filings with Regulatory Authorities worldwide relating to any Products, including as required or allowed under the national implementations of Article 10(1) of Directive 2001/83/EC or other international equivalents, *provided* that [***].

11.4.8Unified Patent Court. At any time prior to the end of the "transitional period" as such term is used in Article 83 of the Agreement on a Unified Patent Court between the participating Member States of the European Union, for a given relevant GNE-Controlled Patent in the Member States of the European Union, GNE may request in writing that Alector either (a) opt out from the exclusive competence of the Unified Patent Court or (b) if applicable, withdraw a previously-registered opt-out, and Alector shall notify the Unified Patent Court Registry, pay any such registry fee and take such other action as may be necessary to effect the opt-out or opt-out withdrawal, provided that GNE shall reimburse all such registry fees actually paid by Alector. In either case (a) or (b), Alector shall [***] of such requested action within [***] of receipt of GNE's written request.

11.4.9CREATE Act. It is the intention of the Parties that this Agreement is a "joint research agreement" as that term is defined in 35 U.S.C. § 100(h), and as it applies to inventions as set forth in 35 U.S.C. § 102(c) (AIA) or 35 U.S.C. § 103(c) (pre-AIA) and may be used for the purpose of overcoming a rejection of a claimed invention within the Joint IP pursuant to the provisions of 35 U.S.C. § 102(c) or 35 U.S.C. § 103(c). If either Party intends to overcome a rejection of any other claimed invention outside the Joint IP pursuant to the provisions of 35 U.S.C. § 102(c) or 35 U.S.C. § 103(c), such Party shall first obtain the prior written consent of the other Party.

11.4.10Inventor Remuneration. Alector shall be solely responsible for all invention compensations or remunerations (including for inventions and for all Alector IP, whether

invented prior to or after the Effective Date) payable in accordance with Applicable Law to inventors that are employees or consultants of Alector or any of its Affiliates (including their respective subcontractors) (such invention compensations or remunerations, "**Inventor Remuneration**").

11.4.11German Statute on Employee Inventions. With respect to any inventions arising under this Agreement that are within the scope of the German Statute on Employee's Inventions, the applicable Party shall claim the unlimited use of any such invention. Each Party shall be responsible for its own compliance with the German Statute on Employee's Inventions.

11.4.12Trademarks. GNE shall have the sole right to determine and own all trademarks used on or for Products (each, a "**Product Trademark**"), and shall have the sole right, but not the obligation, at its sole expense and discretion, to procure, maintain, enforce, and defend the Product Trademarks. Alector shall not, and shall not permit its Affiliates to, (a) use in their respective businesses any Product Trademark or other trademark that is confusingly similar to, misleading or deceptive with respect to, or that dilutes any (or any part of a) Product Trademark, (b) do any act which endangers, destroys, or similarly affects, in any material respect, the value of the goodwill pertaining to a Product Trademark, or (c) attack, dispute, or contest the validity or ownership of a Product Trademark anywhere in the Territory or any registrations issued or issuing with respect thereto. GNE shall have the right to obtain the International Non-proprietary Name (INN) from the World Health Organization and the US Adopted Name (USAN) from the US Adopted Names Council (USANC) as the generic name(s) for the Products.

11.5Enforcement; Challenges; Defense of Third Party Infringement Claims.

11.5.1Notice. Each Party shall promptly notify the other Party upon learning of any (a) actual or suspected infringement or misappropriation by a Third Party of any Alector IP (excluding Spur Patents) arising from the Exploitation of a product that is competitive with a Product (or any other actual or suspected infringement or misappropriation by a Third Party of any Joint IP) (each, an "**Infringement**") or (b) claim by a Third Party (other than a patent office) of invalidity, unpatentability (including any observations, reexaminations, inter partes reviews, and post grant reviews, as well as interferences and derivation proceedings, oppositions, and other similar proceedings, in each case, filed or brought by a Third Party (other than a patent office)), unenforceability or non-infringement (or non-misappropriation) of an Alector Patent (excluding any Spur Patent) that claims a Product (or a component thereof) or the composition of matter of, method of use of or method of manufacturing a Product or Know-How within the Alector IP (or a component thereof) (each, a "**Challenge**"). For purposes of this Section 11.5, (i) any certification, notice of allegation, declaration, or similar notice pursuant to a patent listing or patent linkage regulation under Applicable Law in the Territory or (ii) any notice of filing of an abbreviated biologics license application, a notice of commercial marketing, or similar notice pursuant to regulations under Applicable Law in the Territory, in either case ((i) or (ii)) received by either Party from a Third Party for a Product shall be deemed an Infringement of the applicable Patent(s).

11.5.2Enforcement.

(a) **Control**.

(i) Subject to Sections 11.5.2(a)(ii), 11.5.2(c) and 11.5.3(e), as between the Parties, (A) [***], (B) [***], and (C) Alector, at its sole expense, shall have the sole right, but not the obligation, to manage and control any Infringement actions regarding the [***] ([***]), in each case ((A) through (C)), including determining the appropriate course of action, controlling any resulting litigation, and entering into settlements with respect to the applicable Infringement action.

(ii) In the event GNE does not institute an Infringement action (or take other commercially reasonable steps to address Infringement) with respect to any [***] for a period of [***] after being requested by Alector to do so, Alector shall have the right but not the obligation to, after giving good faith consideration to GNE's reasons for not having filed suit, institute such Infringement action at its own cost.

(b) **Cooperation**. In any action described in Section 11.5.2(a), the non-controlling Party shall cooperate (and cause its Affiliates and sublicensees (other than Compulsory Sublicensees, except where the applicable Compulsory Sublicense affords such non-controlling Party such rights) to cooperate) with the Party controlling any such action (as may be reasonably requested by the controlling Party) at the controlling Party's expense, including, if necessary, by being joined as a party and making its employees, including inventors, available at reasonable business hours, and the Party controlling any such action shall keep the other Party regularly updated and informed with respect to any such action, including providing copies of material documents received or filed in connection with any such action.

(c) **Settlement**. GNE may settle or consent to an adverse judgment in any action described in Section 11.5.2(a) for which GNE is the controlling Party without obtaining consent from Alector, unless such settlement or judgment would [***]. Alector may settle or consent to an adverse judgment in any action described in Section 11.5.2(a) for which Alector is the controlling Party without obtaining consent from GNE, unless such settlement or judgment would [***].

(d) **Damages**. [***].

(e) **Other GNE Rights**. As between the Parties, GNE, at its sole expense, shall have the sole right, but not the obligation, to manage and control any action regarding any actual or suspected infringement or misappropriation by a Third Party of [***].

11.5.3Challenges.

(a) **Control**.

(i) As between the Parties, [***].

(ii) Subject to Sections 11.5.3(a)(iii), 11.5.3(c) and 11.5.3(e), as between the Parties, [***].

(iii)In the event that a Party having the first right to defend any Challenge pursuant to this Section 11.5.3(a) does not institute a defense to a Challenge with respect to such Patent, [***].

(b) **Cooperation**. In any action under Section 11.5.3(a), the non-controlling Party shall cooperate (and cause its Affiliates and sublicensees (other than Compulsory Sublicensees except where the applicable Compulsory Sublicense affords such non-controlling Party such rights) to cooperate) with the Party controlling any such action (as may be reasonably requested by the controlling Party) at the controlling Party's expense, including, if necessary, by being joined as a party and making its employees, including inventors, available at reasonable business hours, and the controlling Party shall keep the non-controlling Party regularly updated and informed with respect to any such action, including providing copies of material documents received or filed in connection with any such action.

(c) **Settlement**. The Party controlling the defense of a Challenge pursuant to Section 11.5.3(a) shall have the exclusive right to settle any such Challenge without the consent of the other Party, unless such settlement would [***].

(d) **Counterclaims**. Notwithstanding the foregoing in this Section 11.5.3, Section 11.5.2(a) shall govern the rights and obligations of the Parties with respect to a counterclaim brought in response to any action to enforce or abate an Infringement.

(e) **GCase Claims Strategy**. Alector, through the Patent Coordination Team, shall provide GNE the proposed strategy (including any change thereto) for managing and controlling any Infringement action or defending any Challenge, [***].

(f) **Other GNE Rights**. As between the Parties, GNE, at its sole expense, shall have the sole right, but not the obligation, to defend and settle any claim by a Third Party of [***].

11.5.4Defense of Third Party Infringement Claims. In the event that a claim is brought against either Party alleging the infringement, violation, or misappropriation of any Third Party intellectual property right based on the Exploitation of a Product(s), the Parties shall promptly meet to discuss the defense of such claim, and the Parties shall, as appropriate, enter into a joint defense agreement with respect to the common interest privilege protecting communications regarding such claim in a form reasonably acceptable to the Parties. Subject to [***].

11.5.5Common Interest Disclosures. With regard to any information or opinions disclosed pursuant to this Agreement by one Party or its Affiliates to the other Party or its Affiliates regarding intellectual property or technology owned by Third Parties, the Parties agree that they have a common legal interest in determining whether, and to what extent, Third Party intellectual property rights may affect the Products, and have a further common legal interest in defending

against any actual or prospective Third Party claims based on allegations of misuse or infringement of intellectual property rights relating to the Products. [***]

11.6Third Party Licenses; Alector Future Agreements.

11.6.1Third Party IP. Alector shall notify GNE in writing if Alector or its Affiliate becomes aware of any Patent, Know-How or other intellectual property right owned or controlled by a Third Party (and not already included in the Licensed IP) that is [***] ("**GCase Specific Third Party IP**"). [***].

11.6.2Alector Future Agreements. Without limiting Section 11.6.1 or 14.2.1(m), if after the Effective Date Alector or any of its Affiliates enters into any agreement with any Third Party pursuant to which Alector or any of its Affiliates Controls any Know-How or Patent that is [***] ("**Third Party IP**"), then:

(a) promptly after entering into any such agreement [***] (any such agreement, an "**Alector Future Agreement**"), Alector shall (i) provide to GNE [***] ("**Alector Future Agreement Notice**"), and (ii) [***]. [***].

(b) GNE shall have the right, exercisable by written notice to Alector, to have some or all of such Third Party IP included in the Licensed IP, and if GNE exercises such right, then, from and after delivery of such written notice, (i) such Alector Future Agreement shall be a "**Selected Alector Future Agreement**", (ii) such applicable Third Party IP shall automatically be included in the Licensed IP, (iii) GNE, its Affiliates and Sublicensees shall [***], [***], and (iv) [***], and (B) [***]); *provided* that (x) [***], (y) [***], *provided* that [***], and (z) GNE may, at any time in its sole discretion, by written notice to Alector elect to abandon its rights to any such applicable Third Party IP, and from and after delivery of any such written notice, (1) such Alector Future Agreement shall cease to be a Selected Alector Future Agreement (if GNE abandons all rights to all Third Party IP Controlled by Alector under such Alector Future Agreement), (2) such applicable Third Party IP shall be excluded from the Licensed IP and (3) GNE shall [***]. Unless and until GNE exercises such right to include Third Party IP within Licensed IP with respect to an Alector Future Agreement, Alector shall [***].

(c) [***].

11.6.3Clarification. As between the Parties, except as expressly provided in Section 11.6.2, Alector shall be solely responsible for any payment or other obligations under any agreement between Alector or any of its Affiliates, on the one hand, and any Third Party, on the other hand, whether entered into before or after the Effective Date, including any Upstream Agreement or Alector Future Agreement, including as a result of the Exploitation of any Compound or Product by or on behalf of GNE or its Affiliates or Sublicensees hereunder.

11.7Coordination with Upstream Agreements and Selected Alector Future Agreements. Notwithstanding the foregoing in Sections 11.4 and 11.5, the Parties agree and acknowledge that the rights granted to GNE under Sections 11.4 and 11.5 with respect to Licensed IP licensed or acquired under Upstream Agreements (other than the Spur License) or Selected Alector Future Agreements, [***], are subject to [***].

ARTICLE 12
CONFIDENTIALITY

12.1Definition of Confidential Information. "**Confidential Information**" of a Party means the information (of whatever kind and in whatever form or medium, including copies thereof) disclosed or otherwise made available in any form (written, oral, electronic, photographic or otherwise) by or on behalf of such Party (the "**Disclosing Party**") to the other Party (the "**Receiving Party**") in connection with this Agreement, whether prior to or during the Term, including any such Know-How or other information (whether or not patentable) regarding such Party's research, development plans, designs of Clinical Trials, preclinical and clinical data, technology, products, business information or objectives, reports, and audits under this Agreement, and other such information of the type that is customarily considered to be confidential or proprietary information by entities engaged in activities that are substantially similar to the activities being engaged in by the Parties pursuant to this Agreement, including all proprietary materials as well as data and information associated therewith. Notwithstanding the foregoing, (a) unless and until this Agreement is terminated [***], [***], (b) any Know-How [***] and (c) the terms and conditions of this Agreement, in each case ((a) through (c)), shall each be deemed the Confidential Information of both Parties (and each Party shall be deemed to be both the Disclosing Party and the Receiving Party with respect thereto).

12.2Exclusions Regarding Confidential Information. Notwithstanding anything to the contrary in Section 12.1, Confidential Information of the Disclosing Party shall not include information that the Receiving Party can demonstrate with competent written records:

(a) was already known to the Receiving Party, other than under an obligation of confidentiality, at the time of receipt by the Receiving Party, *provided* that the foregoing exception shall not apply with respect to Confidential Information deemed in Section 12.1 to be Confidential Information of [***];

(b) was generally available to the public or otherwise publicly disclosed at the time of its receipt by the Receiving Party;

(c) became generally available to the public or otherwise publicly disclosed after its receipt by the Receiving Party other than through any act or omission of such Receiving Party in breach of this Agreement;

(d) was received by the Receiving Party without an obligation of confidentiality, non-disclosure or non-use from a Third Party, who had no obligation of confidentiality, non-disclosure or non-use regarding such information; or

(e) was independently developed by or for the Receiving Party without use of or reference to the Confidential Information of the Disclosing Party, *provided* that the foregoing exception shall not apply with respect to Confidential Information deemed in Section 12.1 to be Confidential Information of [***].

Specific aspects or details of Confidential Information shall not be deemed to be within the public domain or in the possession of the Receiving Party merely because the Confidential Information

is embraced by more general information in the public domain or in the possession of the Receiving Party. Further, any combination of Confidential Information shall not be considered in the public domain or in the possession of the Receiving Party merely because individual elements of such Confidential Information are in the public domain or in the possession of the Receiving Party, unless the combination and its principles are in the public domain or in the possession of the Receiving Party.

12.3Non-Use and Non-Disclosure of Confidential Information. During the Term, and for a period of [***] thereafter, a Party shall (a) except to the extent expressly permitted by this Agreement or otherwise agreed to by the other Party, keep confidential and not disclose to any Third Party or use for any other purpose any Confidential Information of the other Party; and (b) take reasonable precautions to protect the Confidential Information of the other Party from unauthorized use or disclosure (including all precautions a Party employs with respect to its own confidential information of a similar nature and taking reasonable precautions designed to assure that no unauthorized use or disclosure is made by others to whom access to the Confidential Information of the Party is granted).

12.4Authorized Use and Disclosure of Confidential Information. A Receiving Party may:

(a) disclose the Confidential Information of the Disclosing Party to the extent required by Applicable Law, provided that the Receiving Party (i) if permitted by Applicable Law, uses all reasonable efforts to inform the Disclosing Party prior to making any such disclosures and reasonably cooperates with the Disclosing Party [***] in seeking a protective order or other appropriate remedy (including redaction) and (ii) whenever possible, requests confidential treatment of such information and furnishes only the minimum amount of Confidential Information of the Disclosing Party necessary to comply with the required disclosure, *provided* that any disclosure of the Disclosing Party's Confidential Information in a Release as contemplated by Section 13.4 or of this Agreement in securities filings as contemplated by Section 13.5 shall be subject to the requirements set forth in Section 13.4 or Section 13.5, as applicable, and not the requirements of this Section 12.4(a);

(b) use or disclose (including to its officers, directors, employees, Sublicensees, contractors, advisors, representatives or agents) the Confidential Information of the Disclosing Party as reasonably necessary to exercise its rights or fulfill its obligations under this Agreement; *provided that* prior to any such use or disclosure, the recipient is bound by written obligations of confidentiality, non-disclosure, and non-use no less restrictive than those set forth in this Agreement or, with respect to legal or accounting advisors, under professional codes of conduct giving rise to expectations of confidentiality and non-use;

(c) use or disclose the Confidential Information of the Disclosing Party to the extent such use or disclosure is reasonably required in the Prosecution and Maintenance, enforcement or defense of a Patent within the Alector IP or GNE Sole Arising IP in accordance with this Agreement and following consultation with the Disclosing Party;

(d) in the case of GNE as the Receiving Party, use or disclose the Confidential Information of the Disclosing Party as reasonably necessary to obtain or maintain any Regulatory Approval (including to conduct preclinical studies and Clinical Trials and for pricing and reimbursement approvals) for any Product, provided that GNE shall take all reasonable steps to limit disclosure of the Confidential Information other than to the applicable Regulatory Authority and to otherwise maintain the confidentiality of the Confidential Information;

(e) disclose a redacted copy of this Agreement (in a form mutually agreed by the Parties or otherwise publicly available) to the extent necessary to its bona fide potential or actual investors [***] who have a need to know such information in connection with evaluating or monitoring a potential transaction or investment (each, a "**Transaction Partner**"); *provided that* prior to any such disclosure, each such Transaction Partner is bound by written obligations of confidentiality, non-disclosure, and non-use [***];

(f) notwithstanding Section 12.4(e), [***]

(i) [***] or (B) [***], or

(ii) [***],

in each case ((i) and (ii)), [***].

12.5Termination of Prior Agreements. As of the Effective Date, as between the Parties, this Agreement supersedes (a) that certain Non-Disclosure Agreement between the Parties dated [***] (the "**Non-Disclosure Agreement**"), (b) solely with respect to Information (as defined in the MTA), the MTA, and (c) [***]. Disclosures of Alector or GNE made prior to the Effective Date pursuant to the Non-Disclosure Agreement, the MTA or the [***] shall, from and after the Effective Date, be subject to the provisions of this ARTICLE 12 as the Confidential Information of the Party that disclosed such information pursuant to the Non-Disclosure Agreement, the MTA or the [***], as applicable (except as otherwise provided in Section 12.1). Without limiting the foregoing, each Party shall remain liable for its breach, if any, of the Non-Disclosure Agreement, the MTA or the [***] that occurred prior to the Effective Date.

12.6[***].

12.7No License. As between the Parties, Confidential Information disclosed hereunder shall remain the property of the Disclosing Party, except as expressly set forth in this Agreement. Disclosure of Confidential Information to the other Party shall not constitute any grant, option, or license to the other Party, beyond those licenses expressly granted under Sections 2.1.1 and 2.1.2, under any patent, trade secret, or other intellectual property right now or hereinafter held by the Disclosing Party.

12.8Information Security Incident.

12.8.1Notice. Each Party shall provide to the other Party notice within [***] of such Party's confirmation of any unauthorized use of, unauthorized disclosure of, corruption of (including a ransomware attack), loss or other misuse of, or unauthorized access to, the other

Party's Confidential Information (each such incident, an "**Information Security Incident**"). Information Security Incidents shall not include unsuccessful attempts or activities that do not compromise the security of Confidential Information, including unsuccessful log-in attempts, pings, port scans, denial of service attacks, or other network attacks on firewalls or networked systems. Such notice shall describe in reasonable detail the Information Security Incident, including the other Party's Confidential Information impacted, the extent of such impact and any corrective action taken or to be taken by such Party. In addition, if a Party reasonably suspects (even if it has not confirmed) that an actual or attempted Information Security Incident has occurred, then such Party shall promptly notify the other Party of such suspected actual or attempted Information Security Incident.

12.8.2Non-Disclosure. Except to the extent required by Applicable Law [***], neither Party shall disclose any information related to an actual or attempted Information Security Incident to any Third Party without the other Party's prior written consent.

ARTICLE 13
PUBLICITY; PUBLICATIONS

13.1Initial Press Release. Following the Effective Date, Alector may issue a press release concerning the execution of this Agreement in the form attached hereto as Exhibit 13.1. Any response to media inquiries or inquiries by other Third Parties after issuance of the initial press release shall consist solely of the content of the initial press release or conform with response guidelines mutually agreed to by the Parties prior to any such response.

13.2Subsequent Releases. Following the initial press release announcing this Agreement described in Section 13.1 ("**Initial PR**") and subject to Sections 13.4 and 13.5, (a) GNE may issue press releases, presentations, interviews, campaigns, investor communications, social media posts or other public announcements concerning this Agreement, the subject matter hereof, or the Exploitation of Compounds or Products hereunder (a "**Release**"), without Alector's prior written consent, unless [***] and (b) Alector may not issue any Release without GNE's prior written consent [***]; *provided* that [***]. For any Release that requires consent of the other Party, the issuing Party shall provide a draft of such Release to the other Party for its review at least [***] prior to the intended date of issuance of such Release. For any Release that does not require consent of the other Party (including any Release permitted under Section 13.3), the issuing Party shall inform the other Party of such Release (and, in the issuing Party's sole discretion, the contents (or the subject matter of such contents) thereof applicable to the non-issuing Party) prior to the intended date of issuance of such Release, or if impracticable, as soon as practicable after such issuance.

13.3Approved Releases. After release of (a) the Initial PR or (b) any other properly issued Release, either Party may make subsequent public disclosure of the contents of the Initial PR or such other properly issued Release (as applicable) without the further approval of the other Party, provided that such contents remain accurate as of such time and are not presented with any new data or information or conclusions or in a form or manner that materially alters the subject matter therein or could be misleading, and the issuing Party does not include any of the other Party's (or any of its Affiliate's) logos (it being understood that [***] and (ii) Alector shall not

issue any Release or other communications materials (including press releases, communications to investors, social media posts) for external audiences that are solely or primarily focused on the collaboration or that include GNE's (or any of its Affiliate's) marks or logos without GNE's prior written consent, regardless of whether such materials contain already public information.

13.4Releases Required by Applicable Law. Each Party may issue any Release it is required to issue by Applicable Law (or relevant rules of a security exchange on which the securities of the issuing Party are listed), provided that if Applicable Law (or relevant rules of a security exchange on which the securities of the issuing Party are listed) requires the issuing Party to disclose any of the other Party's Confidential Information in such Release, the Party issuing such release shall (a) to the extent permitted by Applicable Law, use reasonable efforts to inform the other Party no less than [***] prior to making any such Release to permit such other Party the opportunity to seek to obtain a protective order or other confidential treatment preventing or limiting the required disclosure, and (b) disclose only such Confidential Information of the other Party that it is advised by legal counsel is required by Applicable Law (or relevant rules of a security exchange on which the securities of the issuing Party are listed) to be disclosed in such Release. To the extent such other Party seeks to obtain a protective order or other confidential treatment to prevent or limit the required disclosure, the issuing Party shall reasonably assist such other Party (unless prohibited by Applicable Law (or relevant rules of a security exchange on which the securities of the issuing Party are listed)), but shall not be required to delay such Release beyond the requirements of Applicable Law (or relevant rules of a security exchange on which the securities of the issuing Party are listed).

13.5Filing of Agreement. Each Party may disclose this Agreement in securities filings with the US Securities and Exchange Commission or equivalent foreign agency to the extent required by Applicable Law (or relevant rules of a security exchange on which the securities of the filing Party are listed). In such event, the filing Party shall, at the request of the other Party, seek confidential treatment of portions of this Agreement from the applicable governmental agency. The filing Party shall also provide such other Party with the opportunity, for no less than [***] before the date of the proposed filing, to review and comment on any such proposed filing of this Agreement, and shall thereafter provide reasonable advance notice and opportunity for comment on any subsequent changes to such filing. The filing Party shall reasonably consider any such comments thereto.

13.6Publications. GNE, its Affiliates, and its and their Sublicensees shall have the right, without Alector's review or consent, to publish or disclose papers, abstracts, or written or oral presentations regarding activities under this Agreement (each, a "**Publication**"). Notwithstanding the foregoing, with respect to any Publication that includes Alector's Confidential Information [***], Alector shall have the right to review and approve such proposed disclosure in accordance with this Section 13.6. For any proposed Publication by GNE, its Affiliates, or its or their Sublicensees that contains Alector's Confidential Information, GNE shall submit to Alector the proposed Publication at least [***] ([***] for abstracts) prior to the anticipated date of submission for publication or the date of presentation, as applicable. Alector shall review the Confidential Information of Alector in such proposed Publication and respond to GNE as soon as reasonably possible, but in any case, within [***] ([***] for abstracts) of receipt thereof. If Alector fails to respond within the time limits specified in this Section 13.6, such proposed Publication shall be deemed approved. As requested by Alector, GNE shall (a) delete

from such proposed Publication any Confidential Information of Alector or (b) delay the date of such submission for publication or the date of such presentation, as applicable, for a period of time sufficiently long (but in no event longer than [***]) to permit Alector to seek appropriate Patent protection of its rights in the Confidential Information to be disclosed therein. After a Publication of Alector's Confidential Information has been approved by Alector or deemed approved, GNE may make subsequent public disclosure of the contents of such Publication without the further review or approval of Alector. Except as expressly permitted by this Agreement, Alector and its Affiliates shall not make any Publication or other public disclosures regarding any Compound, Product, or Confidential Information of GNE [***] without GNE's prior written consent.

13.7Use of Names. Except as expressly provided herein and to the extent that such use is not inconsistent with prior public disclosures or presentations, no right (by implication, estoppel, or otherwise) is granted by this Agreement to use in any manner the name of a Party or any of its Affiliates, or any other trade name, service mark, symbol, logo, or trademark of the other Party or any of its Affiliates in connection with the performance of this Agreement, except to the extent required by Applicable Law. Notwithstanding the foregoing, Alector shall be permitted to include GNE's name or a GNE-approved version of GNE's corporate logo in connection with the description of this Agreement on Alector's corporate website and investor presentations, in each case, solely for the purpose of identifying GNE as a collaborator and subject to GNE's review and prior approval [***] that Alector's proposed use complies with GNE's branding guidelines with respect to use of such name or logo and such use only contains accurate and non-misleading factual statements regarding the Parties' relationship. GNE may reasonably request from time to time samples of the documents or other materials, or screenshots of the websites, containing Alector's use of GNE's name, trademarks or logo to ensure compliance with GNE's written branding guidelines and the terms of this Section 13.7, and Alector shall promptly comply with such reasonable requests.

ARTICLE 14
REPRESENTATIONS, WARRANTIES, AND COVENANTS

14.1Mutual Representations, Warranties, and Covenants. Each Party represents and warrants, as of the Effective Date, and covenants, as applicable, to the other Party the following:

14.1.1Authority. It is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation and has full corporate power, right and authority to enter into this Agreement, and to carry out the provisions hereof.

14.1.2Enforceability. This Agreement has been duly executed and delivered on behalf of such Party, and constitutes a legal, valid, binding obligation, enforceable against it in accordance with its terms, except to the extent that enforcement of the rights and remedies created hereby is subject to (a) bankruptcy, insolvency, reorganization, moratorium, and other similar laws of general application affecting the rights and remedies of creditors, or (b) laws governing specific performance, injunctive relief, and other equitable remedies.

14.1.3No Conflict. The execution, delivery, and performance of this Agreement and all instruments and documents to be delivered by such Party hereunder (a) do not conflict with

any agreement or any provision thereof, or any instrument or understanding, oral or written, to which it is a party or by which it is bound, (b) have been duly authorized by all necessary or proper corporate action, (c) are not in contravention of any provision of the organizational documents of such Party, and (d) to the knowledge of such Party, will not violate any Applicable Law.

14.1.4Compliance with Applicable Law. In fulfilling its obligations and exercising its rights under this Agreement, it shall (and shall cause its Affiliates and Sublicensees to) comply with all Applicable Law.

14.1.5No Authorizations Required. No government authorization, consent, approval, license, exemption of or filing or registration with any court or governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign, under any Applicable Law, is necessary for the consummation of the transactions contemplated by this Agreement or for the performance by such Party of its obligations under this Agreement (including the grant of the rights to the other Party hereunder) other than any Regulatory Approvals or other authorizations, consents, approvals, licenses, exemptions, filings or registrations that may be necessary for GNE or any of its Affiliates or Sublicensees to Exploit Compounds or Products.

14.2Alector Representations, Warranties, and Covenants. Alector, on behalf of itself and each of its Affiliates, hereby represents and warrants to GNE, as of the Effective Date, and covenants, as applicable, the following:

14.2.1Intellectual Property.

(a) **Complete List**. Exhibit 14.2.1(a) contains a complete and accurate list of all Alector Patents existing as of the Effective Date [***].

(b) **Ownership; Right to Grant License**. (i) Except as set forth on Exhibit 14.2.1(b)(i) or [***], within the scope of the license granted to GNE under this Agreement, all Patents within the Licensed IP (other than the Spur Patents) and all Know-How within the Licensed IP and (ii) (before giving effect to the assignment in Section 2.2) all Existing GCase Patents, in each case ((i) and (ii)) are owned solely by Alector [***]. Alector has the lawful right and authority to make the assignments and grant the rights and licenses set forth in this Agreement, including Sections 2.1.1 and 2.2, and neither Alector nor any of its Affiliates has assigned or granted any right or license to any Third Party under (1) any Licensed IP (other than any grant of rights of Licensed IP solely for molecules and products other than any Compound or Product) or (2) other than as set forth on Exhibit 14.2.1(b)(ii), any Existing GCase Patent.

(c) **No Encumbrances**. The Licensed IP (other than the Spur Patents and, [***]) is, and shall be for the duration of the Term, free and clear of all liens, claims, security interests, licenses, covenants not to sue, or other encumbrances of any kind that would interfere, or the exercise of which would interfere, with GNE exercising any of the licenses or other rights granted to it hereunder. All Existing GCase Patents are free and clear of all liens, claims, security interests, licenses, covenants not to sue, or other encumbrances of any kind. Alector shall not, and shall cause its Affiliates not to, enter into any agreement or take any other action that is inconsistent with this Agreement or

otherwise adversely affects the licenses or other rights granted to GNE hereunder, including through any corporate restructuring transaction.

(d) **No Infringement or Misappropriation**. Neither Alector nor any of its Affiliates has received any written notification, or has knowledge, of any claim that any Patent or Know-How owned or controlled by a Third Party has been or would be infringed or misappropriated by the Exploitation of any Compound or Product in the Field in the Territory. The discovery, conception, generation or other making of the Alector IP [***] has not constituted or involved and will not constitute or involve, the misappropriation of any Know-How [***] other violation of any intellectual property rights of any Third Party. [***].

(e) **No Knowledge of Invalidity or Unenforceability**. Neither Alector nor any of its Affiliates (i) has any knowledge or information that [***], other than with respect to [***] (A) [***] or (B) [***] or (ii) has any knowledge of any inventorship disputes concerning any Alector Patents. All filing and renewal fees payable with respect to the Alector Patents (other than the Spur Patents) have been timely paid as of the Effective Date.

(f) **Inventor Assignment**. All current and former officers, employees, contractors, consultants and (sub)licensees of Alector or any of its Affiliates who are inventors of, or have otherwise contributed in a material manner to the creation or development of, any part of a Compound, Product, or any invention claimed in any Alector Patent (other than the Spur Patents), have executed and delivered to Alector an assignment or other appropriate agreement regarding the protection of proprietary information and the present assignment of their entire right, title, and interest in and to any such invention to Alector. With respect to each of the Alector Patents (other than the Spur Patents), (i) [***] all inventors of such Alector Patent are correctly identified, (ii) such Alector Patent has been timely and duly filed in such a manner as to perfect title and preserve priority entitlement, including by virtue of assignment documents associated with each priority filing, and (iii) [***] no current or former officer, employee, contractor, consultant, or (sub)licensee of Alector or any of its Affiliates is in violation of any term of any assignment or other agreement regarding the protection of such Alector Patent or any other Alector IP.

(g) **No Governmental Authority Funding**. No portion of any Alector IP existing as of the Effective Date was developed using funding from any governmental authority, whether directly or indirectly. No portion of any Alector IP will be developed by or on behalf of Alector after the Effective Date using funding from any governmental authority, whether directly or indirectly, unless (a) [***] and (b) [***].

(h) **No Prior Consent Required**. Alector has the lawful right to grant GNE and its Affiliates the rights and licenses described in this Agreement without the prior consent or approval of any Third Party (including any governmental authority or Regulatory Authority). [***] none of the Alector IP existing as of the Effective Date is subject to any right of any Regulatory Authority to grant a license to or assign all or any portion of the Alector IP to any Third Party.

(i) **Upstream Agreements**.

(i) Except for (x) the Spur License and (y) the other agreements set forth on Exhibit 14.2.1(i) (collectively (x) and (y), the "**Upstream Agreements**"), as of the Effective Date (A) there is no agreement with any Third Party pursuant to which Alector in-licensed, acquired or co-owns any Patent or other intellectual property right within the Alector IP that is [***] and (B) [***].

(ii) Alector has provided to GNE a true, correct, complete and unredacted [***] copy of each Upstream Agreement, including all amendments or other modifications or supplements thereto. Each Upstream Agreement and any licenses or other rights granted to Alector or its Affiliate thereunder are by their terms licensable or sublicensable, as applicable, to GNE as contemplated by this Agreement and in full force and effect. The rights and obligations of the Parties hereunder are consistent in all material respects with, and are not limited in any material respect by, any Upstream Agreement. Neither Alector nor any of its Affiliates (A) is in material breach of any Upstream Agreement or (B) has received any written notice of material breach or termination under any Upstream Agreement from the counterparty(ies) thereto, and [***] no facts or circumstances exist as of the Effective Date that would reasonably be expected to result in any such material breach or termination.

(iii)Alector (A) shall not, and shall cause its Affiliates not to, (1) commit any act or permit the occurrence of any omission that would constitute or result in a material breach, termination or invalidation of any Upstream Agreement or Selected Alector Future Agreement or (2) without GNE's prior written consent, (x) amend or otherwise modify or permit to be amended or otherwise modified any Upstream Agreement or Selected Alector Future Agreement in a manner that would adversely affect GNE's rights with respect to the Alector IP (or, in the case of any Selected Alector Future Agreement, GNE's payment obligations) or (y) assign any Upstream Agreement or Selected Alector Future Agreement (unless assigned in connection with a permitted assignment under Section 18.3 of this Agreement), (B) without limiting the foregoing clause (A), shall promptly notify GNE in writing of any notice of Alector's or its Affiliate's material breach of or notice of termination under any Upstream Agreement or Selected Alector Future Agreement and, in the event of any such material breach by Alector or its Affiliate, if (1) such material breach is not being disputed by or on behalf of Alector or its Affiliate, or (2) such material breach is being disputed by or on behalf of Alector or its Affiliate but only if such dispute does not toll or otherwise preserve, pursuant to the terms of the applicable Upstream Agreement or Selected Alector Future Agreement, Alector's or its Affiliate's ability to cure such material breach, permit GNE to cure such material breach on behalf of Alector or its Affiliate to the extent that Alector or its Affiliate has not promptly initiated or diligently carried out appropriate steps to cure such material breach, and (C) upon GNE's reasonable request, shall take or cause its applicable Affiliate to take actions to enforce its rights or the counterparty's obligations under any Upstream Agreement or Selected Alector Future Agreement (including, if applicable, any rights under Section 365(n) of the U.S. Bankruptcy Code or any analogous provisions in any other country or other

jurisdiction with respect to any license granted to Alector under any Upstream Agreement or Selected Alector Future Agreement).

(j) **Prosecution and Maintenance**. Except with respect to the Spur Patents, (i) Alector and each of its former and current employees, counsels and agents have complied and (ii) Alector and each of its employees, counsels and agents will comply, in each case ((i) and (ii)) with all Applicable Law in the development or creation of the Alector Patents and other intellectual property rights within the Alector IP (including timely compliance with any duties of candor to applicable patent offices, in connection with the Prosecution and Maintenance of the Alector Patents, including conducting due inquiry to determine the correct inventorship of the inventors listed in the Alector Patents). In the event that it is later determined that the inventorship of any Alector Patent (other than any Spur Patent) is incorrect, in addition to any other remedies that GNE may have under this Agreement or otherwise, Alector shall take all actions necessary to correct such error or mistake.

(k) **Assignment or Transfer of Licensed IP**. Alector shall not, and shall cause its Affiliates not to, assign or transfer, directly or indirectly, any ownership or other interest in or to any Licensed IP without the prior consent of GNE [***] unless [***]. For clarity, any assignment or transfer by Alector or any of its Affiliates of any Licensed IP, including any such assignment or transfer under this Section 14.2.1(k), shall be assigned or transferred subject to, and without limiting, the licenses and other rights under the Licensed IP granted to GNE under this Agreement, and all such licenses and other rights under the Licensed IP shall run with such Licensed IP and shall be binding on any successors in interest or assigns thereof. [***].

(l) **Protection of Confidential Information**. Alector has followed and will follow reasonable commercial practices common in the industry to protect the Licensed IP (other than Spur Patents), including requiring its employees, contractors, and agents to be bound in writing by obligations of confidentiality and non-disclosure, and only disclosing proprietary and confidential information to Third Parties pursuant to written confidential and non-disclosure agreements. As of the Effective Date, Alector is not aware of any violation or breach by any Third Party of any such obligation or agreement.

(m) **IP Assignment and Cooperation**. Alector shall cause its Affiliates and its and their employees, contractors, and agents (a) to assign to Alector all of their right, title and interest in and to any intellectual property discovered, conceived, generated or otherwise made by or on behalf of them in the performance of this Agreement [***] and (b) to cooperate with the Parties in connection with the Prosecution and Maintenance, enforcement or defense of any Patents in accordance with this Agreement.

14.2.2Disclosure.

(a) **Safety Information**. As of the Effective Date, Alector has disclosed to GNE, [***].

(b) **Material Information**. As of the Effective Date, [***].

(c) **No False Statements**. Neither Alector nor any of its Affiliates, nor any of its or their respective officers, employees, or agents has (i) made an [***] untrue statement of material fact or fraudulent statement to the FDA or any other Regulatory Authority with respect to any Compound or Product, (ii) [***] failed to disclose a material fact required to be disclosed to any such Regulatory Authority with respect to any Compound or Product, or (iii) committed an act, made a statement, or failed to make a statement with respect to any Compound or Product that could reasonably be expected to provide a basis for the FDA to invoke its policy respecting "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities", set forth in 56 Fed. Reg. 46191 (September 10, 1991) and any amendments thereto or any analogous laws or policies in the Territory.

(d) **Agreements with Contract Manufacturing Organizations**. As of the Effective Date, except for the agreements set forth in Exhibit 14.2.2(d), there are no agreements or other arrangements, whether currently in effect or already completed or terminated, between Alector or any of its Affiliates, on the one hand, and any Third Party, on the other hand, relating to the manufacture of [***].

(e) **Other Disclosures**. As of the Effective Date, Alector has provided to GNE (i) [***], and (ii) [***], in each case (i) and (ii) excluding [***].

14.2.3Miscellaneous.

(a) **No Claims**. There are no claims, judgments, settlements, litigations, suits, actions, disputes, arbitration, judicial or legal, administrative or other proceedings or governmental investigations pending or threatened against Alector or any of its Affiliates which would be reasonably expected to adversely affect or restrict the ability of Alector to consummate this Agreement or the activities contemplated herein.

(b) **Nagoya Protocol and CBD Compliance.** None of the Compounds contain, incorporate, were developed using, or are derived from, microbes, molecules, genetic resources, or other substances that are subject to the Convention on Biological Diversity or the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization to the Convention on Biological Diversity, or traditional knowledge relating to them.

(c) **Manufacturing and Inventory**. The Inventory to be transferred to GNE pursuant to the CMC Tech Transfer Plan has been, or will be, manufactured, stored, and handled in compliance with, and conform to, the specifications set forth in the CMC Tech Transfer Plan, cGMP (as applicable depending on where the Inventory will be used), and other Applicable Law, in each case, [***]. All facilities and equipment used for the manufacture of such Inventory have been (or will be, for any period after the Effective Date prior to the time such Inventory is transferred to GNE pursuant to the CMC Tech Transfer Plan) in compliance with all Applicable Law [***], and title to such Inventory shall pass to GNE free and clear of any liens or encumbrances. Neither Alector nor any of its Affiliates nor [***] their respective contract manufacturing organizations has received from any Regulatory Authority any notification of inspectional observations or deficiencies or any other similar written correspondence concerning Inventory or the facilities in which

Inventory is manufactured. Alector has made available to GNE complete unredacted [***] copies of all CMO Agreements.

(d) **No Debarment**. Neither Alector nor any of its Affiliates has used or will use in any capacity, in connection with the preclinical or clinical development activities performed or to be performed under this Agreement, any individual or entity that has been debarred pursuant to Section 306 of the US Federal Food, Drug, and Cosmetic Act (or any similar Applicable Law in any other jurisdiction), or who is the subject of a conviction described in such section. Alector agrees to inform GNE immediately if it becomes aware that it or any individual or entity that is performing any activities by or on behalf of Alector hereunder is debarred or is the subject of a conviction described in Section 306, or if any action, suit, claim, investigation, or legal or administrative proceeding is pending or is threatened, relating to the debarment or conviction of Alector or any individual or entity that is performing any activities by or on behalf of Alector hereunder.

(e) **[***]**.

14.3GNE Covenants. GNE, on behalf of itself and each of its Affiliates, hereby covenants the following:

14.3.1Existing GCase Patents; [***]. The (a) Existing GCase Patents and (b) [***], in each case (under this clause (b)), owned or controlled by GNE or its Affiliates shall be for the duration of the Term free and clear of all liens, claims, security interests, licenses, covenants not to sue, or other encumbrances of any kind [***]. [***], in each case (under this clause (y)), owned or controlled by GNE or its Affiliates.

14.3.2Joint IP. The covenants set forth in Sections [***] shall apply to GNE and its Affiliates with respect to Joint IP, *mutatis mutandis*.

14.3.3[***].

14.4No Other Representations, Warranties, or Covenants. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATION OR EXTENDS ANY WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, AND EACH PARTY HEREBY EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES NOT EXPRESSLY PROVIDED IN THIS AGREEMENT, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE 15
INDEMNIFICATION; INSURANCE

15.1Indemnification.

15.1.1Indemnification of Alector. Subject to Section 15.1.3, GNE shall indemnify Alector, its Affiliates and its and their respective directors, officers, employees and

agents (collectively, the "**Alector Indemnitees**"), and defend and hold each of them harmless, from and against any losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses) (collectively, "**Losses**") in connection with any suits, investigations, claims or demands of Third Parties (collectively, "**Third Party Claims**") arising from or occurring as a result of: (a) the breach by GNE of this Agreement; (b) the performance by or on behalf of GNE or any of its Affiliates or Sublicensees under this Agreement or the Exploitation by or on behalf of GNE or any of its Affiliates or Sublicensees of any Compound, Product or Companion Diagnostic [***]; *provided* that [***]; or (c) the gross negligence or willful misconduct on the part of GNE or any GNE Indemnitee in performing GNE's obligations or exercising GNE's rights under this Agreement; except, in each case ((a) through (c)), to the extent (i) arising from or occurring as a result of any matter described in clauses (a), (c) or (d) of Section 15.1.2, as to which Losses each Party shall indemnify the other to the extent of its respective liability therefor, or (ii) arising from or occurring as a result of the negligence on the part of any GNE Indemnitee.

15.1.2Indemnification of GNE. Subject to Section 15.1.3, Alector shall indemnify GNE, its Affiliates and its and their respective directors, officers, employees and agents (collectively, the "**GNE Indemnitees**"), and defend and hold each of them harmless, from and against any Losses in connection with any Third Party Claims arising from or occurring as a result of: (a) the breach by Alector of this Agreement; (b) the performance by or on behalf of Alector of any work or activity performed by or on behalf of Alector under this Agreement, including under the Program Transfer Plan or the CMC Tech Transfer Plan [***]; (c) (i) the Exploitation by or on behalf of Alector or any of its Affiliates or sublicensees of any Compound, Product (for clarity, including any Reversion Product), Modified [***] Product or Companion Diagnostic (A) before the Effective Date; *provided* that [***], or (B) during the Term or after any expiration or termination of this Agreement, or (ii) the exercise by Alector or any of its Affiliates or sublicensees of any of the rights licensed to Alector pursuant to Section 2.1.2; or (d) the gross negligence or willful misconduct on the part of Alector or any Alector Indemnitee in performing Alector's obligations or exercising Alector's rights under this Agreement; except, in each case ((a) through (d)), to the extent (i) arising from or occurring as a result of any matter described in clause (a) or (c) of Section 15.1.1, as to which Losses each Party shall indemnify the other to the extent of its respective liability therefor, or (ii) arising from or occurring as a result of the negligence on the part of any Alector Indemnitee.

15.1.3Procedure. All indemnification claims in respect of an Alector Indemnitee or a GNE Indemnitee, as applicable (each, an "**Indemnitee**") shall be made solely by Alector or GNE, as applicable (the "**Indemnified Party**"). The Indemnified Party shall give the indemnifying Party prompt written notice (an "**Indemnification Claim Notice**") of any Third Party Claim on which such Indemnified Party intends to base a request for indemnification under this Section 15.1, but in no event shall the indemnifying Party be liable for any Losses that result from any delay in providing such notice [***]. Each Indemnification Claim Notice must contain a description of the claim and the nature and amount of such Loss (to the extent that the nature and amount of such Loss is known at such time). The Indemnified Party shall furnish promptly to the indemnifying Party copies of all papers and official documents received in respect of any Losses and Third Party Claims. Except as otherwise provided in Section 11.5.4 with respect to Third Party Claims described therein, the indemnifying Party shall have the right to control the defense thereof with counsel of its choice as long as such counsel is reasonably acceptable to the Indemnified Party. Any Indemnified Party shall have the right to retain its own counsel at its own expense for any

reason. The Indemnified Party and its employees and agents shall reasonably cooperate with the indemnifying Party and its legal representatives in the investigation of any Third Party Claim covered by this Agreement. The obligations of this Section 15.1 shall not apply to any settlement of any Third Party Claim if such settlement is effected without the consent of both Parties, which shall not be unreasonably withheld, conditioned or delayed. The indemnifying Party shall not, without the written consent of the Indemnified Party, effect any settlement of any Third Party Claim, unless such settlement is solely for monetary damages to be paid by the indemnifying Party and includes an unconditional release of the Indemnified Party (and its Indemnitees) from all liability on claims that are the subject matter of such proceeding.

15.2Insurance.

15.2.1Coverage. Each Party shall maintain general liability insurance coverage at its own cost; *provided, however*, GNE has the right, in its sole discretion, to self-insure, in part or in whole, for any such coverage. The insurance policies for such coverage shall be an occurrence form, but if only a claims made form is available to a Party, such Party shall maintain such coverage for at least [***] after the later of (a) expiration or any termination of this Agreement or (b) such time as such Party has no further obligations under this Agreement. Insurance coverage shall be primary insurance with respect to each Party's own participation under this Agreement and shall be maintained with an insurance company or companies having an A.M. Best's rating (or its equivalent) of A-VII or better. On written request, each Party shall provide to the other Party certificates of insurance evidencing the insurance coverage required under this Section 15.2.1. Each Party shall provide to the other Party at least thirty (30) days' notice of any cancellation, nonrenewal or material change in any of the required insurance coverages.

15.2.2[***]

15.2.3[***]

15.2.4[***]

15.2.5[***]

15.3Limitation of Damages. NEITHER PARTY HERETO WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES, INCLUDING LOST PROFITS, ARISING FROM OR RELATING TO THIS AGREEMENT, REGARDLESS OF ANY NOTICE OF SUCH DAMAGES, EXCEPT IN RESPECT OF A PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OR ANY BREACH OF A PARTY'S OBLIGATIONS UNDER ARTICLE 12 OR ARTICLE 13 OR INDEMNIFICATION OBLIGATIONS UNDER SECTION 15.1 FOR THIRD PARTY CLAIMS.

ARTICLE 16
TERM; TERMINATION

16.1Term. This Agreement shall commence on the Effective Date and, unless earlier terminated in accordance herewith, shall continue in full force and effect, on a country-by-country

and Product-by-Product basis, until the date when there is no remaining royalty payment in such country with respect to such Product (such period, the "**Term**"), at which time this Agreement shall expire with respect to such Product in such country.

16.2Rights to Terminate.

16.2.1Termination by Either Party for Material Breach. Either Party may terminate this Agreement [***] by written notice to the other Party for any material breach of this Agreement by the other Party if such material breach is not cured within [***] after the breaching Party receives written notice of such material breach (a "**Breach Notice**") from the non-breaching Party (such period, the "**Cure Period**"); *provided that* if such material breach is not capable of being cured within the Cure Period, the Cure Period shall be extended for such amount of time that the Parties may agree is reasonably necessary to cure such material breach, so long as (a) the breaching Party is making diligent efforts to do so, (b) the Parties agree on an extension within such [***] period, and (c) such extension is no more than an additional [***]. Notwithstanding anything to the contrary herein, if the allegedly breaching Party in good faith either disputes (i) whether a breach is material or has occurred or (ii) the alleged failure to cure such material breach, and provides written notice of that dispute to the other Party within the Cure Period, then the matter will be addressed under the dispute resolution provisions in ARTICLE 17, and the Party alleging material breach may not terminate this Agreement pursuant to this Section 16.2.1 until it has been determined under ARTICLE 17 that the allegedly materially breaching Party is in material breach of this Agreement, and such breaching Party further fails to cure such breach within [***] after the conclusion of such dispute resolution procedure.

16.2.2Termination by Either Party for Insolvency. Either Party may terminate this Agreement effective on written notice to the other Party upon the liquidation, dissolution, winding-up, insolvency, bankruptcy, or filing of any petition therefor, appointment of a receiver, custodian, trustee, or any other similar proceeding by or of the other Party where such petition, appointment, or similar proceeding is not dismissed or vacated within [***] following the filing thereof.

16.2.3Elective Termination by GNE. GNE shall have the right to terminate this Agreement [***] in its sole discretion, at any time by providing written notice to Alector. Such termination shall be effective (a) [***] after Alector's receipt of such notice, if such notice is provided prior to the date of the First Commercial Sale of the first Product in the Territory, or (b) [***] after Alector's receipt of such notice, if such notice is provided on or following the date of the First Commercial Sale of the first Product in the Territory.

16.2.4[***].

16.2.5[***].

16.3Effects of Expiration or Termination.

16.3.1Expiration or Termination in Any Event.

(a) **Accrued Rights and Obligations**. Expiration or termination of this Agreement [***]) for any reason shall not release either Party from any liability which, as

of the effective date of such expiration or termination, had already accrued to the other Party or which is attributable to a period prior to such expiration or termination, nor preclude either Party from pursuing any rights and remedies it may have hereunder or at law or in equity which accrued or are based upon any event occurring prior to the effective date of such expiration or termination; *provided that* in no event shall Alector accrue any rights to, and GNE shall have no obligation to make, any milestone payment under Section 9.2 or 9.3 based on any milestone event achieved or Net Sales arising [***] on or after the date of delivery by [***] of any notice of termination pursuant to Section 16.2.1 or 16.2.2, in each case, resulting in termination of this Agreement [***].

(b) **Direct License for Compulsory Sublicensees**. To the extent required by Applicable Law, following termination of this Agreement for any reason, each Compulsory Sublicense shall become a direct license from Alector to the applicable Compulsory Sublicensee; *provided* that [***].

(c) **Wind-Down; Continued Activities**. Except for any activities as provided in Section 16.3.2, as of the date of notice of termination, GNE shall (i) without limitation to Section 16.3.1(d), have the right, at its cost and discretion, with respect to ongoing obligations relating to or arising from this Agreement, to wind-down, cancel or [***] complete such obligations and to terminate any related agreements with Third Parties; *provided* that [***]. Without limiting the foregoing, subject to Section 16.3.2(d)(xii), GNE shall have the right to continue, complete, amend or wind-down any ongoing Clinical Trials relating to a Product for which GNE remains the Clinical Trial sponsor or is otherwise the responsible party with respect to any Regulatory Authority, on a timeline and in a manner elected by GNE or its Affiliate [***] taking into account legal, regulatory, patient safety and ethical considerations, and the licenses set forth in Section 2.1.1 shall survive to the extent necessary for GNE to exercise its rights under this Section 16.3.1(c).

(d) **Product Sell-Off**. Notwithstanding anything to the contrary in Section 16.3.2, upon termination of this Agreement and until any applicable Marketing Authorizations in any applicable countries for any applicable Reversion Product(s) are transferred to Alector [***], GNE, its Affiliates and Sublicensees shall have the right to sell or otherwise dispose of all Products in all countries ([***] then in stock for up to [***] (or such longer period as may be agreed to by the Parties) after the effective date of such termination, subject to the applicable royalty payments due under Section 9.4 and [***], and the licenses set forth in Section 2.1.1 shall survive to the extent necessary for GNE to exercise its rights under this Section 16.3.1(d).

(e) **Destruction of Confidential Information; Return of Materials**. At any time following the effective date of expiration of this Agreement or the termination of this Agreement in its entirety for any reason, upon the written request of the Disclosing Party, the Receiving Party shall promptly destroy all copies of the Disclosing Party's Confidential Information and, return or destroy at the other Party's election all Know-How, received by the Receiving Party and in the possession or under the control of the Receiving Party and confirm such destruction in writing to the requesting Party. Notwithstanding the foregoing, the Receiving Party shall be permitted to retain such Confidential Information and Know-How (i) to the extent consisting of Know-How or other intellectual property with respect

to which the Receiving Party has a continuing ownership interest (including Know-How that is Joint IP) or surviving license under this Agreement, (ii) to the extent otherwise necessary or useful for purposes of performing any surviving obligations or exercising any surviving rights hereunder and, in any event, a single copy of such Confidential Information for archival purposes and (iii) any computer records or files containing such Confidential Information that have been created solely by such Receiving Party's automatic archiving and back-up procedures, to the extent created and retained in a manner consistent with such Receiving Party's standard archiving and back-up procedures, but not for any other uses or purposes. All such retained Confidential Information shall continue to be subject to the terms of this Agreement for the period set forth in Section 12.3. Notwithstanding the foregoing, upon termination (but not expiration) of this Agreement in its entirety, at Alector's written request and expense, GNE shall return to Alector any [***] provided or otherwise transferred to GNE by or on behalf of Alector in connection with this Agreement, including the Program Transfer and CMC Tech Transfer.

(f) **Reversion of Existing GCase Patents**. In the event of a termination of this Agreement in a country or in its entirety for any reason, effective as of the effective date of such termination, each of GNE and its Affiliates shall, and hereby does, assign (and GNE shall cause its Affiliates to assign), to Alector (or an Affiliate of Alector designated by Alector), all right, title and interest in and to all Existing GCase Patents in the event of termination of this Agreement in its entirety [***] (any such assigned Existing GCase Patent, "**Reverted GCase Patent**"). With respect to any Reverted GCase Patent, upon Alector's request, GNE shall promptly execute and deliver (or cause to be executed and delivered) to Alector such documents as may be reasonably provided by Alector for the purpose of perfecting or recording such assignment to Alector (or such Affiliate). As between the Parties, Alector shall have the sole right to record such documents, and GNE shall reasonably cooperate with Alector's efforts to do so [***]. Upon any termination of this Agreement in its entirety or in a country, as applicable, Alector shall have the sole right to Prosecute and Maintain, enforce against Infringement or defend against any Challenge the Reverted GCase Patents. As requested by Alector, GNE shall [***], *provided* that, in each case ((i) and (ii)), Alector shall reimburse any out-of-pocket costs incurred by GNE or its Affiliates in connection with such activities.

(g) **Termination of Licenses**. Except for the activities as expressly provided in Sections 16.3.1(c), 16.3.1(d) and 16.3.1(h), and, if applicable, 16.3.2(d), all licenses set forth in Section [***] shall terminate in their entirety or on a country-by-country basis, as applicable, on the effective date of termination (but, for clarity, not in the case of expiration) of this Agreement.

(h) **Continuation of Sublicenses**.

(i) In the event of a termination of this Agreement [***], any existing (sub)license granted by GNE under this Agreement to [***] shall continue in full force and effect in accordance with its terms, provided that if the applicable termination was pursuant to Section 16.2.1, (i) [***] did not cause the uncured material breach that gave rise to such termination and (ii) [***] agrees to be bound by all the terms and conditions of this Agreement that are applicable to [***]

including rendering directly to Alector all payments and other obligations due to Alector under this Agreement incurred as a result of exercise of such (sub)license.

(ii) [***]; [***].

(iii)To the extent any (sub)license granted by GNE under this Agreement to a Sublicensee continues in accordance with this Section 16.3.1(h), the licenses set forth in Section 2.1.1 shall survive to the extent necessary for such continuation.

(i) **[***]** ([***]). [***].

16.3.2Termination by Alector for Material Breach, Insolvency [***]; Elective Termination by GNE. [***]:

(a) **[Reserved]**.

(b) **[Reserved]**.

(c) [***]

(i) [***]

(ii) [***]

(iii) [***]

(iv) [***]

(v) [***]

(vi) [***]

(vii) [***]

(viii) [***]

(ix) [***]

[***]

(d) [***]

(i) [***]

(ii) [***]

(iii)[***]

(iv)[***]

(v) [***]

(vi)[***]

(vii)[***]

(viii)[***]

(ix)[***]

(x) [***]

(xi)[***]

(xii)[***]

(xiii)[***]

(xiv)[***]

(xv)[***]

(xvi)[***]

[***]

16.3.3[***]:

(a) [***]

(b) [***]

(c) [***]

[***]

16.3.4Survival. In addition to any provisions specified in this Agreement as surviving under the applicable circumstances, the following provisions shall survive in the event of expiration or any termination of this Agreement in its entirety: [***].

[***] In addition, upon expiration (but not termination) of this Agreement, the following provisions shall survive: [***].

16.4Rights in Bankruptcy.

16.4.1 The Parties intend for each Party to take advantage of the protections of Section 365(n) (or any successor provision) of the U.S. Bankruptcy Code or any analogous provisions in any other country or other jurisdiction to the maximum extent permitted by Applicable Law. All rights and licenses granted to a Party under or pursuant to this Agreement, to

the extent they constitute licenses of a right to "intellectual property" as defined in Section 101 of the U.S. Bankruptcy Code or in any analogous provisions in any other country or other jurisdiction (as the case may be), shall be deemed to be "intellectual property" for the purposes of Section 365(n) of the U.S. Bankruptcy Code or any analogous provisions in any other country or other jurisdiction (as the case may be). Each Party shall retain and may fully exercise all of its rights and elections under the U.S. Bankruptcy Code or any analogous provisions in any other country or other jurisdiction, including the right to obtain the intellectual property from another entity.

16.4.2 In the event of the commencement of a bankruptcy proceeding by or against a Party under the U.S. Bankruptcy Code or any analogous provisions in any other country or other jurisdiction, the other Party shall be entitled to a complete duplicate of (or complete access to, as appropriate) all such intellectual property (including all embodiments of such intellectual property) then in existence and that is licensed hereunder, which, if not already in the other Party's possession, shall be delivered to the other Party promptly following the other Party's written request (a) upon commencement of such bankruptcy proceeding, unless such Party continues to perform all of its obligations under this Agreement, or (b) if not delivered pursuant to clause (a) above because such Party continues to perform such obligations, upon the rejection of this Agreement by or on behalf of such Party.

16.4.3 Unless and until a Party rejects this Agreement, such Party shall perform this Agreement or provide the intellectual property (including all embodiments of such intellectual property) to the other Party pursuant to this Agreement, and shall not interfere with the rights of the other Party to such intellectual property, including the right to obtain the intellectual property from another entity.

16.4.4[***].

16.4.5 The Parties acknowledge and agree that any sale of a Party's assets licensed to the other Party under Section 363 of the U.S. Bankruptcy Code or any analogous provisions in any other country or other jurisdiction shall be subject to the other Party's rights under Section 365(n) of the U.S. Bankruptcy Code or any analogous provisions in any other country or other jurisdiction, that the other Party cannot be compelled to accept a money satisfaction of its interests in the intellectual property licensed under this Agreement, and that any such sale therefore may not be made to a purchaser "free and clear" of the other Party's rights under this Agreement and Section 365(n) of the U.S. Bankruptcy Code or any analogous provisions in any other country or other jurisdiction without the express, contemporaneous written consent of the other Party.

16.4.6 All rights, powers and remedies provided to a Party in this Section 16.4 are not in substitution for any other rights, powers or remedies now or hereafter existing at law or in equity (including under the U.S. Bankruptcy Code or any analogous provisions in any other country or other jurisdiction). In the event of the rejection of this Agreement in connection with a bankruptcy proceeding by or against a Party under the U.S. Bankruptcy Code or any analogous provisions in any other country or other jurisdiction, the other Party shall have the following rights, in each case, to the maximum extent permitted by Applicable Law and enforceable under Section 365(n) of the U.S. Bankruptcy Code or any analogous provisions in any other country or other jurisdiction: (a) the right of access to any intellectual property (including all embodiments thereof) licensed hereunder as provided hereunder; (b) the right to contract directly with any Third Party to

complete the contracted work; and (c) the right to cure any default under any such agreement with a Third Party and set off the costs thereof against amounts payable by such other Party under this Agreement.

ARTICLE 17
DISPUTE RESOLUTION

17.1Disputes. Except as otherwise set forth in this Agreement, in the event of any dispute arising from this Agreement other than a dispute within the JSC's responsibility [***], such dispute shall first be referred, by written notice, to the Alliance Directors for attempted resolution. If the Alliance Directors are unable to resolve the dispute within [***] following the date of receipt of such written notice, either Party may refer such dispute to the respective executive officers of the Parties designated below (or their designees) for good faith negotiations attempting to resolve the dispute by providing notice to the other Party (an "**Escalation Notice**") within [***] of expiration of such [***] period. If the officers designated below are unable to resolve such dispute within [***] after receipt of such Escalation Notice, either Party may submit such dispute for resolution in accordance with Section 17.2 or 17.3, as applicable. The designated executive officers are as follows:

For Alector: [***]

For GNE: [***]

17.2Arbitration.

17.2.1Procedure. Except as provided under Section [***], if the Parties are unable to resolve any dispute under Section 17.1 within the time specified therein, either Party shall have the right to submit the dispute for final and exclusive resolution under the International Chamber of Commerce (ICC) Rules of Arbitration. The arbitration tribunal shall consist of three (3) arbitrators appointed in accordance with such ICC Rules of Arbitration. Any arbitration proceeding hereunder shall be conducted in San Francisco, California and shall be conducted in the English language. The arbitration panel may only award damages consistent with this Agreement, including Section 15.3. In the event of any conflict between the ICC Rules of Arbitration and any provision of this Agreement, this Agreement shall govern.

17.2.2Enforcement. Notwithstanding anything to the contrary in Section 17.2.1, either Party may apply to any court having competent jurisdiction to enforce the arbitration provisions of this Agreement or an arbitration award as determined pursuant to this Section 17.2. Such court shall have no jurisdiction or ability to resolve disputes beyond the specific foregoing issues.

17.2.3Subject Matter Exclusion. Notwithstanding anything to the contrary in Section 17.2.1, any dispute not resolved internally by the Parties pursuant to Section 17.1 that involves the validity or infringement of a Patent shall be determined in a court of competent jurisdiction under the local patent laws of the jurisdictions having issued the Patent in question.

17.3Baseball-Style Arbitration.

17.3.1Procedure. If the Parties are unable to resolve a dispute with respect to Section [***] or [***] within the time specified therein (if any), either Party may provide written notice to the other Party, no later than [***] specified in Section [***] or [***], as applicable, to initiate a baseball-style arbitration proceeding pursuant to this Section 17.3. With respect to disputes pursuant to Section [***], if neither Party provides any such written notice within the applicable required period to initiate a baseball-style arbitration proceeding pursuant to this Section 17.3, then each Party shall be deemed to have waived its right to initiate a baseball-style arbitration to resolve the applicable dispute. If either Party provides any such written notice within the applicable required period, then within [***] following the other Party's receipt of such notice, the Parties shall work together to mutually select an Expert. If the Parties cannot agree on such Expert within such time period, each Party shall nominate one (1) Expert within such [***] period, and the two (2) Experts so selected shall nominate the Expert to conduct the arbitration in accordance with this Section 17.3 within [***] of their nomination. Within [***] after the appointment of the Expert to conduct the arbitration in accordance with this Section 17.3, such Expert shall set a date for the arbitration, which date shall be no more than [***] after the date the arbitration is demanded above. The arbitration shall be "baseball-style" arbitration; accordingly, at least [***] prior to the arbitration, each Party shall provide the Expert and the other Party the terms of its proposal only with respect to the provisions relevant to the disputed matter. Such proposal ([***]) may be no more than [***] pages in total (unless the Expert approves a higher number) and must clearly provide and identify the Party's position with respect to the disputed matter. [***] in advance of the arbitration, the Parties shall submit to the Expert and exchange response briefs of no more than [***] pages (unless the Expert approves a higher number). In addition, at least [***] in advance of the arbitration, each Party may submit to the Expert and the other Party a revised version of its proposal (together with a redline showing the changes from the prior draft of the proposal) ([***]). Subject to the foregoing page limitations, the Parties' briefs may include or attach (a) relevant exhibits in the form of documentary evidence, (b) any other material voluntarily disclosed to the submitting Party in advance, (c) publicly available information, (d) demonstratives, or (e) expert opinions. Neither Party may have any other communications (either written or oral) with the Expert other than for the sole purpose of engaging the Expert or as expressly permitted in this Section 17.3. The arbitration shall consist of a [***] hearing of no longer than [***], such time to be split equally between the Parties, in the form of presentations by counsel, employees, or officers of the Parties. No live witnesses shall be permitted except expert witnesses whose opinions were provided with a Party's brief.

17.3.2Decisions; Awards. No later than [***] following the arbitration, the Expert shall issue his or her written decision. The Expert shall select one Party's proposal as his or her decision, and shall not have the authority to render any substantive decision other than to select the proposal submitted by either GNE or Alector. The Expert shall have no discretion or authority with respect to modifying the positions of the Parties. The Expert's decision shall be final and binding on the Parties, and [***]. Each Party shall bear its own costs and expenses in connection with such arbitration, and shall share equally the Expert's fees and expenses. The violation of one of the time limits prescribed in this Section 17.3 by the Expert shall not affect the Expert's competence to decide on the subject matter, and shall not affect the final and binding decision rendered by the Expert, unless otherwise agreed by the Parties.

17.4Continued Performance. Provided that this Agreement has not terminated, the Parties shall continue performing their respective obligations under this Agreement pending the final resolution of any dispute raised under Section 17.1.

17.5Confidentiality. The existence and status of activities conducted under this ARTICLE 17, including any arbitration proceeding or decisions hereunder, shall be deemed Confidential Information of each Party, and will be subject to ARTICLE 12, to the extent applicable in accordance with Applicable Law. Either Party may request that the arbitration tribunal issue appropriate protective orders to safeguard such Party's Confidential Information. Except as required by Applicable Law, neither Party shall make (or request the arbitration tribunal to make) any public announcement with respect to the proceedings or decision of the arbitration tribunal without the prior written consent of the other Party. The existence of any dispute submitted to arbitration and any decision or award shall be kept in confidence by each Party and the arbitration tribunal, except as required in connection with the enforcement of such award or as otherwise required by Applicable Law.

ARTICLE 18
MISCELLANEOUS

18.1Choice of Law. This Agreement (including the arbitration provisions of Sections 17.2 and 17.3) shall be governed by and interpreted in accordance with the laws of the State of New York, without reference to the principles of conflicts of laws. The United Nations Convention on Contracts for the International Sale of Goods shall not apply to the transactions contemplated by this Agreement.

18.2Notices. Except as otherwise expressly provided in this Agreement, any notice required under this Agreement shall be in writing and shall specifically refer to this Agreement. Notices shall be sent via one of the following means and shall be effective (a) on the date of delivery, if delivered in person; (b) two (2) days after the date mailed if mailed by first class certified mail return receipt requested, postage prepaid to a destination within the same country; (c) seven (7) days after the date mailed if mailed by registered or certified mail return receipt requested, postage prepaid to a destination outside the country of the Party sending the notice; or (d) on the date of receipt, if sent by private express courier. Notices shall be sent to the other Party at the addresses set forth below. Either Party may change its addresses for purposes of this Section 18.2 by sending notice to the other Party. Notwithstanding the foregoing, notices required to be provided to a Party's Alliance Director may be provided solely by email to such Alliance Director's email address and shall be deemed effective: (i) if received prior to 6:00 p.m. local time of the recipient, upon receipt, or (ii) if received after 6:00 p.m. local time of the recipient, on the next Business Day, in each case, provided no "bounce-back" or other email response indicating that such message was undeliverable is received by the Party providing such notice.

If to GNE:	[***]
with required copies (which will not constitute proper notice) to:	[***]

If to Alector:	[***]
	[***]
with required copies (which will not constitute proper notice) to:	[***]
	[***]

18.3Assignment. Neither Party may assign or otherwise transfer this Agreement, in whole or in part (including any rights or obligations hereunder) without the prior written consent of the non-assigning Party, such consent not to be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, either Party may assign this Agreement to (a) an Affiliate or (b) any purchaser of all or substantially all of the assets of such Party to which this Agreement relates, or of all of its capital stock, or to any successor corporation or entity resulting from any merger or consolidation of such Party with or into such corporation or entity, provided that, in each case ((a) and (b)), the party to which this Agreement is assigned expressly agrees to assume and be bound by all obligations of the assigning Party under this Agreement. A copy of such written agreement by such assignee shall be provided to the non-assigning Party within [***] of execution of such assignment. Subject to the foregoing, this Agreement will benefit and bind the Parties' successors and assigns. Any attempted assignment not in accordance with this Section 18.3 will be null and void.

18.4Independent Contractors. The Parties are independent contractors, and nothing contained in this Agreement will be deemed or construed to create a partnership, joint venture, employment, franchise, agency, or fiduciary relationship between the Parties.

18.5Actions of Affiliates; Alector Entities.

18.5.1Actions of Affiliates. A Party may exercise its rights or perform its obligations under this Agreement personally or through one or more Affiliates, provided that such Party will nonetheless be primarily liable for the performance of its Affiliates and for any failure by its Affiliates to comply with the restrictions, limitations, and obligations set forth in this Agreement.

18.5.2Alector Entities. [***].

18.6Force Majeure. Neither Party will be deemed to have breached this Agreement for failure to perform its obligations under this Agreement to the extent such failure results from causes beyond the reasonable control of the affected Party. Such causes include acts of God, earthquakes, fires, floods, embargoes, wars, acts of terrorism, insurrections, riots, civil commotions, epidemics, pandemics, omissions or delays in action by any governmental authority, acts of a government or agency thereof, and judicial orders or decrees. Any deadline or time period affected by such a force majeure event or a Party's failure to perform resulting therefrom will be extended automatically by the number of days equal to the number of days that such force majeure or failure persisted. If such a force majeure event occurs, the Party unable to perform will promptly notify the other Party of the occurrence of such event, and the Parties will meet (in person or by teleconference or videoconference) promptly thereafter to discuss the circumstances relating

thereto. The Party unable to perform will (a) provide reasonable status updates to the other Party from time to time; (b) use commercially reasonable efforts to mitigate any adverse consequences arising out of its failure to perform; and (c) resume performance as promptly as possible.

18.7Integration. Except to the extent expressly provided herein, this Agreement, including the Exhibits hereto, constitutes the entire agreement between the Parties relating to the subject matter of this Agreement and supersedes all previous oral and written communications between the Parties with respect to the subject matter of this Agreement, including the Non-Disclosure Agreement, the MTA and the [***] as set forth in Section 12.5. In the event of any conflict or inconsistency between the body of this Agreement and an Exhibit, the terms and conditions of the body of this Agreement will prevail unless an Exhibit provision explicitly identifies the specific provision of this Agreement it supersedes or modifies.

18.8Amendment; No Waiver. Except as otherwise expressly provided herein, no alteration of or modification to this Agreement will be effective unless made in writing and executed by an authorized representative of each Party. No course of dealing or failing of either Party to strictly enforce any term, right, or condition of this Agreement in any instance will be construed as a general waiver or relinquishment of such term, right, or condition. The observance of any provision of this Agreement may be waived (either generally or in any given instance and either retroactively or prospectively) only with the consent of the Party granting such waiver.

18.9Severability. The Parties do not intend to violate any public policy or statutory or common law. However, if any sentence, paragraph, clause, or combination, or part thereof of this Agreement is in violation of any law or is found to be otherwise unenforceable, such sentence, paragraph, clause, or combination, or part of the same will be deleted, and the remainder of this Agreement will remain binding, provided that such deletion does not alter the basic purpose or structure of this Agreement.

18.10No Third-Party Rights. The Parties do not intend that any term of this Agreement should be enforceable by any person who is not a Party.

18.11Construction. The Parties mutually acknowledge that they and their attorneys have participated in the negotiation and preparation of this Agreement. Ambiguities, if any, in this Agreement will not be construed against any Party, irrespective of which Party may be deemed to have drafted this Agreement or authorized the ambiguous provision.

18.12Interpretation. The captions and headings to this Agreement are for convenience only and are to be of no force or effect in construing or interpreting any of the provisions of this Agreement. Unless context otherwise clearly requires, whenever used in this Agreement: (a) the words “include” or “including” will be construed as incorporating “but not limited to” or “without limitation”; (b) the words “hereof,” “herein,” “hereby,” and derivative or similar words refer to this Agreement, including the Exhibits; (c) all references herein to Articles, Sections, or Exhibits will be construed to refer to Articles, Sections, or Exhibits of this Agreement; (d) any definition of or reference to any agreement, instrument, or other document herein will be construed as referring to such agreement, instrument, or other document as from time to time amended, supplemented, or otherwise modified (subject to any restrictions on such amendments, supplements, or modifications set forth herein); (e) the word “notice” means notice in writing

provided in accordance with Section 18.2 (whether or not specifically stated); (f) provisions that require that a Party, the Parties or any committee hereunder "agree," "consent," "approve," "inform" or the like will require that such agreement, consent, approval, or inform be specific and in writing, whether by written agreement, letter, approved minutes, or otherwise (but excluding instant messaging); (g) references to any specific law, rule or regulation, section, or other division thereof, will be deemed to include the then-current amendments thereto or any replacement or successor law, rule or regulation thereof; (h) all references to the word "will" are interchangeable with the word "shall" and will be understood to be imperative or mandatory in nature; (i) all references to "Sublicensees" will include all Sublicensees of Sublicensees through multiple tiers of sublicensing; (j) the singular will include the plural and vice versa; (k) the word "or" has the inclusive meaning represented by the phrase "and/or"; (l) the word "relates" (and "related", "relating" and the like) and the word "pertains" (and "pertained", "pertaining" and the like) have the same meaning; and (m) all references to days, months, quarters, or years are references to calendar days, calendar months, Calendar Quarters, or Calendar Years, unless otherwise explicitly stated. [***], [***]. In the event the end of any time period set forth herein falls (or any deadline herein otherwise expires) during the period beginning on December 25 of any Calendar Year in the Term and ending on January 1 of the following year, such time period (or deadline) will be extended by ten (10) days, unless otherwise agreed by the Parties.

18.13Counterparts; Electronic Signatures. This Agreement may be executed in two (2) or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. For purposes hereof, a facsimile copy, or email with attached .pdf copy, of this Agreement, including the signature pages hereto, will be deemed to be an original. Execution of this Agreement by e-Signatures or by exchanging executed signature pages in .pdf format shall have the same legal force and effect as the exchange of original signatures. As used in this Section 18.13, "e-Signature" shall mean a signature that consists of one or more letters, characters, numbers, or other symbols in digital form incorporated in, attached to, or associated with the electronic document, that (a) is unique to the person executing the signature; (b) the technology or process used to make the signature is under the sole control of the person making the signature; (c) the technology or process can be used to identify the person using the technology or process; and (d) the electronic signature can be linked with an electronic document in such a way that it can be used to determine whether the electronic document has been changed since the electronic signature was incorporated in, attached to, or associated with the electronic document.

[*Signature page follows – the rest of this page is intentionally left blank*.]

IN WITNESS WHEREOF, Alector and GNE have entered into this Agreement by their respective representatives hereunto duly authorized, on the Effective Date.

Alector, Inc.

By: /s/ Arnon Rosenthal

Name: Arnon Rosenthal

Title: Chief Executive Officer

Alector LLC

By: /s/ Arnon Rosenthal

Name: Arnon Rosenthal

Title: Chief Executive Officer

Genentech, Inc.

By: /s/ Jeff Hutchings

Name: Jeff Hutchings

Title: Chief Accounting Officer & Controller

Exhibit 1.5

[***]

Exhibit 1.6

[***]

Exhibit 1.13

[***]

Exhibit 2.2

[***]

Exhibit 6.2(I)

[***]

Exhibit 6.2(II)

[***]

Exhibit 13.1

Initial Press Release

Alector Enters Global License Agreement with Genentech for Brain Penetrant GCase Enzyme Replacement Therapy for Parkinson's Disease and Other Neurodegenerative Diseases

Alector grants Genentech exclusive rights to develop and commercialize AL050, an investigational GCase Enzyme Replacement Therapy (ERT) enabled by Alector Brain Carrier (ABC), Alector's proprietary blood-brain barrier delivery platform.

Alector to receive $100 million upfront payment, with potential for up to $1.17 billion in additional milestone payments, as well as tiered royalties on net sales.

SOUTH SAN FRANCISCO, Calif., DATE (GLOBE NEWSWIRE) – Alector, Inc. (Nasdaq: ALEC), a biotechnology company focused on developing therapies to counteract the devastating progression of neurodegeneration, today announced it has entered into an exclusive global licensing agreement with Genentech, a member of the Roche Group, granting Genentech worldwide rights to develop and commercialize Alector's AL050 program, its brain-penetrant engineered glucocerebrosidase (GCase) ERT.

AL050 is designed to address GCase deficiency, a driver of neurodegeneration in Parkinson's Disease that is most pronounced in – but not limited to – carriers of GBA1 mutations. It combines an Alector-engineered GCase, optimized for greater enzymatic activity and a longer half-life, with Alector's ABC, which is designed to transport therapeutics across the blood-brain barrier. Delivered into the brain, the enzyme is intended to break down glucosylsphingosine and glucosylceramide, lipids that accumulate in neurons and other brain cells upon GCase deficiency and contribute to neurodegeneration, with the aim of reducing cellular dysfunction and slowing disease progression.

"Deficient GCase activity is increasingly recognized as a contributor to Parkinson's Disease, and there is still no approved therapy that addresses the underlying enzyme deficiency," said Arnon Rosenthal, Ph.D., Chief Executive Officer of Alector. "The challenge in treating GCase deficiency is twofold: engineering an enzyme with optimal activity and durability and successfully delivering it to the brain. AL050 addresses this by pairing an engineered GCase enzyme with our proprietary Alector Brain Carrier technology designed to cross the blood-brain barrier. Genentech's long-standing commitment to Parkinson's Disease makes them an ideal partner as this program moves toward the clinic."

"Parkinson's Disease is one of the fastest-growing neurological conditions worldwide," said Boris L. Zaïtra, Head of Roche Corporate Business Development. "By Partnering with companies such as Alector we aim to delay or halt the progression of Parkinson's so patients maintain and prolong their independence."

Under the terms of the agreement, Alector will receive an upfront payment of $100 million and is also eligible to receive additional payments of up to $1.17 billion upon the achievement of development, regulatory and commercial milestones. Alector is also eligible for tiered royalties on net sales. Under the collaboration, Genentech will be responsible for development, regulatory, manufacturing, and commercialization across all indications. Alector retains ownership of ABC and full rights to apply the platform across its wholly owned pipeline.

"This partnership extends our cash runway into 2029, providing resources to advance our fully active, subcutaneously delivered, brain-enabled anti-Aβ antibody to multi-cohort clinical data in Alzheimer's patients, and move our subcutaneously delivered, brain-enabled Tau siRNA and alpha- synuclein siRNA programs through IND-enabling studies and to IND filings," said Rosenthal.

About Alector

Alector is a biotechnology company focused on developing therapies to counteract the devastating progression of neurodegenerative diseases. Leveraging the principles of genetics, immunology, and neuroscience, the company is advancing a portfolio of programs that aim to remove toxic proteins, replace missing proteins, and restore immune and nerve cell function. Supported by biomarkers, Alector's product candidates seek to treat a range of indications, such as Alzheimer's disease and Parkinson's disease. The company is also developing Alector Brain Carrier (ABC), a proprietary blood-brain barrier platform, which is being applied to its preclinical and research pipeline. ABC aims to enhance the delivery of therapeutics, achieve deeper brain penetration and efficacy at lower doses, and ultimately improve patient outcomes while reducing costs. Alector is headquartered in South San Francisco, California. For more information, please visit www.alector.com.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements in this press release include, but are not limited to, statements regarding our business plans, business strategy, product candidates, research and preclinical pipeline, blood-brain barrier technology platform, planned and ongoing preclinical studies, planned clinical trials, expected milestones, and financial and cash guidance. Such statements are subject to numerous risks and uncertainties, including but not limited to risks and uncertainties as set forth in Alector's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, with the Securities and Exchange Commission (SEC), as well as the other documents Alector files from time to time with the SEC. These documents contain and identify important factors that could cause the actual results for Alector to differ materially from those contained in Alector's forward-looking statements. Any forward-looking statements contained in this press release speak only as of the date hereof, and Alector specifically disclaims any obligation to update any forward-looking statement, except as required by law.

Exhibit 14.2.1(a)

[***]

Exhibit 14.2.1(b)

[***]

Exhibit 14.2.1(i)

[***]

Exhibit 14.2.2(d)

Agreements with CMOs

[***]

Exhibit 10.2

[***] Certain information in this document has been omitted from this exhibit pursuant to Item 601(b) of Regulation S-K because it is both not material and is the type that the Registrant treats as private or confidential.

OPTION AND LICENSE AGREEMENT

by and between

ALECTOR, INC.

and

SPUR THERAPEUTICS LIMITED

AUGUST 14, 2026

Exhibit 10.2

OPTION AND LICENSE AGREEMENT

This Option and License Agreement (this "Agreement"), effective as of August 14, 2026 (the "Effective Date"), is made by and between Spur Therapeutics Limited, a private limited company incorporated in England and Wales, with a principal office at Sycamore House, Gunnels Wood Road, Stevenage, Hertfordshire, England SG1 2BP ("Spur"), and Alector, Inc., a Delaware corporation, with offices at 131 Oyster Point Blvd., Suite 600, South San Francisco, CA 94080 ("Alector"). Each of Spur and Alector may be referred to herein as a "Party" or together as the "Parties."

R E C I T A L S

WHEREAS, Spur is the owner of the Licensed Patents (as later defined herein);

WHEREAS, Alector is contemplating entering into an agreement with a Third Party (as later defined herein) pursuant to which it would grant certain rights to such Third Party in connection with Alector Products (as later defined herein), and in connection with such agreement, Alector desires to obtain a license under the Licensed Patents and grant such Third Party a sublicense under the Licensed Patents;

WHEREAS, Alector desires to obtain an option to obtain a sublicensable, non-exclusive license under such Licensed Patents and Spur desires to grant such option to Alector; and

WHEREAS, the Parties desire to enter into this Agreement for the grant of such an option, and the grant of such a sublicensable, non-exclusive license under the Licensed Patents upon Alector's exercise of such option, all upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises and the mutual promises and conditions set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Spur and Alector hereby agree as follows:

1. DEFINITIONS.

1.1"Accounting Standards" means, with respect to Alector or its Sublicensee, that Alector or its Sublicensee, as applicable, shall maintain records and books of accounts in accordance with U.S. Generally Accepted Accounting Principles or International Financial Reporting Standards (as applicable), consistently applied.

1.2"Affiliate" means, as to a Person, any other Person that, directly or indirectly, controls, is controlled by, or is under common control with, such Person. For the purposes of this definition, the term "control" means: (a) beneficial ownership of more than fifty percent (50%) of the voting securities of a corporation or other business organization with voting securities, (b) having the right to direct, appoint or remove a majority of members of the board of directors (or equivalent), or (c) having the power to control the general management of the corporation or other business organization.

1.3"Alector Product" means any product containing an engineered glucocerebrosidase ("GCase"), or any nucleic acid sequence encoding therefor, where such product [***]. Alector

Product includes, for example, that certain product candidate referred to by Alector as AL050 or AL050-ABC.

1.4"Applicable Law" means all applicable laws, rules and regulations (including any rules, regulations, guidelines or other requirements of any regulatory authorities) that may be in effect from time to time.

1.5"Calendar Quarter" means each of the periods of three (3) consecutive calendar months ending on March 31, June 30, September 30 and December 31 during the Term, or any partial period thereof immediately following the Effective Date or immediately prior to the termination or expiration of this Agreement.

1.6"Cover" means, with respect to any subject matter and a Licensed Patent, that the manufacture, use, sale, offer for sale, importation or other exploitation of such subject matter in the applicable country would (absent a license thereunder or ownership thereof) infringe a Valid Claim in such Licensed Patent in such country. Cognates of the word "Cover" shall have correlative meanings. With respect to a claim of a pending patent application, "infringed" refers to activity that would infringe or be covered by such Valid Claim if it were contained in an issued patent.

1.7"Field" means any and all uses excluding the treatment of Gaucher disease Type 1.

1.8"First Commercial Sale" means the first sale, transfer, or disposition for value of a Licensed Product after receipt of all Regulatory Approvals necessary to market and sell such Licensed Product.

1.9"Knowledge" means, with respect to Spur, the actual knowledge, without any duty of inquiry, investigation or search.

1.10"Licensed Patents" means (a) those patents and patent applications set forth in Exhibit A; (b) any patents and patent applications that claim priority to or common priority with, or claiming any invention in, any of the patents or patent applications in clause (a); (c) any divisional, continuation, continuations-in-part (solely with respect to claims in such continuations-in-part that claim priority to an application or patent described in clause (a) or (b)), or patents of addition with respect to any of the foregoing patents or patent applications; (d) any patents issuing on such patent applications described in clauses (a)-(c), together with any substitutions, registrations, supplementary protection certificates, reissues, reexaminations or extensions of any kind with respect to any of the foregoing; and (e) any United States and foreign counterparts of any such patents and patent applications in clauses (a)-(d).

1.11"Licensed Product" means any Alector Product the manufacture, use, sale, or importation of which, absent the license granted under this Agreement upon Alector's exercise of the Option, would infringe one or more Valid Claims.

1.12"Major Market" means each of [***].

1.13"Milestone Payments" means amounts paid for achievement of a milestone by a Licensed Product; *provided* that (a) [***] and (b) [***].

1.14"Net Sales" means:

(a) [***]

(i) [***]

(ii) [***]

(iii) [***]

(iv) [***]

(v) [***]

(b) [***]

(c) [***]

(d) [***]

(e) [***]

(f) [***]

(g) [***]

1.15"Non-Royalty Partnering Income" means:

(a) Payments in the form of [***] that Alector or an Affiliate of Alector receives from a Partner (or its Affiliate) in a Partnering Transaction as an upfront payment, Milestone Payments or Other Non-Royalty Consideration, subject to the exclusions set forth below.

(b) Non-Royalty Partnering Income specifically excludes the following:

(i) [***]

(ii) [***]

(iii) [***]

(iv) [***]

(v) [***]

(vi) [***]

(c) [***].

1.16"Other Non-Royalty Consideration" means [***].

1.17"Partnering Transaction" means an agreement entered into during the Option Period pursuant to which Alector or its Affiliate grants rights to a Third Party ("Partner") to commercialize or otherwise exploit Alector Products [***], whether by grant of a (sub)license under intellectual property or by sale of assets owned or controlled by Alector or its Affiliates pertaining to Alector Products, but in any event excluding the acquisition, merger, consolidation or sale of all or substantially all of the business or assets of Alector.

1.18"Patent Challenge" means any action, claim, counterclaim, defense, or proceeding, whether before a regulatory authority or other governmental entity (including the European Patent Office, the Unified Patent Court and the United States Patent and Trademark Office), anywhere in the world that contests, challenges, or seeks to invalidate, render unenforceable, or limit the scope of any Licensed Patent or any claim thereof. Patent Challenges include, without limitation, *inter partes* review (IPR), post-grant review (PGR), *ex parte* reexamination, third party submissions, interference or derivation proceedings, and any assertion of invalidity, unenforceability, or non-infringement as a defense or counterclaim in any such proceeding.

1.19"Person" means an individual and all other forms of legally recognized entity, including, without limitation, a partnership, corporation, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization or governmental entity or any department, agency or political subdivision thereof.

1.20"Phase I Clinical Trial" means a study in humans of a product, designed to satisfy the requirements of 21 C.F.R. § 312.21(a), as amended from time to time, or the corresponding regulation in jurisdictions other than the United States.

1.21"Phase I/II Clinical Trial" means a study in humans of a product that combines both a Phase I Clinical Trial and a Phase II Clinical Trial into a single protocol.

1.22"Phase II Clinical Trial" means a study in humans of a product, designed to satisfy the requirements of 21 C.F.R. § 312.21(b), as amended from time to time, or the corresponding regulation in jurisdictions other than the United States.

1.23"Phase II/III Clinical Trial" means a study in humans of a product that combines both a Phase II Clinical Trial and a Phase III Clinical Trial into a single protocol.

1.24"Phase III Clinical Trial" means a study in humans of a product, designed to satisfy the requirements of 21 C.F.R. § 312.21(c), as amended from time to time, or the corresponding regulation in jurisdictions other than the United States.

1.25"Regulatory Approval" means, with respect to any jurisdiction, those approvals or authorizations of a regulatory authority that are necessary for the commercial manufacture, marketing and sale of a pharmaceutical product in such jurisdiction, excluding pricing or reimbursement approvals in such jurisdiction.

1.26"Sublicensee" means any Third Party to which Alector has granted a sublicense under the Licensed Patents to sell or distribute (or market or promote, other than on behalf of Alector) a Licensed Product, including a Partner. Notwithstanding the foregoing, a wholesaler or

reseller who is not responsible for marketing or promoting a Licensed Product shall not be deemed a Sublicensee for purposes of this Agreement with respect to such Licensed Product.

1.27"Term" means the term of this Agreement, which shall commence on the Effective Date and shall remain in effect until the expiration of the Option Period and, if the Option is exercised by Alector, thereafter on a country-by-country basis until the expiration of the last to expire Licensed Patent in such country, unless earlier terminated in accordance with the provisions of this Agreement.

1.28"Territory" means worldwide.

1.29"Third Party" means any Person other than Alector, Spur, or any Affiliate of Alector or Affiliate of Spur.

1.30"Valid Claim" means (a) any issued claim of any Licensed Patent that has not been permanently revoked, nor held unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction that is unappealable or unappealed in the time allowed for appeal, and which has not been cancelled, withdrawn or abandoned or admitted to be invalid or unenforceable through reissue, disclaimer or otherwise or (b) any claim of any pending patent application in the Licensed Patents that has not been abandoned or expired without the possibility of appeal, *provided however*, that not more than [***] have elapsed from the earliest priority filing date for such application, *provided further*, that [***].

1.31"Withholding Taxes" means any and all income or other taxes, withholdings or other deductions required by Applicable Law to be withheld or deducted from any of the payments made by or on behalf of Alector hereunder, including any interest or penalties thereof.

1.32Additional Definitions. Each of the following terms shall have the meaning described in the corresponding Section of this Agreement indicated below:

Term	**Section**
Action	5.1
Agreement	Preamble
Alector	Preamble
Alector Indemnitees	5.2
Combination	1.14(d)
Confidential Information	9.1
Disclosing Party	9.1
Dispute	10.3(a)
Effective Date	Preamble
Extension Payment	3.1(b)
GCase	1.3
Indemnified Party	5.3
Indemnifying Party	5.3
Initial Option Period	2.1
JAMS	10.3(b)
Losses	5.1
[***]	[***]
[***]	[***]
[***]	[***]
Option	2.1
Option Period	2.1
Partner	1.17
Partnering Transaction Termination	3.3(a)
Party or Parties	Preamble
Patent License	2.2
[***]	[***]
Post-Termination Equivalent Economics	3.3(a)
[***]	[***]
Receiving Party	9.1
[***]	[***]
Spur	Preamble
Spur Indemnitees	5.1
[***]	[***]
[***]	[***]
[***]	[***]

2. GRANT OF OPTION AND RIGHTS.

2.1Option Grant. Spur hereby grants to Alector an option to obtain the Patent License ("Option") on the terms and conditions set forth in this Agreement. Alector may exercise such Option by providing written notice to Spur concurrent with or after Alector's signing of a Partnering Transaction at any time prior to [***] after the Effective Date (the "Initial Option Period"), or, if Alector pays the Extension Payment, [***] after the Effective Date (such period for Alector to exercise the Option, the "Option Period") or as provided in Section 3.3(b) or Section 3.3(c). If Alector does not exercise the Option during the Option Period, this Agreement shall terminate.

2.2License Grant. Effective as of Alector's exercise of the Option in accordance with Section 2.1, Spur shall and hereby does grant to Alector a royalty-bearing, non-exclusive, transferable (subject to Section 10.6) license, with the right to grant and authorize sublicenses subject to Section 2.3, under the Licensed Patents to make, have made, use, sell, offer for sale, import and otherwise exploit Licensed Products within the Field in the Territory (the "Patent License").

2.3Sublicense. Alector is entitled to grant and authorize sublicenses under the rights granted under Section 2.2 solely to its Affiliates or in connection with a Partnering Transaction, and the Partner in such Partnering Transaction shall have the right to further grant and authorize sublicenses subject to this Section 2.3. Any sublicense shall be set forth in a written agreement that is subordinate to and consistent with the terms and conditions of this Agreement. The granting by Alector of a sublicense to an Affiliate or Sublicensee shall not relieve Alector of any of its obligations hereunder. Alector shall provide prompt written notice to Spur following the grant of a sublicense by Alector to a Sublicensee and shall provide to Spur a true and complete copy of the sublicense agreement within [***] after entering into such sublicense; *provided* that Alector may redact any terms that are not relevant to Spur's ability to confirm that Alector has complied with its obligations under this Agreement; *provided further* that Alector may not redact any financial terms or triggers necessary for Spur to determine the occurrence, amount or payment of Net Sales, Non-Royalty Partnering Income or other milestones. Any sublicense will include confidentiality, non-disclosure and non-use provisions at least as restrictive or protective of the Parties as those set forth herein. Alector will be responsible for compliance by its Affiliates with the terms and conditions of this Agreement, and Alector will be deemed to be in breach of this Agreement as a result of any act or omission of an Affiliate that would be a breach of this Agreement if performed or omitted by Alector. Alector will be responsible for compliance by its Sublicensees with the terms and conditions of the following Sections of this Agreement, and a breach by a Sublicensee of any of the following Sections of this Agreement shall be deemed to be a breach of this Agreement by Alector, to the same extent as if such breach were committed by Alector directly: [***]. Notwithstanding the foregoing, Spur shall not have the right to terminate this Agreement pursuant to Section 7.2(b) as a result of a breach by a Sublicensee of obligations under this Agreement if Alector exercises its right under the applicable sublicence agreement to terminate the sublicense under Licensed Patents to such Sublicensee within the cure period set forth in Section 7.2(b).

2.4No Additional Rights. Nothing in this Agreement shall be construed to confer any rights upon either Party by implication, estoppel or otherwise as to any technology or patent rights

of the other Party, other than with respect to the grant of the Patent License to Alector upon Alector's exercise of the Option.

2.5[***].

3. PAYMENT TERMS.

3.1 Consideration for the Option.

(a) Upfront Payments. Within [***] after the Effective Date, Alector shall pay to Spur a one-time upfront payment of Five Hundred Thousand Dollars ($500,000). [***]

(b) Extension Payment. At any time prior to the expiration of the Initial Option Period, Alector may extend the Option Period to expire [***] after the Effective Date by providing written notice thereof to Spur, in which case Alector shall pay to Spur a one-time extension payment of [***] (the "Extension Payment"). [***]

3.2 Post-Option Exercise Payments. The following shall apply after the exercise of the Option by Alector, except where Alector exercises the Option as provided for in Section 3.3(b) or Section 3.3(c) below:

(a) Non-Royalty Partnering Income. Alector shall pay to Spur [***] of Non-Royalty Partnering Income.

(b) Royalties.

(i) Royalty. On a country-by-country and Licensed Product-by-Licensed Product basis, Alector shall pay to Spur a royalty on Net Sales of a Licensed Product equal to [***] received by Alector or its Affiliate on Net Sales of such Licensed Product under a Partnering Transaction, [***], subject to the remainder of this Section 3.2(b). [***]

(ii) Reductions. If the royalty received by Alector or its Affiliate from a Partner in a Partnering Transaction is subject to reduction, [***].

(iii) Single Royalty. If the sale of any Licensed Product is Covered by more than one Valid Claim, multiple royalties shall not be due as a result of being so Covered, and in no case shall more than one royalty be due to Spur with respect to the sale of a given unit of Licensed Product. It is understood that royalties shall only be payable under this Section 3.2 with respect to Licensed Products Covered by a Valid Claim in the country in which such Licensed Product is sold.

(c) Timing of Payment. Royalties due to Spur based on Net Sales of a Licensed Product and payments based on receipt of Non-Royalty Partnering Income shall be due and payable to Spur within [***] after Alector's or its Affiliate's receipt of the royalties or profit share based on Net Sales of a Licensed Product or Non-Royalty Partnering Income, as applicable, from a Partner (or its Affiliate).

(d) Amendments. If the Partnering Transaction is amended or modified, then [***].

3.3 Direct License Financial Terms.

(a) If Alector signs a Partnering Transaction prior to or concurrent with exercise of the Option but such Partnering Transaction terminates for any reason ("Partnering Transaction Termination"), Alector shall have the right to elect to retain the rights under the Patent License and this Agreement on the terms set forth in this Agreement (subject to and as modified by the remainder of this Section 3.3(a)), by providing written notice to Spur within [***] after the effective date of termination of the Partnering Transaction, in which case (A) Alector shall pay to Spur [***] ("Post-Termination Equivalent Economics") and (B) Alector shall have the right, subject to Section 2.3 (excluding the first sentence thereof), to grant and authorize sublicenses to (x) its Affiliates and (y) Third Parties in connection with granting rights to such Third Party to develop, manufacture or commercialize an Alector Product [***]. If Alector does not make such election within such period, this Agreement shall terminate.

(i) Promptly after the signing of a Partnering Transaction, the Parties shall [***]

(ii) If a Partner or its Affiliate acquires, merges with or purchases all or substantially all the business or assets of Alector after entering into a Partnering Transaction, then [***].

(b) If Alector has not signed a Partnering Transaction within the Option Period (and Alector paid the Extension Payment to extend the Option Period to expire [***] after the Effective Date), then Alector shall have the right, by providing written notice thereof prior to the expiration of the Option Period, to exercise the Option and obtain the Patent License on the terms set forth in this Agreement, except that (i) the financial terms in Exhibit B shall apply (rather than the financial terms in Section 3.2) and (ii) Alector shall have the right, subject to Section 2.3 (excluding the first sentence thereof), to grant and authorize sublicenses to (x) its Affiliates and, (y) Third Parties in connection with granting rights to such Third Party to develop, manufacture or commercialize an Alector Product [***].

(c) If Alector signs a Partnering Transaction within the Option Period and has exercised the Option for purposes of Section 3.2, but Alector retains rights to sell Licensed Products in any country that is not the subject of such Partnering Transaction, then, solely with respect to such retained country, (i) Alector shall be deemed to have exercised the Option for purposes of Section 3.3(b), (ii) Alector shall be obligated to pay [***] as described in Exhibit B with respect to such country(ies), (iii) the Parties shall promptly meet and agree on [***], (iv) [***], and (v) for clarity, the provisions of Section 3.2 shall continue to apply with respect to those countries that are the subject of the Partnering Transaction. [***].

3.4 Payments.

(a) Method of Payment. All payments under this Agreement shall be made by Alector by wire transfer to the following bank account of Spur, or such other bank account as notified by Spur to Alector from time to time:

Beneficiary Bank Account Name: [***]

Bank Account Number: [***]

Sort Code: [***]

IBAN: [***]

SWIFT\BIC: [***]

Currency: [***]

Bank Name: [***]

Each payment shall reference this Agreement and identify the obligation under this Agreement that the payment satisfies.

(b) Payments in U.S. Dollars. All payments due under this Agreement shall be drawn on a United States bank and shall be payable in United States dollars. Conversion of foreign currency to United States dollars shall be made at the conversion rate existing in the United States (as reported in the *Wall Street Journal* or, if the *Wall Street Journal* no longer quotes such rates, as reported in another source mutually agreed upon by the Parties) on the day on which such payment was received by Alector or its Affiliate (or, with respect to Net Sales by Sublicensees, then-current standard conversion methodology consistent with such Sublicensee's Accounting Standards).

(c) Taxes. If any Withholding Taxes are withheld or deducted from a payment by any Applicable Law, Alector will pay such Withholding Taxes to the proper taxing authority and, if available, evidence of such payment will be secured and sent to Spur within [***] of such payment. The Parties acknowledge and agree that it is their mutual objective and intent to minimize, to the extent feasible and in compliance with Applicable Laws, taxes payable under this Agreement and that they shall use commercially reasonable efforts to cooperate and coordinate with each other to achieve such objective. Upon Spur's request, Alector shall provide Spur with such assistance as shall reasonably be requested in connection with any application to qualify for the benefit of a reduced rate of, or the elimination of, withholding taxation under the terms of any income tax treaty between the United States of America and other jurisdictions or other exemption. Notwithstanding anything to the contrary in the foregoing, if Spur delivers to Alector or the appropriate governmental authority (with the assistance of Alector to the extent reasonably required and expressly requested by Spur in writing), prior to the due date of any payment required to be made by Alector under this Agreement, the prescribed forms necessary to reduce the applicable rate of Withholding Taxes or to relieve Alector of its obligation to withhold such tax, Alector shall apply the reduced rate of Withholding Taxes or dispense with Withholding Taxes as the case may be.

(d) [***].

(e) Interest on Late Payments. If any payment due to Spur under this Agreement is not paid when due, then Alector shall pay interest thereon (before and after any judgment) at a rate

equal to the [***] effective for the date that payment was first due as reported by the [***] (or the maximum rate allowed by Applicable Law, if less), such interest shall be computed on the basis of a year of [***], calculated from the due date until the date of payment; *provided* that, disputed payments owed to Spur under this Agreement shall accrue such interest only if such dispute is resolved in favor of Spur.

(f) Disputes. If a dispute between the Parties arises as to the amount of payment due under this Agreement (including with respect to the determination of Non-Royalty Partnering Income or amounts owed in the event Section 3.3(a) applies), then the amount owed shall be determined pursuant to Section 10.3 and neither Party shall be deemed in breach of this Agreement by reason of a failure to agree on such amount (or with respect to Alector, to pay the disputed amount); *provided* in the case of Alector, that it has paid the undisputed portion of such amounts.

4. REPORTS AND RECORDS.

4.1 Royalty Reports. After the First Commercial Sale of any Licensed Product, Alector shall deliver reports to Spur within [***] days after the end of each Calendar Quarter (or with respect to sales of Licensed Product by a Sublicensee, [***] following receipt of a report from such Sublicensee containing such information) containing the following information for the immediately preceding Calendar Quarter:

(a) the Licensed Products sold;

(b) calculation of Net Sales for the applicable Calendar Quarter;

(c) calculation of total royalties payable on Net Sales in U.S. dollars (including aggregate gross amounts billed, invoiced or received for the Licensed Products and the reductions applied, to the extent provided by Sublicensee, with respect to Sublicensee's Net Sales); and

(d) all amounts due to be payable to Spur pursuant to Sections 3.2 and 3.3 for the applicable Calendar Quarter.

If no amounts are due to Spur for any Calendar Quarter, the report shall so state. Alector shall require its Affiliates and Sublicensees to account for their Net Sales and to provide such reports with respect thereto to Alector. Alector shall deliver all such reports to Spur within [***] following receipt thereof from its Affiliates and Sublicensees.

4.2 Records. Alector shall maintain, and shall require its Affiliates and Sublicensees to maintain, complete and accurate records relating to the rights and obligations under this Agreement and any amounts payable to Spur in relation to this Agreement, which records shall be in compliance with Applicable Law and contain sufficient information to permit Spur to confirm the accuracy of any reports delivered to Spur. Such records shall be retained until the later of (a) [***] and (b) such period as may be required by Applicable Law. During which time Spur, through an independent auditor selected by Spur and reasonably acceptable to Alector, shall have the right, at Spur's expense and pursuant to the terms and conditions of a customary confidentiality and non-disclosure agreement, to audit and inspect such records of Alector and its Affiliates during normal business hours at reasonable times mutually agreed upon by Spur and Alector, not more frequently than once per calendar year, solely for purposes of verifying any reports and payments made under

this Agreement. Alector will cooperate in the audit, including providing at no cost, commodious space in its place of business for the auditor. Alector shall use commercially reasonable efforts to obtain comparable rights for Spur to audit such records of its Sublicensees. [***]. In the event that any audit performed under this Section 4.2 reveals an underpayment (x) where such underpayment is in excess of the greater of [***] for the period audited or [***], Alector shall bear the reasonable expenses incurred in the conduct of such audit, and (y) Alector shall remit any amounts due to Spur (with interest from the date originally due as provided in Section 3.4(e)) within [***] of receiving notice thereof from Spur. The results of any such audit shall be the Confidential Information of Alector, and once Spur has audited a particular period, it may not audit that same period again.

4.3Licensed Patents. By [***] of each year, Spur shall provide to Alector a high-level status report on each patent and patent application included within the Licensed Patents, and Spur shall promptly provide Alector notice if any Valid Claim ceases to be a Valid Claim. Such status report shall include for each jurisdiction in which there is a Licensed Patent (whether published or unpublished and if available) the application or patent number, the filing or issue date and the status (e.g., pending, issued, abandoned, expired). Upon Alector's request, Spur shall provide Alector a copy of any issued or pending claim set for the Licensed Patents, including an English translation thereof.

4.4Commercialization Updates. Alector shall update Spur regarding the status and progress of its and its Affiliates' and, to the extent Alector receives and has a right to disclose such information to Spur, Sublicensees' commercialization activities with respect to the Licensed Products on an annual basis by providing Spur with a high-level written update detailing its and its Affiliates' and Sublicensees' commercialization activities with respect to the Licensed Products, as well as an update on commercialization activities to be conducted in the near future. Notwithstanding the foregoing, [***]. To the extent it has such right, Alector shall share any such updates with Spur promptly after receipt.

5. INDEMNIFICATION AND INSURANCE.

5.1Indemnification by Alector. Alector shall indemnify, defend and hold harmless Spur, its Affiliates and their respective directors, officers, employees and agents (the "Spur Indemnitees"), against any liability, damage, loss or expense (including reasonable attorney's fees and expenses of litigation) (collectively, "Losses") incurred by or imposed upon any Spur Indemnitee resulting from any Third Party claims, suits, actions, demands or judgments (each, an "Action") brought against them arising out of (a) the development, manufacture, commercialization or other exploitation of Licensed Products by or on behalf of Alector or its Affiliates or its Sublicensees, (b) the negligence or willful misconduct of Alector or its Affiliates or (c) any breach of this Agreement by Alector; *provided* that Alector shall not be obligated to indemnify the Spur Indemnitees to the extent such Action arises from any matter described in Section 5.2(a) or 5.2(b), as to which Losses each Party shall indemnify the other to the extent of its respective liability therefor.

5.2Indemnification by Spur. Spur shall indemnify, defend and hold harmless Alector, its Affiliates and Sublicensees and their respective directors, officers, employees and agents (the "Alector Indemnitees"), against any Losses incurred by or imposed upon any Alector Indemnitee

resulting from any Action brought against them arising out of (a) the negligence or willful misconduct of Spur or its Affiliates or (b) any breach of this Agreement by Spur; *provided* that Spur shall not be obligated to indemnify the Alector Indemnitees to the extent such Action arises from any matter described in Sections 5.1(b) or 5.1(c), as to which Losses each Party shall indemnify the other to the extent of its respective liability therefor.

5.3Process. A Person seeking indemnification pursuant to Section 5.1 or Section 5.2 (the "Indemnified Party") shall provide, through Spur (with respect to the Spur Indemnitees) or Alector (with respect to the Alector Indemnitees), the other Party (the "Indemnifying Party") with prompt written notice after learning of any Action for which it seeks indemnification under this Agreement; *provided*, *however*, that an Indemnified Party's failure to do so shall not affect its rights under this Article 5 unless, and then only to the extent that, such delay or failure is prejudicial to or otherwise adversely affects the Indemnifying Party. The Indemnified Party shall reasonably cooperate with the Indemnifying Party in such defense and shall permit the Indemnifying Party to conduct and control such defense and the disposition of such Action (including all decisions relative to litigation, appeal, and settlement) with counsel of its own choosing at its sole expense; *provided*, *however*, that the Indemnified Party shall have the right to retain its own counsel and participate in such defense, at its own cost and expense. The Indemnifying Party agrees to keep the Indemnified Party informed of the progress in the defense and disposition of such Action and to consult with the Indemnified Party with regard to any proposed settlement. The Indemnifying Party shall not agree to any settlement of such Action or consent to any judgment in respect thereof that does not include a complete and unconditional release of the Indemnified Party from all liability with respect thereto or that admits fault or negligence on the part of the Indemnified Party or that imposes any liability or obligation on the Indemnified Party without the prior written consent of the Indemnified Party, which shall not be unreasonably withheld, conditioned or delayed. The Indemnifying Party shall have no liability under this Article 5 with respect to Actions settled or compromised without its prior written consent. If the Indemnifying Party has not assumed or is not conducting the defense of the Action in good faith as provided above, (a) the Indemnified Party may elect to defend against, or with the consent of the Indemnifying Party (such consent not to be unreasonably withheld, conditioned or delayed) consent to the entry of any judgment or enter into any settlement with respect to, such Action in such manner as the Indemnified Party deems reasonably appropriate (and the Indemnified Party shall be required to notify, keep informed and reasonably consult with the Indemnifying Party in connection therewith), and (b) provided the Indemnified Party has adhered to the terms of this Article 5, the Indemnifying Party will remain responsible to indemnify the Indemnified Party as provided in this Article 5, but subject in all cases to the terms of Section 6.5.

5.4Insurance. Each Party shall procure and maintain insurance, including product liability insurance and comprehensive general liability insurance with broad form and contractual liability [***]. Each Party shall procure insurance at its own expense. The required minimum amounts of insurance shall not constitute a limitation on a Party's liability or indemnification obligations to the other Party's Indemnified Parties under this Agreement. The policies of insurance required by this Section 5.4 will be issued by an insurance carrier with an A.M. best rating of at least "A-VII". Each Party will provide the other Party with insurance certificates evidencing the required coverage within [***] after the other Party reasonably requests. Alector will cause all Sublicensees to comply with the terms of this Section 5.4 to the same extent as Alector. Notwithstanding the foregoing, Alector's Sublicensees and acquirors may self-insure, in

whole or in part, the insurance requirements described above, provided that Alector's Sublicensee or acquiror, as applicable, is and continues to be investment grade determined by reputable and accepted financial rating agencies.

6. REPRESENTATIONS OR WARRANTIES; LIMITATION OF LIABILITY.

6.1 Mutual Representations. Each Party hereby represents and warrants to the other Party, as of the Effective Date, and, as applicable, covenants as follows:

(a) such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated or organized;

(b) such Party (i) has the power and authority, corporate or otherwise, and legal right to enter into this Agreement, to perform its obligations and, with respect to Spur, to grant the licenses hereunder, and (ii) has taken all necessary action on its part to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder;

(c) this Agreement has been duly executed and delivered on behalf of such Party and constitutes a legal and valid obligation binding upon such Party and enforceable against it in accordance with its terms, subject to the effects of bankruptcy, insolvency or other laws of general application affecting the enforcement of creditor rights, judicial principles affecting the availability of specific performance and general principles of equity (whether enforceability is considered a proceeding at law or equity);

(d) neither it nor any of its Affiliates has been debarred or is subject to debarment and neither it nor any of its Affiliates will use in any capacity, in connection with the services to be performed under this Agreement, any Person who has been debarred pursuant to Section 306 of the United States Federal Food, Drug, and Cosmetic Act, as amended (or subject to a similar sanction of a foreign equivalent) or who is the subject of a conviction described in such section;

(e) such Party will inform the other Party in writing promptly if it or any such Person who is performing services hereunder is debarred or is the subject of a conviction described in Section 306 or if any action, suit, claim, investigation or legal or administrative proceeding is pending or, to the best of its or its Affiliates' knowledge, is threatened, relating to the debarment or conviction of it or any such Person performing services hereunder; and

(f) in connection with this Agreement, such Party has complied and shall comply with all Applicable Laws and industry codes dealing with government procurement, conflicts of interest, corruption or bribery, including, if applicable, the U.S. Foreign Corrupt Practices Act of 1977, as amended, and any laws enacted to implement the Organisation of Economic Cooperation and Development Convention on Combating Bribery of Foreign Officials in International Business Transactions.

6.2 Additional Representations of Spur. Spur represents and warrants to Alector, as of the Effective Date, and, as applicable, covenants that: (a) Spur owns all rights, title and interest in and to the Licensed Patents free and clear of all liens, encumbrances and security interests; (b) Spur has the right to grant to Alector the right and license under the Licensed Patents to make, use, sell, offer to sell, import and otherwise exploit the Licensed Products within the Field in the

Territory; (c) Spur has not entered and will not, during the Term, enter into any agreements that are inconsistent with the rights and licenses granted to Alector hereunder; (d) [***]; (e) [***]; (f) to Spur's Knowledge, [***]; (g) Exhibit A contains a full and complete list of the Licensed Patents; and (h) Spur does not own or control any other patents or patent applications directed to [***].

6.3Additional Representations of Alector. Alector represents and warrants to Spur, as of the Effective Date, and, as applicable, covenants that: (a) [***]; (b) [***] (i) [***] and (ii) [***]; (c) [***]; and (d) Alector shall, and shall cause its Affiliates and Sublicensees to, comply with Applicable Law in all material respects with respect to the exploitation of Licensed Products and otherwise carrying out activities under this Agreement.

6.4DISCLAIMER OF WARRANTIES. EXCEPT AS SET FORTH IN THIS ARTICLE 6, (A) NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND CONCERNING THE SUBJECT MATTER OF THIS AGREEMENT, EITHER IN FACT OR OPERATION OF LAW, BY STATUTE OR OTHERWISE, AND (B) HEREBY DISCLAIMS ALL REPRESENTATIONS AND WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY, TITLE, ACCURACY, COMPLETENESS, PERFORMANCE, PROFITABILITY, FITNESS FOR A PARTICULAR PURPOSE, VALIDITY OR ENFORCEABILITY OF THE LICENSED PATENTS OR NONINFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS. SPUR MAKES NO REPRESENTATIONS OR WARRANTIES, AND HEREBY DISCLAIMS ALL EXPRESS AND IMPLIED REPRESENTATIONS AND WARRANTIES, THAT THE PATENT APPLICATIONS IN THE LICENSED PATENTS WILL BE ALLOWED OR GRANTED OR THAT A PATENT WILL ISSUE FROM ANY PATENT APPLICATION IN THE LICENSED PATENTS.

6.5LIMITATIONS OF LIABILITY. EXCEPT WITH RESPECT TO ACTIONS REQUIRED TO BE INDEMNIFIED BY EITHER PARTY UNDER ARTICLE 5 OR THE BREACH OF ARTICLE 9, IN NO EVENT SHALL (A) EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND ARISING IN ANY WAY OUT OF THIS AGREEMENT OR THE LICENSES OR RIGHTS GRANTED HEREUNDER, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY REGARDLESS OF WHETHER SUCH PARTY SHALL BE ADVISED, SHALL HAVE OTHER REASON TO KNOW OR IN FACT SHALL KNOW OF THE POSSIBILITY OF THE FOREGOING, AND (B) EXCEPT WITH RESPECT TO ACTIONS ARISING FROM SPUR'S BREACH OF THIS AGREEMENT, SPUR BE LIABLE TO ALECTOR, ALECTOR'S SUCCESSORS OR ASSIGNS, ITS OR THEIR SUBLICENSEES, OR ANY THIRD PARTY WITH RESPECT TO ANY CLAIM ARISING OR RESULTING FROM USE OF THE LICENSED PATENTS, THE LICENSED PRODUCTS, OR ANY OTHER RIGHTS LICENSED OR GRANTED UNDER THIS AGREEMENT, OR FROM THE MANUFACTURE, USE, SALE, COMMERCIALIZATION OR OTHER EXPLOITATION OF THE LICENSED PRODUCTS.

7. TERMINATION.

7.1Term. This Agreement will remain in effect until the expiration of the Term, unless earlier terminated as provided hereunder.

7.2 Termination.

(a) Termination for Convenience by Alector. Alector shall have the right to terminate this Agreement, for any reason or for no reason, in its entirety, upon at least [***] prior written notice to Spur.

(b) Termination for Default. In the event Alector commits a material breach of its obligations under this Agreement, and fails to cure that breach within [***] after receiving written notice thereof, Spur may terminate this Agreement immediately after the aforesaid [***] period by written notice to Alector. Notwithstanding the foregoing, if Alector disputes the material breach alleged by Spur pursuant to this Section 7.2(b) by written notice to Spur within such [***] period, the period to cure such breach under this Section 7.2(b) shall be tolled until such dispute is resolved in accordance with Section 10.3 below. For clarity, a payment breach hereunder shall be considered a material breach of this Agreement.

(c) Termination for Patent Challenge. In the event that Alector or any of its Affiliates or Sublicensees, anywhere in the Territory, institutes, prosecutes or otherwise participates in (or in any way aids any Third Party in instituting, prosecuting or participating in) any Patent Challenge, Spur shall have the right to terminate this Agreement in its entirety, upon [***] prior written notice to Alector. The foregoing termination right shall not apply if (i) [***] (ii) [***] (iii) [***] (iv) [***] or (v) [***].

(d) Termination for Insolvency. In the event that either Party (i) files for protection under bankruptcy or insolvency laws, (ii) makes an assignment for the benefit of creditors, (iii) appoints or suffers appointment of a receiver or trustee over substantially all of its property that is not discharged within [***] after such filing, (iv) proposes a written agreement of composition or extension of its debts, (v) proposes or is a party to any dissolution or liquidation, or (vi) files a petition under any bankruptcy or insolvency act or has any such petition filed against it that is not discharged within [***] after the filing thereof, then the other Party may terminate this Agreement in its entirety effective immediately upon written notice to such Party.

7.3 Effect of Termination.

(a) Pre-termination Obligations. In no event shall termination of this Agreement release Alector from obligations accrued prior to the effective date of termination of this Agreement, including the obligation to pay all amounts that become due on or before the effective date of termination, and any such amounts shall become immediately payable. In addition, termination of this Agreement shall not preclude Spur from pursuing all rights and remedies it may have hereunder or at law or in equity with respect to any breach of this Agreement nor prejudice Spur's right to obtain performance of any obligation.

(b) Survival. The following provisions shall survive the expiration or termination of this Agreement: [***].

(c) Termination of Licenses. Subject to Section 7.3(d), upon termination of this Agreement in its entirety for any reason, all rights and licenses granted to Alector under the terms of this Agreement will terminate entirely.

(d) Effect on Sublicensees. Upon any termination of this Agreement for any reason, any sublicense granted by Alector in accordance with the terms of this Agreement shall, upon the election of such Sublicensee by written notice to Spur, survive, *provided* that (i) such Sublicensee is not then in breach of any of its material obligations required by this Agreement under its sublicense agreement other than by virtue of Alector's breach, (ii) upon request by Spur, such Sublicensee promptly agrees in writing to be bound by the applicable terms of this Agreement with respect to the activities of the Sublicensee under such sublicense and (iii) such Sublicensee agrees to pay Spur the amount Spur would have been paid by Alector with respect to the activities of the Sublicensee under such sublicense had this Agreement not been terminated. Upon such termination, at the Sublicensee's request, Spur and such Sublicensee shall enter into a direct license agreement including the foregoing terms.

7.4 Bankruptcy. All rights and licenses granted by Spur to Alector under or pursuant to this Agreement are, for all purposes of Section 365(n) of the Bankruptcy Code, licenses of rights to "intellectual property" as defined in the Bankruptcy Code. Upon the filing or institution of bankruptcy, reorganization, liquidation, or receivership proceedings, upon the appointment of a receiver or trustee over all or substantially all property, or upon an assignment of a substantial portion of the assets for the benefit of creditors by Spur, Spur agrees that Alector, as licensee of such rights under this Agreement, will retain and may fully exercise all of its rights and elections under the Bankruptcy Code. Spur agrees not to, and to cause its respective Affiliates not to, interfere with Alector's, its Affiliate's or Sublicensee's exercise of rights and licenses to intellectual property licensed hereunder in accordance with this Agreement.

8. INTELLECTUAL PROPERTY.

8.1 Filing, Prosecution and Maintenance; Infringement Actions. Spur shall retain the sole right to control the filing, prosecution and maintenance of all Licensed Patents, at Spur's expense. Spur shall retain the sole right to enforce, at its direction, any and all infringement of any Licensed Patents, and to defend the Licensed Patents against any opposition, revocation, nullity, inter partes review, post-grant review, ex parte reexamination, derivation, interference or other administrative or judicial proceeding challenging the validity, enforceability or patentability of any Licensed Patents, and to enter all settlements, judgments or other arrangements with respect to the same, all at its own expense and by counsel of its own choice. Any damages or other recovery from such infringement actions in excess of the expenses and costs incurred by Spur in connection with such action shall belong solely to Spur. For the avoidance of doubt, this Section 8.1 does not grant Spur any right to control or participate in the defense of any claim, suit or action brought by a Third Party against Alector, its Affiliates or Sublicensees alleging that the exploitation of a Licensed Product infringes such Third Party's intellectual property rights, which shall instead be governed by Section 8.2 and Article 5, as applicable.

8.2 Infringement of Third Party Rights. Each Party shall promptly notify the other in writing of any allegations by a Third Party that the practice of the Licensed Patents infringes or may infringe the intellectual property rights of such Third Party, and the Parties shall promptly discuss in good faith how to address such allegation.

9. CONFIDENTIALITY.

9.1 Confidential Information. Each Party ("Disclosing Party") may disclose to the other Party ("Receiving Party"), and Receiving Party may acquire during the course and conduct of activities under the Agreement, certain proprietary or confidential information of Disclosing Party in connection with this Agreement. The term "Confidential Information" means all proprietary or confidential information or material in tangible form disclosed hereunder, or proprietary or confidential information otherwise disclosed in non-tangible form hereunder, including all technical and non-technical information conveyed from one Party to the other in any form, electronic data, and other proprietary information, samples, compounds, methods, formulas, processes, protocols, technologies and equipment employed, information relating to quality assurance, procedures for and record keeping, techniques, inventions, know-how, apparatus, and formulae, related to the Disclosing Party's current, future and proposed compounds, compositions, and biological materials. Notwithstanding any other provisions herein, Confidential Information does not include information which:

(a) was known to Receiving Party or any of its Affiliates prior to the time of disclosure hereunder, as evidenced by contemporaneous written records;

(b) is at the time of disclosure hereunder or later becomes public knowledge through no breach of this Agreement by Receiving Party or any of its Affiliates;

(c) is obtained by Receiving Party or any of its Affiliates from a Third Party under no obligation of confidentiality to Disclosing Party; or

(d) has been independently developed by employees, subcontractors, consultants or agents of Receiving Party or any of its Affiliates without the use or reference of Disclosing Party's Confidential Information, as evidenced by contemporaneous written records.

Specific aspects or details of Confidential Information shall not be deemed to be within the public domain or in the possession of Receiving Party merely because the Confidential Information is embraced by more general information in the public domain or in the possession of Receiving Party. Further, any Confidential Information shall not be considered in the public domain or in the possession of Receiving Party merely because individual elements of such Confidential Information are in the public domain or in the possession of Receiving Party unless the combination of these elements and its principles are in the public domain or in the possession of Receiving Party.

9.2 Use of Confidential Information. During the Term and for [***] thereafter, Receiving Party shall take reasonable steps to keep Disclosing Party's Confidential Information in confidence, such efforts to be no less than the degree of care employed by the Receiving Party to preserve and safeguard its own confidential information, but at all times shall use at least reasonable care. Receiving Party shall not use or disclose the Disclosing Party's Confidential Information except (a) to the extent reasonably necessary in connection with the performance of its obligations or as provided in Section 9.3 below, (b) in connection with the exercise of its rights under this Agreement. Receiving Party shall ensure that any Third Parties to which it discloses the Confidential Information of the Disclosing Party are bound by obligations of confidentiality,

non-use and non-disclosure substantially similar to those set forth herein and shall only use the Confidential Information for the purposes expressly permitted under this Section 9.2 or Section 9.3 below. Receiving Party shall be responsible for any disclosure or use of Disclosing Party's Confidential Information by such Third Parties. Each Party shall: (x) implement and maintain appropriate security measures to prevent unauthorized access to, or disclosure of, the other Party's Confidential Information; (y) promptly notify the other Party of any unauthorized access or disclosure of such other Party's Confidential Information; and (z) cooperate with such other Party in the investigation and remediation of any such unauthorized access or disclosure.

9.3 Permitted Disclosures. Receiving Party may disclose Disclosing Party's Confidential Information in the following instances:

(a) in order to comply with Applicable Law (including any securities law or regulation or the rules of a securities exchange) or with a legal or administrative proceeding; and

(b) in connection with (i) prosecuting or defending litigation, or (ii) obtaining Regulatory Approval, making other regulatory filings and communications, in each case in connection with Receiving Party's rights and obligations pursuant to this Agreement;

provided, *however*, that, where reasonably possible, and except as otherwise provided in Section 9.4(b) below, Receiving Party shall notify Disclosing Party in writing as promptly as reasonably practicable of Receiving Party's intent to make any such disclosure under this Section 9.3 prior to making such disclosure and give Disclosing Party a reasonable opportunity to quash such order or to obtain a protective order or confidential treatment, and where appropriate and reasonably possible, Disclosing Party shall seek measures to protect the confidentiality of the information to be disclosed; *provided*, *further*, that the Confidential Information disclosed under this Section 9.3 shall be limited to that information which is legally required to be disclosed.

9.4 Terms of the Agreement.

(a) The Parties agree that the terms of this Agreement shall be treated as Confidential Information of both Parties. Except as required by Applicable Law or as provided in this Agreement (including any securities law or regulation or the rules of a securities exchange), each Party agrees not to issue any press release or public statement disclosing information relating to this Agreement or the transactions contemplated hereby or the terms hereof without the prior written consent of the other Party, such consent not to be unreasonably withheld, conditioned or delayed. In the event a Party (or any of its Affiliates or Sublicensees) is, in the reasonable opinion of its counsel, required by Applicable Law (including any securities law or regulation or the rules of a securities exchange) to make a public disclosure relating to this Agreement, such Party (or its Affiliate or Sublicensee) shall submit the proposed disclosure in writing to the other Party [***] (and in no event less than [***] prior to the anticipated date of disclosure) so as to provide the other Party a reasonable opportunity to comment thereon, *provided* for clarity, a public disclosure regarding the research, development, manufacture, commercialization or other exploitation of a Licensed Product shall not, in and of itself, be considered relating to this Agreement for purposes of the foregoing. In addition, in the event a Party (or any of its Affiliates or Sublicensees) is, in the reasonable opinion of its counsel, required by Applicable Law (including any securities law or regulation or the rules of a securities exchange) to publicly file this Agreement, such Party (or its

Affiliate or Sublicensee) shall submit its proposed redactions to this Agreement in writing to the other Party as far in advance as reasonably practicable (and in no event less than [***] prior to the anticipated date of disclosure) so as to provide a reasonable opportunity for such other Party to comment thereon. The obligated Party (or its Affiliate or Sublicensee) shall reasonably consider the other Party's comments with respect thereto except to the extent inconsistent with Applicable Law, and shall [***] obtain confidential treatment for the terms of this Agreement that are so redacted. Neither Party shall be required to seek the permission of the other Party to repeat any information regarding the terms of this Agreement or any amendment hereto that has already been publicly disclosed by such Party or by the other Party, in accordance with this Section 9.4(a); *provided* that such information remains accurate as of such time and provided the context and form of such disclosure are substantially the same as the previously approved context and form.

(b) Each Party agrees not to, and to cause its Affiliates not to, disclose to any Third Party the terms of this Agreement without the prior written consent of the other Party hereto, which consent shall not be unreasonably withheld, conditioned or delayed, except each Party and its Affiliates may disclose the terms of this Agreement without such consent (i) to advisors (including financial advisors, attorneys and accountants), and actual or potential *bona fide* acquisition partners, Sublicensees or private investors, and others on a reasonable need to know basis in connection with such Party's performance of its obligations or exercise of its rights under this Agreement or the conduct of due diligence on Alector or its Affiliates, in each case under appropriate confidentiality and non-use provisions substantially equivalent to those in this Agreement (with a duration of confidentiality and non-use obligations as appropriate that is no less than [***] from the date of disclosure) or (ii) to the extent necessary to comply with Applicable Laws and court orders (including securities laws or regulations and the applicable rules of any public stock exchange); *provided* that, in the case of clause (ii), the disclosing Party or its Affiliate shall (A) promptly notify the other Party and allow the other Party a reasonable opportunity to reasonably intervene to protect the confidentiality of the information and oppose such disclosure and, to the extent allowable by Applicable Law, to seek limitations on the portion of the Agreement that is required to be disclosed and (B) comply with the terms of Section 9.4(a). Notwithstanding any other provisions of this Agreement the Parties may make factual statements regarding the existence, nature, and type of this Agreement, provided that such statements do not disclose specific terms hereof.

9.5 Return of Confidential Information. Upon the effective date of the expiration or termination of this Agreement for any reason, either Party may request in writing and the non-requesting Party shall either, with respect to Confidential Information to which such non- requesting Party does not retain rights under the surviving provisions of this Agreement, at the requesting Party's election, (a) promptly destroy all copies of such Confidential Information in the possession or control of the non-requesting Party and confirm such destruction in writing to the requesting Party, or (b) promptly deliver to the requesting Party, at the non-requesting Party's sole cost and expense, all copies of such Confidential Information in the possession or control of the non-requesting Party. Notwithstanding the foregoing, the non-requesting Party shall be permitted to retain (x) a single copy of such Confidential Information for archival purposes to the extent necessary or useful for purposes of performing any continuing obligations or exercising any ongoing rights hereunder, and (y) any computer records or files containing such Confidential Information that have been created solely by such non-requesting Party's automatic archiving and back-up procedures, to the extent created and retained in a manner consistent with such

non-requesting Party's standard archiving and back-up procedures, but not for any other uses or purposes. All Confidential Information so retained shall continue to be subject to the terms of this Agreement for the period set forth in Section 9.2.

10. MISCELLANEOUS.

10.1 Notices. Any notices required or permitted under this Agreement shall be in writing, shall specifically refer to this Agreement, and shall be sent by hand, recognized national overnight courier, or registered or certified mail, postage prepaid, return receipt requested, to the following addresses of the Parties:

If to Spur:

[***]
[***]
[***]

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

[***]
[***]
[***]
[***]
[***]

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

[***]
[***]
[***]
[***]
[***]

If to Alector:

[***]
[***]
[***]

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

[***]
[***]

All notices under this Agreement shall be deemed effective upon receipt. A Party may change its contact information immediately upon written notice to the other Party in the manner provided in this Section 10.1.

10.2 Non-Use of Name. Except as expressly provided herein, neither Party shall use the name, insignia, symbol, trademark, trade name or logotype or any variation, adaptation or abbreviation thereof, of the other Party or its Affiliates, its directors, officers, staff, employees, agents or affiliated investigators in any public promotional material or other public announcement

or disclosure without the prior written consent of such other Party, which consent shall not be unreasonably withheld, conditioned or delayed. The foregoing notwithstanding, without such consent, either Party may make factual statements during the Term that Alector has a license from Spur under one or more of the patents or patent applications comprising the Licensed Patents. The restrictions imposed by this Section 10.2 shall not prohibit (a) either Party from making any disclosure identifying the other Party to the extent required in connection with the exercise by the first Party of its rights or obligations under this Agreement, and (b) either Party from making any disclosure identifying the other Party that is required by Applicable Law (including any securities law or regulation or the rules of a securities exchange).

10.3 Dispute Resolution.

(a) Mandatory Procedures. The Parties agree that any dispute arising out of or relating to this Agreement, including its termination (a "Dispute") shall be resolved solely by means of the procedures set forth in this Section 10.3, and that such procedures constitute legally binding obligations that are an essential provision of this Agreement. If either Party fails to observe the procedures of this Section 10.3, as may be modified by mutual written agreement of the Parties, the other Party may bring an action for specific performance of these procedures in any court permitted under Section 10.4.

(b) Arbitration. Except for [***], all Disputes shall be finally determined by binding arbitration in accordance with this Section 10.3 by a single arbitrator. The arbitrator shall have significant experience in the pharmaceutical industry and shall not include any current or former employee, consultant, officer or director of Spur or Alector (or their respective Affiliates), or otherwise have any current or previous relationship with Spur or Alector or their respective Affiliates. Any such arbitration shall be conducted by Judicial Arbitration and Mediation Services ("JAMS") in New York City, New York in accordance with the applicable JAMS rules, and the language of the arbitration shall be English. At his or her election, the arbitrator may engage one or more independent experts with experience in the subject matter of the Dispute to advise the arbitrator, but final decision making authority shall remain with the arbitrator. If the Parties are unable to agree on an arbitrator, the arbitrator shall be selected by the chief executive of the New York City office of JAMS. The costs of such arbitration shall be shared equally by the parties, and each Party shall bear its own expenses in connection with the arbitration. The decision and/or award rendered shall be written, final, non-appealable and binding on both Parties. The arbitrator shall not have the power to award punitive damages under this Agreement and such award is expressly prohibited. Judgment upon the award may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and/or an order of enforcement as the case may be. Notwithstanding the foregoing, either Party may apply to a court of competent jurisdiction for appropriate injunctive relief pending resolution of such arbitration proceedings if necessary to protect the interests of such Party, without the necessity of posting bond.

(c) Statute of Limitations. The Parties agree that all applicable statutes of limitation and time-based defenses (such as estoppel and laches) shall be tolled while the procedures set forth in Section 10.3 are pending. The Parties shall cooperate in taking any actions necessary to achieve this result.

(d) Confidentiality. The existence of the arbitration, any non-public information provided in the arbitration, and any submissions, orders or awards made in the arbitration shall not be disclosed to any non-party except the arbitrators, JAMS, the Parties, their counsel, experts, witnesses, accountants, auditors, insurers, reinsurers, and any other person necessary to the conduct of the arbitration, except to the extent that disclosure may be required to fulfill a legal duty, protect or pursue a legal right, or enforce or challenge an award in *bona fide* legal proceedings.

10.4 Governing Law; Venue. This Agreement and all disputes arising out of or related to this Agreement, or the performance, enforcement, breach or termination hereof, and any remedies relating thereto, shall be construed, governed, interpreted and applied in accordance with the laws of the State of New York, without regard to its conflict of laws principles, except that questions affecting the construction and effect of any patent shall be determined by the law of the country in which the patent shall have been granted. Subject to Section 10.3(b), each Party hereby irrevocably consents that any legal action or proceeding under, arising out of or in any manner relating to this Agreement shall be brought in any state or federal court having jurisdiction over the city of New York City, New York.

10.5 Equitable Remedies. Notwithstanding any other terms of this Agreement, either Party may seek a preliminary injunction or other provisional equitable relief in any court of competent jurisdiction if, in its reasonable judgment, such action is necessary to avoid irreparable harm to itself or to preserve its rights under this Agreement. Both Parties agree to waive any requirement that the other (a) post a bond or other security as a condition for obtaining any such relief and (b) show irreparable harm, balancing of harms, consideration of the public interest or inadequacy of monetary damages as a remedy. Seeking or obtaining such equitable or interim relief or provisional remedy in a court shall not be deemed a waiver of this agreement to arbitrate in accordance with Section 10.3. For clarity, any such equitable remedies shall be cumulative and not exclusive and are in addition to any other remedies that either Party may have under this Agreement or Applicable Law.

10.6 Assignment.

(a) Except as expressly permitted in this Agreement, neither Party shall assign, delegate or subcontract any of its rights or obligations under this Agreement without the prior written consent of the other Party, which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, no such consent will be required for a Party to assign this Agreement (i) to an Affiliate or (ii) to a Third Party successor-in-interest or purchaser of all or substantially all of the business or assets of such Party to which this Agreement relates, whether in a merger, combination, reorganization, sale of stock, sale of assets or other transaction; *provided*, *however*, that (A) in each case such Party provides written notice to the other Party of such assignment and the assignee shall have agreed in writing to be bound by the terms of this Agreement in the same manner as the assigning Party hereunder, or in the case of assignment to an Affiliate, the assigning Party agrees to be responsible for the performance of this Agreement by such Affiliate and (B) in the case of Spur as the assigning Party, such assignment is together with

the assignment of all right, title and interest in and to the Licensed Patents. Any attempted assignment in contravention of this Section 10.6(a) shall be null and void.

(b) Notwithstanding anything to the contrary in this Agreement, [***]. Further, [***].

10.7 Amendment and Waiver. No amendment, modification or waiver of the terms of this Agreement shall be binding on a Party unless reduced to writing and signed by an authorized representative of such Party. The failure of a Party at any time or times to require performance of any provision hereof shall in no manner affect its rights at a later time to enforce the same. No waiver by a Party of any condition or term shall be deemed as a further or continuing waiver of such condition or term or of any other condition or term.

10.8 Independent Contractors. It is understood and agreed that the relationship between the Parties is that of independent contractors and that nothing in this Agreement shall be construed as authorization for either Party to act as agent for the other. Nothing herein contained shall be deemed to create an employment, agency, joint venture or partnership relationship between the Parties or any of their agents or employees for any purpose, including for tax purposes, or to create any other legal arrangement that would impose liability upon one Party for the acts or failures to act of the other Party. Neither Party shall have any express or implied power to enter into any contracts or commitments or to incur any liabilities in the name of, or on behalf of, the other Party, or to bind the other Party in any respect whatsoever.

10.9 Severability. In the event that any provision of this Agreement shall be held invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any other provision of this Agreement, and the Parties shall negotiate in good faith to modify this Agreement to preserve (to the extent possible) their original intent.

10.10 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

10.11 Interpretation. All headings are for convenience only and shall not affect the meaning of any provision of this Agreement. The Parties acknowledge that each Party has read and negotiated the language used in this Agreement. Because both Parties participated in negotiating and drafting this Agreement, no rule of construction shall apply to this Agreement which construes ambiguous language in favor of or against either Party by reason of that Party's role in drafting this Agreement. Except where the context expressly requires otherwise, (a) the use of any gender herein will be deemed to encompass references to either or both genders, and the use of the singular will be deemed to include the plural (and vice versa), (b) the words "include," "includes" and "including" will be deemed to be followed by the phrase "without limitation," whether or not so appearing herein, (c) the word "will" will be construed to have the same meaning and effect as the word "shall," (d) any definition of or reference to any agreement, instrument or other document herein will be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (e) any reference herein to any Person will be construed to include the Person's successors and permitted assigns, (f) the words "herein," "hereof" and "hereunder," and words of similar import, will be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (g)

all references herein to sections, attachments, appendices, exhibits or the like will be construed to refer to sections, attachments, appendices, exhibits or the like of this Agreement, and references to this Agreement include all attachments, appendices, exhibits or the like attached hereto, (h) references to any law, rule or regulation, or article, section or other division thereof, will be deemed to include the then-current amendments thereto or any replacement or successor law, rule or regulation thereof and (i) the term "or" will be interpreted in the inclusive sense commonly associated with the term "and/or."

10.12Entire Agreement. This Agreement (including any attachments, appendices, exhibits or the like) constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements or understandings between the Parties relating to its subject matter.

10.13Counterparts. This Agreement may be executed in counterparts, including by facsimile or by electronic scan copies, each of which counterparts, when so executed and delivered, shall be deemed to be an original, and all of which counterparts, taken together, shall constitute one and the same instrument.

[Signatures Follow]

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

SPUR THERAPEUTICS LIMITED	ALECTOR, INC.
By: /s/ Paul Schneider	By: /s/ Arnon Rosenthal
Name: Paul Schneider	Name: Arnon Rosenthal
Title: CFO	Title: CEO

Exhibit 10.2

EXHIBIT A

LICENSED PATENTS

[***]

Exhibit 10.2

EXHIBIT B

DIRECT LICENSE FINANCIAL TERMS

[***]

Exhibit B

Exhibit 10.2

SCHEDULE 3.3

[***]

Schedule 3.3

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Arnon Rosenthal, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Alector, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2026

/s/ Arnon Rosenthal

Arnon Rosenthal, Ph.D.
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Neil Berkley, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Alector, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2026

/s/ Neil Berkley

Neil Berkley
Chief Financial Officer and Chief Business Officer
(Principal Financial Officer)

Exhibit 32.1

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

In connection with the Quarterly Report on Form 10-Q of Alector, Inc. (the "Company") for the period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Date: November 5, 2026

/s/ Arnon Rosenthal

Arnon Rosenthal, Ph.D.
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

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

In connection with the Quarterly Report on Form 10-Q of Alector, Inc. (the "Company") for the period ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

Date: November 5, 2026

/s/ Neil Berkley

Neil Berkley
Chief Financial Officer and Chief Business Officer
(Principal Financial Officer)