

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 March 31, 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: 001-37507

IMMUNITYBIO, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of  
incorporation or organization)

3530 John Hopkins Court  
San Diego, California

(Address of principal executive offices)

43-1979754

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

92121

(Zip Code)

Registrant’s telephone number, including area code: (844) 696-5235

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

| Title of each class                        | Trading Symbol(s) | Name of each exchange on which registered |
|--------------------------------------------|-------------------|-------------------------------------------|
| Common Stock, par value \$0.0001 per share | IBRX              | 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 | <input checked="" type="checkbox"/> | Accelerated filer         | <input type="checkbox"/> |
| Non-accelerated filer   | <input type="checkbox"/>            | Smaller reporting company | <input type="checkbox"/> |
|                         |                                     | Emerging growth company   | <input type="checkbox"/> |

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

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

The number of shares of the Registrant’s common stock outstanding as of May 5, 2026 was 1,047,353,977 (excluding 163,800 shares held by a majority owned subsidiary of ours which are treated as treasury shares for accounting purposes).

**IMMUNITYBIO, INC. AND SUBSIDIARIES**  
**QUARTERLY REPORT ON FORM 10-Q**  
**FOR THE QUARTER ENDED MARCH 31, 2026**

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## Defined Terms

Unless expressly indicated or the context required otherwise, the terms “ImmunityBio,” “the company,” “we,” “us,” and “our” in this Quarterly Report refer to ImmunityBio, Inc., a Delaware corporation, and, where appropriate, its subsidiaries. We have also used several other terms in this Quarterly Report, the unaudited condensed consolidated financial statements and accompanying notes included herein, most of which are defined below:

| Term                       | Definition                                                                                                                                                                                                                                             |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2015 Plan                  | ImmunityBio, Inc. 2015 Equity Incentive Plan                                                                                                                                                                                                           |
| 2015 Share Repurchase Plan | Board of Directors-approved share repurchase program                                                                                                                                                                                                   |
| 2025 Plan                  | ImmunityBio, Inc. 2025 Equity Incentive Plan                                                                                                                                                                                                           |
| 3M IPC                     | 3M Innovative Properties Company                                                                                                                                                                                                                       |
| AAHI                       | Access to Advanced Health Institute                                                                                                                                                                                                                    |
| ACA                        | Affordable Care Act                                                                                                                                                                                                                                    |
| ALC                        | absolute lymphocyte count                                                                                                                                                                                                                              |
| AI                         | artificial intelligence                                                                                                                                                                                                                                |
| Altor                      | Altor BioScience, LLC                                                                                                                                                                                                                                  |
| America Invents Act        | Leahy-Smith America Invents Act                                                                                                                                                                                                                        |
| ANKTIVA®                   | Proprietary name for N-803 (formerly ALT-803), our novel IL-15 receptor superagonist complex (nogapendekin alfa inbakicept)                                                                                                                            |
| Annual Report              | Annual Report on Form 10-K for the year ended December 31, 2025                                                                                                                                                                                        |
| Approved product           | ANKTIVA                                                                                                                                                                                                                                                |
| ASC                        | Accounting Standards Codification                                                                                                                                                                                                                      |
| ASC 270                    | FASB ASC Topic 270, <i>Interim Reporting</i>                                                                                                                                                                                                           |
| ASC 321                    | FASB ASC Topic 321, <i>Investments—Equity Securities</i>                                                                                                                                                                                               |
| ASC 470-50                 | FASB ASC Topic 470-50, <i>Debt—Modifications and Extinguishment</i>                                                                                                                                                                                    |
| ASC 815                    | FASB ASC Topic 815, <i>Derivatives and Hedging</i>                                                                                                                                                                                                     |
| ASC 825                    | FASB ASC Topic 825, <i>Financial Instruments</i>                                                                                                                                                                                                       |
| ASU                        | Accounting Standards Update                                                                                                                                                                                                                            |
| Athenex                    | Athenex, Inc.                                                                                                                                                                                                                                          |
| ATM                        | “at-the-market” sales agreement, as amended                                                                                                                                                                                                            |
| BCG                        | Bacillus Calmette-Guérin (TICE® BCG approved for use in the U.S.)                                                                                                                                                                                      |
| Beike                      | Shenzhen Beike Biotechnology Co. Ltd.                                                                                                                                                                                                                  |
| BIS                        | U.S. Department of Commerce, Bureau of Industry and Security                                                                                                                                                                                           |
| BLA                        | Biologics License Application                                                                                                                                                                                                                          |
| BPCIA                      | Biologics Price Competition and Innovation Act of 2009                                                                                                                                                                                                 |
| Cambridge                  | Cambridge Equities, LP                                                                                                                                                                                                                                 |
| Cancer BioShield™          | our first-in-class immunotherapy strategy designed to restore immune competence by reversing lymphopenia—the loss of functional immune cells caused by cancer itself and by conventional treatments such as chemotherapy, radiation and immunotherapy. |
| CAR                        | chimeric antigen receptor                                                                                                                                                                                                                              |
| CCPA                       | California Consumer Privacy Act of 2018                                                                                                                                                                                                                |
| CEO                        | chief executive officer                                                                                                                                                                                                                                |
| CFO                        | chief financial officer                                                                                                                                                                                                                                |
| cGMP                       | current Good Manufacturing Practice                                                                                                                                                                                                                    |
| China                      | when used in connection with the RIPA, People’s Republic of China, Hong Kong and any territories controlled by the People’s Republic of China                                                                                                          |

| Term                                      | Definition                                                                                                                                                                       |
|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CIS                                       | carcinoma <i>in situ</i>                                                                                                                                                         |
| Clinic                                    | Immuno-Oncology Clinic, Inc.                                                                                                                                                     |
| Closing Date                              | when used in connection with the RIPA, December 29, 2023                                                                                                                         |
| CMO                                       | contract manufacturing organization                                                                                                                                              |
| CMS                                       | Centers for Medicare & Medicaid Services                                                                                                                                         |
| Code                                      | Internal Revenue Code of 1986, as amended                                                                                                                                        |
| CODM                                      | chief operating decision maker                                                                                                                                                   |
| CPI                                       | checkpoint inhibitor                                                                                                                                                             |
| CPRA                                      | California Privacy Rights Act                                                                                                                                                    |
| CRL                                       | complete response letter                                                                                                                                                         |
| CRO                                       | contract research organization                                                                                                                                                   |
| CVR                                       | contingent value right                                                                                                                                                           |
| DGCL                                      | Delaware General Corporation Law                                                                                                                                                 |
| December 2024 Convertible Promissory Note | Related-party convertible note due December 31, 2027 between ImmunityBio, Inc. and Nant Capital                                                                                  |
| Dunkirk Facility                          | a leasehold interest in a cGMP ISO Class 5 pharmaceutical manufacturing space in western New York                                                                                |
| EAP                                       | Expanded Access Program                                                                                                                                                          |
| EMA                                       | European Medicines Agency                                                                                                                                                        |
| EU                                        | European Union                                                                                                                                                                   |
| Exchange Act                              | Securities Exchange Act of 1934, as amended                                                                                                                                      |
| Exyte                                     | Exyte U.S., Inc.                                                                                                                                                                 |
| FASB                                      | Financial Accounting Standards Board                                                                                                                                             |
| FCA                                       | False Claims Act                                                                                                                                                                 |
| FCPA                                      | U.S. Foreign Corrupt Practices Act                                                                                                                                               |
| FD&C Act                                  | Federal Food, Drug, and Cosmetic Act                                                                                                                                             |
| FDA                                       | U.S. Food and Drug Administration (or the Agency)                                                                                                                                |
| FSMC                                      | Fort Schuyler Management Corporation, a not-for-profit corporation affiliated with the State of New York                                                                         |
| FTO                                       | freedom-to-operate                                                                                                                                                               |
| FVO                                       | fair value option                                                                                                                                                                |
| GBM                                       | glioblastoma                                                                                                                                                                     |
| GCP                                       | Good Clinical Practice                                                                                                                                                           |
| GDPR                                      | General Data Protection Regulation                                                                                                                                               |
| GlobeImmune                               | GlobeImmune, Inc.                                                                                                                                                                |
| GMP                                       | Good Manufacturing Practice                                                                                                                                                      |
| hAd5                                      | human adenovirus serotype 5                                                                                                                                                      |
| haNK                                      | high-affinity NK                                                                                                                                                                 |
| Hatch-Waxman Act                          | Drug Price Competition and Patent Term Restoration Act of 1984                                                                                                                   |
| HCPCS                                     | Healthcare Common Procedure Coding System, a set of standardized codes used in the U.S. to describe specific medical procedures, services, equipment, medications, and supplies. |
| HHS                                       | U.S. Department of Health and Human Services                                                                                                                                     |
| HIPAA                                     | Health Insurance Portability and Accountability Act of 1996                                                                                                                      |

| Term             | Definition                                                                                       |
|------------------|--------------------------------------------------------------------------------------------------|
| HITECH           | Health Information Technology for Economic and Clinical Health Act                               |
| HIV              | human immunodeficiency virus                                                                     |
| HPV              | human papillomavirus                                                                             |
| IEEPA            | International Emergency Economic Powers Act                                                      |
| IL-15            | novel interleukin 15                                                                             |
| IND              | investigational new drug                                                                         |
| Infinity         | Infinity SA LLC, as purchaser agent for affiliates of Oberland                                   |
| IPR&D            | in-process research and development                                                              |
| IRA              | Inflation Reduction Act of 2022                                                                  |
| IRS              | Internal Revenue Service                                                                         |
| ISAF             | the Pharmaceutical Administration Bureau                                                         |
| J-code           | a part of the HCPCS used to designate non-oral medications and other medical devices             |
| JAMS             | Judicial Arbitration and Mediation Services                                                      |
| M-ceNK           | memory-like cytokine-enhanced NK                                                                 |
| MAA              | Marketing Authorization Application                                                              |
| MHRA             | UK Medicines and Healthcare products Regulatory Agency                                           |
| Nant Capital     | Nant Capital, LLC                                                                                |
| NantCell         | NantCell, Inc., a subsidiary of the company                                                      |
| NANTibody        | Immunotherapy NANTibody, LLC, a subsidiary of the company                                        |
| NantKwest        | NantKwest, Inc.                                                                                  |
| NantWorks        | NantWorks, LLC, a related-party                                                                  |
| NCCN®            | National Comprehensive Cancer Network                                                            |
| NCI              | National Cancer Institute                                                                        |
| NDA              | New Drug Application                                                                             |
| NHL              | non-Hodgkin lymphoma                                                                             |
| NK               | natural killer                                                                                   |
| NMIBC            | non-muscle invasive bladder cancer                                                               |
| NOL              | net operating loss                                                                               |
| NSCLC            | non-small cell lung cancer                                                                       |
| Oberland         | Oberland Capital Management LLC and its affiliates (including Purchasers as defined in the RIPA) |
| OBBA Act         | One Big Beautiful Bill Act                                                                       |
| OPDP             | FDA Office of Prescription Drug Promotion                                                        |
| PD-1             | programmed death receptor                                                                        |
| PD-1             | programmed death receptor 1                                                                      |
| PD-L1            | programmed death receptor ligand                                                                 |
| PHI              | Protected Health Information                                                                     |
| PMA              | premarket approval                                                                               |
| QMSR             | Quality Management System Regulation                                                             |
| QSR              | Quality System Regulation                                                                        |
| Quarterly Report | Quarterly Report on Form 10-Q for the three months ended March 31, 2026                          |

| Term                      | Definition                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| QUILT                     | QUantum Integrative Lifelong Trial                                                                                                                                                                                                                                                                                                                                                                                                                         |
| rBCG                      | recombinant BCG                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| RCT                       | randomized controlled trial                                                                                                                                                                                                                                                                                                                                                                                                                                |
| RDO                       | registered direct offering                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| REMS                      | Risk Evaluation and Mitigation Strategy                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Revenue Interest Payments | with respect to each calendar quarter during the revenue interest period, the amount payable by the company to Oberland equal to the net sales in the covered territory for such calendar quarter multiplied by the applicable percentage, subject to the terms and conditions set forth in the RIPA; provided that, with respect to any calendar quarter, that the total revenue interest payments will not exceed the cap amount applicable at such time |
| Revenue Interests         | all of the company's right, title and interest in and to that portion of the accounts and payment intangibles arising out of sales and licenses of the included products and the product assets equal to the Revenue Interest Payments for each calendar quarter (or portion thereof) during the revenue interest period                                                                                                                                   |
| RIPA                      | Revenue Interest Purchase Agreement                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Riptide                   | Riptide Bioscience, Inc.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| RMAT                      | regenerative medicine advanced therapy                                                                                                                                                                                                                                                                                                                                                                                                                     |
| RSU                       | restricted stock unit                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| RTF                       | Refuse to File                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| SAFE                      | Simple Agreement for Future Equity                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Sarbanes-Oxley            | Sarbanes-Oxley Act of 2002                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| SARS-CoV-2                | novel strain of the coronavirus (COVID-19)                                                                                                                                                                                                                                                                                                                                                                                                                 |
| sBLA                      | supplemental Biologics License Application                                                                                                                                                                                                                                                                                                                                                                                                                 |
| SEC                       | U.S. Securities and Exchange Commission                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Section 404               | Section 404 of the Sarbanes-Oxley Act of 2002                                                                                                                                                                                                                                                                                                                                                                                                              |
| Securities Act            | Securities Act of 1933, as amended                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Serum Institute           | Serum Institute of India                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| SFDA                      | Saudi Food and Drug Authority                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Sorrento                  | Sorrento Therapeutics, Inc.                                                                                                                                                                                                                                                                                                                                                                                                                                |
| SPOA                      | Stock Purchase and Option Agreement                                                                                                                                                                                                                                                                                                                                                                                                                        |
| TCJA                      | Tax Cuts and Jobs Act of 2017                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Term SOFR                 | Term Secured Overnight Financing Rate                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Test Date                 | when used in connection with the RIPA, December 31, 2029                                                                                                                                                                                                                                                                                                                                                                                                   |
| t-haNK                    | targeted high-affinity NK                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| TLR                       | toll-like receptor                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| TNBC                      | triple-negative breast cancer                                                                                                                                                                                                                                                                                                                                                                                                                              |
| UK                        | United Kingdom                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| UK GDPR                   | UK Data Protection Act of 2018                                                                                                                                                                                                                                                                                                                                                                                                                             |
| U.S.                      | United States of America                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| U.S. GAAP                 | accounting principles generally accepted in the U.S.                                                                                                                                                                                                                                                                                                                                                                                                       |
| USPTO                     | U.S. Patent and Trademark Office                                                                                                                                                                                                                                                                                                                                                                                                                           |
| VBC Holdings              | VBC Holdings, LLC, a subsidiary of the company                                                                                                                                                                                                                                                                                                                                                                                                             |
| VIE                       | variable interest entity                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| VivaBioCell               | VivaBioCell, S.p.A., a wholly-owned subsidiary of VBC Holdings                                                                                                                                                                                                                                                                                                                                                                                             |

# PART I—FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS.

### **ImmunityBio, Inc. and Subsidiaries** **Condensed Consolidated Balance Sheets** (Unaudited; in thousands, except share and per share amounts)

|                                                                                   | March 31,<br>2026 | December 31,<br>2025 |
|-----------------------------------------------------------------------------------|-------------------|----------------------|
| <b>ASSETS</b>                                                                     |                   |                      |
| Current assets:                                                                   |                   |                      |
| Cash and cash equivalents                                                         | \$ 205,194        | \$ 88,334            |
| Marketable securities                                                             | 175,685           | 154,484              |
| Accounts receivable, net                                                          | 43,271            | 42,571               |
| Inventories                                                                       | 547               | 910                  |
| Due from related parties                                                          | 3                 | 46                   |
| Prepaid expenses and other current assets                                         | 26,182            | 27,761               |
| Prepaid expenses – related parties                                                | 2,071             | 769                  |
| Total current assets                                                              | 452,953           | 314,875              |
| Property, plant and equipment, net                                                | 112,785           | 114,264              |
| Goodwill and intangible assets, net                                               | 12,885            | 13,953               |
| Long-term inventories                                                             | 18,856            | 13,508               |
| Convertible note receivable                                                       | —                 | 7,380                |
| Operating lease right-of-use assets, net                                          | 20,573            | 19,808               |
| Operating lease right-of-use assets, net – related parties                        | 12,461            | 13,202               |
| Other assets                                                                      | 15,746            | 4,530                |
| Other assets – related parties                                                    | 378               | 378                  |
| Total assets                                                                      | \$ 646,637        | \$ 501,898           |
| <b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>                                      |                   |                      |
| Current liabilities:                                                              |                   |                      |
| Accounts payable                                                                  | \$ 11,192         | \$ 6,978             |
| Accrued expenses and other liabilities                                            | 48,204            | 46,838               |
| Operating lease liabilities                                                       | 4,690             | 4,291                |
| Operating lease liabilities – related parties                                     | 2,936             | 3,244                |
| Due to related parties                                                            | 930               | 403                  |
| Total current liabilities                                                         | 67,952            | 61,754               |
| Related-party convertible note payable, at fair value ( <a href="#">Note 14</a> ) | 678,386           | 477,093              |
| Revenue interest liability ( <a href="#">Note 13</a> )                            | 404,299           | 324,615              |
| Operating lease liabilities, less current portion                                 | 20,062            | 19,732               |
| Operating lease liabilities, less current portion – related parties               | 13,085            | 13,715               |
| Derivative liabilities ( <a href="#">Note 13</a> )                                | 23,314            | 19,722               |
| Warrant liabilities ( <a href="#">Note 16</a> )                                   | 308,193           | 84,417               |
| Other liabilities                                                                 | 472               | 424                  |
| Total liabilities                                                                 | 1,515,763         | 1,001,472            |

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

**ImmunityBio, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets (Continued)**  
(Unaudited; in thousands, except share and per share amounts)

|                                                                                                                                                                                                                                                                                                                                       | March 31,<br>2026 | December 31,<br>2025 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------------|
| Commitments and contingencies ( <a href="#">Note 11</a> )                                                                                                                                                                                                                                                                             |                   |                      |
| Stockholders' deficit:                                                                                                                                                                                                                                                                                                                |                   |                      |
| Common Stock, \$0.0001 par value; 1,650,000,000 shares authorized as of March 31, 2026 and December 31, 2025; 1,047,341,146 and 1,011,800,008 shares issued and outstanding as of March 31, 2026 and December 31, 2025, respectively; excluding treasury stock, 163,800 shares outstanding as of March 31, 2026 and December 31, 2025 | \$ 104            | \$ 101               |
| Additional paid-in capital                                                                                                                                                                                                                                                                                                            | 3,461,865         | 3,197,120            |
| Accumulated deficit                                                                                                                                                                                                                                                                                                                   | (4,359,428)       | (3,726,646)          |
| Accumulated other comprehensive income                                                                                                                                                                                                                                                                                                | 27,453            | 28,956               |
| Total ImmunityBio stockholders' deficit                                                                                                                                                                                                                                                                                               | (870,006)         | (500,469)            |
| Noncontrolling interests                                                                                                                                                                                                                                                                                                              | 880               | 895                  |
| Total stockholders' deficit                                                                                                                                                                                                                                                                                                           | (869,126)         | (499,574)            |
| Total liabilities and stockholders' deficit                                                                                                                                                                                                                                                                                           | \$ 646,637        | \$ 501,898           |

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

**ImmunityBio, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Operations**  
(Unaudited; in thousands, except per share amounts)

|                                                                                                   | Three Months Ended<br>March 31, |              |
|---------------------------------------------------------------------------------------------------|---------------------------------|--------------|
|                                                                                                   | 2026                            | 2025         |
| <b>Revenue</b>                                                                                    |                                 |              |
| Product revenue, net                                                                              | \$ 44,167                       | \$ 16,509    |
| Other revenues                                                                                    | 39                              | 8            |
| Total revenue                                                                                     | 44,206                          | 16,517       |
| <b>Operating costs and expenses</b>                                                               |                                 |              |
| Cost of sales                                                                                     | 238                             | 58           |
| Research and development                                                                          | 64,770                          | 45,976       |
| Research and development – related parties                                                        | 3,219                           | 2,258        |
| Selling, general and administrative                                                               | 44,461                          | 31,977       |
| Selling, general and administrative – related parties                                             | 1,309                           | 677          |
| Total operating costs and expenses                                                                | 113,997                         | 80,946       |
| <b>Loss from operations</b>                                                                       | (69,791)                        | (64,429)     |
| <b>Other income (expense), net</b>                                                                |                                 |              |
| Interest and investment income, net                                                               | 2,314                           | 887          |
| Change in fair value of warrant liabilities                                                       | (295,413)                       | (448)        |
| Change in fair value of related-party convertible note                                            | (236,625)                       | (42,582)     |
| Interest expense – related party                                                                  | (14,559)                        | (15,313)     |
| Interest expense related to revenue interest liability                                            | (13,871)                        | (13,534)     |
| Change in fair value of derivative liabilities                                                    | 1,108                           | 5,578        |
| Interest expense                                                                                  | (34)                            | (18)         |
| Other expense, net                                                                                | (5,917)                         | (41)         |
| Total other expense, net                                                                          | (562,997)                       | (65,471)     |
| <b>Loss before income taxes and noncontrolling interest</b>                                       | (632,788)                       | (129,900)    |
| Income tax (expense) benefit                                                                      | (9)                             | 234          |
| <b>Net loss</b>                                                                                   | (632,797)                       | (129,666)    |
| Net loss attributable to noncontrolling interests, net of tax                                     | (15)                            | (20)         |
| Net loss attributable to ImmunityBio common stockholders                                          | \$ (632,782)                    | \$ (129,646) |
| Net loss per ImmunityBio common share – basic and diluted                                         | \$ (0.62)                       | \$ (0.15)    |
| Weighted-average number of common shares used in computing net loss per share – basic and diluted | 1,026,874                       | 853,162      |

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

**ImmunityBio, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Comprehensive Loss**  
**(Unaudited; in thousands)**

|                                                                                                   | Three Months Ended<br>March 31, |              |
|---------------------------------------------------------------------------------------------------|---------------------------------|--------------|
|                                                                                                   | 2026                            | 2025         |
| Net loss                                                                                          | \$ (632,797)                    | \$ (129,666) |
| Other comprehensive (loss) income, net of income taxes:                                           |                                 |              |
| Reclassification of realized gain on instrument-specific credit risk                              | (1,425)                         | —            |
| Net unrealized losses on available-for-sale securities                                            | (188)                           | (264)        |
| Reclassification of net realized gains on available-for-sale securities included in net loss      | 8                               | 253          |
| Change in fair value of related-party convertible note related to instrument-specific credit risk | —                               | 18,742       |
| Foreign currency translation adjustments                                                          | 102                             | 27           |
| Total other comprehensive (loss) income                                                           | (1,503)                         | 18,758       |
| Comprehensive loss                                                                                | (634,300)                       | (110,908)    |
| Less: Comprehensive loss attributable to noncontrolling interests                                 | 15                              | 20           |
| Comprehensive loss attributable to ImmunityBio common stockholders                                | \$ (634,285)                    | \$ (110,888) |

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

**ImmunityBio, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Stockholders' Deficit**  
(Unaudited; in thousands, except share amounts)

|                                                                                                              | Three Months Ended March 31, 2026 |        |                                  |                        |                                                 |                                                  |                             |                                   |
|--------------------------------------------------------------------------------------------------------------|-----------------------------------|--------|----------------------------------|------------------------|-------------------------------------------------|--------------------------------------------------|-----------------------------|-----------------------------------|
|                                                                                                              | Common Stock                      |        | Additional<br>Paid-in<br>Capital | Accumulated<br>Deficit | Accumulated<br>Other<br>Comprehensive<br>Income | Total<br>ImmunityBio<br>Stockholders'<br>Deficit | Noncontrolling<br>Interests | Total<br>Stockholders'<br>Deficit |
|                                                                                                              | Shares                            | Amount |                                  |                        |                                                 |                                                  |                             |                                   |
| Balance as of December 31, 2025                                                                              | 1,011,800,008                     | \$ 101 | \$3,197,120                      | \$ (3,726,646)         | \$ 28,956                                       | \$ (500,469)                                     | \$ 895                      | \$ (499,574)                      |
| Issuance of common stock "at-the-market" offering, net of commissions of \$2,353 and offering costs of \$148 | 12,280,637                        | 1      | 102,090                          | —                      | —                                               | 102,091                                          | —                           | 102,091                           |
| Conversion of related-party convertible note                                                                 | 4,606,596                         | —      | 35,332                           | —                      | —                                               | 35,332                                           | —                           | 35,332                            |
| Stock-based compensation expense                                                                             | —                                 | —      | 8,169                            | —                      | —                                               | 8,169                                            | —                           | 8,169                             |
| Exercise of stock options                                                                                    | 233,749                           | —      | 971                              | —                      | —                                               | 971                                              | —                           | 971                               |
| Vesting of RSUs                                                                                              | 2,144,738                         | —      | —                                | —                      | —                                               | —                                                | —                           | —                                 |
| Net share settlement for RSUs vesting                                                                        | (916,017)                         | —      | (6,994)                          | —                      | —                                               | (6,994)                                          | —                           | (6,994)                           |
| Exercise of warrants                                                                                         | 17,191,435                        | 2      | 125,177                          | —                      | —                                               | 125,179                                          | —                           | 125,179                           |
| Other comprehensive loss, net of tax                                                                         | —                                 | —      | —                                | —                      | (1,503)                                         | (1,503)                                          | —                           | (1,503)                           |
| Net loss                                                                                                     | —                                 | —      | —                                | (632,782)              | —                                               | (632,782)                                        | (15)                        | (632,797)                         |
| Balance as of March 31, 2026                                                                                 | 1,047,341,146                     | \$ 104 | \$3,461,865                      | \$ (4,359,428)         | \$ 27,453                                       | \$ (870,006)                                     | \$ 880                      | \$ (869,126)                      |

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

**ImmunityBio, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Stockholders' Deficit (Continued)**  
(Unaudited; in thousands, except share amounts)

|                                        | Three Months Ended March 31, 2025 |              |                                  |                        |                                                 |                                                  |                             |                                   |
|----------------------------------------|-----------------------------------|--------------|----------------------------------|------------------------|-------------------------------------------------|--------------------------------------------------|-----------------------------|-----------------------------------|
|                                        | Common Stock                      |              | Additional<br>Paid-in<br>Capital | Accumulated<br>Deficit | Accumulated<br>Other<br>Comprehensive<br>Income | Total<br>ImmunityBio<br>Stockholders'<br>Deficit | Noncontrolling<br>Interests | Total<br>Stockholders'<br>Deficit |
|                                        | Shares                            | Amount       |                                  |                        |                                                 |                                                  |                             |                                   |
| Balance as of December 31, 2024        | 852,904,340                       | \$ 85        | \$2,884,867                      | \$ (3,375,248)         | \$ 1,198                                        | \$ (489,098)                                     | \$ 969                      | \$ (488,129)                      |
| Stock-based compensation expense       | —                                 | —            | 9,537                            | —                      | —                                               | 9,537                                            | —                           | 9,537                             |
| Exercise of stock options              | 110,020                           | —            | 220                              | —                      | —                                               | 220                                              | —                           | 220                               |
| Vesting of RSUs                        | 901,713                           | —            | —                                | —                      | —                                               | —                                                | —                           | —                                 |
| Net share settlement for RSUs vesting  | (359,880)                         | —            | (1,202)                          | —                      | —                                               | (1,202)                                          | —                           | (1,202)                           |
| Other comprehensive income, net of tax | —                                 | —            | —                                | —                      | 18,758                                          | 18,758                                           | —                           | 18,758                            |
| Net loss                               | —                                 | —            | —                                | (129,646)              | —                                               | (129,646)                                        | (20)                        | (129,666)                         |
| Balance as of March 31, 2025           | <u>853,556,193</u>                | <u>\$ 85</u> | <u>\$2,893,422</u>               | <u>\$ (3,504,894)</u>  | <u>\$ 19,956</u>                                | <u>\$ (591,431)</u>                              | <u>\$ 949</u>               | <u>\$ (590,482)</u>               |

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

**ImmunityBio, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Cash Flows**  
**(Unaudited; in thousands)**

|                                                                                         | Three Months Ended<br>March 31, |              |
|-----------------------------------------------------------------------------------------|---------------------------------|--------------|
|                                                                                         | 2026                            | 2025         |
| <b>Operating activities:</b>                                                            |                                 |              |
| Net loss                                                                                | \$ (632,797)                    | \$ (129,666) |
| Adjustments to reconcile net loss to net cash used in operating activities:             |                                 |              |
| Change in fair value of warrant liabilities                                             | 295,413                         | 448          |
| Change in fair value of related-party convertible note                                  | 236,625                         | 42,582       |
| Non-cash interest expense related to revenue interest liability                         | 8,317                           | 13,266       |
| Stock-based compensation expense                                                        | 8,169                           | 9,537        |
| Write-off of convertible note receivable                                                | 7,442                           | —            |
| Depreciation and amortization                                                           | 4,380                           | 3,829        |
| Accretion of discounts on marketable debt securities, available-for-sale                | (1,526)                         | (52)         |
| Realized gain on instrument-specific credit risk                                        | (1,425)                         | —            |
| Change in fair value of derivative liabilities                                          | (1,108)                         | (5,578)      |
| Non-cash lease expense related to operating lease right-of-use assets                   | 956                             | 925          |
| Non-cash lease expense related to operating lease right-of-use assets – related parties | 741                             | 658          |
| Non-cash interest items, net                                                            | (62)                            | (62)         |
| Other                                                                                   | 16                              | 243          |
| Changes in operating assets and liabilities:                                            |                                 |              |
| Accounts receivable                                                                     | (700)                           | (14,669)     |
| Inventories                                                                             | (4,985)                         | (172)        |
| Prepaid expenses and other current assets                                               | 1,861                           | 114          |
| Prepaid expenses – related parties                                                      | (1,302)                         | 951          |
| Other assets                                                                            | (1,052)                         | (84)         |
| Accounts payable                                                                        | 3,901                           | 6,439        |
| Accrued expenses and other liabilities                                                  | 3,137                           | (12,933)     |
| Due to and due from related parties, net                                                | 570                             | 51           |
| Operating lease liabilities                                                             | (992)                           | (916)        |
| Operating lease liabilities – related parties                                           | (938)                           | (816)        |
| Net cash used in operating activities                                                   | (75,359)                        | (85,905)     |
| <b>Investing activities:</b>                                                            |                                 |              |
| Purchases of marketable debt securities, available-for-sale                             | (139,093)                       | (100)        |
| Proceeds from maturities of marketable debt securities, available-for-sale              | 79,382                          | 5,350        |
| Proceeds from sales of marketable debt securities, available-for-sale                   | 39,848                          | —            |
| Cash paid for other equity securities                                                   | (10,000)                        | —            |
| Purchases of property, plant and equipment                                              | (1,776)                         | (1,121)      |
| Software development costs                                                              | (11)                            | —            |
| Net cash (used in) provided by investing activities                                     | (31,650)                        | 4,129        |

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

**ImmunityBio, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Cash Flows (Continued)**  
**(Unaudited; in thousands)**

|                                                                                   | <b>Three Months Ended<br/>March 31,</b> |                  |
|-----------------------------------------------------------------------------------|-----------------------------------------|------------------|
|                                                                                   | <b>2026</b>                             | <b>2025</b>      |
| <b>Financing activities:</b>                                                      |                                         |                  |
| Proceeds from equity offerings, net of issuance costs                             | \$ 102,227                              | \$ —             |
| Proceeds from the RIPA, net of issuance costs                                     | 75,000                                  | —                |
| Proceeds from exercises of warrants                                               | 53,542                                  | —                |
| Net share settlement for RSUs vesting                                             | (6,994)                                 | (1,202)          |
| Proceeds from exercises of stock options                                          | 971                                     | 220              |
| Principal payments on premium financing                                           | (868)                                   | —                |
| Proceeds from borrowings                                                          | 61                                      | —                |
| Principal payments of finance leases                                              | (13)                                    | —                |
| Net cash provided by (used in) financing activities                               | 223,926                                 | (982)            |
| Effect of exchange rate changes on cash and cash equivalents, and restricted cash | 122                                     | (10)             |
| Net change in cash and cash equivalents, and restricted cash                      | 117,039                                 | (82,768)         |
| Cash and cash equivalents, and restricted cash, beginning of period               | 89,431                                  | 143,912          |
| Cash and cash equivalents, and restricted cash, end of period                     | <u>\$ 206,470</u>                       | <u>\$ 61,144</u> |

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

**ImmunityBio, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Cash Flows (Continued)**  
(Unaudited; in thousands)

|                                                                                                            | Three Months Ended<br>March 31, |                  |
|------------------------------------------------------------------------------------------------------------|---------------------------------|------------------|
|                                                                                                            | 2026                            | 2025             |
| <b>Reconciliation of cash, cash equivalents, and restricted cash, end of period:</b>                       |                                 |                  |
| Cash and cash equivalents                                                                                  | \$ 205,194                      | \$ 60,660        |
| Restricted cash (included in Other Assets)                                                                 | 1,276                           | 484              |
| Cash, cash equivalents, and restricted cash, end of period                                                 | <u>\$ 206,470</u>               | <u>\$ 61,144</u> |
| <b>Supplemental disclosure of cash flow information:</b>                                                   |                                 |                  |
| Cash paid during the period for:                                                                           |                                 |                  |
| Interest                                                                                                   | \$ 20,115                       | \$ 15,593        |
| <b>Non-cash investing and financing activities:</b>                                                        |                                 |                  |
| Conversion of related-party convertible note into equity                                                   | 35,332                          | —                |
| Issuance of common stock upon vesting of RSUs                                                              | 16,379                          | 2,995            |
| Right-of-use assets obtained in exchange for operating lease liabilities                                   | 1,721                           | —                |
| Property and equipment purchases included in accounts payable, accrued expenses and due to related parties | 1,406                           | 1,107            |
| Unrealized losses on marketable debt securities, net                                                       | (180)                           | (11)             |
| Unpaid offering costs included in accounts payable and accrued expenses                                    | 136                             | —                |
| Unpaid RIPA issuance costs included in accrued expenses                                                    | 54                              | —                |

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

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements**

## **1. Description of Business**

In these notes to unaudited condensed consolidated financial statements, the terms “ImmunityBio,” “the company,” “we,” “us,” and “our” refer to ImmunityBio, Inc. and its subsidiaries.

### ***Our Business***

ImmunityBio, Inc. is a biotechnology company focused on innovating, developing, and commercializing next-generation immunotherapies designed to activate the patient’s immune system and deliver durable protection against cancer and infectious diseases. Our approach harnesses both the adaptive and innate immune systems with the goal of restoring immune function and generating lasting immunological memory in patients. At the core of our strategy is the Cancer BioShield platform, which is designed to stimulate critical lymphocytes, including natural killer (NK) cells, cytotoxic T cells, and memory T cells via our proprietary IL-15 superagonist, ANKTIVA. Our Cancer BioShield platform is anchored by this antibody-cytokine fusion protein and is complemented by a portfolio that includes adenovirus-vectored vaccines, allogeneic (off-the-shelf) and autologous NK-cell therapies, and additional immunomodulators intended to promote immunogenic cell death and support durable immune responses while potentially reducing reliance on high-dose chemo-radiation therapy.

## **2. Summary of Significant Accounting Policies**

### ***Significant Accounting Policies***

Our significant accounting policies are described in Note 2 “*Summary of Significant Accounting Policies*” of the “Notes to Consolidated Financial Statements” that appears in Part II, Item 8. “Financial Statements and Supplementary Data” of our Annual Report on Form 10-K filed with the SEC on February 23, 2026, except as updated herein and the adoption of new accounting standards during the three months ended March 31, 2026. Management does not believe that any recently issued, but not yet effective accounting pronouncements, if currently adopted, would have a material effect on the company’s condensed consolidated financial statements.

### ***Basis of Presentation***

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. GAAP and pursuant to the rules and regulations of the SEC. The unaudited condensed consolidated financial statements reflect all adjustments which are, in the opinion of management, necessary for a fair presentation of our financial position and results of operations. Certain items in the prior year’s consolidated financial statements have been reclassified to conform to the current presentation. These reclassifications had no effect on the reported results of operations. The unaudited condensed consolidated financial statements do not include all information and notes required by U.S. GAAP for annual reports and therefore should be read in conjunction with our consolidated financial statements and the notes thereto contained in our Annual Report filed with the SEC on February 23, 2026. These interim financials are not necessarily indicative of results expected for the full fiscal year.

### ***Principles of Consolidation***

The accompanying unaudited condensed consolidated financial statements include the accounts of the company and its wholly-owned subsidiaries, and one non-wholly owned subsidiary. All intercompany transactions and balances have been eliminated upon consolidation. For consolidated entities in which we have less than 100% ownership, we record *net loss attributable to noncontrolling interests, net of tax*, on the condensed consolidated statement of operations equal to the percentage of the ownership interest retained in such entities by the respective noncontrolling parties.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

***Use of Estimates***

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make certain 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 revenues and expenses during the reporting period. On an ongoing basis, we evaluate our estimates and the assessment of our ability to fund our operations for at least the next 12 months from the date of issuance of these condensed consolidated financial statements. We base our estimates on historical experience and on various other market-specific and relevant assumptions that we believe to be reasonable under the circumstances. Estimates are assessed each period and updated to reflect current information and anticipated future events, and accordingly, actual results may ultimately differ materially from those estimates.

***Liquidity***

As of March 31, 2026, the company had an accumulated deficit of \$4.4 billion. We also had negative cash flows from operations of \$75.4 million during the three months ended March 31, 2026. The company will need to obtain additional financing to fund our future operations, including the commercialization of our approved product and the development and commercialization of our other product candidates.

The condensed consolidated financial statements have been prepared assuming the company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

We expect to take some time to generate sufficient revenue from our approved product to offset expenses. We may also seek to sell additional equity through one or more follow-on offerings, or in separate financings, or obtain incremental subordinated debt in compliance with our existing revenue interest liability. However, we may not be able to secure such external financing in a timely manner or on favorable terms. Without significant sales of our approved product or additional funds, we may choose to delay or reduce our operating or investment expenditures. Further, because of the risk and uncertainties associated with the global commercialization of our approved product and our other product candidates, we may need additional funds to meet our needs sooner than planned.

As a result of continuing anticipated operating cash outflows as we commercialize our approved product and accelerate our development efforts, we believe that substantial doubt exists regarding our ability to continue as a going concern without additional funding or financial support. However, we believe our existing cash and cash equivalents, and investments in marketable securities; sales of our approved product; capital to be raised through equity offerings; and our potential ability to borrow from affiliated entities will be sufficient to fund our operations through at least the next 12 months following the issuance date of the condensed consolidated financial statements, including our Founder, Executive Chairman and Global Chief Scientific and Medical Officer's intent and ability to support our operations with additional funds, including loans from affiliated entities, as required, which we believe alleviates such doubt.

**Recent Accounting Pronouncements*****Application of New or Revised Accounting Standards – Adopted***

In November 2024, the FASB issued ASU 2024-04, *Debt – Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments*, which clarifies the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as an induced conversion. This ASU is effective for fiscal years beginning after December 15, 2025 and interim reporting periods within those annual reporting periods, with early adoption permitted. We adopted this ASU on January 1, 2026 with no impact on our condensed consolidated financial statements.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments - Credit Losses (Topic 326), Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under Topic 606. The practical expedient permits an entity to assume that current conditions as of the balance sheet date do not change for the remaining life of the current accounts receivable and current contract assets. The ASU is effective for fiscal years beginning after December 15, 2025 and interim reporting periods within those annual reporting periods, with early adoption permitted. We adopted this ASU on January 1, 2026 with no impact on our condensed consolidated financial statements. We will apply the practical expedient in our future credit loss analyses.

*Application of New or Revised Accounting Standards – Not Yet Adopted*

In November 2024, the FASB issued ASU 2024-03, *Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires that public business entities disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. This ASU is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. This ASU may be applied either on a prospective or retrospective basis. We are currently evaluating the impact of this standard on our disclosures.

In September 2025, the FASB issued ASU 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which clarifies and modernizes the accounting for costs related to internal-use software. The amendments in ASU 2025-06 remove all references to project stages and clarify the threshold entities apply to begin capitalizing costs. The ASU is effective for fiscal years beginning after December 15, 2027 and interim reporting periods within those annual reporting periods, with early adoption permitted. We are currently evaluating the impact of this standard on our condensed consolidated financial statements.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements*, which is intended to improve the navigability of the guidance in ASC 270 and clarifies that the topic applies when an entity provides interim financial statements and notes in accordance with GAAP. The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. We are currently evaluating the impact of this standard on our condensed consolidated financial statements.

Other recent authoritative guidance issued by the FASB (including technical corrections to the ASC), and the SEC during the three months ended March 31, 2026 did not, or are not expected to, have a material effect on our condensed consolidated financial statements.

### 3. Revenues

The following table presents our disaggregated revenue for the periods presented (in thousands):

|                      | Three Months Ended<br>March 31, |                  |
|----------------------|---------------------------------|------------------|
|                      | 2026                            | 2025             |
| Product revenue, net | \$ 44,167                       | \$ 16,509        |
| Other revenues       | 39                              | 8                |
| Total revenue        | <u>\$ 44,206</u>                | <u>\$ 16,517</u> |

#### **Product Revenue, Net**

During the three months ended March 31, 2026 and 2025, our product revenue was generated from U.S. sales of ANKTIVA.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

During the three months ended March 31, 2026 and 2025, approximately \$8.5 million and \$3.2 million, respectively, of gross-to-net adjustments have been recorded as a reduction of revenue on the condensed consolidated statements of operations. As of March 31, 2026 and December 31, 2025, approximately \$2.5 million and \$2.0 million, respectively, of allowances for prompt payment discounts, product returns and chargebacks were included in *accounts receivable, net*, and approximately \$8.1 million and \$6.3 million, respectively, related to accrued rebates, co-payment assistance and other fees were included in *accrued expenses and other liabilities*, on the condensed consolidated balance sheets.

**4. Inventories**

Inventories consist of the following (in thousands):

|                  | March 31,<br>2026 | December 31,<br>2025 |
|------------------|-------------------|----------------------|
| Work-in-progress | \$ 17,427         | \$ 12,524            |
| Finished goods   | 1,976             | 1,894                |
| Inventories      | <u>\$ 19,403</u>  | <u>\$ 14,418</u>     |

As of March 31, 2026 and December 31, 2025, the company had \$1.1 million of inventory on hand that was produced prior to regulatory approvals. This inventory was expensed in *research and development expense* on the condensed consolidated statements of operations, as the future economic benefit was not probable. We began capitalizing inventory costs associated with ANKTIVA after receiving FDA approval in April 2024 when it was determined that the inventory had a probable future economic benefit. Inventory that is used for clinical development purposes is expensed in *research and development expense*, on the condensed consolidated statement of operations when consumed. The company's long-term inventories consist of work-in-process and finished goods that are expected to be sold or consumed beyond 12 months.

As of March 31, 2026 and December 31, 2025, the allowance for inventory reserve was \$0.2 million.

**5. Property, Plant and Equipment, Net**

Property, plant and equipment, net, consist of the following (in thousands):

|                                                 | March 31,<br>2026 | December 31,<br>2025 |
|-------------------------------------------------|-------------------|----------------------|
| Leasehold improvements                          | \$ 73,277         | \$ 73,141            |
| Equipment                                       | 64,852            | 63,259               |
| Construction in progress                        | 86,433            | 86,433               |
| Furniture & fixtures                            | 1,857             | 1,867                |
| Software                                        | 2,111             | 2,049                |
| Gross property, plant and equipment             | 228,530           | 226,749              |
| Less: Accumulated depreciation and amortization | 115,745           | 112,485              |
| Property, plant and equipment, net              | <u>\$ 112,785</u> | <u>\$ 114,264</u>    |

During the three months ended March 31, 2026 and 2025, depreciation and amortization expense related to property, plant and equipment totaled \$3.3 million, respectively.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

**6. Goodwill and Intangible Assets, Net**

Goodwill and intangible assets, net are as follows at the dates indicated (in thousands):

| March 31, 2026                      |                                                  |                          |                             |                        |
|-------------------------------------|--------------------------------------------------|--------------------------|-----------------------------|------------------------|
|                                     | Weighted-Average<br>Life Remaining<br>(in years) | Gross Carrying<br>Amount | Accumulated<br>Amortization | Net Carrying<br>Amount |
| Definite-lived:                     |                                                  |                          |                             |                        |
| Favorable leasehold rights          | 2.8                                              | \$ 20,398                | \$ (8,946)                  | \$ 11,452              |
| Developed technology                | 4.3                                              | 542                      | (81)                        | 461                    |
| Total definite-lived assets         |                                                  | 20,940                   | (9,027)                     | 11,913                 |
| Indefinite-lived:                   |                                                  |                          |                             |                        |
| Goodwill                            |                                                  | 910                      | —                           | 910                    |
| In-process software development     |                                                  | 62                       | —                           | 62                     |
| Total indefinite-lived assets       |                                                  | 972                      | —                           | 972                    |
| Goodwill and intangible assets, net |                                                  | \$ 21,912                | \$ (9,027)                  | \$ 12,885              |

  

| December 31, 2025                   |                                                  |                          |                             |                        |
|-------------------------------------|--------------------------------------------------|--------------------------|-----------------------------|------------------------|
|                                     | Weighted-Average<br>Life Remaining<br>(in years) | Gross Carrying<br>Amount | Accumulated<br>Amortization | Net Carrying<br>Amount |
| Definite-lived:                     |                                                  |                          |                             |                        |
| Favorable leasehold rights          | 3.0                                              | \$ 20,398                | \$ (7,905)                  | \$ 12,493              |
| Developed technology                | 4.5                                              | 553                      | (55)                        | 498                    |
| Total definite-lived assets         |                                                  | 20,951                   | (7,960)                     | 12,991                 |
| Indefinite-lived:                   |                                                  |                          |                             |                        |
| Goodwill                            |                                                  | 910                      | —                           | 910                    |
| In-process software development     |                                                  | 52                       | —                           | 52                     |
| Total indefinite-lived assets       |                                                  | 962                      | —                           | 962                    |
| Goodwill and intangible assets, net |                                                  | \$ 21,913                | \$ (7,960)                  | \$ 13,953              |

**Definite-Lived Intangible Assets**

During the three months ended March 31, 2026 and 2025, we recorded amortization expense of definite-lived intangible assets totaling \$1.1 million and \$0.5 million, respectively, in *research and development expense*, on the condensed consolidated statements of operations. No impairments were recorded during the three months ended March 31, 2026 and 2025.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

Future amortization expense associated with our definite-lived intangible assets, net is as follows (in thousands):

| Years Ending December 31:                              | Definite-lived<br>Intangible<br>Assets |
|--------------------------------------------------------|----------------------------------------|
| 2026 (excluding the three months ended March 31, 2026) | \$ 3,205                               |
| 2027                                                   | 4,273                                  |
| 2028                                                   | 4,273                                  |
| 2029                                                   | 108                                    |
| 2030                                                   | 54                                     |
| Thereafter                                             | —                                      |
| Total                                                  | <u>\$ 11,913</u>                       |

***Indefinite-Lived Intangible Assets***

***Goodwill***

We had a goodwill balance of \$0.9 million as of March 31, 2026 and December 31, 2025, respectively. No goodwill impairment was recognized during the three months ended March 31, 2026 and 2025.

**7. Financial Statement Details**

***Prepaid Expenses and Other Current Assets***

Prepaid expenses and other current assets (including related-party amounts) consist of the following (in thousands):

|                                                                                    | March 31,<br>2026 | December 31,<br>2025 |
|------------------------------------------------------------------------------------|-------------------|----------------------|
| Prepaid services                                                                   | \$ 9,519          | \$ 7,072             |
| Prepaid research and development costs                                             | 6,307             | 9,542                |
| Prepaid software license fees                                                      | 4,356             | 3,594                |
| Prepaid rent                                                                       | 1,626             | 1,474                |
| Prepaid insurance                                                                  | 1,451             | 1,825                |
| Prepaid equipment maintenance                                                      | 1,087             | 1,137                |
| Insurance premium financing asset                                                  | 884               | 1,751                |
| Other                                                                              | 3,023             | 2,135                |
| Prepaid expenses and other current assets (including amounts with related parties) | <u>\$ 28,253</u>  | <u>\$ 28,530</u>     |

***Convertible Note Receivable***

As of March 31, 2026, the convertible promissory note's maturity condition was deemed unlikely to be satisfied. Accordingly, we wrote off the convertible note receivable and all accrued and unpaid interest, and recorded a \$7.4 million charge in *other expense, net*, on the condensed consolidated statement of operations during the three months ended March 31, 2026. As of March 31, 2026 and December 31, 2025, we had a note receivable balance including accrued interest of zero and \$7.4 million, respectively, in *convertible note receivable*, on the condensed consolidated balance sheets.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

***Accrued Expenses and Other Liabilities***

Accrued expenses and other liabilities consist of the following (in thousands):

|                                              | March 31,<br>2026 | December 31,<br>2025 |
|----------------------------------------------|-------------------|----------------------|
| Accrued professional and service fees        | \$ 12,245         | \$ 7,512             |
| Accrued preclinical and clinical trial costs | 10,258            | 5,491                |
| Accrued sales costs                          | 8,067             | 6,308                |
| Accrued compensation                         | 7,327             | 5,720                |
| Accrued bonus                                | 3,934             | 14,348               |
| Accrued research and development costs       | 3,039             | 2,635                |
| Financing obligation                         | 884               | 1,751                |
| Other                                        | 2,450             | 3,073                |
| Accrued expenses and other liabilities       | <u>\$ 48,204</u>  | <u>\$ 46,838</u>     |

**8. Financial Instruments**

***Investments in Marketable Debt Securities***

As of March 31, 2026 and December 31, 2025, the remaining contractual maturities, amortized cost, gross unrealized gains, gross unrealized losses, and fair value of marketable debt securities, which were considered as available-for-sale, by type of security were as follows (in thousands):

|                          | March 31, 2026                         |                   |                              |                               |               |
|--------------------------|----------------------------------------|-------------------|------------------------------|-------------------------------|---------------|
|                          | Remaining<br>Contractual<br>Maturities | Amortized<br>Cost | Gross<br>Unrealized<br>Gains | Gross<br>Unrealized<br>Losses | Fair<br>Value |
| U.S. Treasury securities | 0.5                                    | \$ 175,764        | \$ 7                         | \$ (86)                       | \$ 175,685    |

  

|                          | December 31, 2025                      |                   |                              |                               |               |
|--------------------------|----------------------------------------|-------------------|------------------------------|-------------------------------|---------------|
|                          | Remaining<br>Contractual<br>Maturities | Amortized<br>Cost | Gross<br>Unrealized<br>Gains | Gross<br>Unrealized<br>Losses | Fair<br>Value |
| U.S. Treasury securities | 0.4                                    | \$ 154,383        | \$ 101                       | \$ —                          | \$ 154,484    |

As of March 31, 2026 and December 31, 2025, all contractual maturities of marketable debt securities were 12 months or less.

During the three months ended March 31, 2026 and 2025, we evaluated our securities and determined that credit losses did not exist for marketable debt securities in an unrealized loss position.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

Accumulated unrealized losses on marketable debt securities that have been in a continuous loss position for less than 12 months and more than 12 months were as follows (in thousands):

|                          | March 31, 2026       |                         |                      |                         |
|--------------------------|----------------------|-------------------------|----------------------|-------------------------|
|                          | Less than 12 months  |                         | More than 12 months  |                         |
|                          | Estimated Fair Value | Gross Unrealized Losses | Estimated Fair Value | Gross Unrealized Losses |
| U.S. Treasury securities | \$ 157,559           | \$ (86)                 | \$ —                 | \$ —                    |

***Investment in Other Equity Securities***

In March 2026, the company entered into a stock purchase agreement with an unrelated party to purchase preferred stock of the investee for cash consideration of \$10.0 million. The preferred stock can be converted into common stock upon certain optional and mandatory conversion features. In addition, we have the priority in liquidation in the event of dissolution or winding up, and contingent redemption rights upon merger, consolidation, sale of substantially all assets or change of control. We elected to apply the measurement alternative under ASC 321 pursuant to which we measure our investment at cost, less impairment. As of March 31, 2026, we held an investment of \$10.0 million in *other assets*, on the condensed consolidated balance sheet. We evaluate this investment for any indications of impairment in value on a quarterly basis. No factors indicative of impairment were identified during the three months ended March 31, 2026.

***Interest and Investment Income, Net***

Interest and investment income, net consists of the following (in thousands):

|                                          | Three Months Ended March 31, |        |
|------------------------------------------|------------------------------|--------|
|                                          | 2026                         | 2025   |
| Investment accretion income, net         | \$ 1,586                     | \$ 621 |
| Interest income                          | 736                          | 520    |
| Net realized losses on investments       | (8)                          | (253)  |
| Unrealized losses from equity securities | —                            | (1)    |
| Interest and investment income, net      | \$ 2,314                     | \$ 887 |

Interest income includes interest from marketable securities, a convertible note receivable, other assets, and on bank deposits. Investment accretion income (amortization expense), net includes accretion of discounts (amortization of premiums) from securities classified as cash equivalents and marketable debt securities.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

**9. Fair Value Measurements**

***Recurring Valuations***

Financial assets and liabilities measured at fair value on a recurring basis are summarized below (in thousands):

|                                                                | Fair Value Measurements at March 31, 2026 |                   |             |                       |
|----------------------------------------------------------------|-------------------------------------------|-------------------|-------------|-----------------------|
|                                                                | Total                                     | Level 1           | Level 2     | Level 3               |
| <b>Assets at Fair Value:</b>                                   |                                           |                   |             |                       |
| Current:                                                       |                                           |                   |             |                       |
| Cash and cash equivalents                                      | \$ 205,194                                | \$ 205,194        | \$ —        | \$ —                  |
| U.S. Treasury securities                                       | 175,685                                   | 175,685           | —           | —                     |
| Noncurrent:                                                    |                                           |                   |             |                       |
| Restricted cash                                                | 1,276                                     | 1,276             | —           | —                     |
| Total assets measured at fair value                            | <u>\$ 382,155</u>                         | <u>\$ 382,155</u> | <u>\$ —</u> | <u>\$ —</u>           |
| <b>Liabilities at Fair Value:</b>                              |                                           |                   |             |                       |
| Current:                                                       |                                           |                   |             |                       |
| Contingent consideration                                       | \$ (21) (1)                               | \$ —              | \$ —        | \$ (21)               |
| Noncurrent:                                                    |                                           |                   |             |                       |
| Related-party convertible note payable at fair value (Note 14) | (678,386)                                 | —                 | —           | (678,386)             |
| Warrant liabilities (Note 16)                                  | (308,193)                                 | —                 | —           | (308,193)             |
| RIPA derivative liability (Note 13)                            | (23,000)                                  | —                 | —           | (23,000)              |
| Stock option purchase liability (Note 13)                      | (314)                                     | —                 | —           | (314)                 |
| Total liabilities measured at fair value                       | <u>\$ (1,009,914)</u>                     | <u>\$ —</u>       | <u>\$ —</u> | <u>\$ (1,009,914)</u> |

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

|                                                                | Fair Value Measurements at December 31, 2025 |                   |             |                     |
|----------------------------------------------------------------|----------------------------------------------|-------------------|-------------|---------------------|
|                                                                | Total                                        | Level 1           | Level 2     | Level 3             |
| <b>Assets at Fair Value:</b>                                   |                                              |                   |             |                     |
| Current:                                                       |                                              |                   |             |                     |
| Cash and cash equivalents                                      | \$ 88,334                                    | \$ 88,334         | \$ —        | \$ —                |
| U.S. Treasury securities                                       | 154,484                                      | 154,484           | —           | —                   |
| Noncurrent:                                                    |                                              |                   |             |                     |
| Restricted cash                                                | 1,097                                        | 1,097             | —           | —                   |
| Total assets measured at fair value                            | <u>\$ 243,915</u>                            | <u>\$ 243,915</u> | <u>\$ —</u> | <u>\$ —</u>         |
| <b>Liabilities at Fair Value:</b>                              |                                              |                   |             |                     |
| Current:                                                       |                                              |                   |             |                     |
| Contingent consideration                                       | \$ (22) (1)                                  | \$ —              | \$ —        | \$ (22)             |
| Noncurrent:                                                    |                                              |                   |             |                     |
| Related-party convertible note payable at fair value (Note 14) | (477,093)                                    | —                 | —           | (477,093)           |
| Warrant liabilities (Note 16)                                  | (84,417)                                     | —                 | —           | (84,417)            |
| RIPA derivative liability (Note 13)                            | (19,400)                                     | —                 | —           | (19,400)            |
| Stock option purchase liability (Note 13)                      | (322)                                        | —                 | —           | (322)               |
| Total liabilities measured at fair value                       | <u>\$ (581,254)</u>                          | <u>\$ —</u>       | <u>\$ —</u> | <u>\$ (581,254)</u> |

(1) Contingent consideration is recorded at estimated fair value and revalued each reporting period until the related contingency is resolved. The fair value measurement is based on inputs that are unobservable and significant to the overall fair value measurement (i.e., a Level 3 measurement within the fair value hierarchy) and are reviewed periodically by management. See [Note 11](#) “Commitments and Contingencies—Contingent Consideration Related to Business Combinations” for more information.

Changes in fair value of contingent consideration were immaterial during the three months ended March 31, 2026 and 2025, and were primarily due to changes in foreign currency exchange rates.

### **Non-Recurring Valuations**

Non-financial assets and liabilities are recognized at fair value subsequent to initial recognition when they are deemed to be other-than-temporarily impaired. There were no material non-financial assets or liabilities deemed to be other-than-temporarily impaired and measured at fair value on a non-recurring basis during the three months ended March 31, 2026 and 2025.

## **10. License Agreement**

### **License Agreement**

#### *3M IPC and AAHI License Agreement*

We have licensed rights to 3M-052, a synthetic TLR7/8 agonist, 3M-052 formulations and related technology from 3M IPC and its affiliates and AAHI. In 2021 we obtained nonexclusive rights in the field of SARS-CoV-2, and in June 2022 we modified those rights and expanded the scope of the license to include (1) SARS-CoV-2 and other infectious diseases including malaria, HIV, tuberculosis, hookworm and varicella zoster on an exclusive basis in countries other than low- and middle-income countries, and (2) oncology applications, when used in combination with our proprietary technology and/or IL-15 receptor superagonist. In consideration for the license, we agreed to make certain periodic license payments, including \$2.25 million each year through June 2025. We have also agreed to make payments upon the achievement of certain regulatory milestone events and

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

tiered royalties ranging from the low to high single-digits as a percentage of net sales. As of March 31, 2026, no such sales have been made and no such regulatory milestone events have been achieved. Beginning in April 2026, the annual minimum licensing payment is \$1.0 million, which can be credited against any royalty payments due under this agreement.

During the three months ended March 31, 2026 and 2025, we recorded \$0.6 million in *research and development expense*, on the condensed consolidated statements of operations.

## **11. Commitments and Contingencies**

### ***Contingent Consideration Related to Business Combinations***

#### ***VivaBioCell, S.p.A.***

In April 2015, NantWorks, a related party, acquired a 100% interest in VivaBioCell through its wholly-owned subsidiary, VBC Holdings for \$0.7 million, less working capital adjustments. In June 2015, NantWorks contributed its equity interest in VBC Holdings to the company, in exchange for cash consideration equal to its cost basis in the investment. VivaBioCell develops bioreactors and products based on cell culture and tissue engineering in Italy.

In connection with our acquisition of VBC, we are obligated to pay the former owners contingent consideration upon the achievement of certain milestones related to the GMP-in-a-Box technology. If a government agency unconditionally approves the GMP-in-a-Box technology for commercial sale (the regulatory milestone) in the future, we will be obligated to pay an additional approximately \$2.3 million to the former owners.

#### ***Altor BioScience, LLC***

In connection with our 2017 acquisition of Altor, we issued CVRs under which we agreed to pay the prior stockholders of Altor approximately \$304.0 million of contingent consideration upon calendar-year worldwide net sales of ANKTIVA exceeding \$1.0 billion prior to December 31, 2026, with amounts payable in cash or shares of our common stock or a combination thereof. As the transaction was recorded as an asset acquisition, future CVR payments will be recorded when the corresponding events are probable of achievement or the consideration becomes payable. As of March 31, 2026, Dr. Soon-Shiong, our Founder, Executive Chairman and Global Chief Scientific and Medical Officer, and his related party hold approximately \$139.8 million of net sales CVRs, and they have both irrevocably agreed to receive shares of the company's common stock in satisfaction of their CVRs. We may be required to pay the other prior Altor stockholders up to \$164.2 million for their net sales CVRs should they choose to have their CVRs paid in cash instead of common stock.

### ***Litigation***

From time to time, we may be involved in various claims and legal proceedings relating to claims arising out of our operations. We are not currently a party to any legal proceedings that, in the opinion of our management, are likely to have a material adverse effect on our business. If we are served with any such complaints, we will assess at that time any contingencies for which we may need to reserve. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

#### ***Shenzhen Beike Biotechnology Co. Ltd. Arbitration***

In 2020, we received a Request for Arbitration before the International Chamber of Commerce, International Court of Arbitration. The arbitration relates to a license, development, and commercialization agreement that Altor entered into with Beike in 2014, which was amended and restated in 2017, pursuant to which Altor granted to Beike an exclusive license to use, research, develop and commercialize products based on ANKTIVA in China for human therapeutic uses. In the arbitration, Beike is asserting a claim for breach of contract under the license agreement. Among other things, Beike alleges that we failed to use commercially reasonable efforts to deliver to Beike materials and data related to ANKTIVA. Beike is seeking specific performance and declaratory relief for the alleged breaches. On September 25, 2020, the parties entered into a standstill and tolling agreement (standstill agreement) under which, among other things, the parties affirmed they will perform certain of their

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

obligations under the license agreement by specified dates and agreed that all deadlines in the arbitration are indefinitely extended. The standstill agreement could be terminated by any party on ten calendar days' notice, and upon termination, the parties had the right to pursue claims arising from the license agreement in any appropriate tribunal. On March 20, 2023, we terminated the standstill agreement, and on April 11, 2023, Beike served an amended Request for Arbitration. We served an Answer and Counterclaims on May 19, 2023. Beike served a Reply to our counterclaims on June 21, 2023. Beike served its Statement of Claim on March 22, 2024, the company served its Statement of Defense and Counterclaim on June 21, 2024, and Beike served its Statement of Defense to the Counterclaim on August 2, 2024. After the parties completed discovery, Beike served its Reply and Defense to Counterclaim on January 17, 2025, we served our Rejoinder and Response to Defense to Counterclaim on March 14, 2025, and Beike served its Rejoinder on Counterclaim on March 28, 2025. The hearing in the arbitration was held from June 9, 2025 through June 13, 2025. Post-hearing submissions concluded in February 2026. It remains too early to evaluate the likely outcome of the case or to estimate any range of potential loss. We believe the claims asserted against the company lack merit.

*Carlson Derivative Action*

On November 20, 2024, a shareholder derivative action was filed in the Delaware Court of Chancery against the company's Founder, Executive Chairman, Global Chief Scientific and Medical Officer and principal stockholder, Dr. Soon-Shiong, certain affiliates of Dr. Soon-Shiong, certain other members of management, and members of the company's Board of Directors who serve on the Board of Directors' Related Party Transaction Committee, captioned *Carlson v. Soon-Shiong, et al.*, Case No. 2024-1195-VCL. The plaintiff purports to bring the action derivatively on behalf of ImmunityBio, and ImmunityBio is a nominal defendant to the action. The plaintiff alleges that the previously disclosed September 2023 financing transactions between the company and Dr. Soon-Shiong and his affiliates were not fair to the company. In particular, the plaintiff alleges that the transactions were timed to benefit Dr. Soon-Shiong and his affiliates during a temporary decline in the company's stock price, resulting in an artificially low conversion price for certain convertible promissory notes that were among the transactions, when defendants knew the company's stock price would increase following the company's imminent resubmission of a BLA for, and the subsequent FDA approval of, ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors. The complaint alleges that defendants breached their fiduciary duties by entering into these transactions at that time and on those terms, thereby unjustly enriching Dr. Soon-Shiong and his affiliates. The derivative complaint seeks unspecified damages on behalf of the company, corporate governance changes with respect to related-party transactions, and an award of costs and expenses to the derivative plaintiff, including attorneys' fees. On February 17, 2025, the defendants filed a motion to dismiss the complaint.

On May 2, 2025, instead of filing an opposition to defendants' motion to dismiss, the plaintiff filed an amended complaint. This amended complaint added certain additional members of the company's Board of Directors as defendants but did not add new claims. On July 16, 2025, the defendants filed a motion to dismiss the amended complaint. On February 4, 2026, after complete briefing and oral argument, the court granted the defendants' motion to dismiss. The plaintiff was not provided an opportunity to amend.

*SRS/Altor Shareholder CVR Arbitration*

In connection with our 2017 acquisition of Altor, we issued CVRs under which we agreed to pay the prior stockholders of Altor approximately \$304.0 million of contingent consideration upon the successful regulatory approval of a BLA by the FDA, or foreign equivalent, for ANKTIVA by December 31, 2022, and \$304.0 million of contingent consideration upon calendar-year worldwide net sales of ANKTIVA exceeding \$1.0 billion prior to December 31, 2026. As of March 31, 2026, Dr. Soon-Shiong, our Founder, Executive Chairman and Global Chief Scientific and Medical Officer, and his related party hold approximately \$139.8 million of FDA approval CVRs and \$139.8 million of net sales CVRs, and they have both irrevocably agreed to receive shares of the company's common stock in satisfaction of their CVRs. Because the FDA did not approve our BLA on or before December 31, 2022, the first CVR milestone was not met.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

On December 27, 2022, Shareholder Representative Services, LLC (SRS), in its capacity as shareholder representative on behalf of former Altor BioScience Corp. shareholders, sent the company's subsidiary NantCell a notice of claims relating to the regulatory milestone CVR. The notice of claims asserted that SRS was exploring, and might pursue, claims on behalf of Altor shareholders for additional merger consideration in the amount of the \$2.00 per share milestone payment under the regulatory CVR milestone. The notice stated that any such claim would be based on NantCell's alleged failure to use commercially reasonable efforts to secure FDA approval of ANKTIVA on or before December 31, 2022. In a separate October 2022 letter, SRS requested that NantCell preserve all documents and information relating to its efforts to achieve milestones set forth in the regulatory milestone CVR, and requested that the company provide certain categories of documents under the information-sharing provisions of the CVR agreement.

After the company provided many of the requested documents, on September 29, 2023, SRS filed a demand for arbitration with JAMS, seeking to compel the company to produce additional documents identified in its October 2022 letter relating to its efforts to obtain FDA approval for ANKTIVA. The arbitration demand did not include any claims beyond SRS's claim that it had a right to obtain additional documents, and sought a ruling that the company was obligated to provide additional documents. After the arbitrator issued a preliminary ruling regarding the scope of the company's obligation to provide information under the CVR Agreements, the company produced additional documents responsive to SRS's requests.

On August 27, 2025, several months after SRS's document-access claim had been resolved, SRS requested leave to amend its JAMS arbitration demand to state a claim for breach of contract. SRS's proposed amended demand alleged that the company and NantCell had failed to exercise commercially reasonable efforts to obtain FDA approval ANKTIVA on or before December 31, 2022. The JAMS arbitrator presiding over the document-access arbitration denied SRS's motion for leave to amend its claims, and on September 26, 2025, the parties filed a joint stipulation asking that the JAMS document-access arbitration be closed.

After SRS's motion for leave to amend was denied, on September 26, 2025, SRS sent the company a further notice of claims and essentially the same arbitration demand, asserting that the company had breached its obligations to exercise commercially reasonable efforts to achieve FDA approval of ANKTIVA on or before December 31, 2022. SRS's arbitration demand seeks relief in the form of payment, in the amount of approximately \$164.2 million plus interest exceeding \$50.0 million, to former Altor shareholders not affiliated with Dr. Soon-Shiong. SRS filed its most recent arbitration demand with JAMS on November 5, 2025. The company filed its response on November 19, 2025, and an arbitrator was appointed on January 16, 2026. The arbitration hearing has been scheduled to begin on January 25, 2027, and the parties are currently engaged in discovery. It remains too early to evaluate the likely outcome of the case or to estimate any range of potential loss. We believe the company exercised commercially reasonable efforts in its pursuit of FDA approval of ANKTIVA, and that the claims asserted against the company lack merit.

#### *Securities Class Action*

On March 26, 2026, a putative securities class action complaint, captioned *Douglas v. ImmunityBio, Inc. et al.*, No. 2:26-cv-03261, was filed in the U.S. District Court for the Central District of California against the company and our Executive Chairman, asserting violations of Sections 10(b) and 20(a) of the Exchange Act stemming from the company's receipt of a warning letter from the FDA's OPDP regarding a television advertisement (which never aired) and a podcast interview. The complaint alleges that the statements made in the television advertisement and podcast were knowingly and materially false and misleading. The company intends to defend the case vigorously. The company is unable to estimate a range of loss, if any, that could result were there to be an adverse final decision in this action. If an unfavorable outcome were to occur, it is possible that the impact could be material to the company's results of operations in the period(s) in which any such outcome becomes probable and estimable.

#### *Shareholder Derivative Actions*

On April 17, 2026, a shareholder derivative complaint, captioned *Davies v. ImmunityBio, Inc. et al.*, No. 2:26-cv-04130, was filed in the U.S. District Court for the Central District of California. On April 21, 2026, a second derivative complaint, captioned *Mody v. ImmunityBio, Inc. et al.*, No. 2:26-cv-04245, was filed in the same court. Both lawsuits name the company, our Executive Chairman, and every member our Board of Directors as defendants. The plaintiffs, suing derivatively on behalf of

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

ImmunityBio, allege that the company's directors and officers breached their fiduciary duties by making, permitting, or failing to prevent the same alleged misstatements identified in the securities complaint, and that, as a result, the company has suffered financial losses, potential financial exposure in the related securities lawsuit, reputational damage, and legal and regulatory costs.

***Dunkirk Facility Leasehold Interest***

In 2022, we completed the acquisition of the Dunkirk Facility (approximately 409,000 rentable square feet) from Athenex. We believe this facility has the potential to provide us with a state-of-the-art biotech production center that will expand and diversify our existing manufacturing capacity in the U.S. and the ability to scale production associated with certain of our product candidates. The company accounted for the transaction as an asset acquisition because the Dunkirk Facility's integrated set of assets and activities does not meet the definition of a business.

Upon the closing of the Dunkirk transaction, the company became the tenant of the Dunkirk Facility under the Fort Schuyler Management Corporation Lease, dated October 1, 2021 and as amended as of the February 14, 2022 closing date (as amended, the Dunkirk Lease), with the FSMC as landlord. The Dunkirk Facility, as well as certain equipment, is owned by the FSMC and is leased to us under the Dunkirk Lease. We believe that the Dunkirk Facility has construction needs that may require approximately 12 to 18 months to complete in order for it to be used as intended as a result of an ongoing dispute with the Dunkirk Facility's general contractor and a stay in resolving the dispute related to Athenex's ongoing bankruptcy proceedings.

In December 2025, we entered into a second amendment to the Dunkirk Lease (the "second amendment"). Under the second amendment, the annual lease payment was increased to \$0.5 million for a revised lease term through December 31, 2028. The company has the option to purchase the Dunkirk Facility at \$1.00 on either January 1, 2028, or January 1, 2029. The second amendment was accounted for as a modification of a single lease contract. The lease is classified as an operating lease. As of December 31, 2025, we recognized an operating right-of-use lease asset and lease liability of \$1.4 million, respectively, on the consolidated balance sheet. See [Note 12](#) "Lease Arrangements" for more information. The second amendment also removed the original spending obligations assumed from Athenex totaling \$1.52 billion and replaced them with a series of spending targets totaling \$55.0 million, including minimum of \$40.0 million cumulative capital spending to be complied through December 31, 2028, and minimum of \$5.0 million of annual operating spending to be complied from 2026 to 2028. As of March 31, 2026, we are in compliance with the requirements of such targets.

We also agreed to meet certain headcount targets by hiring at least 100 full-time employees by the end of the three-year term of the amended lease. If the option to purchase is exercised, we are required to hire at least 450 full-time employees by December 31, 2032 through December 31, 2033; and we are prohibited from conveying the premises for a five-year period without obtaining the prior written consent of FSMC and Empire State Development.

***Commitments***

During the three months ended March 31, 2026, we did not enter into any significant contracts, other than those disclosed in these condensed consolidated financial statements.

In addition to those commitments already disclosed, we have conditional contractual commitments that are expected to be paid in fiscal year 2027 and beyond based on royalties on potential future net sales or the achievement of various development, regulatory, and commercial milestones for agreements with third parties. These payments may not be realized or may be modified and are contingent upon the occurrence of various future events, substantially all of which have a high degree of uncertainty of occurring. As of March 31, 2026, the maximum amount that may be payable related to the various development, regulatory, and commercial milestones commitments is \$40.8 million.

In addition, we are also a party to various contracts with CROs and CMOs that generally provide for termination on notice, with the exact amounts in the event of termination to be based on the timing of the termination and the terms of the agreement.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

## 12. Lease Arrangements

We lease property in multiple facilities across the U.S., Italy, and Ireland, including facilities located in El Segundo, CA and the Dunkirk Facility in upstate New York. Substantially all of our operating lease right-of-use assets and operating lease liabilities are related to facilities leases. Our finance leases are related to equipment rentals. See [Note 15](#) “*Related-Party Agreements*” for more information about our related-party leases.

Our leases generally have initial terms ranging from two to ten years and often include one or more options to renew. These renewal terms can extend the lease term from one to ten years and are included in the lease term when it is reasonably certain that we will exercise the option.

Supplemental balance sheet information related to our leases is as follows (in thousands):

|                                                                      | Classification                                    | March 31,<br>2026 | December 31,<br>2025 |
|----------------------------------------------------------------------|---------------------------------------------------|-------------------|----------------------|
| <b>Assets</b>                                                        |                                                   |                   |                      |
| Operating lease assets (including amounts with related parties)      | Operating lease right-of-use assets               | \$ 33,034         | \$ 33,010            |
| Finance lease assets                                                 | Other assets                                      | 256               | 271                  |
| Total lease assets (including amounts with related parties)          |                                                   | <u>\$ 33,290</u>  | <u>\$ 33,281</u>     |
| <b>Liabilities</b>                                                   |                                                   |                   |                      |
| Current:                                                             |                                                   |                   |                      |
| Operating lease liabilities (including amounts with related parties) | Operating lease liabilities                       | \$ 7,626          | \$ 7,535             |
| Finance lease liabilities                                            | Accrued expenses and other liabilities            | 53                | 52                   |
| Noncurrent:                                                          |                                                   |                   |                      |
| Operating lease liabilities (including amounts with related parties) | Operating lease liabilities, less current portion | 33,147            | 33,447               |
| Finance lease liabilities                                            | Other liabilities                                 | 213               | 227                  |
| Total lease liabilities (including amounts with related parties)     |                                                   | <u>\$ 41,039</u>  | <u>\$ 41,261</u>     |

Information regarding our lease terms is as follows:

|                                        | March 31,<br>2026 | December 31,<br>2025 |
|----------------------------------------|-------------------|----------------------|
| Weighted-average remaining lease term: |                   |                      |
| Operating leases                       | 4.5 years         | 4.6 years            |
| Finance leases                         | 4.2 years         | 4.4 years            |
| Weighted-average discount rate:        |                   |                      |
| Operating leases                       | 11.1%             | 11.1%                |
| Finance leases                         | 11.6%             | 11.6%                |

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

The components of lease expense consist of the following (in thousands):

|                                                                                      | Three Months Ended<br>March 31, |                 |
|--------------------------------------------------------------------------------------|---------------------------------|-----------------|
|                                                                                      | 2026                            | 2025            |
| Operating lease costs                                                                | \$ 2,783                        | \$ 2,655        |
| Short-term lease costs                                                               | 1,133                           | 1,141           |
| Finance lease costs (including right-of-use asset amortization and interest expense) | 23                              | —               |
| Variable lease costs                                                                 | 920                             | 810             |
| Total lease expense                                                                  | <u>\$ 4,859</u>                 | <u>\$ 4,606</u> |

Cash paid for amounts included in the measurement of lease liabilities is as follows (in thousands):

|                                                                 | Three Months Ended<br>March 31, |          |
|-----------------------------------------------------------------|---------------------------------|----------|
|                                                                 | 2026                            | 2025     |
| Cash paid for operating leases (excluding variable lease costs) | \$ 3,179                        | \$ 2,925 |
| Financing cash flow from finance leases                         | 13                              | —        |
| Operating cash flow from finance leases                         | 7                               | —        |

Future minimum lease payments as of March 31, 2026, including \$11.5 million related to options to extend lease terms that are reasonably certain of being exercised, are presented in the following table (in thousands). Common area maintenance costs and taxes are not included in these payments.

| Years Ending December 31:                              | Operating<br>Leases | Finance<br>Leases | Total            |
|--------------------------------------------------------|---------------------|-------------------|------------------|
| 2026 (excluding the three months ended March 31, 2026) | \$ 8,710            | \$ 59             | \$ 8,769         |
| 2027                                                   | 11,176              | 79                | 11,255           |
| 2028                                                   | 11,349              | 79                | 11,428           |
| 2029                                                   | 10,221              | 79                | 10,300           |
| 2030                                                   | 7,837               | 34                | 7,871            |
| 2031                                                   | 1,523               | —                 | 1,523            |
| Thereafter                                             | 453                 | —                 | 453              |
| Total future minimum lease payments                    | 51,269              | 330               | 51,599           |
| Less: Interest                                         | 10,496              | 64                | 10,560           |
| Present value of lease liabilities                     | <u>\$ 40,773</u>    | <u>\$ 266</u>     | <u>\$ 41,039</u> |

There have been no material changes related to our existing lease agreements from those disclosed in Note 10 “*Lease Arrangements*” of the “Notes to Consolidated Financial Statements” that appears in Part II, Item 8. “Financial Statements and Supplementary Data” of our Annual Report filed with the SEC on February 23, 2026.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

### **13. Revenue Interest Purchase Agreement**

#### ***Revenue Interest Liability***

On December 29, 2023, we entered into the RIPA with Infinity and Oberland. Pursuant to the RIPA, Oberland acquired certain initial Revenue Interests from us for a gross purchase price of \$200.0 million paid on closing, less \$7.5 million of issuance costs. Oberland had the option to purchase additional Revenue Interests from us in exchange for a \$100.0 million Second Payment upon satisfaction of certain conditions in the RIPA, including receipt of approval from the FDA of our BLA for ANKTIVA on or before June 30, 2024.

In April 2024, the FDA approved our product ANKTIVA and as a result, on May 13, 2024 Oberland purchased additional Revenue Interests from us for a gross purchase price of \$100.0 million, less \$3.1 million of issuance costs. The issuance costs incurred are being amortized to interest expense over the estimated term of the debt.

On December 10, 2024, we entered into a First Amendment to the RIPA to add additional conditions to the payment of certain existing indebtedness. Such amendment did not have an impact on the valuation of the revenue interest liability or the embedded derivative liabilities related to the RIPA.

On March 30, 2026, we entered into a Second Amendment to the RIPA. Pursuant to the amendment, Infinity and Oberland acquired additional revenue interests for a gross purchase price of \$75.0 million (the Third Payment). The amendment was accounted for as a debt modification. Issuance costs paid to the debt issuer totaling \$0.1 million were capitalized as a debt discount against the RIPA and will be recognized in *interest expense*, on the condensed consolidated statement of operations over the expected term of the debt using the effective interest method. Third-party issuance costs totaling \$0.1 million were recorded in operations in *selling, general and administrative expense*, on the condensed consolidated statement of operations.

As consideration for the aforementioned payments, Oberland has the right to receive quarterly Revenue Interest Payments from us based on, among other things, a certain percentage of our net sales during such quarter, which are tiered payments ranging from 5.625% to 12.50% (before funding of the Third Payment, 4.5% to 10.0%; before funding of the Second Payment, 3.0% to 7.0%) of the company's worldwide net sales, excluding those in China.

If the aggregate Revenue Interest Payments made to Oberland as of December 31, 2029 (Test Date) equal or exceed the Cumulative Purchaser Payments (\$375.0 million) as of that date, the initially tiered revenue interest rate will be decreased to a single rate of 2.8125% (before the funding of the Third Payment, 2.25%; before the funding of the Second Payment, 1.50%) of the company's worldwide net sales, excluding those in China. If the aggregate Revenue Interest Payments made to Oberland as of the Test Date are less than the aggregate amount of Cumulative Purchaser Payments as of the Test Date, then following the Test Date the initially tiered revenue interest rate will increase to a rate that, had such increased rate applied during the period from December 29, 2023 through December 31, 2029, it would have resulted in Oberland receiving aggregate Revenue Interest Payments (excluding certain payments detailed in the RIPA) equal to the Cumulative Purchaser Payments as of the Test Date. In addition, if aggregate Revenue Interest Payments made to Oberland as of the Test Date are less than the aggregate amount of Cumulative Purchaser Payments as of the Test Date, then the company must make the True-Up Payment.

Oberland's rights to receive Revenue Interest Payments under the RIPA shall terminate when Oberland has received payments (including any True-Up Payment) equal to 195.0% of the then Cumulative Purchaser Payments unless the RIPA is terminated prior to such date (subject to certain Call/Put Option scenarios as described below). If Oberland has not received total payments (including any True-Up Payment) equal to 195.0% of the then Cumulative Purchaser Payments on or before the twelfth anniversary of the RIPA, then the company shall be obligated to pay to Oberland an amount equal to 195.0% of the then Cumulative Purchaser Payments less the aggregate payments (including any True-Up Payments) made as of such date.

The company's obligations under the RIPA are guaranteed by certain of its subsidiaries meeting materiality thresholds set forth in the RIPA. To secure the company's obligations under the RIPA and the subsidiary guarantors' obligations under the guarantees, each of the company and the subsidiary guarantors has granted a security interest in substantially all its assets, subject to certain exceptions and limitations.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

The RIPA contains affirmative and negative covenants and events of default, including covenants and restrictions that, among other things, restrict our ability to incur additional liens, incur additional indebtedness, make loans and investments, enter into transactions with affiliates, engage in mergers and acquisitions, engage in asset sales and exclusive licensing arrangements, and declare dividends to our stockholders, in each case, subject to certain exceptions set forth in the RIPA. As of March 31, 2026, the company was in compliance with all covenants.

The RIPA is considered a sale of future revenues and is accounted for as long-term debt recorded at amortized cost using the effective interest rate method. The company imputes interest expense associated with this liability using the effective interest rate method. The effective interest rate is calculated based on the rate that would enable the debt to be repaid in full over the anticipated life of the arrangement. The interest rate on this liability may vary during the term of the agreement depending on a number of factors, including the level of forecasted net sales. The company evaluates the interest rate quarterly based on its current net sales forecasts utilizing the prospective method.

During the three months ended March 31, 2026 and 2025, we recorded \$13.9 million and \$13.5 million, respectively, of interest expense related to this arrangement.

The following table summarizes the revenue interest liability activity during the three months ended March 31, 2026 (in thousands):

|                                                                   |    |         |
|-------------------------------------------------------------------|----|---------|
| Revenue interest liability, at December 31, 2025                  | \$ | 324,615 |
| Proceeds from Third Payment, net of issuance costs                |    | 74,946  |
| Interest expense recognized                                       |    | 13,871  |
| Embedded contingent derivative liability related to Third Payment |    | (4,700) |
| Revenue interest payment                                          |    | (4,433) |
| Revenue interest liability, at March 31, 2026                     | \$ | 404,299 |

***Embedded Derivative Liabilities***

Under the RIPA, the company has a Call Option to terminate the RIPA and repurchase the Revenue Interests at any time upon advance written notice, subject to certain limitations set forth in the RIPA. Additionally, Oberland has a Put Option enabling them to terminate the RIPA and to require the company to repurchase the Revenue Interests upon enumerated events, such as a bankruptcy event, failure to make a payment, an uncured material breach, default in certain third-party agreements, a breach or default under any subordination agreements with respect to indebtedness to existing stockholders, or subordinated notes during certain time periods, judgments in excess of certain amounts against the company, a material adverse effect, the loss of regulatory approval of our product candidates or a change of control.

The required purchase price with respect to the Call Option and/or Put Option, as applicable, shall be (a) 120.0% of the Cumulative Purchaser Payments as of such date, if Oberland exercises the Put Option (other than in connection with a change of control) on or prior to the first anniversary the Closing Date, (b) 135.0% of the Cumulative Purchaser Payments as of such date, if the Put Option or the Call Option is exercised in connection with a change of control on or prior to the date that is eighteen (18) months after the Closing Date, and (c) in all other cases, (i) 175.0% of the Cumulative Purchaser Payments as of such date, if the Put Option or the Call Option is exercised no later than the date that is thirty six (36) months after the Closing Date, and (ii) 195.0% of the Cumulative Purchaser Payments as of such date, if the Put Option or the Call Option is exercised later than the date that is thirty six (36) months after the Closing Date, minus, in each case, the total payments made to Oberland on or prior to such date.

Certain Call and Put Options are considered embedded derivatives requiring bifurcation as a single compound derivative instrument. The company estimated the fair value of the derivative liability using a “with-and-without” method. The “with-and-without” methodology involves valuing the whole instrument on an as-is basis and then valuing the instrument without the individual embedded derivative. The difference between the entire instrument with the embedded derivative compared to the instrument without the embedded derivative is the fair value of the derivative liability.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

The company recorded \$34.5 million for the initial fair value of the derivative liability upon the closing of the initial \$200.0 million Revenue Interests acquired by Oberland. The company recorded an incremental \$6.2 million for the fair value of the derivative liability upon the closing of the additional \$100.0 million Revenue Interests acquired by Oberland in May 2024, and recorded an incremental \$4.7 million for the fair value upon the closing of the additional \$75.0 million funding in March 2026. The initial and incremental fair value allocated to the derivative liability is recorded against the RIPA as a debt discount, which is being amortized in *interest expense*, on the condensed consolidated statement of operations over the expected term of the debt using the effective interest method. Such embedded derivative is classified in *derivative liabilities*, on the condensed consolidated balance sheet. The embedded derivative is subsequently remeasured at fair value each reporting period using a Monte Carlo Simulation valuation technique, with the change in fair value being recorded in *change in fair value of derivative liabilities*, on the condensed consolidated statement of operations.

The estimated probability and timing of underlying events triggering the exercisability of the Put Option contained in the RIPA, forecasted cash flows and the discount rate are significant unobservable inputs used to determine the estimated fair value of the entire instrument with the embedded derivative. As of March 31, 2026 and December 31, 2025, the discount rate used for valuation of the derivative liability was 12.9% and 11.7%, respectively.

The change in fair value of the derivative liability is as follows (in thousands):

|                                                                   |    |         |
|-------------------------------------------------------------------|----|---------|
| Fair value, at December 31, 2025                                  | \$ | 19,400  |
| Embedded contingent derivative liability related to Third Payment |    | 4,700   |
| Change in fair value                                              |    | (1,100) |
| Fair value, at March 31, 2026                                     | \$ | 23,000  |

***Stock Purchase and Option Agreement***

In connection with the RIPA, we entered into a SPOA with Oberland pursuant to which we sold an aggregate of approximately \$10.0 million of our common stock at \$4.1103 per share in a private placement. Oberland also had an option to purchase up to an additional \$10.0 million of our common stock, at a price per share to be determined by reference to the 30-day trailing volume weighted-average price of our common stock calculated from the date of exercise.

This stock purchase option was classified as a derivative liability estimated at fair value at issuance. The initial \$200.0 million received pursuant to the RIPA and \$10.0 million received pursuant to the SPOA were allocated among the resulting financial instruments on a relative fair value basis, with \$197.1 million allocated to the debt under the RIPA, \$12.0 million allocated to the common stock issued under the SPOA, and \$0.8 million allocated to the stock purchase option as of December 31, 2023.

In April 2024, Oberland exercised part of their option and purchased 858,990 shares of our common stock at an exercise price of \$5.8208 per share generating net proceeds of approximately \$4.9 million. In relation to this transaction, we recorded \$7.6 million in *additional paid-in capital*, on the consolidated statement of stockholders' deficit during the year ended December 31, 2024. Following such exercise, approximately \$5.0 million remains available for future exercise under the SPOA as of March 31, 2026. This option expires on December 29, 2028.

This stock purchase option is classified in *derivative liabilities*, on the condensed consolidated balance sheet at its fair value and is subsequently remeasured at fair value each reporting period, with the change in fair value being recorded in *change in fair value of derivative liabilities*, on the condensed consolidated statement of operations.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

The estimated fair value of the stock option purchase liability was computed using a Monte Carlo Simulation valuation technique that used the calculated exercise price and discounted it back to a present value at the risk-free rate with the following unobservable input at the following dates:

|                     | March 31,<br>2026 | December 31,<br>2025 |
|---------------------|-------------------|----------------------|
| Expected volatility | 111.0 %           | 119.7 %              |

The change in fair value of the stock option purchase liability is as follows (in thousands):

|                                  |               |
|----------------------------------|---------------|
| Fair value, at December 31, 2025 | \$ 322        |
| Change in fair value             | (8)           |
| Fair value, at March 31, 2026    | <u>\$ 314</u> |

#### 14. Related-Party Debt

Our related-party debt is summarized below (in thousands):

| Balance as of March 31, 2026              |                  |                       |                     |            |          |
|-------------------------------------------|------------------|-----------------------|---------------------|------------|----------|
|                                           | Maturity<br>Year | Interest<br>Rate      | Principal<br>Amount | Fair Value |          |
|                                           |                  |                       |                     | Amount     | Leveling |
| December 2024 Convertible Promissory Note | 2027             | Term<br>SOFR<br>+8.0% | \$ 480,000          | \$ 678,386 | Level 3  |

  

| Balance as of December 31, 2025           |                  |                       |                     |            |          |
|-------------------------------------------|------------------|-----------------------|---------------------|------------|----------|
|                                           | Maturity<br>Year | Interest<br>Rate      | Principal<br>Amount | Fair Value |          |
|                                           |                  |                       |                     | Amount     | Leveling |
| December 2024 Convertible Promissory Note | 2027             | Term<br>SOFR<br>+8.0% | \$ 505,000          | \$ 477,093 | Level 3  |

#### ***December 2024 Convertible Promissory Note***

On December 10, 2024, in connection with an equity offering, the company and Nant Capital entered into a second amended and restated promissory note. Pursuant to the terms of the second amended and restated promissory note, Tranche 1 of the December 2023 Promissory Note with a principal amount of \$125.0 million and Tranche 2 of the December 2023 Promissory Note with a principal amount of \$380.0 million were combined into one convertible promissory note with a principal amount of \$505.0 million with a maturity date of December 31, 2027. The December 2024 Convertible Promissory Note bears an interest rate of Term SOFR plus 8.0% per annum, payable on a quarterly basis. Pursuant to the terms of the second amended and restated promissory note, the noteholder, in its sole discretion, may convert all of the outstanding principal amount into shares of common stock at a conversion price of \$5.4270 per share. The company may prepay the outstanding promissory note, at any time, in whole or in part, without penalty. Upon receipt of a written notice of prepayment from the company, the noteholder has the option to convert the outstanding principal amount to be prepaid and the accrued and unpaid interest thereon into shares of the company's common stock at the same conversion price of \$5.4270 per share. In addition, the noteholder can request up to \$50.0 million of the outstanding principal amount and accrued interest to be repaid upon consummation of a specified transaction.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

On January 23, 2026, the company entered into an amendment to the December 2024 Convertible Promissory Note to provide the holder with the optional right to convert any portion of the outstanding principal amount into shares of the company's common stock at any time prior to the maturity date. In accordance with ASC 470-50, the company concluded that the amendment did not represent a substantial modification of the December 2024 Convertible Promissory Note, and the note was not accounted for as an extinguishment and continues to be measured at fair value.

On March 31, 2026, Nant Capital converted \$25.0 million of the principal of the December 2024 Convertible Promissory Note into 4,606,596 shares of common stock at a conversion price of \$5.4270 per share. Upon conversion, the company derecognized the converted principal at its fair value of \$35.3 million and recognized the par value of shares issued in *common stock* and the remaining excess in *additional paid-in capital*, on both the condensed consolidated balance sheet and the condensed consolidated statement of stockholders' deficit. The company did not recognize any gain or loss upon conversion since the December 2024 Convertible Promissory Note is accounted for under the fair value option in accordance with ASC 825.

In connection with the conversion, during the three months ended March 31, 2026, the company reclassified \$1.4 million of change in fair value related to instrument-specific credit risk that was previously recorded in *accumulated other comprehensive income*, on the condensed consolidated statement of stockholders' deficit, to *other expense, net*, on the condensed consolidated statement of operations. This reclassification represents the portion of the cumulative change in fair value attributable to instrument-specific credit risk related to the converted principal amount.

As of March 31, 2026, the remaining principal balance of the December 2024 Convertible Promissory Note was \$480.0 million.

The company elected the fair value option for recognizing the December 2024 Convertible Promissory Note under ASC 825. Under the FVO election, the note was initially measured at estimated fair value upon issuance and is remeasured at estimated fair value on a recurring basis at each reporting period date. The estimated fair value of the convertible note was computed using the following unobservable inputs at the following dates:

|                                | March 31,<br>2026 | December 31,<br>2025 |
|--------------------------------|-------------------|----------------------|
| <i>Binomial lattice model:</i> |                   |                      |
| Expected market yield          | 16.8 %            | 14.8 %               |
| Expected volatility            | 82.5 %            | 87.5 %               |

The change in the fair value of this note was as follows (in thousands):

|                                                        |                   |
|--------------------------------------------------------|-------------------|
| Fair value, at December 31, 2025                       | \$ 477,093        |
| Change in fair value of related-party convertible note | 236,625           |
| Conversion to common stock                             | (35,332)          |
| Fair value, at March 31, 2026                          | <u>\$ 678,386</u> |

*Mandatory Prepayment Feature*

The embedded derivative related to a contingently exercisable prepayment feature, which allows the noteholder to request up to a \$50.0 million prepayment and accrued interest upon occurrence of a specified transaction (defined in the promissory note) was recorded as a derivative liability on the condensed consolidated balance sheet and measured at fair value prior to the second amended and restated promissory note.

Since the company elected the fair value option to account for the December 2024 Convertible Promissory Note, the embedded derivative is no longer required to be recorded separately but is considered when estimating the fair value of the December 2024 Convertible Promissory Note.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

The following table summarizes the estimated future contractual obligations of our related-party debt as of March 31, 2026 (in thousands):

|                                                        | Principal<br>Payments | Interest<br>Payments (1) | Total      |
|--------------------------------------------------------|-----------------------|--------------------------|------------|
| 2026 (excluding the three months ended March 31, 2026) | \$ —                  | \$ 42,282                | \$ 42,282  |
| 2027                                                   | 480,000               | 56,121                   | 536,121    |
| Total                                                  | \$ 480,000            | \$ 98,403                | \$ 578,403 |

(1) Interest payments on our convertible promissory note are calculated based on Term SOFR plus the contractual spread per the loan agreement. The interest rate on our convertible promissory note as of March 31, 2026 was 11.69%.

Interest expense consists of the following (in thousands):

|                                                    | Three Months Ended<br>March 31, |           |
|----------------------------------------------------|---------------------------------|-----------|
|                                                    | 2026                            | 2025      |
| Interest expense on related-party convertible note | \$ 14,559                       | \$ 15,313 |

In connection with the RIPA transaction, the outstanding related-party convertible note was subordinated to the RIPA payment obligations.

## 15. Related-Party Agreements

Our Founder, Executive Chairman and Global Chief Scientific and Medical Officer also founded and has a controlling interest in NantWorks, which is a collection of companies in the healthcare and technology space. As described below, we have entered into arrangements with NantWorks, and certain affiliates of NantWorks, to facilitate the development of new immunotherapies for our product pipeline. Affiliates of NantWorks are also affiliates of the company due to the common control by and/or common ownership interest of our Founder, Executive Chairman, Global Chief Scientific and Medical Officer, and principal stockholder.

### *NantWorks, LLC*

#### *Shared Services Agreement*

Under the amended and restated shared services agreement with NantWorks dated as of June 2016, but effective as of August 2015, NantWorks, a related party, provides corporate, general and administrative, certain research and development, and other support services to us, and we provide certain of such services to them. The receiving party is charged for the services at cost plus reasonable allocations of employee benefits, facilities, and other direct or fairly allocated indirect costs that relate to the employees providing the services. During the three months ended March 31, 2026 and 2025, we recorded \$1.1 million and \$0.5 million, respectively, in *selling, general and administrative – related parties*, and \$0.1 million and \$0.4 million, respectively, of expense reimbursements under this arrangement in *research and development – related parties*, on the condensed consolidated statements of operations. These amounts exclude certain immaterial general and administrative expenses provided by third-party vendors directly for our benefit, which were reimbursed to NantWorks based on those vendors' invoiced amounts without markup by NantWorks.

As of March 31, 2026 and December 31, 2025, we had a payable of \$0.5 million and \$0.2 million, respectively, for all agreements with NantWorks, which are included in *due to/due from related parties*, on the condensed consolidated balance sheets. We also recorded \$1.6 million and \$0.7 million of prepaid expenses for various services that we expect will be passed through to the company from NantWorks as of March 31, 2026 and December 31, 2025, respectively, which are included in *prepaid expenses – related parties*, on the condensed consolidated balance sheets.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

*Facility License Agreement*

In 2015, we entered into a facility license agreement with NantWorks for office space in Culver City, California, which was converted to a research and development laboratory and a cGMP manufacturing facility. During the three months ended March 31, 2026 and 2025, we recorded license fee expense for this facility totaling \$0.9 million in *research and development – related parties*, on the condensed consolidated statements of operations.

*Related-Party Leases*

The company leases certain assets under operating leases with certain entities controlled by NantWorks and its affiliates or subsidiaries. Right-of-use assets for related-party operating leases totaled \$12.5 million and \$13.2 million, and the associated operating lease liabilities totaled \$16.0 million and \$17.0 million, as of March 31, 2026 and December 31, 2025, respectively. The company recorded operating lease expense totaling \$1.2 million during the three months ended March 31, 2026 and 2025, respectively. Related-party leases were classified as either *selling, general and administrative – related parties* or *research and development – related parties*, on the condensed consolidated statements of operations, depending on the use of the facility.

***Immuno-Oncology Clinic, Inc.***

We have entered into multiple agreements with the Clinic to conduct clinical trials related to certain of our product candidates. The Clinic is a related party as it is owned by an officer of the company and NantWorks manages the administrative operations of the Clinic.

During the three months ended March 31, 2026 and 2025, we recorded \$1.2 million and \$0.5 million, respectively, related to clinical trial and transition services provided by the Clinic in *research and development – related parties*, on the condensed consolidated statements of operations. As of March 31, 2026 and December 31, 2025, we owed the Clinic \$0.1 million which is included in *due to related parties*, on the condensed consolidated balance sheets.

**16. Warrant Liabilities**

The company issued warrants through RDOs. In the event of certain fundamental transactions involving the company, the holders of the warrants may require the company to make a payment based on a Black-Scholes valuation, using specified inputs that are not considered indexed to the company's stock in accordance with ASC 815. Therefore, we classified the warrants as a liability at their fair value determined using the Black-Scholes option pricing model. The proceeds from issuance of common stock and warrants are allocated to warrants based on its fair value. The warrants issued by the company are summarized below:

***Warrant Liabilities***

The following table summarizes the change in carrying amount of warrant liabilities measured at fair value during the three months ended March 31, 2026 (in thousands):

|                                  | Total             | February 2023<br>Warrants | July 2023<br>Warrants | April 2025<br>Warrants | July 2025<br>Warrants |
|----------------------------------|-------------------|---------------------------|-----------------------|------------------------|-----------------------|
| Fair value, at December 31, 2025 | \$ 84,417         | \$ 230                    | \$ 293                | \$ 41,476              | \$ 42,418             |
| Change in fair value             | 295,413           | 13,115                    | 16,704                | 109,408                | 156,186               |
| Warrant exercises                | (71,637)          | —                         | —                     | (60,737)               | (10,900)              |
| Fair value, at March 31, 2026    | <u>\$ 308,193</u> | <u>\$ 13,345</u>          | <u>\$ 16,997</u>      | <u>\$ 90,147</u>       | <u>\$ 187,704</u>     |

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

**Warrant Exercises**

The following table summarizes warrant exercise activity during the three months ended March 31, 2026:

|                                            | Total        | February 2023<br>Warrants | July 2023<br>Warrants | April 2025<br>Warrants | July 2025<br>Warrants |
|--------------------------------------------|--------------|---------------------------|-----------------------|------------------------|-----------------------|
| Warrants outstanding, at December 31, 2025 | 65,053,571   | 2,814,523                 | 3,584,648             | 29,024,768             | 29,629,632            |
| Warrant exercises                          | (17,191,435) | —                         | —                     | (15,524,768)           | (1,666,667)           |
| Warrants outstanding, at March 31, 2026    | 47,862,136   | 2,814,523                 | 3,584,648             | 13,500,000             | 27,962,965            |

During the three months ended March 31, 2026, an institutional holder exercised a total of 15,524,768 warrants pursuant to the April 2025 Warrant agreement at an exercise price of \$3.1010 per share resulting in the issuance of 15,524,768 shares of the company's common stock for proceeds totaling \$48.1 million. We recorded \$108.9 million in *additional paid-in capital*, on the condensed consolidated statement of stockholders' deficit during the three months ended March 31, 2026 related to these warrant exercises.

During the three months ended March 31, 2026, an institutional holder exercised a total of 1,666,667 warrants pursuant to the July 2025 Warrant agreement at an exercise price of \$3.240 per share resulting in the issuance of 1,666,667 shares of the company's common stock for proceeds totaling \$5.4 million. We recorded \$16.3 million in *additional paid-in capital*, on the condensed consolidated statement of stockholders' deficit during the three months ended March 31, 2026 related to this warrant exercise.

**Warrant Valuation Assumptions**

The estimated fair value of the warrants was computed using the Black-Scholes option pricing model with the following key assumptions at the following dates:

|                             | February and July 2023 Warrants |                      | April 2025 Warrants |                      | July 2025 Warrants |                      |
|-----------------------------|---------------------------------|----------------------|---------------------|----------------------|--------------------|----------------------|
|                             | March 31,<br>2026               | December 31,<br>2025 | March 31,<br>2026   | December 31,<br>2025 | March 31,<br>2026  | December 31,<br>2025 |
| Exercise price per share    | \$3.2946                        | \$3.2946             | \$3.1010            | \$3.1010             | \$3.2400           | \$3.2400             |
| Expected term               | 0.3 years                       | 0.6 years            | 4.0 years           | 4.3 years            | 4.3 years          | 4.6 years            |
| Expected average volatility | 150.1 %                         | 60.9 %               | 119.0 %             | 113.5 %              | 118.0 %            | 110.7 %              |
| Expected dividend yield     | —                               | —                    | —                   | —                    | —                  | —                    |
| Risk-free interest rate     | 3.7 %                           | 3.5 %                | 3.8 %               | 3.6 %                | 3.8 %              | 3.7 %                |

The expected term is the time remaining until the expiration of the warrants. The expected average volatility was estimated based on the historical and implied volatility of our common stock. The expected dividend yield was based on our expectation of not paying dividends for the foreseeable future. The risk-free interest rate was based on the U.S. Treasury's rates for U.S. Treasury zero-coupon bonds with maturities similar to those of the expected term of the award being valued. The significant unobservable inputs used in the warrant valuation are the expected term and the expected average volatility.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

**17. Stockholders' Deficit**

***Stock Repurchases***

During the three months ended March 31, 2026 and 2025, no shares of our common stock were repurchased under the company's 2015 Share Repurchase Program. As of March 31, 2026, \$18.3 million remained authorized to use for share repurchases under the program.

***Shelf Registration Statements***

In 2023, we filed a \$750.0 million shelf registration statement with the SEC on Form S-3 for the offering and sale of equity and equity-linked securities, including common stock, preferred stock, debt securities, depositary shares, warrants to purchase common stock, preferred stock or debt securities, subscription rights, purchase contracts, and units. This shelf registration statement expired on February 9, 2026.

In 2024, we filed a shelf registration statement with the SEC on Form S-3ASR pursuant to which we may, from time to time, sell an indeterminate amount of our common stock, preferred stock, debt securities, depositary shares, warrants, subscription rights, purchase contracts, or units, and an associated prospectus related to the ATM.

***Open Market Sale Agreement***

In 2021, we entered into the ATM under which we may offer and sell, from time to time at our sole discretion, shares of our common stock through our sales agent. We pay our sales agent a commission of up to 3.0% of the gross sales proceeds of any shares of our common stock sold through them under the ATM and also have provided them with customary indemnification and contribution rights.

In December 2025, we filed a prospectus supplement to our shelf registration statement in connection with entering into an amendment to the ATM to increase the amount available for future stock issuances under the ATM to \$500.0 million. During the three months ended March 31, 2026, we received net proceeds totaling \$102.1 million, from the issuance of shares under the ATM. During the three months ended March 31, 2025, there was no activity under the ATM. As of March 31, 2026, we had \$395.4 million available for future stock issuances under the ATM.

We are not obligated to sell any shares and may at any time suspend solicitation and offers under the ATM. The ATM may be terminated by us at any time given written notice to the sales agent for any reason or by the sales agent at any time by giving written notice to us for any reason or immediately under certain circumstances and shall automatically terminate upon the issuance and sale of all of the shares.

***Conversion of Promissory Note into Common Stock***

On March 31, 2026, Nant Capital converted \$25.0 million of the principal of the December 2024 Convertible Promissory Note into 4,606,596 shares of common stock. See [Note 14](#) "Related-Party Debt" for more information.

***Warrant Exercises***

During the three months ended March 31, 2026, certain institutional holders of the April 2025 and July 2025 warrants exercised their rights to purchase our common stock. See [Note 16](#) "Warrant Liabilities" for more information.

During the three months ended March 31, 2025, there were no warrant exercises pursuant to the 2023 warrant agreements.

***Stock Purchase and Option Agreement***

On December 29, 2023 and in connection with the RIPA, we entered into a SPOA with Oberland. Under this agreement, Oberland had an option to purchase our common stock. See [Note 13](#) "Revenue Interest Purchase Agreement" for more information.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

## 18. Stock-Based Compensation

### 2025 Equity Incentive Plan

As of March 31, 2026, approximately 48,607,716 shares were available for future grants under the 2025 Plan.

### Stock-Based Compensation

The following table presents stock-based compensation included on the condensed consolidated statements of operations (in thousands):

|                                                         | Three Months Ended<br>March 31, |                 |
|---------------------------------------------------------|---------------------------------|-----------------|
|                                                         | 2026                            | 2025            |
| Stock-based compensation expense:                       |                                 |                 |
| Stock options                                           | \$ 4,790                        | \$ 5,823        |
| RSUs                                                    | 3,379                           | 3,714           |
|                                                         | <u>\$ 8,169</u>                 | <u>\$ 9,537</u> |
| Stock-based compensation expense in operating expenses: |                                 |                 |
| Research and development                                | \$ 2,305                        | \$ 2,312        |
| Selling, general and administrative                     | 5,864                           | 7,225           |
|                                                         | <u>\$ 8,169</u>                 | <u>\$ 9,537</u> |

Stock-based compensation expense capitalized into inventory totaled \$0.3 million for the three months ended March 31, 2026. There was no stock-based compensation expense capitalized into inventory for the three months ended March 31, 2025. Capitalized stock-based compensation is recognized as an expense in cost of sales when the related product is sold.

### Stock Options

The following table summarizes stock option activity and related information during the three months ended March 31, 2026:

|                                          | Number of<br>Options | Weighted-<br>Average<br>Exercise<br>Price | Aggregate<br>Intrinsic<br>Value<br>(in thousands) | Weighted-<br>Average<br>Remaining<br>Contractual<br>Life<br>(in years) |
|------------------------------------------|----------------------|-------------------------------------------|---------------------------------------------------|------------------------------------------------------------------------|
| Outstanding at December 31, 2025         | 23,932,504           | \$ 4.97                                   | \$ 17                                             | 7.9                                                                    |
| Granted                                  | —                    | \$ —                                      |                                                   |                                                                        |
| Exercised                                | (233,749)            | \$ 4.15                                   |                                                   |                                                                        |
| Forfeited/expired                        | (334,220)            | \$ 5.19                                   |                                                   |                                                                        |
| Outstanding at March 31, 2026            | <u>23,364,535</u>    | \$ 4.98                                   | \$ 77,073                                         | 7.7                                                                    |
| Vested and exercisable at March 31, 2026 | <u>14,150,884</u>    | \$ 5.83                                   | \$ 40,317                                         | 7.1                                                                    |

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

As of March 31, 2026, the unrecognized compensation cost related to outstanding stock options was \$25.9 million, which is expected to be recognized over a remaining weighted-average period of 1.5 years.

During the three months ended March 31, 2026 and 2025, the total intrinsic value of stock options exercised was \$1.0 million and \$0.1 million, respectively. During the three months ended March 31, 2026 and 2025, cash proceeds received from stock option exercises were \$1.0 million and \$0.2 million, respectively.

As of December 31, 2025, a total of 9,657,097 vested and exercisable shares were outstanding.

**Restricted Stock Units**

The following table summarizes RSU activity during the three months ended March 31, 2026:

|                                        | Number of<br>Units | Weighted-<br>Average<br>Grant Date<br>Fair Value |
|----------------------------------------|--------------------|--------------------------------------------------|
| Nonvested balance at December 31, 2025 | 8,127,668          | \$ 6.56                                          |
| Granted                                | 85,206             | \$ 8.21                                          |
| Vested                                 | (2,144,738)        | \$ 4.00                                          |
| Forfeited/canceled                     | (126,521)          | \$ 3.92                                          |
| Nonvested balance at March 31, 2026    | <u>5,941,615</u>   | <u>\$ 7.56</u>                                   |

As of March 31, 2026, there was \$19.3 million of unrecognized stock-based compensation expense related to RSUs that is expected to be recognized over a weighted-average period of 1.6 years. During the three months ended March 31, 2026 and 2025, the total fair value of RSUs vested was \$16.4 million and \$3.0 million, respectively.

**Related-Party Warrants**

A total of 1,638,000 warrants issued to an affiliate of Dr. Soon-Shiong with an exercise price of \$3.24 per share were outstanding as of March 31, 2026 and December 31, 2025. The fair value of \$18.0 million assigned to the warrants will be recognized in equity upon achievement of a performance-based vesting condition pertaining to building manufacturing capacity to support supply requirements for ANKTIVA (which has not yet been satisfied). The warrants become exercisable 30 days following the achievement of the performance-based vesting condition (the initial exercise date) and expire on the 10th anniversary of the initial exercise date.

**19. Income Taxes**

We are subject to U.S. federal income tax, as well as income tax in California, other states and certain foreign jurisdictions. Except for state franchise taxes, the company has not been required to pay significant U.S. federal and state income taxes because of current and accumulated NOLs. The company computes its quarterly income tax provision using a forecasted annual effective tax rate and adjusts for any discrete items arising during the quarter. No tax benefit was provided for losses incurred in the U.S. and certain foreign jurisdictions because those losses are offset by a full valuation allowance.

During the three months ended March 31, 2026, we recorded an immaterial amount of *income tax expense*, on the condensed consolidated statement of operations. We recorded a \$0.2 million income tax benefit during the three months ended March 31, 2025. The effective tax rates for the three months ended March 31, 2026 and 2025 differed from the U.S. federal statutory rate of 21%, primarily due to a valuation allowance on the company's deferred tax assets.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

Our federal returns for tax years 2022 through 2024 remain open to examination, and our state returns remain subject to examination for tax years 2021 through 2024. NOL carryforwards and tax credits are still subject to examination in the year they are used. No income tax returns are currently under examination by taxing authorities.

On July 4, 2025, the OBBB Act was enacted in the U.S. The OBBB Act includes significant provisions, such as the permanent extension of certain expiring provisions of the TCJA, modifications to the international tax framework, and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The company has evaluated the OBBB Act and estimated the impact to the consolidated financial statements will not be adverse.

## 20. Earnings Per Share

### *Basic and Diluted Net Loss per Share of Common Stock*

Basic net loss per share is calculated by dividing the net loss attributable to ImmunityBio common stockholders by the weighted-average number of common shares outstanding for the period. Diluted loss per share is computed by dividing net loss attributable to ImmunityBio common stockholders by the weighted-average number of common shares, including the number of additional shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive.

The following table reflects the calculation of basic and diluted loss per common share (in thousands, except per share amounts):

|                                                                          | Three Months Ended<br>March 31, |                  |
|--------------------------------------------------------------------------|---------------------------------|------------------|
|                                                                          | 2026                            | 2025             |
| <b>Net loss per ImmunityBio common share – basic and diluted</b>         |                                 |                  |
| Numerator:                                                               |                                 |                  |
| Net loss attributable to ImmunityBio common stockholders                 | \$ (632,782)                    | \$ (129,646)     |
| Denominator:                                                             |                                 |                  |
| Weighted-average number of common shares outstanding – basic and diluted | 1,026,874                       | 853,162          |
| Net loss per ImmunityBio common share – basic and diluted                | <u>\$ (0.62)</u>                | <u>\$ (0.15)</u> |

Potentially dilutive securities, whose effect would have been antidilutive, were excluded from the computation of diluted net loss per share. The following table details the number of shares of common stock underlying those securities that were excluded from the computation of weighted-average number of common shares outstanding – diluted (shares in thousands):

|                                    | Three Months Ended<br>March 31, |                |
|------------------------------------|---------------------------------|----------------|
|                                    | 2026                            | 2025           |
| Related-party convertible note     | 88,447                          | 93,053         |
| Outstanding third-party warrants   | 47,862                          | 6,399          |
| Outstanding stock options          | 23,365                          | 25,458         |
| Outstanding RSUs                   | 5,942                           | 9,231          |
| Outstanding related-party warrants | 1,638                           | 1,638          |
| Total                              | <u>167,254</u>                  | <u>135,779</u> |

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

The potentially dilutive securities shown in the table above exclude an option to purchase up to approximately \$5.0 million of the company's common stock pursuant to the SPOA entered in connection with the RIPA, as the exercise price cannot be determined until the date of exercise. See [Note 13](#) "*Revenue Interest Purchase Agreement*" for more information.

**21. Segment Information**

We operate in one operating segment, and therefore have one reportable segment, focused on innovating, developing, and commercializing next-generation immunotherapies designed to activate the patient's immune system and deliver durable protection against cancer and infectious diseases. Our CEO is the chief operating decision-maker of the company and manages and allocates resources to our operations on a company-wide basis. Consistent with this decision-making process, our CEO uses consolidated, single-segment financial information for purposes of evaluating performance, forecasting future-period financial results, allocating resources, and setting incentive targets. The measure of segment performance is net income (loss) as reflected in the condensed consolidated statement of operations. The CODM uses net income (loss) and loss from operations to allocate resources on a consolidated basis, which enables the CODM to assess both the overall level of resources available and optimize distribution of resources across functions, therapeutic areas, regions and research and development programs in line with our long-term corporate-wide strategic goals. As the company manages its assets on a consolidated basis, the measure of segment assets is total assets, as reflected in the condensed consolidated balance sheet.

***Concentration of Major Customers***

During the three months ended March 31, 2026, approximately 94% of our total gross revenue was from our top four customers, which accounted for 43%, 21%, 17%, and 13% of our total revenue, respectively.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

Net loss for our reportable segment is as follows (in thousands):

|                                                                                         | <b>Three Months Ended<br/>March 31,</b> |              |
|-----------------------------------------------------------------------------------------|-----------------------------------------|--------------|
|                                                                                         | <b>2026</b>                             | <b>2025</b>  |
| <b>Total revenue</b>                                                                    | \$ 44,206                               | \$ 16,517    |
| Cost of sales                                                                           | 238                                     | 58           |
| Gross profit                                                                            | 43,968                                  | 16,459       |
| <b>Operating expenses</b>                                                               |                                         |              |
| External research and development expense (including amounts with related parties) (1)  | 20,082                                  | 5,511        |
| Internal research and development expense (including amounts with related parties): (2) |                                         |              |
| Personnel-related costs                                                                 | 25,850                                  | 23,065       |
| Equipment, depreciation, and facility costs                                             | 13,588                                  | 13,192       |
| Other research and development costs                                                    | 8,469                                   | 6,466        |
| Total internal research and development expense                                         | 47,907                                  | 42,723       |
| Total research and development expense (including amounts with related parties)         | 67,989                                  | 48,234       |
| Selling, general and administrative (including amounts with related parties)            | 45,770                                  | 32,654       |
| Total operating expenses                                                                | 113,759                                 | 80,888       |
| <b>Loss from operations</b>                                                             | (69,791)                                | (64,429)     |
| <b>Other income (expense), net</b>                                                      |                                         |              |
| Interest and investment income, net                                                     | 2,314                                   | 887          |
| Change in fair value of warrant liabilities                                             | (295,413)                               | (448)        |
| Change in fair value of related-party convertible note                                  | (236,625)                               | (42,582)     |
| Interest expense (including amounts with related parties)                               | (14,593)                                | (15,331)     |
| Interest expense related to revenue interest liability                                  | (13,871)                                | (13,534)     |
| Change in fair value of derivative liabilities                                          | 1,108                                   | 5,578        |
| Other expense, net                                                                      | (5,917)                                 | (41)         |
| Total other expense, net                                                                | (562,997)                               | (65,471)     |
| <b>Loss before income taxes and noncontrolling interests</b>                            | (632,788)                               | (129,900)    |
| Income tax (expense) benefit                                                            | (9)                                     | 234          |
| <b>Net loss</b>                                                                         | (632,797)                               | (129,666)    |
| Net loss attributable to noncontrolling interests, net of tax                           | (15)                                    | (20)         |
| Net loss attributable to ImmunityBio common stockholders                                | \$ (632,782)                            | \$ (129,646) |

(1) Our external research and development expense supports our various preclinical and clinical programs.

(2) Our internal research and development expense includes payroll and benefits expenses, facilities and equipment expense, and other indirect research and development expenses incurred in support of our research and development activities.

**ImmunityBio, Inc. and Subsidiaries**  
**Notes to Unaudited Condensed Consolidated Financial Statements (Continued)**

We generate a portion of our revenues from outside of the U.S. Information about our revenue by geographic region is as follows (in thousands):

|                       | Three Months Ended<br>March 31, |           |
|-----------------------|---------------------------------|-----------|
|                       | 2026                            | 2025      |
| U.S.                  | \$ 44,182                       | \$ 16,517 |
| Europe                | 24                              | —         |
| Total segment revenue | \$ 44,206                       | \$ 16,517 |

**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.****Forward-Looking Statements**

*The following discussion and analysis of our financial condition and results of operations should be read together with the description of our business and the condensed consolidated financial statements and related notes thereto Part I, Item 1. "Financial Statements" in this Quarterly Report. This Quarterly Report contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act that are based on our management's beliefs and assumptions and on information currently available to our management. Actual results could differ materially from those discussed in or implied by such forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this Quarterly Report, particularly in Part II, Item 1A. "[Risk Factors](#)." Except as required by law, we do not undertake any responsibility to update any of these factors or to announce publicly any revisions to any of the forward-looking statements contained in this or any document, whether as a result of new information, future events, or otherwise. Forward-looking statements include, but are not limited to:*

- our ability to successfully commercialize ANKTIVA globally in NMIBC, NSCLC or other indications or any future approved products in the U.S. or internationally;
- our ability to obtain incremental approvals for ANKTIVA for new indications, including, without limitation, in BCG-unresponsive NMIBC with CIS, with papillary tumors and NSCLC from the FDA or clearances or approvals from international regulatory agencies for the treatment of patients with NMIBC, NSCLC or other indications;
- potential future uses and applications of ANKTIVA, including as a lymphopenia rescue agent in solid tumors or other indications, and use in cancer vaccines and across multiple tumor types;
- our ability to develop next-generation therapies and vaccines that complement, harness, and amplify the immune system to defeat cancers and infectious diseases;
- our ability to obtain additional financing to fund our operations and advance the commercialization of our approved product and the development and commercialization of our other product candidates;
- our ability to comply with the terms, conditions, covenants, restrictions, and obligations set forth in the RIPA and related transaction documents;
- our expectations regarding the potential benefits of our Cancer BioShield platform (comprises multiple therapeutic modalities to activate immune response) and our strategy and technology;
- our ability to forecast operating results and make period-to-period comparisons predictive of future performance, including due to the impact of fluctuations in warrant, derivative, and fair value accounting measurement values;
- our expectations regarding the operation and effectiveness of our approved product and product candidates and related benefits;
- our ability to utilize multiple modes to induce cell death in cancers and infectious diseases;
- our beliefs regarding the benefits and perceived limitations of competing approaches, and the future of competing technologies and our industry;
- our beliefs regarding the success, cost and timing of our approved product and product candidate development activities and current and future clinical trials and studies, including study design, the enrollment of patients, and the timing of data readouts related thereto;
- our expectations regarding our ability to utilize the Phase 1/2 aNK, haNK<sup>®</sup>, taNK, and NK-CAR (t-haNK<sup>™</sup>) clinical trials data to support the development of our product candidates, including our NK-CAR (t-haNK), MSC, and M-ceNK<sup>™</sup> product candidates;

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

- our expectations regarding the development, clinical trials timeline, application, commercialization, marketing, prospects and use generally of our product candidates, including hAd5 constructs, and PD-L1 t-haNK and M-ceNK;
- the timing or likelihood of regulatory filings or other actions and related regulatory authority responses in the U.S. and jurisdictions outside of the U.S., including any planned meetings, IND, BLA, NDA or MAA or similar filings or pursuit of accelerated regulatory approval pathways or orphan drug status and *Breakthrough Therapy*, *Fast Track* or RMAT designations and any designation's impact on BLA submission filing or approval timing and or approval probability;
- our ability to successfully address any concerns the FDA may have associated with the sBLA for the BCG-unresponsive NMIBC with papillary tumors indication, and whether or not we will receive a CRL if there is a need for the initiation or design of a new RCT, which we could ultimately be required to complete;
- our ability to implement an integrated discovery ecosystem and the operation of that planned ecosystem, including being able to regularly add neoepitopes and subsequently formulate new product candidates;
- the ability and willingness of strategic collaborators to share our vision and effectively work with us to achieve our goals;
- the ability and willingness of various third parties to engage in research and development activities involving our product or product candidates, and our ability to leverage those activities;
- our ability to enter into and successfully execute on clinical, regulatory and commercial arrangements internationally to accelerate the development and commercialization of ANKTIVA and our other product candidates;
- our expectations regarding the ease of administration associated with our approved product and product candidates;
- our expectations regarding patient compatibility associated with our approved product and product candidates;
- our beliefs regarding the potential markets for our approved product and product candidates and our ability to serve those markets, including the rate and degree of market acceptance of any approved products;
- our ability to produce a cytokine fusion protein, a DNA or recombinant protein vaccine, or a cell therapy;
- our beliefs regarding the potential manufacturing and distribution benefits associated with our approved product and product candidates, and our third-party CMOs' abilities to follow cGMP standards to scale up the production of our approved product and product candidates;
- our plans regarding manufacturing and distribution of our approved product and potential future products, including the enhancement of our in-house manufacturing capabilities;
- our belief in the potential of our cytokine fusion proteins, DNA or recombinant protein vaccines, or cell therapies, and the fact that our business is based upon the success individually and collectively of these platforms;
- our belief regarding the magnitude or duration for additional clinical testing of our cytokine fusion proteins, DNA or recombinant protein vaccines, or cell therapies, along with other product candidate families;
- even if we successfully develop and commercialize specific product candidates, our ability to develop and commercialize our other product candidates either alone or in combination with other therapeutic agents;
- the ability to obtain and maintain regulatory approval of our approved product and to obtain and maintain regulatory approval of any of our other product candidates, and any related restrictions, limitations and/or warnings in the label of any approved product candidate;
- our ability to attract and retain key personnel;

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

- the accuracy of our estimates regarding our future revenue, as well as our future operating expenses, capital requirements and needs for additional financing;
- our ability to obtain, maintain, protect, and enforce patent protection and other proprietary rights for our approved product and our other product candidates, and other technologies in development;
- the terms and conditions of licenses granted to us and our ability to license additional intellectual property relating to our product, product candidates and technology;
- our expectations regarding the results of market access initiatives and coverage under medical reimbursement policies;
- our expectations regarding the abilities of our international partners to drive commercialization of ANKTIVA in the EU and MENA regions;
- the expected shelf life of ANKTIVA drug substance and drug product and availability of product supply;
- our global expansion efforts and the accuracy of our assumptions related to tariffs and government policy changes, including Most-Favored Nation Prescription Drug Pricing;
- any government shutdown or budget disruption, which could adversely affect the U.S. and global economies, and materially and adversely affect our business and/or our future BLA submissions;
- the impact on us, if any, if the CVRs held by former Altor stockholders become due and payable; and
- regulatory developments in the U.S. and foreign countries.

*Forward-looking statements include statements that are not historical facts and can be identified by terms such as “anticipates,” “believes,” “continues,” “goal,” “could,” “estimates,” “scheduled,” “expects,” “intends,” “may,” “plans,” “potential,” “predicts,” “indicate,” “projects,” “seeks,” “should,” “will,” “would,” “strategy,” and variations of such words or similar expressions. and the negatives of those terms. In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. Statements of past performance, efforts, or results of our preclinical and clinical trials, about which inferences or assumptions may be made, can also be forward-looking statements and are not indicative of future performance or results. These statements are based upon information available to us as of the date of this Quarterly Report, and although 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 a thorough inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely upon these statements.*

*Forward-looking statements involve known and unknown risks, uncertainties, and other factors that 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. We discuss these risks in greater detail in Part II, Item 1A. “[Risk Factors](#)” of this Quarterly Report. Given these uncertainties, you should not place undue reliance on these forward-looking statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame. Also, forward-looking statements represent our management’s beliefs and assumptions only as of the date of this Quarterly Report.*

*Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future. You should read this Quarterly Report completely and with the understanding that our actual future results may be materially different from what we expect.*

*ImmunityBio, ImmunityBio Care, ANKTIVA, ThAnktiva, haNK, taNK, ceNK, NK-92, Nant Cancer Vaccine, BioShield (and other BioShield-related trademarks), NANT 001, NANT XL, NANT 001 and Design, QUILT, Outsmart Your Disease, Smart Therapies for Difficult Diseases, NantKwest, VivaBioCell, and Infacell are trademarks or registered trademarks of ImmunityBio, Inc., its subsidiaries and affiliates.*

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

*ANKTIVA has been approved by the U.S. FDA, the UK MHRA, the SFDA, and the ISAF of the Macau Special Administrative Region of the People's Republic of China and has been granted conditional marketing authorization from the EC (EMA) for the EU and Iceland, Liechtenstein, and Norway for use with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors. ANKTIVA has also received conditional approval from the SFDA in combination with checkpoint therapy for adult patients with metastatic NSCLC whose disease has progressed following standard-of-care therapy. Other than as set forth in such specific approved label, our product candidates, including N-803, are investigational agents that are restricted by federal law to investigational use only, and safety and efficacy have not been established by any agency, including, without limitation, the FDA.*

*This Quarterly Report contains references to our products and trademarks and products and trademarks belonging to other entities. Solely for convenience, trademarks and trade names referred to in this Quarterly Report, including logos, artwork, and other visual displays, may appear without the ® or ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other companies' products or trade names or trademarks to imply a relationship with, or endorsement or sponsorship of us, by any other companies.*

*In this Quarterly Report, the terms "ImmunityBio," "the company," "we," "us," and "our" refer to ImmunityBio, Inc. and its subsidiaries.*

## **Our Business**

ImmunityBio, Inc. is a biotechnology company focused on innovating, developing, and commercializing next-generation immunotherapies designed to activate the patient's immune system and deliver durable protection against cancer and infectious diseases. Our approach harnesses both the adaptive and innate immune systems with the goal of restoring immune function and generating lasting immunological memory in patients. At the core of our strategy is the Cancer BioShield platform, which is designed to stimulate critical lymphocytes, including natural killer (NK) cells, cytotoxic T cells, and memory T cells via our proprietary IL-15 superagonist, ANKTIVA. Our Cancer BioShield platform is anchored by this antibody-cytokine fusion protein and is complemented by a portfolio that includes adenovirus-vectored vaccines, allogeneic (off-the-shelf) and autologous NK-cell therapies, and additional immunomodulators intended to promote immunogenic cell death and support durable immune responses while potentially reducing reliance on high-dose chemo-radiation therapy.

ANKTIVA is our lead biological product and a first-in-class IL-15 receptor superagonist antibody-cytokine fusion protein. We are commercializing ANKTIVA for the treatment of BCG-unresponsive NMIBC with CIS, with or without papillary tumors. ANKTIVA has received FDA *Breakthrough Therapy* designation for use in BCG-unresponsive NMIBC with CIS in adult patients, with or without papillary tumors.

ANKTIVA is now approved in the U.S., UK, and Saudi Arabia for BCG-unresponsive NMIBC with CIS, with or without papillary tumors. In February 2026, the European Commission granted conditional marketing authorization in the EU for ANKTIVA for the same indication. In addition, ANKTIVA is conditionally approved in Saudi Arabia, for use in combination with a CPI, for the treatment of adult patients with metastatic NSCLC whose disease has progressed following standard-of-care therapy. The approved labels highlight ANKTIVA's ability to simultaneously activate NK cells, cytotoxic T cells, and memory T cells.

ANKTIVA in combination with our CAR-NK therapy (PD-L1 t-haNK) has received RMAT designation from the FDA for use in combination with standard-of-care chemotherapy/radiotherapy for the reversal of lymphopenia and treatment of multiply relapsed locally advanced or metastatic pancreatic cancer. Separately, the FDA has authorized an EAP for ANKTIVA to treat lymphopenia in adult patients with refractory or relapsed solid tumors, regardless of tumor type, who have progressed following first-line standard-of-care treatment, including chemotherapy, radiation, or immunotherapy. The EAP includes patients with solid tumors who have failed first-line therapy and have a low ALC (ALC <1,000/ $\mu$ L).

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

We are seeking to expand development of ANKTIVA in combination with current standard-of-care therapies across multiple solid and liquid tumor indications including:

- BCG-naïve NMIBC;
- BCG-unresponsive NMIBC with papillary tumors;
- Second-line NSCLC;
- First-line NSCLC;
- Glioblastoma;
- Indolent non-Hodgkin lymphoma, including Waldenström macroglobulinemia;
- Pancreatic cancer;
- Prostate cancer; and
- Ovarian cancer.

In addition, ANKTIVA has been selected by the NCI for evaluation in a cancer prevention study in patients with Lynch syndrome, and we are evaluating the combination of ANKTIVA with other agents in colorectal cancer. The company is also supporting an ongoing EAP for rBCG to help address U.S. supply constraints. We are also establishing or conducting trials in multiple myeloma, HCC, and TNBC.

### **Significant Developments**

The following is a summary of selected significant developments affecting our business that occurred since the filing of our Annual Report dated December 31, 2025 with the SEC on February 23, 2026:

- **Q1 2026 Revenue Growth with Continued Strong Sales Momentum:** \$44.2 million, representing an ~168% year-over-year increase compared with Q1 2025 and up 15% from Q4 2025
- **ANKTIVA Unit Growth:** 168% increase in unit sales volume in Q1 2026 compared to Q1 2025
- **ANKTIVA Regulatory Update:** ANKTIVA is now approved or authorized across five regulatory jurisdictions, representing approximately 34 countries, including first approval in Asia by the ISAF of the Macau Special Administrative Region of the People's Republic of China. Commercial availability achieved within two months of announcing MENA partnership with Biopharma and Cigalah Healthcare.
- **Cash Position:** \$380.9 million in cash, cash equivalents and marketable securities as of March 31, 2026, up from \$242.8 million as of December 31, 2025.
- **Pivotal BCG-Naïve CIS trial (QUILT-2.005):** Fully enrolled, with the IDMC confirming no additional enrollment is required. An sBLA submission is on track for 2026.
- **BCG-Unresponsive NMIBC with Papillary-Only Disease Category 2A NCCN Recommendation:** NCCN Clinical Practice Guidelines in Oncology have been updated to include ANKTIVA plus BCG for patients with BCG-unresponsive NMIBC with papillary-only disease in addition to CIS, with or without papillary tumors. Both recommendations are Category 2A, representing uniform consensus.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

**Pipeline Summary**

| Product Candidate       | Indication                    | Phase            | Status                                                                          |
|-------------------------|-------------------------------|------------------|---------------------------------------------------------------------------------|
| ANKTIVA + BCG           | BCG-unresponsive NMIBC CIS    | Approved         | FDA, MHRA, ISAF and SFDA approval; EU (EMA) conditional marketing authorization |
| ANKTIVA + CPI           | Progressing, metastatic NSCLC | Approved/Phase 3 | SFDA conditional approval                                                       |
| ANKTIVA + BCG           | BCG-naïve NMIBC               | Phase 2B         | Fully enrolled                                                                  |
| ANKTIVA + BCG           | BCG-unresponsive papillary    | sBLA             | Filed in Q1 2026                                                                |
| ANKTIVA + PD-L1 CAR-NK  | Recurrent GBM                 | Phase 2/3        | Registration trial                                                              |
| ANKTIVA + PD-L1 CAR-NK  | Pancreatic cancer             | Phase 2          | RMAT designation                                                                |
| CD19 CAR-NK + rituximab | NHL                           | Phase 1          | QUILT-106                                                                       |
| ANKTIVA                 | Lymphopenia (solid tumors)    | Expanded Access  | FDA EAP authorized                                                              |
| rBCG (Serum Institute)  | NMIBC                         | Expanded Access  | FDA EAP authorized                                                              |
| M-ceNK                  | Solid tumors                  | Phase 1          | Completed                                                                       |
| Ad-HPV                  | HPV                           | Phase 2          | Initiated and enrolling                                                         |

**Cancer BioShield Platform Components Addressing the Immune System**

As of March 31, 2026, our pipeline includes clinical-stage programs in the following indications:

- Bladder Cancer: BCG-unresponsive NMIBC with CIS, with or without papillary tumors (approved), BCG-unresponsive papillary, BCG-naïve NMIBC
- Lung Cancer: Progressing, metastatic NSCLC in combination with CPIs (accelerated conditional approval in Saudi Arabia)
- Lymphopenia: Tumor-agnostic treatment of chemotherapy/radiation-induced lymphopenia (EAP authorized)
- Pancreatic Cancer: Advanced/metastatic disease (RMAT designation)
- Glioblastoma: Recurrent GBM (registration trial)
- Non-Hodgkin Lymphoma: Waldenström macroglobulinemia and other CD19+/CD20+ lymphomas
- Colorectal Cancer/Lynch Syndrome: Cancer prevention in high-risk patients (NCI-sponsored)
- Prostate Cancer: High-risk prostate cancer
- Ovarian Cancer: Platinum-resistant ovarian cancer
- Infectious Diseases: HIV, Long COVID, universal nucleocapsid vaccine
- Apheresis Platform: M-ceNK with cryopreservation and storage

**Collaboration Agreements**

We anticipate that strategic collaborations will continue to be an integral part of our operations, providing opportunities to leverage our partners' expertise and capabilities to gain access to new markets for our approved product and acquire new technologies or further expand the potential of our technologies, approved product and product candidates across relevant platforms. We have initiated strategic commercial partnerships in Europe and the Middle East to expand access to our approved product and expect to continue to form additional commercial partnerships in other regions as our business grows.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

We believe that our innovative approach to orchestrate and combine therapies for optimal immune system response will become a therapeutic foundation across multiple indications. Additionally, we believe that data from multiple clinical trials indicates ANKTIVA has broad potential to enhance the activity of therapeutic monoclonal antibodies, including CPIs, across a wide range of tumor types and potentially rescue lymphopenia by proliferation and activation of NK and T cells. We may also enter into supply arrangements for various investigational agents to be used in our clinical trials. See Part I, Item 1. “*Business—Collaboration and License Agreements*” of our Annual Report filed with the SEC on February 23, 2026 for a more detailed discussion regarding our collaboration and license agreements.

**Agreements with Related Parties**

Our Executive Chairman and Global Chief Scientific and Medical Officer also founded and has a controlling interest in NantWorks, which is a collection of companies in the healthcare and technology space. We have entered into arrangements with NantWorks, and certain affiliates of NantWorks. Affiliates of NantWorks are also affiliates of the company due to the common control by and/or common ownership interest of our Founder, Executive Chairman and Global Chief Scientific and Medical Officer.

*Related-Party Debt*

See [Note 14](#) “*Related-Party Debt*” of the “Notes to Unaudited Condensed Consolidated Financial Statements” that appears in Part I, Item 1. “Financial Statements” of this Quarterly Report for information regarding our related-party debt.

*NantWorks, LLC*

Our Founder, Executive Chairman and Global Chief Scientific and Medical Officer also founded and has a controlling interest in NantWorks, which is a collection of companies in the healthcare and technology space. We have entered into arrangements with NantWorks, and certain affiliates of NantWorks. Affiliates of NantWorks are also affiliates of the company due to the common control by and/or common ownership interest of our Founder, Executive Chairman and Global Chief Scientific and Medical Officer. See [Note 15](#) “*Related-Party Agreements*” of the “Notes to Unaudited Condensed Consolidated Financial Statements” that appears in Part I, Item 1. “Financial Statements” of this Quarterly Report for more information regarding our agreements with NantWorks.

*Immuno-Oncology Clinic, Inc.*

We have entered into multiple agreements with the Clinic to conduct clinical trials related to certain of our product candidates. The Clinic is a related party as it is owned by an officer of the company, and NantWorks manages the administrative operations of the Clinic. See [Note 15](#) “*Related-Party Agreements*” of the “Notes to Unaudited Condensed Consolidated Financial Statements” that appears in Part I, Item 1. “Financial Statements” of this Quarterly Report for more information regarding our agreements with the Clinic.

*Related-Party Leases*

We lease property in multiple facilities across the U.S. and Italy, including facilities located in El Segundo and Culver City, CA that are leased from related parties. See [Note 15](#) “*Related-Party Agreements*” of the “Notes to Unaudited Condensed Consolidated Financial Statements” that appears in Part I, Item 1. “Financial Statements” of this Quarterly Report for more information about our related-party leases.

*Related-Party Warrants*

A total of 1,638,000 warrants issued to an affiliate of Dr. Soon-Shiong with an exercise price of \$3.24 per share were outstanding as of March 31, 2026. See [Note 18](#) “*Stock-Based Compensation*” of the “Notes to Unaudited Condensed Consolidated Financial Statements” that appears in Part I, Item 1. “Financial Statements” of this Quarterly Report for more information regarding the related-party warrants.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

*Contingent Value Rights*

In connection with our 2017 acquisition of Altor, we issued CVRs under which we agreed to pay the prior stockholders of Altor approximately \$304.0 million of contingent consideration upon calendar-year worldwide net sales of ANKTIVA exceeding \$1.0 billion prior to December 31, 2026, with amounts payable in cash or shares of our common stock or a combination thereof. As of March 31, 2026, Dr. Soon-Shiong, our Founder, Executive Chairman and Global Chief Scientific and Medical Officer, and his related party hold approximately \$139.8 million of net sales CVRs. See [Note 11](#) "Commitments and Contingencies" of the "Notes to Unaudited Condensed Consolidated Financial Statements" that appears in Part I, Item 1. "Financial Statements" of this Quarterly Report for more information regarding the CVRs.

**Discussion of Condensed Consolidated Results of Operations**

***Comparison of the Three Months Ended March 31, 2026 and 2025***

|                                                                              | Three Months Ended<br>March 31, |                     |                     |              |
|------------------------------------------------------------------------------|---------------------------------|---------------------|---------------------|--------------|
|                                                                              | 2026                            | 2025                | \$ Change           | % Change     |
|                                                                              | (\$ in thousands)               |                     |                     |              |
| <b>Revenue</b>                                                               |                                 |                     |                     |              |
| Product revenue, net                                                         | \$ 44,167                       | \$ 16,509           | \$ 27,658           | 168 %        |
| Other revenues                                                               | 39                              | 8                   | 31                  | 388 %        |
| Total revenue                                                                | 44,206                          | 16,517              | 27,689              | 168 %        |
| <b>Operating cost and expenses</b>                                           |                                 |                     |                     |              |
| Cost of sales                                                                | 238                             | 58                  | 180                 | 310 %        |
| Research and development (including amounts with related parties)            | 67,989                          | 48,234              | 19,755              | 41 %         |
| Selling, general and administrative (including amounts with related parties) | 45,770                          | 32,654              | 13,116              | 40 %         |
| Total operating costs and expenses                                           | 113,997                         | 80,946              | 33,051              | 41 %         |
| <b>Loss from operations</b>                                                  | (69,791)                        | (64,429)            | (5,362)             | 8 %          |
| <b>Other income (expense), net:</b>                                          |                                 |                     |                     |              |
| Interest and investment income, net                                          | 2,314                           | 887                 | 1,427               | 161 %        |
| Change in fair value of warrant liabilities                                  | (295,413)                       | (448)               | (294,965)           | *            |
| Change in fair value of related-party convertible note                       | (236,625)                       | (42,582)            | (194,043)           | 456 %        |
| Interest expense (including amounts with related parties)                    | (14,593)                        | (15,331)            | 738                 | (5)%         |
| Interest expense related to the revenue interest liability                   | (13,871)                        | (13,534)            | (337)               | 2 %          |
| Change in fair value of derivative liabilities                               | 1,108                           | 5,578               | (4,470)             | (80)%        |
| Other expense, net                                                           | (5,917)                         | (41)                | (5,876)             | *            |
| Total other expense, net                                                     | (562,997)                       | (65,471)            | (497,526)           | 760 %        |
| <b>Loss before income taxes and noncontrolling interests</b>                 | (632,788)                       | (129,900)           | (502,888)           | 387 %        |
| Income tax                                                                   | (9)                             | 234                 | (243)               | (104)%       |
| <b>Net loss</b>                                                              | <u>\$ (632,797)</u>             | <u>\$ (129,666)</u> | <u>\$ (503,131)</u> | <u>388 %</u> |

\* Not meaningful.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

**Revenue*****Product Revenue, Net***

Product revenue, net increased \$27.7 million during the three months ended March 31, 2026, as compared to the three months ended March 31, 2025, due to an increase in sales of ANKTIVA.

***Other Revenues***

Other revenues increased during the three months ended March 31, 2026, as compared to the three months ended March 31, 2025, primarily due to increased bioreactor related consumable product sales, and increased license royalty income.

***Cost of Sales***

Cost of sales increased \$0.2 million during the three months ended March 31, 2026, as compared to the three months ended March 31, 2025. Cost of sales consists primarily of third-party manufacturing, distribution, and overhead costs. All costs associated with the production of ANKTIVA prior to receiving regulatory approval were expensed in *research and development expense*, on the condensed consolidated statement of operations in the period incurred and therefore are not reflected in cost of sales. As a result, our initial product gross margin is higher as our pre-launch inventory costs are not included in the cost of sales. We expect the cost of sales for ANKTIVA to increase in relation to product revenues as we deplete these inventories.

***Research and Development Expense***

Research and development expense consists of expenses incurred while performing research and development activities to expand the approved markets, label, and indications of our approved product ANKTIVA and to discover and develop our technology and product candidates. This includes conducting preclinical studies and clinical trials, manufacturing development efforts, and activities related to regulatory submissions for our approved product and product candidates. We expense research and development costs as they are incurred.

Our research and development expenses primarily consist of:

- clinical trial and regulatory-related costs;
- expenses incurred under agreements with investigative sites, CROs, and consultants that conduct our clinical trials;
- expenses incurred under collaborative agreements;
- manufacturing and testing costs and related supplies and materials;
- employee-related expenses, including salaries, benefits, travel and stock-based compensation; and
- facility and equipment expenses dedicated to research and development.

The company classifies its research and development expenses as either external or internal. The company's external research and development expenses support its various preclinical and clinical programs. The company's internal research and development expenses include payroll and benefits expenses, facilities and equipment expense, and other indirect research and development expenses incurred in support of its research and development activities. The company's external and internal resources are not directly tied to any one research or drug discovery program and are typically deployed across multiple programs and are not allocated to specific product candidates or development programs.

We expect our research and development expenses to increase significantly for the foreseeable future as we continue to invest in research and development activities related to expanding our product into new indications and markets, developing our other product candidates, and conducting our ongoing and planned clinical trials.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

The process of conducting clinical trials necessary to obtain regulatory approval is costly and time consuming. The successful development of product candidates is highly uncertain. At this time, we cannot reasonably estimate the nature, timing or costs required to complete the remaining development of our other product candidates or to expand potential approved markets and indications for ANKTIVA. This is due to the numerous risks and uncertainties associated with the development of product candidates.

The costs of clinical trials may vary significantly over the life of a project owing to, but not limited to, the following:

- per patient trial costs;
- the number of sites included in the clinical trials;
- the countries in which the clinical trials are conducted;
- the length of time required to enroll eligible patients;
- the number of patients that participate in the clinical trials;
- the number of doses that patients receive;
- the cost of comparative or combination agents used in clinical trials;
- the drop-out or discontinuation rates of patients;
- potential additional safety monitoring or other studies or incremental cohorts requested by regulatory agencies;
- potential CRO costs and overhead;
- the duration of patient follow-up; and
- the safety profile and efficacy of the product candidate.

Research and development expense increased \$19.8 million during the three months ended March 31, 2026, as compared to the three months ended March 31, 2025. The following table summarizes our research and development expense during the three months ended March 31, 2026 and 2025, together with the changes in those items (in thousands):

|                                                  | Three Months Ended<br>March 31, |           | \$ Change |
|--------------------------------------------------|---------------------------------|-----------|-----------|
|                                                  | 2026                            | 2025      |           |
| External research and development expenses       | \$ 20,082                       | \$ 5,511  | \$ 14,571 |
| Internal research and development expenses:      |                                 |           |           |
| Personnel-related costs                          | 25,850                          | 23,065    | 2,785     |
| Equipment, depreciation, and facility costs      | 13,588                          | 13,192    | 396       |
| Other research and development costs             | 8,469                           | 6,466     | 2,003     |
| Total internal research and development expenses | 47,907                          | 42,723    | 5,184     |
| Total research and development expense           | \$ 67,989                       | \$ 48,234 | \$ 19,755 |

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

Research and development expense increased \$19.8 million primarily attributable to the following:

- a \$14.6 million increase in external research and development expenses driven by higher clinical trial related costs mainly due to increased fees related to CRO, investigator and lab services, higher consulting fees, contract manufacturing fees, and regulatory expenses;
- a \$2.8 million increase in personnel-related costs, primarily due to higher salaries and benefits driven by increased headcount;
- a \$0.4 million increase in equipment, depreciation, and facility costs, primarily due to higher depreciation and amortization expenses driven by the Dunkirk lease amendment; and
- a \$2.0 million increase in other research and development costs, primarily due to higher manufacturing costs, higher distribution costs, and higher software license fees driven by more production and clinical trial activities, partially offset by fewer supplies and materials purchases.

We expect our research and development expense to increase significantly as we pursue label expansions for ANKTIVA in the U.S. and globally, advance our product pipeline, and execute planned clinical trials.

***Selling, General and Administrative Expense***

Selling, general and administrative expense consists primarily of salaries and personnel-related costs, including employee benefits and any stock-based compensation, for employees performing functions other than research and development. This includes personnel in executive, finance, human resources, information technology, legal, sales and administrative support functions. Other selling, general and administrative expenses include sales and marketing costs, facility-related costs not otherwise allocated to research and development expense, professional fees for auditing, tax and legal services, advertising costs, expenses associated with strategic business transactions and business development efforts, obtaining and maintaining patents, consulting costs, royalties and licensing costs, and costs of our information systems.

We expect that our selling, general and administrative expense will increase for the foreseeable future as we continue commercializing our approved product and expand operations in the U.S. and globally, build out information systems and increase our headcount to support continued research activities and the development of our clinical programs. We have incurred and expect that we will continue to incur in the future, additional costs associated with operating as a public company, including costs to comply with stock exchange listing and SEC requirements, future funding efforts, corporate governance, internal controls, investor relations, disclosure and similar requirements applicable to public companies. Additionally, as we pursue international product sales of our approved product we expect to incur the associated increases in our selling, general and administrative expense. If and when we believe that a regulatory approval of one of our other product candidates appears likely, we expect to incur significant increases in our selling, general and administrative expense related to the sales and marketing of any additional approved product candidates.

Selling, general and administrative expense increased \$13.1 million during the three months ended March 31, 2026, as compared to the three months ended March 31, 2025, primarily attributable to the following:

- an \$8.1 million increase in professional service expenses that was primarily attributable to an increase in legal expenses driven by higher defense costs and litigation settlements, an increase in consulting fees driven by commercialization related services, and an increase in audit and tax fees;
- a \$2.1 million increase in personnel-related costs including salaries and benefits, commissions, recruiting and training expenses, and travel expenses due to growing sales and marketing activities, partially offset by a decrease in stock based compensation;
- a \$1.4 million increase in commercial related expenses that was primarily driven by higher marketing expenses and higher distribution costs as a result of continued commercialization development and sales growth;

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

- a \$0.9 million increase in other expenses that was primarily attributable to a reduction in net shared service benefits, and an increase in depreciation and amortization expenses; and
- a \$0.6 million increase in equipment expenses that was primarily due to increased software license fees, and higher IT equipment purchase costs;

***Other Income (Expense), Net***

Other income (expense), net consists primarily of interest and investment income, interest expense, unrealized gains and losses from investments in equity securities, changes in fair value of warrant liabilities, derivative liabilities, and convertible notes, realized gains and losses on debt and equity securities, warrant issuance costs, write-off of a convertible note receivable, and gains and losses on foreign currency transactions.

Total other expense, net increased \$497.5 million during the three months ended March 31, 2026, as compared to the three months ended March 31, 2025, primarily attributable to the following:

- an increase of \$295.0 million from the change in fair value of warrant liabilities mainly driven by the increase in our common stock price and a corresponding increase in the fair value of the warrant liabilities;
- an increase of \$194.0 million from the change in fair value of a related-party convertible note driven by the revaluation loss of \$236.6 million associated with the increase in our common stock price during the three months ended March 31, 2026, as compared to the loss of \$42.6 million during the three months ended March 31, 2025;
- an increase of \$5.8 million from the change in other expense, net mainly driven by the write-off of our convertible note receivable and all accrued interest, partially offset by a reclassification of cumulative impact from change in fair value of related-party convertible note related to instrument-specific credit risk associated with the partial conversion of the December 2024 Convertible Promissory Note during the three months ended March 31, 2026;
- an increase of \$4.5 million from the change in fair value of derivative liabilities driven by recurring fair value adjustments at the end of each reporting period;
- an increase of \$0.3 million in interest expense related to the revenue interest liability; partially offset by
- an increase of \$1.4 million in interest and investment income, net, driven by a higher outstanding balance of treasury security holdings; and
- a decrease of \$0.7 million in interest expense due to a decreased interest rate.

**Financial Condition, Liquidity and Capital Resources**

***Sources of Liquidity***

From inception through March 31, 2026, we have funded our operations primarily through proceeds from the issuance of related-party promissory notes, sales of common stock under our shelf registration statements, through RDO offerings (including the exercise of associated warrants) and the ATM, RIPA financings, and recently from net product sales associated with ANKTIVA.

***Cash and Marketable Securities on Hand***

As of March 31, 2026, we had cash and cash equivalents, and marketable securities of \$380.9 million compared to \$242.8 million as of December 31, 2025. We have typically invested our cash in a variety of financial instruments and classified these investments as available-for-sale. However, after our entry into the RIPA we can no longer invest our excess funds in corporate or European bonds. Certain of our investments are subject to credit, liquidity, market, and interest-rate risks. The general condition of the financial markets and the economy may increase those risks and may affect the value and liquidity of investments and restrict our ability to access the capital markets.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

*Shelf Registration Statements*

In 2024, we filed a shelf registration statement with the SEC on Form S-3ASR pursuant to which we may, from time to time, sell an indeterminate amount of our common stock, preferred stock, debt securities, depositary shares, warrants, subscription rights, purchase contracts, or units, and an associated prospectus related to the ATM.

During 2023, we filed a \$750.0 million shelf registration statement with the SEC on Form S-3 for the offering and sale of equity and equity-linked securities, including common stock, preferred stock, debt securities, depositary shares, warrants to purchase common stock, preferred stock or debt securities, subscription rights, purchase contracts, and units. This shelf registration statement expired on February 9, 2026.

*At-the-Market Offering*

In 2021, we entered into the ATM under which we may offer and sell, from time to time at our sole discretion, shares of our common stock through our sales agent. In December 2025, we filed a prospectus supplement to our shelf registration statement in connection with entering into an amendment to the ATM to increase the amount available for future stock issuances under the ATM to \$500.0 million. During the three months ended March 31, 2026, we received net proceeds totaling \$102.1 million from the issuance of shares under the ATM. As of March 31, 2026, we had \$395.4 million available for future stock issuances under the ATM.

*Revenue Interest Purchase Agreement*

On March 30, 2026, we entered into a Second Amendment to the RIPA. Pursuant to the amendment, Infinity and Oberland acquired additional revenue interests for a gross purchase price of \$75.0 million (the Third Payment), less \$0.2 million of issuance costs. Of the issuance costs incurred, \$0.1 million was capitalized as debt discount and will be amortized to interest expense over the estimated term of the debt. See [Note 13](#) "Revenue Interest Purchase Agreement" of the "Notes to Unaudited Condensed Consolidated Financial Statements" that appears in Part I, Item 1. "Financial Statements" of this Quarterly Report for more information.

*Exercise of Warrants*

During the three months ended March 31, 2026, institutional holders exercised a total of 17,191,435 warrants pursuant to the April and July 2025 warrant agreements with exercise prices ranging from \$3.101 per share to \$3.240 per share resulting in the issuance of 17,191,435 shares of the company's common stock for proceeds totaling \$53.5 million. As of March 31, 2026, a total of 47,862,136 warrants remain outstanding under the warrant agreements. See [Note 16](#) "Warrant Liabilities" of the "Notes to Unaudited Condensed Consolidated Financial Statements" that appears in Part I, Item 1. "Financial Statements" of this Quarterly Report for more information.

*Partial Conversion of Related-Party Promissory Note*

On March 31, 2026, Nant Capital converted \$25.0 million of the principal of the December 2024 Convertible Promissory Note into 4,606,596 shares of common stock at a conversion price of \$5.4270 per share. See [Note 14](#), "Related-Party Debt" of the "Notes to Unaudited Condensed Consolidated Financial Statements" that appears in Part I, Item 1. "Financial Statements" of this Quarterly Report for more information.

*Stock Purchase and Option Agreement*

On December 29, 2023 and in connection with the RIPA, we entered into a SPOA with Oberland. Under this agreement, Oberland acquired an option to purchase our common stock, at a price per share to be determined by reference to the 30-day trailing volume weighted-average price of our common stock, calculated from the date of exercise. The option is exercisable by Oberland at any time until the earliest of (i) December 29, 2028, (ii) a change of control of the company, or (iii) a sale of substantially all of the company's assets. Among other limitations, the option may only be exercised to the extent that the common stock issuable pursuant to such exercise would not exceed 19.9% of the common stock outstanding immediately after giving effect to such exercise. As of March 31, 2026, approximately \$5.0 million remains available for future exercise under the SPOA.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

**Uses of Liquidity**

In addition to the cash used to fund our operating activities discussed in “[Future Funding Requirements](#)” below, we will require cash to settle the following obligations:

- As of March 31, 2026, our indebtedness payable at maturity is \$480.0 million. This convertible promissory note is held by Nant Capital, an entity affiliated with Dr. Soon-Shiong. In connection with the RIPA, our related-party promissory note is a general unsecured obligation of the company that is subordinated in right of payment to indebtedness, obligations, and other liabilities under the RIPA, the Revenue Interests issued pursuant to such agreement, and refinancing of the foregoing.

Although this promissory note is convertible into shares of common stock at \$5.4270, there can be no assurance that it will be converted or that the company can refinance this promissory note or what terms will be available in the market at the time of any required refinancing. Furthermore, if prevailing interest rates or other factors at the time of refinancing result in higher interest rates upon refinancing, then the interest expense relating to the refinanced indebtedness would increase. These risks could materially adversely affect the company's financial condition, cash flows and results of operations.

- On December 29, 2023, we entered into the RIPA with Infinity and Oberland. Oberland has the right to receive quarterly Revenue Interest Payments from us based on, among other things, our worldwide net sales, excluding those in China, which will be tiered payments initially ranging from 5.625% to 12.50% (before funding of the Third Payment, 4.5% to 10.0%; before funding of the Second Payment, 3.0% to 7.0%), subject to increase or decrease, following December 31, 2029 (the Test Date) depending on whether our aggregate payments made to Oberland as of the Test Date have met or exceeded the Cumulative Purchaser Payments. In addition, if our aggregate payments made as of the Test Date to Oberland do not equal or exceed the amount of the Cumulative Purchaser Payments as of such date, then we are obligated to make a one-time True-Up Payment to Oberland in an amount equal to 100% of the Cumulative Purchaser Payments as of the Test Date, less the aggregate amount of our previous payments to Oberland as of the Test Date. See [Note 13](#) “Revenue Interest Purchase Agreement” of the “Notes to Unaudited Condensed Consolidated Financial Statements” that appears in Part I, Item 1. “Financial Statements” of this Quarterly Report for more information regarding the RIPA.
- In connection with our 2017 acquisition of Altor, we issued CVRs under which we agreed to pay the prior stockholders of Altor approximately \$304.0 million of contingent consideration upon calendar-year worldwide net sales of ANKTIVA exceeding \$1.0 billion prior to December 31, 2026, with amounts payable in cash or shares of our common stock or a combination thereof. As of March 31, 2026, Dr. Soon-Shiong and his related party hold approximately \$139.8 million of net sales CVRs and they have both irrevocably agreed to receive shares of the company's common stock in satisfaction of their CVRs. We may be required to pay the other prior Altor stockholders up to \$164.2 million for their net sales CVRs should they choose to have their CVRs paid in cash instead of common stock. We may need to seek additional sources of capital to satisfy the CVR obligations if they are achieved.
- In connection with our acquisition of VivaBioCell, we are obligated to pay the former owners approximately \$2.3 million of contingent consideration upon the achievement of a regulatory milestone relating to the GMP-in-a-Box technology.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

**Discussion of Condensed Consolidated Cash Flows**

The following discussion of ImmunityBio's cash flows is based on the condensed consolidated statements of cash flows in Part I, Item 1. "Financial Statements" and is not meant to be an all-inclusive discussion of the changes in its cash flows for the periods presented below.

The following table sets forth our primary sources and uses of cash for periods indicated (in thousands):

|                                                                                   | Three Months Ended<br>March 31, |                    |
|-----------------------------------------------------------------------------------|---------------------------------|--------------------|
|                                                                                   | 2026                            | 2025               |
| Cash (used in) provided by:                                                       |                                 |                    |
| Operating activities                                                              | \$ (75,359)                     | \$ (85,905)        |
| Investing activities                                                              | (31,650)                        | 4,129              |
| Financing activities                                                              | 223,926                         | (982)              |
| Effect of exchange rate changes on cash and cash equivalents, and restricted cash | 122                             | (10)               |
| Net change in cash and cash equivalents, and restricted cash                      | <u>\$ 117,039</u>               | <u>\$ (82,768)</u> |

***Operating Activities***

During the three months ended March 31, 2026, net cash used in operating activities of \$75.4 million consisted of a net loss of \$632.8 million and \$0.5 million of cash used in net working capital, partially offset by \$557.9 million in adjustments for non-cash items. The changes in net working capital consisted primarily of an increase of \$5.0 million in inventories, a decrease of \$1.9 million in operating lease liabilities, an increase of \$1.1 million in other assets, and an increase of \$0.7 million in accounts receivable, net, partially offset by an increase of \$3.9 million in accounts payable, an increase of \$3.1 million in accrued expenses and other liabilities, a decrease of \$0.6 million in prepaid expenses and other current assets, and an increase of \$0.6 million with related parties. Adjustments for non-cash items primarily consisted of a \$295.4 million change in fair value of warrant liabilities, a \$236.6 million change in the fair value of a related-party convertible note, \$8.3 million of non-cash interest expense related to the revenue interest liability, \$8.2 million in stock-based compensation expense, a \$7.4 million write-off of a convertible note receivable, \$4.4 million in depreciation and amortization expense, and \$1.7 million in non-cash lease expense related to operating lease right-of-use assets, reduced by \$1.5 million of accretion of discounts on marketable debt securities, \$1.4 million due to a realized gain on instrument-specific credit risk, a \$1.1 million change in the fair value of derivative liabilities, and \$0.1 million in non-cash interest.

During the three months ended March 31, 2025, net cash used in operating activities of \$85.9 million consisted of a net loss of \$129.7 million and \$22.0 million of cash used in net working capital, partially offset by \$65.8 million in adjustments for non-cash items. The changes in net working capital consisted primarily of an increase of \$14.7 million in accounts receivable, net, a decrease of \$12.9 million in accrued expenses and other liabilities, a decrease of \$1.7 million in operating lease liabilities, an increase of \$0.2 million in inventories, and an increase of \$0.1 million in other assets, partially offset by an increase of \$6.4 million in accounts payable, a decrease of \$1.1 million in prepaid expenses and other current assets, and an increase of \$0.1 million with related parties. Adjustments for non-cash items primarily consisted of a \$42.6 million change in the fair value of a related-party convertible note, \$13.3 million of non-cash interest expense related to the revenue interest liability, \$9.5 million in stock-based compensation expense, \$3.8 million in depreciation and amortization expense, \$1.6 million in non-cash lease expense related to operating lease right-of-use assets, a \$0.4 million change in fair value of warrant liabilities, and \$0.3 million in other items, reduced by a \$5.6 million change in the fair value of derivative liabilities, and \$0.1 million in non-cash interest and accretion of discounts on marketable debt securities.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

We have historically experienced negative cash flows from operating activities. Although our net product sales have increased after the FDA approval of ANKTIVA, there can be no assurance these negative cash flows will not continue for the foreseeable future as we accelerate our initiatives which will require significant additional spending.

***Investing Activities***

During the three months ended March 31, 2026, net cash used in investing activities was \$31.7 million, which included cash outflows of \$139.1 million for purchases of marketable debt securities, \$10.0 million cash paid for other equity securities, and \$1.8 million for purchases of property, plant and equipment, partially offset by proceeds of \$119.2 million from maturities and sales of marketable debt securities.

During the three months ended March 31, 2025, net cash provided by investing activities was \$4.1 million, which included proceeds of \$5.3 million from maturities of marketable debt securities, partially offset by cash outflows of \$1.1 million for purchases of property, plant and equipment, and \$0.1 million for purchases of marketable debt securities.

Our investments in property, plant and equipment are primarily related to acquisitions of equipment that will be used for the manufacturing of our approved product and product candidates and expenditures related to the build out of our manufacturing facilities. We expect to accelerate our capital spending as we scale our GMP manufacturing capabilities, which will require significant capital for the foreseeable future.

***Financing Activities***

During the three months ended March 31, 2026, net cash provided by financing activities was \$223.9 million, which consisted of \$102.2 million in net proceeds from equity offerings, \$75.0 million in net proceeds from payments received pursuant to the RIPA, \$53.5 million of proceeds from the exercise of warrants, \$1.0 million in proceeds from the exercise of stock options, and \$0.1 million in proceeds from borrowings, partially offset by \$7.0 million related to net share settlement of vested RSUs for payment of payroll tax withholding and \$0.9 million in principal payments on a premium financing.

During the three months ended March 31, 2025, net cash used in financing activities was \$1.0 million, which consisted of \$1.2 million related to net share settlement of vested RSUs for payment of payroll tax withholding, partially offset by \$0.2 million in proceeds from the exercise of stock options.

***Future Funding Requirements***

ANKTIVA has been approved by the U.S. FDA, the UK MHRA, the SFDA, and the ISAF of the Macau Special Administrative Region of the People's Republic of China and has been granted conditional marketing authorization from the EC (EMA) for the EU and Iceland, Liechtenstein, and Norway for use with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors. ANKTIVA has also received conditional approval from the SFDA in combination with checkpoint therapy for adult patients with metastatic NSCLC whose disease has progressed following standard-of-care therapy. As a result, we have begun to generate revenue, although we expect it to take some time to generate sufficient revenue from our approved product to offset our expenses, and we can provide no assurance when, or if, this will occur.

We began commercial distribution of ANKTIVA in May 2024 and our permanent J-code became effective in January 2025; however, we can provide no assurance with respect to our future U.S. and global revenues, market acceptance, reimbursement from third-party payors, or the profitability of our approved product or any other product candidate for which we may obtain approval. It may also take significant time to generate revenue from our approved product in international markets given uncertainties associated with government policy decisions like Most Favored Nation drug changes enacted in the U.S. We do not expect additional revenue from our other product candidates unless and until we obtain regulatory approval of and commercialize any of our other product candidates, and we do not know when, or if, this will occur. In addition, we expect our operating expenses to significantly increase in connection with our ongoing development activities, particularly as we continue the research, development and clinical trials of, and seek regulatory approval for, our other product candidates. We have also

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

incurred and expect that we will continue to incur in the future additional costs associated with operating as a public company as well as costs related to future fundraising efforts. In addition, subject to obtaining regulatory approval of our other product candidates, we expect to incur significant incremental commercialization expenses for product sales, marketing, manufacturing and distribution. We anticipate that we will need substantial additional funding in connection with our continuing operations.

We expect that our operating expenses will increase substantially if and as we:

- commercialize our approved product in the U.S. and globally;
- continue research and development, including preclinical and clinical development of our other existing product candidates;
- seek regulatory approval of our approved product in incremental markets and indications and potentially seek regulatory approval for our other product candidates;
- seek to discover and develop additional product candidates;
- establish a commercialization infrastructure and scale up our manufacturing and distribution capabilities to commercialize any of our other product candidates for which we may obtain regulatory approval;
- seek to comply with regulatory standards and laws;
- maintain, leverage and expand our intellectual property portfolio;
- hire clinical, manufacturing, scientific and other personnel to support our product candidates' development and future commercialization efforts;
- add operational, financial and management information systems and personnel; and
- incur additional legal, accounting and other expenses in operating as a public company.

As a result of continuing anticipated operating cash outflows as we commercialize our approved product in the U.S. and globally and accelerate our development efforts, we believe that substantial doubt exists regarding our ability to continue as a going concern without additional funding or financial support. However, we believe our existing cash and cash equivalents, and investments in marketable securities; sales of our approved product; capital to be raised through equity offerings, including but not limited to, the offering, issuance and sale by us of our common stock under our Form S-3ASR shelf registration statement; and our potential ability to borrow from affiliated entities will be sufficient to fund our operations through at least the next 12 months following the issuance date of the condensed consolidated financial statements based primarily upon our Founder, Executive Chairman and Global Chief Scientific and Medical Officer's intent and ability to support our operations with additional funds, including loans from affiliated entities, as required, which we believe alleviates such doubt. In addition to funds from the future sales of our approved product, which we expect to take time to establish, we may also seek to sell additional equity, through one or more follow-on public offerings, or in separate financings, or obtain a credit facility, issue other debt in compliance with the terms of the RIPA, or engage in strategic partnership transactions. However, we may not be able to secure such external financing in a timely manner or on favorable terms, if at all. Without additional funds, we may choose to delay or reduce our operating or investment expenditures. Further, because of the numerous risks and uncertainties associated with the development and commercialization of our product candidates, we may need additional funds to meet our needs sooner than planned.

We will need to obtain additional financing to fund our future operations, including completing the commercialization of our approved product and the development and commercialization of our other product candidates. Changing circumstances may cause us to increase our spending significantly faster than we currently anticipate and we may need to raise additional funds sooner than we presently anticipate. Moreover, research and development and our operating costs and fixed expenses such as rent and other contractual commitments, including those for our research collaborations, are substantial and are expected to increase in the future.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

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

- our ability to successfully commercialize ANKTIVA or any future approved products in the U.S. or internationally;
- progress, timing, number, scope and costs of researching and developing our product candidates and our ongoing, planned and potential clinical trials;
- time and cost of regulatory approvals;
- our ability to successfully commercialize any of our other product candidates, if approved and the costs of such commercialization activities;
- revenue from product candidates that we may commercialize, if any, including the selling prices for such potential products and the availability of adequate third-party coverage and reimbursement for patients;
- interest and principal payments on our related-party promissory note, and repayment of Revenue Interests and Test Date payments due under the RIPA;
- cost of building, staffing and validating our own manufacturing facilities in the U.S., including having a product candidate successfully manufactured consistent with FDA and EMA regulations;
- terms, timing and costs of our current and any potential future collaborations, business or product acquisitions, CVRs, milestones, royalties, licensing or other arrangements that we have established or may establish;
- time and cost necessary to respond to technological, regulatory, political and market developments; and
- costs of filing, prosecuting, maintaining, defending and enforcing any patent claims and other intellectual property rights.

Unless and until we can generate a sufficient amount of revenues, we may finance future cash needs through public or private equity offerings, license agreements, debt financings, collaborations, strategic alliances and marketing or distribution arrangements. However, we may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms, or at all.

To the extent that we raise additional capital through the sale of equity or equity-linked securities (including warrants), convertible debt or through our shelf registration statements, or other offerings, or if any of our current debt is converted into equity or if our existing warrants are exercised, your ownership interest will be diluted, and the terms may include liquidation or other preferences that adversely affect your rights as a stockholder. The incurrence of additional indebtedness would result in increased fixed payment obligations and could involve certain restrictive covenants, such as limitations on our ability to incur additional debt, limitations on our ability to acquire or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. 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 and our revenue interest liability may come due. We have no committed source of additional capital and if we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may be required to delay or reduce the scope of or eliminate one or more of our research or development programs or our commercialization efforts. Our current license and collaboration agreements may also be terminated if we are unable to meet the payment obligations under those agreements. As a result, we may seek to access the public or private capital markets whenever conditions are favorable, even if we do not have an immediate need for additional capital at that time.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

**Contractual Obligations**

We have material cash requirements to pay related-party affiliates and third parties under various contractual obligations discussed below:

- We are obligated to make payments to several related-party affiliates under written agreements and other informal arrangements. We are also obligated to pay interest and to repay principal under our related-party promissory note. See [Note 14](#) *"Related-Party Debt"* of the "Notes to Unaudited Condensed Consolidated Financial Statements" that appears in Part I, Item 1. "Financial Statements" of this Quarterly Report for information regarding our financing obligations.
- We are obligated to make payments to Oberland associated with our revenue interest liability, which do not have a fixed repayment schedule. Oberland's right to receive payments under the RIPA shall terminate when Oberland has received maximum payments (including any True-Up Payment) equal to 195.0% of the then Cumulative Purchaser Payments unless the RIPA is terminated prior to such date.

Under the terms of the agreement, prior to the Test Date, every \$100.0 million of worldwide net sales, excluding those in China, of less than or equal to \$600.0 million in a calendar year will result in a tiered Revenue Interest Payment of approximately \$12.5 million or 12.50% (after funding of the Third Payment). Worldwide net sales, excluding those in China, for a calendar year exceeding \$600.0 million will result in a tiered Revenue Interest Payment of approximately \$5.625 million or 5.625% (after funding of the Third Payment) for every \$100.0 million of worldwide net sales, excluding those in China, above the threshold.

In the future, cumulative worldwide net sales, excluding those in China, levels up to the Test Date will determine whether or not we are required to make a True-Up Payment and implement modified payment rates. The amount of the obligation and timing of payment is likely to change. See [Note 13](#) *"Revenue Interest Purchase Agreement"* of the "Notes to Unaudited Condensed Consolidated Financial Statements" that appears in Item 1. "Financial Statements" of this Quarterly Report for more information regarding the RIPA.

- We are obligated to make payments under our operating leases, which primarily consist of facility leases. See [Note 12](#) *"Lease Arrangements"* and [Note 15](#) *"Related-Party Agreements"* of the "Notes to Unaudited Condensed Consolidated Financial Statements" that appear in Part I, Item 1. "Financial Statements" of this Quarterly Report for information regarding our lease obligations.
- In connection with the acquisitions of Altor and VivaBioCell, we are obligated to pay contingent consideration upon the achievement of certain milestones. See [Note 11](#) *"Commitments and Contingencies—Contingent Consideration Related to Business Combinations"* of the "Notes to Unaudited Condensed Consolidated Financial Statements" that appears in Part I, Item 1. "Financial Statements" of this Quarterly Report for information regarding our contingent consideration obligations.
- We have contractual obligations to make payments to related-party affiliates and third parties under unconditional purchase arrangements. See [Note 11](#) *"Commitments and Contingencies—Unconditional Purchase Obligations"* of the "Notes to Consolidated Financial Statements" that appears in Part II, Item 8. "Financial Statements and Supplementary Data" of our Annual Report filed with the SEC on February 23, 2026 for information on these unconditional purchase obligations.
- We have certain unconditional contractual commitments that are expected to be paid depending on the actual progress of build outs, completion of services, or in accordance with the terms of the respective third-party agreements as the payments become due. These are primarily related to capital expenditures and open purchase orders as of March 31, 2026 for the acquisition of goods and services in the ordinary course of business. As of March 31, 2026, the amounts of the contractual commitments that are expected to be paid are \$61.2 million within one year and \$32.2 million for fiscal year 2027 and beyond.

**ImmunityBio, Inc. and Subsidiaries**  
**Management's Discussion and Analysis of Financial Condition and Results of Operations (Continued)**

- In addition, we have conditional contractual commitments that are expected to be paid in fiscal year 2027 and beyond based on the achievement of various development, regulatory and commercial milestones for agreements with third parties. These payments may not be realized or may be modified and are contingent upon the occurrence of various future events, substantially all of which have a high degree of uncertainty of occurring. As of March 31, 2026, the maximum amount that may be payable related to these commitments is \$40.8 million.
- In connection with our leasehold interest in the Dunkirk Facility, we are committed to spend \$0.5 million a year in rent as well as an aggregate of \$55.0 million for capital and operational expenses during the three-year term of the amended lease. We also agreed to meet certain headcount targets by hiring at least 100 full-time employees by the end of the three-year term of the amended lease. If the option to purchase is exercised, we are required to hire at least 450 full-time employees by December 31, 2032 through December 31, 2033; and we are prohibited from conveying the premises for a five-year period without the prior written consent of the counterparties. These amounts are not included in the discussion above. See [Note 11](#) "*Commitments and Contingencies—Dunkirk Facility Leasehold Interest*" of the "Notes to Unaudited Condensed Consolidated Financial Statements" that appears in Part I, Item 1. "Financial Statements" of this Quarterly Report for more information on these obligations.

**Critical Accounting Estimates**

Our discussion and analysis of our financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of condensed consolidated financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities and expenses and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Those estimates can be complex and actual results could differ materially from those estimates. Estimates are assessed each period and updated to reflect current information.

See "*Critical Accounting Estimates*" that appears in Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report filed with the SEC on February 23, 2026 for the accounting policies we believe to be the most critical in understanding the judgments and estimates we use in preparing our condensed consolidated financial statements.

**Recent Accounting Pronouncements**

See Note 2 "*Summary of Significant Accounting Policies*" of the "Notes to Consolidated Financial Statements" that appears in Part II, Item 8. "Financial Statements and Supplementary Data" of our Annual Report filed with the SEC on February 23, 2026 for a discussion of recent accounting pronouncements or changes in accounting pronouncements that are of significance, or potential significance, to us.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.**

Financial market risks related to interest rates, foreign currency exchange rates, market risk on the price and volatility of our common stock, and inflation are described in Part II, Item 7A. “Quantitative and Qualitative Disclosures About Market Risk” of our Annual Report filed with the SEC on February 23, 2026. There have been no material changes to such financial market risks as of the date of this Quarterly Report. We do not currently anticipate any other near-term changes in the nature of our financial market risk exposures or in management’s objectives and strategies with respect to managing such exposures.

### **ITEM 4. CONTROLS AND PROCEDURES.**

#### **Evaluation of Disclosure Controls and Procedures**

Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives of ensuring that information we are required to disclose in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosures, and is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. There is no assurance that our disclosure controls and procedures will operate effectively under all circumstances.

Management, with the participation of our CEO and CFO, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2026. The term “disclosure controls and procedures” (as defined in Rule 13a-15(e) of the Exchange Act) means controls and other procedures of a company that are designed to provide reasonable assurance that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to provide reasonable assurance that information required to be disclosed is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their desired control objectives, and management necessarily is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of March 31, 2026, our CEO and CFO have concluded that, as of March 31, 2026, our disclosure controls and procedures were effective at the reasonable assurance level.

#### **Changes in Internal Control over Financial Reporting**

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the fiscal quarter ended March 31, 2026, that our certifying officers concluded materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

#### **Inherent Limitations on Effectiveness of Controls**

Management recognizes that a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud or error, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

## PART II—OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS.

From time to time, we may be involved in various claims and legal proceedings relating to claims arising out of our operations. We are not currently a party to any legal proceedings that, in the opinion of our management, are likely to have a material adverse effect on our business. If we are served with any such complaints, we will assess at that time any contingencies for which we may need to reserve. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

#### *Shenzhen Beike Biotechnology Co. Ltd. Arbitration*

In 2020, we received a Request for Arbitration before the International Chamber of Commerce, International Court of Arbitration. The arbitration relates to a license, development, and commercialization agreement that Altor entered into with Beike in 2014, which was amended and restated in 2017, pursuant to which Altor granted to Beike an exclusive license to use, research, develop and commercialize products based on ANKTIVA in China for human therapeutic uses. In the arbitration, Beike is asserting a claim for breach of contract under the license agreement. Among other things, Beike alleges that we failed to use commercially reasonable efforts to deliver to Beike materials and data related to ANKTIVA. Beike is seeking specific performance and declaratory relief for the alleged breaches. On September 25, 2020, the parties entered into a standstill and tolling agreement (standstill agreement) under which, among other things, the parties affirmed they will perform certain of their obligations under the license agreement by specified dates and agreed that all deadlines in the arbitration are indefinitely extended. The standstill agreement could be terminated by any party on ten calendar days' notice, and upon termination, the parties had the right to pursue claims arising from the license agreement in any appropriate tribunal. On March 20, 2023, we terminated the standstill agreement, and on April 11, 2023, Beike served an amended Request for Arbitration. We served an Answer and Counterclaims on May 19, 2023. Beike served a Reply to our counterclaims on June 21, 2023. Beike served its Statement of Claim on March 22, 2024, the company served its Statement of Defense and Counterclaim on June 21, 2024, and Beike served its Statement of Defense to the Counterclaim on August 2, 2024. After the parties completed discovery, Beike served its Reply and Defense to Counterclaim on January 17, 2025, we served our Rejoinder and Response to Defense to Counterclaim on March 14, 2025, and Beike served its Rejoinder on Counterclaim on March 28, 2025. The hearing in the arbitration was held from June 9, 2025 through June 13, 2025. Post-hearing submissions concluded in February 2026. It remains too early to evaluate the likely outcome of the case or to estimate any range of potential loss. We believe the claims asserted against the company lack merit.

#### *Carlson Derivative Action*

On November 20, 2024, a shareholder derivative action was filed in the Delaware Court of Chancery against the company's Founder, Executive Chairman, Global Chief Scientific and Medical Officer and principal stockholder, Dr. Soon-Shiong, certain affiliates of Dr. Soon-Shiong, certain other members of management, and members of the company's Board of Directors who serve on the Board of Directors' Related Party Transaction Committee, captioned *Carlson v. Soon-Shiong, et al.*, Case No. 2024-1195-VCL. The plaintiff purports to bring the action derivatively on behalf of ImmunityBio, and ImmunityBio is a nominal defendant to the action. The plaintiff alleges that the previously disclosed September 2023 financing transactions between the company and Dr. Soon-Shiong and his affiliates were not fair to the company. In particular, the plaintiff alleges that the transactions were timed to benefit Dr. Soon-Shiong and his affiliates during a temporary decline in the company's stock price, resulting in an artificially low conversion price for certain convertible promissory notes that were among the transactions, when defendants knew the company's stock price would increase following the company's imminent resubmission of a BLA for, and the subsequent FDA approval of, ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors. The complaint alleges that defendants breached their fiduciary duties by entering into these transactions at that time and on those terms, thereby unjustly enriching Dr. Soon-Shiong and his affiliates. The derivative complaint seeks unspecified damages on behalf of the company, corporate governance changes with respect to related-party transactions, and an award of costs and expenses to the derivative plaintiff, including attorneys' fees. On February 17, 2025, the defendants filed a motion to dismiss the complaint.

On May 2, 2025, instead of filing an opposition to defendants' motion to dismiss, the plaintiff filed an amended complaint. This amended complaint added certain additional members of the company's Board of Directors as defendants but did not add new claims. On July 16, 2025, the defendants filed a motion to dismiss the amended complaint. On February 4, 2026, after complete briefing and oral argument, the court granted the defendants' motion to dismiss. The plaintiff was not provided an opportunity to amend.

### *Washington State Attorney General Investigation*

In June 2025, the company received a request from the Attorney General of the State of Washington (the Request) seeking information and documents from the company relating to its relationship with the Access to Advanced Health Institute, a nonprofit biotech research institute located in Seattle (AAHI). ImmunityBio licensed and explored the development of AAHI's RNA COVID vaccine and upon further investigation of the technology terminated the license. Dr. Soon-Shiong served on the board of directors of AAHI in his capacity as representative of a non-profit foundation. The company is cooperating with the Washington Attorney General's Office with respect to the Request.

### *SRS/Altor Shareholder CVR Arbitration*

In connection with our 2017 acquisition of Altor, we issued CVRs under which we agreed to pay the prior stockholders of Altor approximately \$304.0 million of contingent consideration upon the successful regulatory approval of a BLA by the FDA, or foreign equivalent, for ANKTIVA by December 31, 2022, and \$304.0 million of contingent consideration upon calendar-year worldwide net sales of ANKTIVA exceeding \$1.0 billion prior to December 31, 2026. As of March 31, 2026, Dr. Soon-Shiong, our Founder, Executive Chairman and Global Chief Scientific and Medical Officer, and his related party hold approximately \$139.8 million of FDA approval CVRs and \$139.8 million of net sales CVRs, and they have both irrevocably agreed to receive shares of the company's common stock in satisfaction of their CVRs. Because the FDA did not approve our BLA on or before December 31, 2022, the first CVR milestone was not met.

On December 27, 2022, Shareholder Representative Services, LLC (SRS), in its capacity as shareholder representative on behalf of former Altor BioScience Corp. shareholders, sent the company's subsidiary NantCell a notice of claims relating to the regulatory milestone CVR. The notice of claims asserted that SRS was exploring, and might pursue, claims on behalf of Altor shareholders for additional merger consideration in the amount of the \$2.00 per share milestone payment under the regulatory CVR milestone. The notice stated that any such claim would be based on NantCell's alleged failure to use commercially reasonable efforts to secure FDA approval of ANKTIVA on or before December 31, 2022. In a separate October 2022 letter, SRS requested that NantCell preserve all documents and information relating to its efforts to achieve milestones set forth in the regulatory milestone CVR, and requested that the company provide certain categories of documents under the information-sharing provisions of the CVR agreement.

After the company provided many of the requested documents, on September 29, 2023, SRS filed a demand for arbitration with JAMS, seeking to compel the company to produce additional documents identified in its October 2022 letter relating to its efforts to obtain FDA approval for ANKTIVA. The arbitration demand did not include any claims beyond SRS's claim that it had a right to obtain additional documents, and sought a ruling that the company was obligated to provide additional documents. After the arbitrator issued a preliminary ruling regarding the scope of the company's obligation to provide information under the CVR Agreements, the company produced additional documents responsive to SRS's requests.

On August 27, 2025, several months after SRS's document-access claim had been resolved, SRS requested leave to amend its JAMS arbitration demand to state a claim for breach of contract. SRS's proposed amended demand alleged that the company and NantCell had failed to exercise commercially reasonable efforts to obtain FDA approval of ANKTIVA on or before December 31, 2022. The JAMS arbitrator presiding over the document-access arbitration denied SRS's motion for leave to amend its claims, and on September 26, 2025, the parties filed a joint stipulation asking that the JAMS document-access arbitration be closed.

After SRS's motion for leave to amend was denied, on September 26, 2025, SRS sent the company a further notice of claims and essentially the same arbitration demand, asserting that the company had breached its obligations to exercise commercially reasonable efforts to achieve FDA approval of ANKTIVA on or before December 31, 2022. SRS's arbitration demand seeks relief in the form of payment, in the amount of approximately \$164.2 million plus interest exceeding \$50.0 million, to former Altor shareholders not affiliated with Dr. Soon-Shiong. SRS filed its most recent arbitration demand with JAMS on November 5, 2025. The company filed its response on November 19, 2025, and an arbitrator was appointed on January 16, 2026. The arbitration hearing has been scheduled to begin on January 25, 2027, and the parties are currently engaged in discovery. It remains too early to evaluate the likely outcome of the case or to estimate any range of potential loss. We believe the company exercised commercially reasonable efforts in its pursuit of FDA approval of ANKTIVA, and that the claims asserted against the company lack merit.

### *Securities Class Action*

On March 26, 2026, a putative securities class action complaint, captioned *Douglas v. ImmunityBio, Inc. et al.*, No. 2:26-cv-03261, was filed in the U.S. District Court for the Central District of California against the company and our Executive Chairman, asserting violations of Sections 10(b) and 20(a) of the Exchange Act stemming from the company's receipt of a warning letter from the FDA's OPDP regarding a television advertisement (which never aired) and a podcast interview. The complaint alleges that the statements made in the television advertisement and podcast were knowingly and materially false and misleading. The company intends to defend the case vigorously. The company is unable to estimate a range of loss, if any, that could result were there to be an adverse final decision in this action. If an unfavorable outcome were to occur, it is possible that the impact could be material to the company's results of operations in the period(s) in which any such outcome becomes probable and estimable.

### *Shareholder Derivative Actions*

On April 17, 2026, a shareholder derivative complaint, captioned *Davies v. ImmunityBio, Inc. et al.*, No. 2:26-cv-04130, was filed in the U.S. District Court for the Central District of California. On April 21, 2026, a second derivative complaint, captioned *Mody v. ImmunityBio, Inc. et al.*, No. 2:26-cv-04245, was filed in the same court. Both lawsuits name the company, our Executive Chairman, and every member our Board of Directors as defendants. The plaintiffs, suing derivatively on behalf of ImmunityBio, allege that the company's directors and officers breached their fiduciary duties by making, permitting, or failing to prevent the same alleged misstatements identified in the securities complaint, and that, as a result, the company has suffered financial losses, potential financial exposure in the related securities lawsuit, reputational damage, and legal and regulatory costs.

## ITEM 1A. RISK FACTORS.

*Investing in our securities involves a high degree of risk. You should carefully consider the risks described below, any of which may be relevant to decisions regarding an investment in or ownership of our stock. The occurrence of any of these risks could have a significant adverse effect on our reputation, business, financial condition, results of operations, growth, and ability to accomplish our strategic objectives. We have organized the description of these risks into groupings in an effort to enhance readability, but many of the risks interrelate or could be grouped or ordered in other ways, so no special significance should be attributed to the groupings or order below.*

### Risk Factor Summary

#### Risks Related to Our Financial Condition and Capital Requirements

- We are a biotechnology company with a single approved product and a limited operating history as a commercial company and have many other product candidates at the clinical stage. We have a history of operating losses, and we expect to continue to incur losses and may never be profitable, which, together with our limited operating history, makes it difficult to assess our future viability.
- We anticipate needing additional financing to fund our operations, complete the commercialization of our approved product, including for efforts to obtain approval for additional indications, conduct clinical trials, and develop and commercialize our other product candidates.
- The RIPA imposes Revenue Interest Payment obligations, which may adversely affect our financial position and results of operations, as well as affirmative and negative covenants, which restrict our business operations.
- Our debt and revenue interest liability could adversely affect our cash flows and limit our flexibility to raise additional capital.
- The value of our warrants outstanding and the revenue interest liability are subject to potentially material increases and decreases based on fluctuations in the price of our common stock or projected sales and the probability of specific events, which may affect our results of operations and financial position and could adversely affect our stock price.

#### Risks Related to the Discovery, Development and Commercialization of our Approved Product and our Other Product Candidates

- We are substantially dependent on the successful commercialization of our approved product and the success and regulatory approval of our other product candidates. If we are unable to successfully commercialize our approved product, obtain approval for additional indications, or successfully complete clinical development of, obtain regulatory approval for, or commercialize, our other product candidates, or if we experience delays in doing so, our business will be materially harmed.
- We have limited experience as a commercial company and the sales, marketing, and distribution of our approved product or any future approved products may be unsuccessful or less successful than anticipated.
- We have developed an approved product and are developing other product candidates in combination with other therapies, which expose us to additional risks.

#### Risks Related to Reliance on Third Parties

- We have relied and will continue to rely on third parties and related parties to conduct some of our preclinical studies and clinical trials, manufacture products, and perform many essential services for any products that we commercialize. Any failure by a third party, related party, or us to perform as expected, comply with legal and regulatory requirements, manufacture products in compliance with cGMP, or conduct clinical trials according to GCP guidelines, and in a timely manner, may delay or prevent our ability to commercialize ANKTIVA internationally, to seek or obtain incremental regulatory approvals for ANKTIVA or our other product candidates, or may subject us to regulatory sanctions.
- If third-party manufacturers, wholesalers and distributors fail to perform as expected, or fail to devote sufficient time and resources to our approved product or other product candidates, our clinical development may be delayed, our costs may be higher than expected or our other product candidates may fail to be approved, or we may fail to successfully commercialize our approved product or any other product candidates if approved.

- We use the Clinic, a related party, in some of our clinical trials, which may expose us to significant regulatory risks. If our data for this site is not sufficiently robust or if there are any data integrity issues, we may be required to repeat such studies or contract with other clinical trial sites, which could delay and/or increase the cost of our development plans.
- We have formed, and may in the future form or seek, strategic alliances or enter into collaborations with third parties or additional licensing arrangements, and we may not realize the benefits of such alliances or licensing arrangements. Conflicts may arise between us and our collaborators or strategic partners, and such strategic alliances, collaborations or licensing arrangements may not be successful.

#### **Risks Related to Healthcare and Other Government Regulations**

- While we have one product approved by the U.S. FDA, the UK MHRA, the SFDA, and the ISAF of the Macau Special Administrative Region of the People's Republic of China and have been granted conditional marketing authorization from the EC (EMA) for the EU, we may be unable to obtain additional U.S. or foreign regulatory approval and, as a result, may be unable to commercialize our other product candidates.
- Obtaining and maintaining regulatory approval of our approved product or other product candidates in one jurisdiction does not mean that we will be successful in obtaining regulatory approval in other jurisdictions.
- Even though we have a regulatory approved product, we will continue to be subject to ongoing regulatory requirements concerning it and our other product candidates which may result in significant additional expenses. Additionally, our other product candidates, if approved, could be subject to labeling, promoting and other restrictions, and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our approved product or product candidates.
- If we are unable to establish adequate sales, marketing and distribution capabilities, we may not be successful commercializing our approved product or other product candidates, including in international markets, if and when they are approved.
- Problems related to large-scale commercial manufacturing could cause delays in product launches, an increase in product costs, product recalls or product shortages.

#### **Risks Related to Intellectual Property**

- If we are unable to obtain, maintain, protect and enforce patent protection and other proprietary rights for our approved product, other product candidates, and other technologies in development, we may not be able to compete effectively or operate profitably, and our ability to prevent our competitors from commercializing similar or identical technology would be adversely affected.
- If any of our owned or in-licensed patent applications do not issue as patents in any jurisdiction, we may not be able to compete effectively.
- We or our licensors, collaborators, or any future strategic partners may become subject to third-party claims or litigation alleging infringement of patents or other proprietary rights or seeking to invalidate patents or other proprietary rights, and we may need to resort to litigation to protect or enforce our patents or other intellectual property or the patents or other intellectual property of our licensors, all of which could be expensive, time-consuming and unsuccessful, may delay or prevent the development and commercialization of our approved product and other product candidates, or may put our patents and other proprietary rights at risk.

#### **Risks Related to Our Common Stock**

- Dr. Soon-Shiong, our Founder, Executive Chairman, Global Chief Scientific and Medical Officer and principal stockholder, has significant interests in other companies which may conflict with our interests.
- Dr. Soon-Shiong, through his voting control of the company, has the ability to control actions that require stockholder approval.
- Conversion of related-party promissory notes, exercise of outstanding warrants and options to purchase our common stock, the achievement of the milestone under our outstanding CVRs, and potential additional equity issuances may dilute the ownership interest of existing stockholders or may otherwise depress the price of our common stock.
- The market price of our common stock has been and may continue to be volatile, and investors may have difficulty selling their shares.

## Risks Related to Our Financial Condition and Capital Requirements

***We are a biotechnology company with a single approved product and a limited operating history as a commercial company and have many other product candidates at the clinical stage. We have a history of operating losses, and we expect to continue to incur losses and may never be profitable, which, together with our limited operating history, makes it difficult to assess our future viability.***

We are a biotechnology company with a limited operating history as a commercial company upon which you can evaluate our business and prospects regarding the commercialization of our approved product and we have a broad portfolio of product candidates at various stages of development. Prior to the approval of ANKTIVA for commercial sale, we primarily generated revenues from non-exclusive license agreements related to our cell lines, the sale of our bioreactors and related consumables, and grant programs. The company expects to continue to generate revenue from these programs.

In April 2024, the FDA approved ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors for commercial sale, and we have begun to generate revenue, although we expect it to take some time to generate sufficient revenue from our approved product to offset expenses. We can provide no assurance when, or if, this will occur. We do not expect additional revenue from our other product candidates unless and until we obtain regulatory approval of and commercialize any of such other product candidates, and we do not know when, or if, this will occur. In addition, we have limited experience and have only recently demonstrated an ability to successfully overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields, particularly in the biotechnology industry, including in connection with obtaining marketing approvals, manufacturing a commercial-scale product or arranging for a third party to do so on our behalf, and conducting sales and marketing activities necessary for successful product commercialization. Because of the numerous risks and uncertainties associated with the commercialization of our approved product and other development efforts, we are unable to predict when we may become profitable, if at all.

Since the commencement of our operations, we have incurred significant losses each year, and, as of March 31, 2026, we had an accumulated deficit of \$4.4 billion. We expect to continue to incur significant expenses as we seek to expand our business, including in connection with commercializing our approved product globally, conducting research and development across multiple therapeutic areas, participating in clinical trial activities, continuing to acquire or in-license technologies, maintaining, protecting and expanding our intellectual property, seeking regulatory approvals, increasing our manufacturing capabilities and, upon successful receipt of FDA approval, commercializing our other product candidates. Our net losses may fluctuate significantly from quarter-to-quarter and year-to-year based on these variables. Furthermore, the timing and magnitude of sales of our approved product and other revenues remain uncertain and may take a significant amount of time to materialize. Since ANKTIVA is approved for use with BCG (and currently TICE BCG is the only FDA-approved strain of BCG available in the U.S., except for rBCG available in limited quantities through our agreement with Serum Institute pursuant to an EAP), any shortage or supply chain issues associated with TICE BCG could impact the demand for ANKTIVA and our ability to commercialize our approved product.

We also face risks associated with the shift from development to commercialization of new products based on innovative technologies. Our ability to achieve profitability, if ever, is dependent upon, among other things, obtaining regulatory approvals for additional product candidates and successfully commercializing our approved product, and other product candidates alone or with third parties. However, our operations may not become profitable even with commercial sales of our approved product or other product candidates, even if they are successfully developed, approved and thereafter commercialized. Even if we do become profitable, we may not be able to sustain or increase our profitability on a quarterly or annual basis. As a result, it may be more difficult for you to assess our future viability than it could have been if we had a longer operating history.

***We anticipate needing additional financing to fund our operations, complete the commercialization of our approved product, including for efforts to obtain approval for additional indications, conduct clinical trials, and develop and commercialize our other product candidates. If we are unable to obtain such financing when needed or on acceptable terms, we may be unable to successfully commercialize our approved product or develop and commercialize our other product candidates. If we are unable to obtain such financing when needed or on acceptable terms, we could be forced to delay, limit, reduce, or terminate our development programs, commercialization efforts, and/or other operations.***

The development of biopharmaceutical products, including conducting preclinical studies and clinical trials, is a very time-consuming, expensive and uncertain process that takes years to complete. Our operations have consumed substantial amounts of cash since inception. A significant portion of our funding has been in the form of related-party promissory notes. As of March 31, 2026, such indebtedness was comprised of a \$480.0 million convertible promissory note held by an entity affiliated with Dr. Soon-Shiong.

As of March 31, 2026, we held cash and cash equivalents, and marketable securities totaling \$380.9 million. We will need to obtain additional financing to fund our future operations, including the commercialization of our approved product and the development and commercialization of our other product candidates. Changing circumstances may cause us to increase our spending significantly faster than we currently anticipate and we may need to raise additional funds sooner than we presently anticipate. Moreover, research and development and our operating costs and fixed expenses such as rent and other contractual commitments, including those for our research collaborations, are substantial and are expected to increase in the future.

Unless and until we can generate a sufficient amount of revenue, we may finance future cash needs through public or private equity offerings, license agreements, debt financings, collaborations, strategic alliances or marketing and/or distribution arrangements. However, we may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms, or at all.

To the extent that we raise additional capital through the sale of equity or equity-linked securities (including warrants), convertible debt, our shelf registration statements, or other offerings, or if any of our current debt is converted into equity or if our existing warrants are exercised, your ownership interest will be diluted, and the liquidation or other preferences may adversely affect your rights as a stockholder. If we incur additional indebtedness, our fixed payment obligations will increase, and we may have to comply with certain restrictive covenants that are similar to those associated with the RIPA, such as limitations on our ability to incur additional debt, limitations on our ability to acquire or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. 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, or exercise our Call Option (as defined in the RIPA) to purchase the outstanding revenue interest liability, which will require us to generate a significant amount of cash flow to offset these outflows. We have no committed source of additional capital, and if we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may be required to delay or reduce the scope of or eliminate one or more of our research or development programs or our commercialization efforts. See “[Our payment obligations under the RIPA may adversely affect our financial position and results of operations and our ability to raise additional capital, which in turn may increase our vulnerability to adverse regulatory developments or economic or business downturns](#)” and [Note 13](#) “Revenue Interest Purchase Agreement” of the “Notes to Unaudited Condensed Consolidated Financial Statements” that appears in Part I, Item 1. “Financial Information” of this Quarterly Report for more information. Our current license and collaboration agreements may also be terminated if we are unable to meet the payment obligations under those agreements. As a result, we may seek to access the public or private capital markets whenever conditions are favorable, even if we do not have an immediate need for additional capital at that time.

***Our payment obligations under the RIPA may adversely affect our financial position and results of operations and our ability to raise additional capital, which in turn may increase our vulnerability to adverse regulatory developments or economic or business downturns.***

On December 29, 2023, we entered into the RIPA with Infinity and Oberland. Pursuant to the RIPA, Oberland acquired certain Revenue Interests from us for a gross purchase price of \$200.0 million paid on closing, less certain transaction expenses. In addition, on May 13, 2024, Oberland purchased additional Revenue Interests from us in exchange for a \$100.0 million Second Payment, which we requested upon satisfaction of certain conditions specified in the RIPA, including the receipt of approval from the FDA of our BLA for ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors on or before June 30, 2024. On March 30, 2026, we entered into an amendment to the RIPA providing for the sale of additional Revenue Interests to Oberland for a gross purchase price of \$75.0 million (the “Third Payment”). In consideration for the aforementioned payments, Oberland has the right to receive quarterly Revenue Interest Payments from us based on, among other things, our worldwide net sales, excluding those in China, which are tiered payments ranging from 5.625% to 12.50% (before funding of the Third Payment, 4.50% to 10.00%), subject to increase or decrease, following December 31, 2029 depending on whether the aggregate payments made to Oberland as of that date met or exceeded the Cumulative Purchaser Payments (as defined in the RIPA). In addition, if the aggregate payments to Oberland as of December 31, 2029 do not equal or exceed the amount of the Cumulative Purchaser Payments, then we are obligated to make a one-time payment to Oberland in an amount equal to 100% of the Cumulative Purchaser Payments, less the aggregate amount of our previous payments to Oberland as of December 31, 2029 (the True-Up Payment, as defined in the RIPA). See [Note 13](#) “Revenue Interest Purchase Agreement” of the “Notes to Unaudited Condensed Consolidated Financial Statements” that appears in Part I, Item 1. “Financial Information” of this Quarterly Report for more information.

The RIPA and our payment obligations to Oberland could have important negative consequences to holders of our securities. For example, a portion of our cash flow from operations will be needed to make required payments to Oberland and will not be available to fund future operations.

Payment requirements under the RIPA will increase our cash outflows. Our future operating performance is subject to market conditions and business factors that are beyond our control. If our cash inflows and capital resources are insufficient to allow us to make required payments, we may have to reduce or delay capital expenditures, sell assets or seek additional capital. If we raise funds by selling additional equity, such sales will result in dilution to our stockholders. There is no assurance that if we are required to secure funding we can do so on terms acceptable to us, or at all. Failure to pay amounts owed to Oberland when due would result in a default under the RIPA and could result in foreclosure on all or substantially all of our assets, which would have a material adverse effect on our financial condition and business operations.

***The RIPA contains affirmative and negative operational covenants and events of default, which may prevent us from capitalizing on business opportunities and taking some corporate actions and give rise to a Put Option in favor of Oberland, which could have a material adverse effect on our financial condition and business operations.***

The RIPA contains affirmative and negative covenants and events of default, including covenants and restrictions that, among other things, restrict our ability to incur liens, incur additional indebtedness, make loans and investments, enter into transactions with affiliates, engage in mergers and acquisitions, engage in asset sales and exclusive licensing arrangements, and declare dividends to our stockholders, in each case, subject to certain exceptions set forth in the RIPA. Additionally, Oberland has a Put Option enabling them to terminate the RIPA and to require the company to repurchase the Revenue Interests upon enumerated events such as a bankruptcy event, failure to make a payment under the RIPA, an uncured material breach, default on certain third-party agreements, a breach or default under any subordination agreements with respect to indebtedness to existing stockholders, any right to repurchase or accelerate debt instruments like permitted convertible notes, existing stockholder indebtedness, or subordinated notes during certain time periods, judgments in excess of certain amounts against us, a material adverse effect, the loss of regulatory approval of our approved product, or a change of control. The triggering of the Put Option, including by our failure to comply with these covenants, would permit Oberland to declare certain amounts to be immediately due and payable. If we were to default under the terms of the RIPA, including by failure to make such accelerated payments, Oberland could exercise remedies, including initiating foreclosure proceedings against all or substantially all of our assets. Oberland’s right to repayment is senior to the rights of the holders of our common stock. Any triggering of the Put Option or other declaration by Oberland of an event of default under the RIPA could significantly harm our financial condition, business and prospects and could cause the price of our common stock to decline.

***Our debt and revenue interest liability could adversely affect our cash flows and limit our flexibility to raise additional capital.***

We have a significant amount of debt and a revenue interest liability and may need to incur additional debt to support our growth. As of March 31, 2026, our indebtedness was comprised of a \$480.0 million convertible promissory note held by an entity affiliated with Dr. Soon-Shiong and a revenue interest liability with Oberland under the RIPA in excess of \$404.3 million. The total amount paid to Oberland depends on when we repay this debt, and is up to an overall cap of 195.0% of the Cumulative Purchase Payments as defined under the RIPA. See [Note 13](#) “Revenue Interest Purchase Agreement” of the “Notes to Unaudited Condensed Consolidated Financial Statements” that appears in Part I, Item 1. “Financial Information” of this Quarterly Report for more information.

Our substantial amount of debt could have important consequences and could:

- Our substantial amount of debt could have important consequences and could:
- require us to dedicate a substantial portion of our cash and cash equivalents to make interest and principal payments on our debt and revenue interest liability payments, reducing the availability of our cash and cash equivalents and cash flow from operations to fund future capital expenditures, working capital, execution of our strategy and other general corporate requirements;
- increase our cost of borrowing and even limit our ability to access additional debt to fund future growth;
- increase our vulnerability to general adverse economic and industry conditions and adverse changes in governmental regulations;
- limit our flexibility in planning for, or reacting to, changes in our business and industry, which may place us at a disadvantage compared with our competitors; and
- limit our ability to borrow additional funds, even when necessary to maintain adequate liquidity, which would also limit our ability to further expand our business.

The occurrence of any of the foregoing factors could have a material adverse effect on our business, results of operations and financial condition.

There can be no assurance that we can refinance the related-party promissory note or revenue interest liability or what terms will be available in the market at the time of refinancing. Furthermore, if prevailing interest rates or other factors at the time of refinancing result in higher interest rates upon refinancing, then the interest expense relating to the refinancing would increase. These risks could materially adversely affect our financial condition, cash flows and results of operations.

***The value of our warrants outstanding and the revenue interest liability are subject to potentially material increases and decreases based on fluctuations in the price of our common stock or projected sales and the probability of specific events, which may affect our results of operations and financial position and could adversely affect our stock price.***

In connection with our RDO transactions in the years ended December 31, 2023 and December 31, 2025, we entered into warrant agreements with certain institutional investors that allow such investors to purchase up to an aggregate total of 87,296,311 shares of our common stock, with exercise prices ranging from \$3.1010 to \$3.2946 per share. As of March 31, 2026, 47,862,136 warrants were exercisable with expiration dates ranging from July 24, 2026 to July 28, 2030.

We account for the warrants as derivative instruments, and changes in the fair value of the warrants are included in *other income (expense), net*, on the consolidated statement of operations for each reporting period. As of March 31, 2026, the fair value of warrant liabilities included in the consolidated balance sheet was \$308.2 million. We use the Black-Scholes option pricing model to determine the fair value of the warrants. As a result, the valuation of these derivative instruments is subjective, and the Black-Scholes option pricing model requires the input of subjective assumptions, including the expected stock price volatility and probability of a fundamental transaction (a strategic merger or sale). Changes in these assumptions can materially affect the fair value estimate. We could, at any point in time, ultimately incur amounts different than the carrying value, which could have a significant impact on our results of operations and financial position.

We account for the revenue interest liability as a liability, net of a debt discount comprised of deferred issuance costs, the fair value of a freestanding option agreement related to the SPOA, and the fair value of embedded derivatives requiring bifurcation on the consolidated balance sheet. The company imputes interest expense associated with this liability using the effective interest rate method. The effective interest rate is calculated based on the rate that would enable the debt to be repaid in full over the anticipated life of the arrangement. Interest expense is recognized over the estimated term on the consolidated statement of operations. The interest rate on the liability and the underlying value of the bifurcated embedded derivative may vary during the term of the agreement depending on a number of factors, including the level of actual and forecasted net sales, and in the case of the derivative, specific probabilities associated with RIPA Put/Call events or Test Date payments underlying our Monte Carlo Simulation valuation technique. The company evaluates the interest rate quarterly based on actual and forecasted net sales utilizing the prospective method. A significant increase or decrease in actual or forecasted net sales will materially impact the revenue interest liability and/or the bifurcated embedded derivative, interest expense, and the time period for repayment.

Fluctuations in warrant, revenue interest liability, and derivative values, and changes in the assumptions and factors used in the model may impact our operating results, making it difficult to forecast our operating results and making period-to-period comparisons less predictive of future performance. In one or more future quarters, our results of operations may fall below the expectations of securities analysts and investors. In that event, the market price of our common stock could decline. In addition, the market price of our common stock may fluctuate or decline regardless of our operating performance.

***Changes in the fair value of our convertible promissory note could have a material effect on our reported financial results.***

We entered into a second amended and restated promissory note with Nant Capital on December 10, 2024 in connection with an equity offering. Pursuant to the terms of the second amended and restated promissory note, Tranche 1 of the prior promissory note (the December 2023 Promissory Note) with a principal amount of \$125.0 million and Tranche 2 of the December 2023 Promissory Note with a principal amount of \$380.0 million were combined into one convertible promissory note with an original principal amount of \$505.0 million.

The December 2024 Convertible Promissory Note was accounted for as part of a debt extinguishment in accordance with ASC 470-50 as the terms of the December 2024 Convertible Promissory Note were substantially different than the terms of the December 2023 Promissory Note. The company elected the fair value option of accounting under ASC 825 for the December 2024 Convertible Promissory Note. As a result of the fair value option election, the December 2024 Convertible Promissory Note and the embedded derivative were accounted for as a single instrument in accordance with ASC 815. Changes in fair value of the December 2024 Convertible Promissory Note are recorded as a component of *other income (expense), net*, on the consolidated statement of operations. There is no current observable market for the December 2024 Convertible Promissory Note and, as such, we determined the fair value by using the binomial lattice model with key assumptions including an expected market yield, an expected volatility, and a risk-free rate. The changes in fair value of the December 2024 Convertible Promissory Note may have a substantial effect and may have a negative impact on our statement of financial position and statement of operations. It is difficult to predict the effect on our future financial results as the significant inputs are outside of our control.

***We invest our cash on hand in various financial instruments which are subject to risks that could adversely affect our business, results of operations, liquidity and financial condition.***

We have typically invested our cash in a variety of financial instruments, including investment-grade short- to intermediate-term corporate debt securities, government-sponsored securities and European bonds; however, after our entry into the RIPA, we can no longer invest our excess funds in corporate or European bonds. Certain of our investments are subject to credit, liquidity, market, and interest rate risk. Such risks, including the failure or severe financial distress of the financial institutions that hold our cash and cash equivalents, and investments, may result in a loss of liquidity, impairment to our investments, realization of substantial future losses, or a complete loss of the investments in the long-term, which may have a material adverse effect on our business, results of operations, liquidity and financial condition. To manage the risk to our investments, we maintain an investment policy that, among other things, limits the amount that we may invest in any one issue or any single issuer and requires us to only invest in high credit quality securities to preserve liquidity.

***Our ability to use NOLs and research and development credits to offset future taxable income may be subject to certain limitations.***

In general, under Sections 382 and 383 of the Code, a corporation that undergoes an ownership change is subject to limitations on its ability to utilize its pre-change NOLs or credits to offset future taxable income or taxes. For these purposes, an ownership change generally occurs when the aggregate stock ownership of one or more stockholders or groups of stockholders who own at least 5% of a corporation's stock increases its ownership by more than 50 percentage points over its lowest ownership percentage within a specified testing period ("ownership change"). We have not conducted a complete study to assess whether an ownership change has occurred or whether there have been multiple ownership changes since inception due to the significant complexity and cost associated with such a study. If we have experienced an ownership change, as defined by Section 382, at any time since inception (including as a result of the March 2021 merger which pursuant to which NantKwest and NantCell combined their businesses), utilization of the NOL carryforwards or research and development tax credit carryforwards would be subject to an annual limitation under Section 382. Any limitation may result in expiration of a portion of the NOL carryforwards or research and development tax credit carryforwards before utilization. In addition, our NOLs or credits may also be impaired under state law. Accordingly, we may not be able to utilize a material portion of our NOLs or credits.

Since we will need to raise substantial additional funding to finance our operations, we may experience further ownership changes in the future, some of which may be outside of our control. Limits on our ability to use our pre-change NOLs or credits to offset U.S. federal taxable income could potentially result in increased future tax liability to us if we earn net taxable income in the future. In addition, under the legislation commonly referred to as the TCJA, as modified by the Coronavirus Aid, Relief, and Economic Security Act, the amount of NOLs generated in taxable periods beginning after December 31, 2017, that we are permitted to deduct in any taxable year beginning after December 31, 2020 is limited to 80% of our taxable income in such year, where taxable income is determined without regard to the NOL deduction itself. The TCJA allows post-2017 unused NOLs to be carried forward indefinitely. Similar rules apply under state tax laws. In addition, some states may suspend the use of NOL carryovers (e.g., as California has done for taxable years 2024 through 2026) that may result in state taxable income and liabilities.

***Our transfer pricing policies may be subject to challenge by the Internal Revenue Service or other taxing authorities.***

Our intercompany relationships are subject to complex transfer pricing regulations administered by taxing authorities in various jurisdictions. The relevant tax authorities may disagree with our determinations as to the value of assets sold or acquired or income and expenses attributable to specific jurisdictions. If such a disagreement were to occur, and our position were not sustained, we could be required to pay additional taxes, interest and penalties, which could result in one-time tax charges, higher effective tax rates, reduced cash flows, and lower overall profitability of our operations. We believe that our consolidated financial statements reflect adequate reserves to cover such a contingency, but there can be no assurances in that regard.

***Unanticipated changes in effective tax rates or adverse outcomes resulting from new tax statutes or regulations, examination of our income or other tax returns could expose us to greater than anticipated tax liabilities.***

The tax laws applicable to our business, including the laws of the U.S. and other jurisdictions, are subject to change, interpretation and certain jurisdictions may aggressively interpret their laws to raise additional tax revenue. It is possible that tax authorities may disagree with certain positions we have taken, are currently taking or will take, and any adverse outcome of such a review or audit could have a negative effect on our financial position and results of operations. Further, the determination of our provision for income taxes and other tax liabilities requires significant judgment by management, and there are transactions where the ultimate tax determination is uncertain. Although we believe that our estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded on the consolidated financial statements and may materially affect our financial results in the period or periods for which such determination is made.

In addition, tax laws are dynamic and subject to change as new laws are passed and new interpretations of the law are issued or applied. For example, in August 2022, the U.S. enacted the IRA, which imposes a 15% minimum tax on the adjusted financial statement income of certain large corporations, as well as a 1% excise tax on corporate stock repurchases by publicly traded companies. Additionally, for taxable years beginning on or after January 1, 2022, the Code eliminated the right to deduct research and development expenditures currently and requires taxpayers to capitalize and amortize U.S. and foreign research and

development expenditures over 5 and 15 tax years, respectively. However, on July 4, 2025, the U.S. enacted federal tax legislation commonly referred to as the OBBB Act, that revised these rules and permitted the deduction of certain U.S. research and development expenditures incurred in tax years beginning on or after January 1, 2025, while expenditures attributable to research and development conducted outside the U.S. must continue to be capitalized and amortized over a 15-year period. The OBBB Act additionally made changes to the calculation and deductibility of global intangible low-taxed income (renamed Net CFC Tested Income) and foreign-derived intangible income (renamed Foreign-Derived Deduction Eligible Income), in each case, a portion of which is generally deductible for U.S. federal income tax purposes for corporate taxpayers. We have evaluated the impact of the OBBB Act and estimated that the impact to our tax liabilities will not be adverse. Further updates, as well as any other changes to tax laws that are enacted, could adversely affect our tax liability.

The OECD also has proposals regarding the implementation of global minimum tax of at least 15% for multinationals with global revenue exceeding certain thresholds, known as “Pillar Two.” Although these rules are not currently applicable to us, we operate in participating countries that have implemented or are expected to implement these rules. On January 5, 2026, however, the OECD announced a “side-by-side” elective safe harbor that would exempt electing U.S.-parented multinational entities from the 15% global minimum tax for taxable years beginning on or after January 1, 2026. Currently, our expectation is that the Pillar Two structure will not have an adverse effect on the company’s operations outside the U.S. unless the safe harbor is eliminated.

### **Risks Related to the Discovery, Development and Commercialization of our Approved Product and our Other Product Candidates**

***We are substantially dependent on the successful commercialization of our approved product and the success and regulatory approval of our other product candidates. If we are unable to successfully commercialize our approved product, obtain approval for additional indications, or successfully complete clinical development of, obtain regulatory approval for, or commercialize, our other product candidates, or if we experience delays in doing so, our business will be materially harmed.***

Now that we have received FDA approval for ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors, we have begun to generate revenue, although we expect it to take some time to generate sufficient revenue from our approved product to offset our expenses, and we can provide no assurance when, or if, this will occur. We began commercial distribution of our approved product in May 2024; however, we can provide no assurance with respect to our future revenues, both in terms of amounts and pace, market acceptance, reimbursement from third-party payors, or the profitability of our approved product or any other product candidate for which we may obtain approval. We are required to comply with certain post-marketing commitments, including completion of our QUILT-3.032 clinical trial and annual reporting for up to four years, with a final report submission to FDA by the end of 2029. Our business currently depends heavily on our ability to successfully commercialize ANKTIVA or any future approved products in the U.S. or internationally where we may obtain marketing approval. We may never be able to successfully commercialize our approved product or meet our, or analysts or other third parties’ expectations with respect to revenues. There is no guarantee that the infrastructure, systems, processes, policies, relationships, and materials we have built for the launch and commercialization of our approved product in the U.S. or elsewhere will be sufficient for us to achieve success at the levels we expect.

We may encounter issues and challenges in commercializing our approved product and generating substantial revenues. We may also encounter challenges related to reimbursement of our approved product, including potential limitations in the scope, breadth, availability, or amount of reimbursement covering our approved product. Similarly, healthcare settings or patients may determine that the financial burdens of treatment are not acceptable and as a result physicians may be reluctant to recommend our approved product to their patients. We may face other limitations or issues related to the price of our approved product. Our results may also be negatively impacted if we have not adequately sized our field teams or our physician segmentation and our targeting strategy is inadequate or if we encounter deficiencies or inefficiencies in our infrastructure or processes. Other factors that may hinder our ability to successfully commercialize approved product, or any of our other product candidates if or when approved and generate substantial revenues, include:

- the acceptance of our approved product by patients and the medical community, including industry groups and third-party payors;

- the ability of our third-party manufacturer(s) to manufacture commercial supplies of our approved product at acceptable costs, to remain in good standing with regulatory agencies, and to maintain commercially viable manufacturing processes that are, to the extent required, compliant with cGMP regulations;
- our ability to remain compliant with laws and regulations that apply to us and our commercial activities;
- FDA-mandated package-insert requirements and successful completion of FDA post-marketing requirements;
- the actual market size for our approved product, which may be different than expected;
- the length of time that patients who are prescribed our drug remain on treatment;
- our ability to obtain and maintain marketing approval for our approved product outside of the U.S.;
- the sufficiency of our drug supply to meet commercial and clinical demands, which could be negatively impacted if our projections regarding the potential number of patients are inaccurate, we are subject to unanticipated regulatory requirements, or our current drug supply is destroyed, or negatively impacted at our manufacturing sites, storage sites, or in transit;
- the availability of reimbursement for our approved product and physicians' understanding regarding the same;
- our ability to effectively compete with other therapies that may emerge for the treatment of bladder cancer; and
- our ability to maintain, enforce, and defend third party challenges to our intellectual property rights in and to our approved product or any of our other product candidates.

Any of these issues could impair our ability to successfully commercialize our approved product or to generate substantial revenues or profits or to meet our expectations with respect to the amount or timing of revenues or profits. Any issues or hurdles related to our commercialization efforts may materially adversely affect our business, results of operations, financial condition, and prospects. There is no guarantee that we will be successful in our launch or commercialization efforts with respect to our approved product. We may also experience significant fluctuations in sales of our approved product from period to period and, ultimately, we may never generate sufficient revenues from our approved product to reach or maintain profitability or sustain our anticipated levels of operations. Any inability on our part to successfully commercialize our approved product in the U.S., and any other international markets where it may subsequently be approved, or any significant delay, could have a material adverse impact on our ability to execute upon our business strategy.

In addition, while we have pursued additional regulatory submissions in the first quarter of 2026, such as a refiling of our sBLA after a submission in 2025 for BCG-unresponsive NMIBC patients in the papillary indication as discussed below, and are pursuing and anticipating certain additional regulatory submissions in 2026 and beyond following ongoing discussions with the FDA and other international regulatory agencies, the regulatory review process is dynamic and highly uncertain. Even if we are able to prepare and submit these regulatory submissions on the anticipated timeline, there can be no assurance that the FDA will accept the BLAs and other regulatory submissions for filing and review, and there can be no assurance that the FDA will ultimately approve such BLAs and submissions if accepted for filing and review.

For example, on May 2, 2025, we received an RTF letter from the FDA for the sBLA we submitted for use of ANKTIVA plus BCG in BCG-unresponsive NMIBC for the indication of papillary disease stating that an RCT and an initial Pediatric Study Plan were required. We believed the RTF letter to be inconsistent with guidance received from members of FDA leadership during a January 2025 meeting to submit the sBLA based on the single-arm QUILT-3.032 trial, and notwithstanding this guidance, the FDA maintained that an RCT against chemotherapy was required at a June 2025 meeting held to discuss the RTF letter. We provided certain new data at the meeting.

After a series of productive meetings, a December 2025 Type B meeting with senior FDA officials was held. Topics included current standards of care, challenges associated with chemotherapy, patient management considerations, and perspectives on the interpretation of the company's data. BCG-unresponsive disease remains a serious condition, with risks of progression to muscle-invasiveness disease, higher mortality, and limited bladder-sparing treatment options for patients. After the meeting, the Agency recommended submitting certain additional information to support a filing and review of the sBLA. The company compiled the requested information and submitted the data to the Agency in February 2026 and shortly thereafter refiled the sBLA. There can be no assurance that we will be successful in our efforts to resolve the RTF letter with the FDA and/or that our sBLA, or any newly submitted sBLA or BLA, will be accepted for filing and review in this indication in a timely manner, or at all, without the need to conduct a new RCT prior to submission, or that we will ultimately receive approval even if it is accepted for filing. Further, FDA's "real-time" release of newly issued CRLs, if applicable to any of our product candidates, could materially impact our competitive advantage and intellectual property.

Further, we have invested a significant portion of our efforts and financial resources in the development of ANKTIVA, our novel antibody-cytokine fusion protein, and our other product candidates, second-generation hAd5 vaccine candidates, and our NK cell therapy candidates. Our other product candidates will require additional clinical and non-clinical development, regulatory approval, commercial manufacturing arrangements, enhancement of our commercial organization and service providers, significant marketing efforts, and further investment before we can generate any revenue from the sale of these other potential products. We expect to invest heavily in our other current product candidates and in any future product candidates that we may develop. Our product candidates are susceptible to the risks of failure inherent at any stage of product development, including the appearance of unexpected adverse events or failure to achieve primary endpoints in clinical trials. Furthermore, we cannot assure you that we will meet our timelines for current or future clinical trials, including post-market study requirements for our approved product, which may be delayed or not completed for a number of reasons. Additionally, our ability to generate revenues from our approved product and any other combination therapy products will depend on the availability of the other therapies used in combination therewith, including BCG, with which our approved product and other product candidates are intended to be used. In particular, there has been a shortage of TICE BCG in the U.S. According to the American Urological Association, Merck & Co., Inc. is the sole manufacturer and supplier of TICE BCG in the U.S. and many other countries around the world. Increasing demand for BCG has led to U.S. supply constraints for TICE BCG, which has provided a market headwind in our ongoing commercial launch activities and which could materially impact the demand for our approved product and our ability to commercialize our approved product, and our efforts to introduce an alternative source of BCG in connection with our collaboration with Serum Institute may not ultimately be successful in addressing this supply shortage.

***We have limited experience as a commercial company and the sales, marketing, and distribution of our approved product or any future approved products may be unsuccessful or less successful than anticipated.***

We recently began commercializing our approved product in the U.S. As a company, we have no prior experience commercializing a product. The success of our commercialization efforts for our approved product and any future approved products is difficult to predict and subject to the effective execution of our business plan, including, among other things, the continued development of our internal and external sales, marketing, and distribution capabilities and our ability to navigate the significant expenses and risks involved with the development and management of such capabilities.

For example, we have hired and contracted for service providers in areas to support commercialization, including in sales management, sales representatives, marketing, access and reimbursement, sales support, and distribution. There are significant expenses and risks involved with establishing and maintaining our sales, marketing, and distribution capabilities, including our ability to hire or contract, retain, and appropriately incentivize qualified individuals, provide adequate training to sales and marketing personnel, and effectively manage geographically dispersed sales and marketing teams to generate sufficient demand. Any failure or delay in the development and maintenance of these capabilities could delay or negatively affect the success of our commercialization efforts and our business. For example, the commercialization of our approved product may not develop as planned or anticipated, which may require us to, among others, adjust or amend our business plan and incur significant expenses.

Further, given our lack of experience commercializing products, we do not have a track record of successfully executing on the commercialization of an approved product. If we are unsuccessful in accomplishing our objectives and executing on our business plan, or if the commercialization of our approved product does not develop as quickly as planned, or any future approved products does not develop as planned, we may require significant additional capital and financial resources, we may not become profitable, and we may not be able to compete against more established companies in our industry.

***We have developed an approved product and are developing other product candidates in combination with other therapies, which expose us to additional risks.***

We have developed an approved product and are developing other product candidates in combination with one or more other therapies. We are studying ANKTIVA therapy along with other products and product candidates, such as BCG, CPIs, hAd5 tumor-associated antigens, PD-L1 t-haNK, and M-ceNK. Since we have developed a product, or if we choose to develop other products for use in combination with an approved therapy, we are subject to the risk that the FDA, EMA or comparable foreign regulatory authorities in other jurisdictions could revoke approval of, or that safety, efficacy, manufacturing or supply issues could arise with the therapy used in combination with our approved product or our other product candidates. In particular, supply chain issues or shortages of other products used in combination with our approved product or any other product candidates could impact our ability to obtain FDA regulatory approval, meet clinical trial timelines, and commercialize our approved product or other product candidates. The FDA may require us to use more complex clinical trial designs in order to evaluate the contribution of each product and product candidate to any observed effects. To the extent that we do not have rights to already approved products, this may require us to work with another company to satisfy such a requirement or increase our cost of development. It is possible that the results of these trials could show that any positive results are attributable to the already approved product. Following product approval, the FDA may require that products used in conjunction with each other be cross labeled for combined use. If the therapies we use in combination with our approved product or our other product candidates are replaced as the standard of care for the indications we choose for our approved product or any of our other product candidates, the FDA or comparable foreign regulatory authorities may require us to conduct additional clinical trials. The occurrence of any of these risks could result in our own products, if approved, being removed from the market or being less successful commercially.

In addition, unapproved therapies face the same risks described with respect to our product candidates currently in development and clinical trials, including the potential for serious adverse effects, delays in clinical trials and lack of FDA approval. If the FDA or comparable foreign regulatory authorities do not approve or revoke their approval of these other therapies, or if safety, efficacy, quality, manufacturing or supply issues arise with, the therapies we choose to evaluate in combination with any of our product candidates, we may be unable to obtain approval of or market such other combination therapies.

***Our clinical trials may fail to adequately demonstrate the safety and efficacy of our product candidates, which would prevent or delay regulatory approval and commercialization of other product candidates.***

Our research and development programs of our other non-FDA-approved product candidates and ANKTIVA in new, non-FDA-approved indications, are at various stages of development. The clinical trials of our product candidates as well as the manufacturing and marketing of our product candidates will be subject to extensive and rigorous review and regulation by numerous government authorities in the U.S. and in other countries where we intend to test and market our product candidates. Before obtaining regulatory approvals for the commercial sale of any of our other product candidates, we must demonstrate through lengthy, complex, and expensive preclinical testing and clinical trials that our product candidates are 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. The risk/benefit profile required for product licensure will vary depending on these factors and may include not only the ability to show tumor shrinkage, but also adequate duration of response, a delay in the progression of the disease, and/or an improvement in survival. For example, response rates from the use of our product candidates or their contribution of effect may not be sufficient to obtain regulatory approval unless we can also show an adequate duration of response. The clinical trials for our product candidates under development and ANKTIVA in new, non-FDA-approved indications, may not be completed on schedule, and regulatory authorities may ultimately disagree with our chosen endpoints or may find that our studies or study results do not support product approval. The FDA or foreign regulatory authorities may not interpret the results as we do or accept the therapeutic effects as valid endpoints in clinical trials necessary for market approval, or they may find that our clinical trial design or conduct does not meet the applicable approval requirement, and more trials could be required before we submit our product candidates for approval. Success in early clinical trials does not ensure that large-scale clinical trials will be successful, nor does it predict final results. Product candidates in later stages of clinical trials may fail to show the desired safety, tolerability, and efficacy traits despite having progressed through preclinical studies and initial clinical trials and after reviewing test results, we or our collaborators may abandon projects that we might previously have believed to be promising.

In addition, we do not have data on possible harmful long-term effects of our product candidates and do not expect to have this data in the near future. As a result, our ability to generate clinical safety and effectiveness data sufficient to support submission of a marketing application or commercialization of our product candidates is uncertain and is subject to significant risk.

***The ongoing shortage of TICE BCG in the U.S. may adversely impact market uptake of our approved product, ANKTIVA, and it may also delay our ability to execute our clinical trials or seek new approvals.***

There is an ongoing shortage of TICE BCG in the U.S., which has provided a market headwind in our ongoing commercial launch activities and may further adversely impact market uptake and the total addressable market of our approved product. The TICE BCG shortage may impact the number of patients who are treated with BCG for NMIBC with CIS, with or without papillary tumors, therefore limiting the pool of BCG-unresponsive patients who may be candidates for our approved product through both the use of chemotherapy in the first-line setting and also reducing the number of patients who may have been treated with an adequate amount of BCG to be considered BCG unresponsive. In addition, the TICE BCG shortage may also constrain the number of patients we can treat with our approved product since our product is administered along with BCG. In addition, ANKTIVA was awarded *Fast Track* designation by the FDA for the treatment of BCG-naïve NMIBC. We are currently running a Phase 2B blinded, randomized, two-cohort, open-label, multi-center trial of intravesical BCG with ANKTIVA versus BCG alone, in BCG-naïve patients with high-grade NMIBC with CIS (Cohort A) and NMIBC with papillary tumors (Cohort B), which is impacted by the availability of TICE BCG. If we do not complete new trials in a timely manner, our ability to generate clinical safety and effectiveness data sufficient to support submission of a marketing application or commercialization of our product candidates in new indications could harm our business, operating results, prospects or financial condition. In addition, our efforts to introduce an alternative source of BCG in connection with our collaboration with Serum Institute (including an EAP approved by the U.S. FDA) and ultimately obtain regulatory approval for such alternative BCG supply may not be successful in mitigating the TICE BCG shortage, or at all.

***We may choose to expend our limited resources on programs that do not yield successful product candidates or additional indications and may fail to capitalize on other indications and product candidates that may ultimately have been more profitable or had a greater likelihood of success.***

We do not have sufficient resources to pursue development of all or even a substantial portion of the potential opportunities that we believe will be afforded to us by our product candidates. Because we have limited resources and access to capital to fund our operations, our management must make strategic decisions as to which product candidates and indications to pursue and how much of our resources to allocate to each. Our management must also evaluate the benefits of developing in-licensed or jointly owned technologies, which in some circumstances we may be contractually obligated to pursue, relative to developing other product candidates, indications or programs. Our management has broad discretion to suspend, scale down, or discontinue any or all of these development efforts, or to initiate new programs to treat other diseases. If we select and commit resources to opportunities that we are unable to successfully develop, or we forego more promising opportunities, our business, financial condition, and results of operations will be adversely affected.

***Our projections regarding the market opportunities for our approved product and our other product candidates may not be accurate, and the actual market for our approved product and other product candidates, may be smaller than we estimate.***

Since our approved product, current product candidates, and any future product candidates represent novel approaches to treating various conditions, it may be difficult to accurately estimate the potential revenues from our approved product and these other product candidates. Accordingly, we may spend significant capital trying to successfully commercialize our approved product or obtain approval for our other product candidates that have an uncertain commercial market. Our projections of addressable patient populations that may benefit from treatment with our approved product or other product candidates are based on our beliefs and estimates of the therapeutic benefit and adverse event profile of our approved product and other product candidates. These estimates, which have been derived from a variety of sources, including scientific literature, preclinical and clinical studies, surveys of clinics, patient foundations, or market research by third parties, may prove to be incorrect. Further, new studies or approvals of new therapeutics may change the estimated incidence or prevalence of these diseases. The number of patients may turn out to be lower than expected. Additionally, the potentially addressable patient population for our approved product or other product candidates may be limited or may not be amenable to treatment with our approved product or other product candidates and may also be limited by the cost of our treatments and the reimbursement of those treatment costs by third-party payors. Even if we obtain significant market share for our approved product or other product candidates, because the potential target populations may be small, we may never achieve profitability without obtaining regulatory approval for additional indications.

***There can be no assurance that we will complete strategic partnerships on acceptable terms, or at all.***

We continue to execute and explore international strategic partnerships for the commercialization of ANKTIVA for certain indications, including new commercial partnerships with Accord Healthcare in the EU, and Cigalah Healthcare and Biopharma in the Middle East. Factors that may impact our ability, or decision, to enter into such strategic partnerships, include, without limitation, the put/call features of the RIPA that may be triggered by entry into strategic partnerships depending on their scope and terms, and ultimately there can be no assurance that we will complete transactions on acceptable terms, or at all. If we do not execute strategic partnerships in the near-term, it could eliminate or delay a potential source of near-term revenue or funding, and may impact our ability to raise additional funds to meet our business needs. In addition, there are significant risks involved with building and managing a commercial infrastructure on a stand-alone basis, which could materialize in the event we do not execute strategic partnerships, or depending on the geographic scope of any partnership.

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

From time to time, we may publicly disclose preliminary, interim, or top-line data from our preclinical studies and clinical trials, which are based on preliminary analyses of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available or as patients from our clinical trials continue other treatments for their disease, or as inclusion and exclusion criteria is discussed with regulators. We also may make assumptions, estimations, calculations, and conclusions as part of our analyses of data, and we may not have received or had the opportunity to evaluate all data fully and carefully. As a result, the interim, top-line, or preliminary results that we report may differ from future results of the same studies, or different conclusions or considerations may qualify such results once additional data has been received and fully evaluated. Top-line data also remains subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. As a result, top-line data should be viewed with caution until the final data are available. Adverse differences between preliminary or interim data and final data could significantly harm our business prospects. Further, disclosure of interim data by us or by our competitors could result in volatility in the price of our common stock.

In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is typically selected from a more extensive amount of available information, and you or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure. If the interim, top-line, or preliminary data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, our product candidates may be harmed, which could harm our business, operating results, prospects or financial condition.

***Our clinical trials may not be initiated or completed when we expect, or at all, may take longer and cost more to complete than we project, and may have higher costs than more conventional therapeutic technologies or drug products. We may be required to conduct additional clinical trials or modify current or future clinical trials based on feedback we receive from the FDA.***

We cannot guarantee that any current or future clinical trials will be conducted as planned or completed on schedule, if at all, or that any of our other product candidates will receive regulatory approval. A failure of one or more clinical trials can occur at any stage of the clinical trial process, other events may cause us to stop a clinical trial temporarily or permanently, and our future clinical trials may not be successful.

Because our current product candidates include, and we expect our future product candidates to include, candidates based on advanced therapy technologies, we expect that they will require extensive research and development and have substantial manufacturing costs. In addition, costs to treat patients and to treat potential side effects that may result from our product candidates can be significant. Some clinical trial sites may not bill, or obtain coverage from Medicare, Medicaid, or other third-party payors for some or all of these costs for patients enrolled in our clinical trials, and clinical trial sites outside of the U.S. may not reimburse for costs typically covered by third-party payors in the U.S. As a result, we may be required by those trial sites to pay such costs. Accordingly, our clinical trial costs are likely to be significantly higher per patient than those of more conventional therapeutic technologies or drug products.

Collaborations with other entities may be subject to additional delays because of the management of the trials, contract negotiations, the need to obtain agreement from multiple parties, and the necessity of obtaining additional approvals for therapeutics used in the combination trials. These combination therapies will require additional testing and clinical trials will require additional FDA approval and will increase our future costs.

Any inability to successfully complete preclinical and clinical development could result in additional costs to us, slow down our product development and approval process, or impair our ability to commence product sales and generate revenues. In addition, if we make manufacturing changes to our approved product or other product candidates, we may be required to, or we may elect to, conduct additional trials to bridge our modified approved product or other product candidates to earlier versions. These changes may require FDA approval or notification and may not have their desired effect. The FDA may also not accept data from prior versions of the product to support an application, delaying our clinical trials or programs or necessitating additional clinical trials or preclinical studies. We may find that this change has unintended consequences that necessitates additional development and manufacturing work, additional clinical and preclinical studies, or that results in an RTF letter or non-approval of a BLA and/or NDA.

Clinical trial delays could shorten any period during which our product candidates have patent protection and may allow our competitors to bring products to market before we do, which could impair our ability to successfully commercialize our product candidates and may harm our business and results of operations. In addition, we have in the past experienced clinical holds imposed upon certain of our or investigator-led clinical trials for various reasons, and we may experience further clinical trial holds in the future. If we fail to commence or complete, or experience delays in, any of our planned clinical trials, our stock price and our ability to conduct our business as currently planned could be harmed.

If we are required by the FDA or any equivalent foreign regulatory authority to perform clinical trials or studies in addition to those we currently expect to conduct, or if there are any delays in completing the clinical trials of our other product candidates, our expenses could increase substantially.

As result of the FDA approval of ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors, we are required to comply with certain post-marketing commitments, including completion of our QUILT-3.032 clinical trial and annual reporting for up to four years, with a final report submission to the FDA by the end of 2029.

***Even if more of our product candidates are approved and commercialized, we may not become profitable.***

If approved for marketing by applicable regulatory authorities, our ability to generate revenues from our other product candidates will depend on our ability to:

- price our other product candidates competitively such that third-party and government reimbursement leads to broad product adoption;
- prepare a broad network of clinical sites for administration of our other product candidates;
- create market demand for our other product candidates through our own or our partner's marketing and sales activities, and any other arrangements to promote these product candidates that we may otherwise establish;
- receive regulatory approval for the targeted patient population(s) and claims that are necessary or desirable for successful marketing;
- manufacture our other product candidates through third-party CMOs or in our own manufacturing facilities or facilities owned by entities affiliated with Dr. Soon-Shiong in sufficient quantities and at acceptable quality and manufacturing cost to meet regulatory requirements and commercial demand at launch and thereafter;
- establish and maintain agreements with wholesalers, distributors, pharmacies, and group purchasing organizations on commercially reasonable terms;
- obtain, maintain, protect, and enforce patent and other intellectual property protection and regulatory exclusivity for our other product candidates;

- successfully commercialize any of our other product candidates that receive regulatory approval;
- maintain compliance with applicable laws, regulations, and guidance specific to commercialization including interactions with health care professionals, patient advocacy groups, and communication of health care economic information to payors and formularies;
- achieve market acceptance of our other product candidates by patients, the medical community, and third-party payors;
- achieve appropriate reimbursement for our product candidates;
- maintain a distribution and logistics network capable of product storage within our specifications and regulatory guidelines, and further capable of timely product delivery to commercial clinical sites;
- effectively compete with other therapies or competitors; and
- following launch, ensure that our approved product will be used as directed and that additional unexpected safety risks will not arise.

We can provide no assurance with respect to the profitability or the market share that we might achieve for our product candidates, if approved. The target patient population for which we obtain approval may be narrower than we expect. Additionally, we may not be able to obtain the labeling claims necessary or desirable for the promotion of our approved product. Further, supply chain issues or shortages associated with combination products that may be used with our approved product, such as ANKTIVA plus BCG, may limit the demand for our approved product.

We are also party to agreements that may require substantial payments upon the occurrence of certain milestones. As an example, in connection with our 2017 acquisition of Altor, we issued CVRs under which we agreed to pay the prior stockholders of Altor approximately \$304.0 million of contingent consideration upon calendar-year worldwide net sales of ANKTIVA exceeding \$1.0 billion prior to December 31, 2026 with amounts payable in cash or shares of our common stock or a combination thereof. As of March 31, 2026, Dr. Soon-Shiong and his related party hold approximately \$139.8 million of net sales CVRs, and they have both irrevocably agreed to receive shares of the company's common stock in satisfaction of their CVRs. We may be required to pay the other prior Altor stockholders up to \$164.2 million for their net sales CVRs should they choose to have their CVRs paid in cash instead of common stock. If this were to occur, we may need to seek additional sources of capital and any such financing activities may be restricted by the covenants included in the terms of the RIPA. As such, we may face difficulties raising additional capital and may have to accept unfavorable terms and as a result, we may not be able to achieve profitability or positive cash flow.

In connection with our financing in December 2023, we entered into the RIPA with Infinity and Oberland. Oberland has the right to receive quarterly Revenue Interest Payments from us based on, among other things, our worldwide net sales, excluding those in China, which are tiered payments ranging from 5.625% to 12.50% (before funding of the Third Payment, 4.5% to 10.0%), subject to increase or decrease, following the Test Date depending on whether our aggregate payments made to Oberland as of the Test Date have met or exceeded the Cumulative Purchaser Payments. In addition, if our aggregate payments made as of the Test Date to Oberland do not equal or exceed the amount of the Cumulative Purchaser Payments as of such date, then we are obligated to make a one-time payment True-Up Payment as described above. In addition to other considerations of the RIPA and the associated impact to our profitability and cash flow, if we were required to make a True-Up Payment, we may need to seek additional sources of capital, and we may not be able to achieve profitability or positive cash flow.

***If we encounter delays or difficulties enrolling and/or maintaining patients in our clinical trials, our clinical development activities, and receipt of necessary marketing approvals could 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. At times we work with CROs, and our internal teams or CROs may experience difficulties or delays in patient enrollment and retention in our clinical trials for a variety of reasons.

Because the number of qualified clinical investigators is limited, we may need to conduct some of our clinical trials at the same clinical trial sites that some of our competitors use, which will reduce the number of patients who are available for our clinical trials at such clinical trial sites. In addition, in the past we have engaged, and we intend to continue to engage, in clinical trial efforts outside of the U.S., which gives rise to additional potential complexity and challenges, and further reliance upon third parties in foreign jurisdictions. Moreover, because our product candidates represent a departure from more commonly used methods for cancer and/or viral disease treatment, potential patients and their doctors may be inclined to use conventional therapies, such as chemotherapy and approved immunotherapies that have established safety and efficacy profiles, rather than enroll patients in any future clinical trial.

Delays or failures in planned patient enrollment or retention may result in increased costs or may affect the timing or outcome of the planned clinical trials, which could prevent completion of these trials and adversely affect our ability to advance the development of our product candidates or could render further development impossible.

***Our approved product and other product candidates may cause undesirable side effects, adverse events, or have other properties or safety risks that could halt their clinical development, delay or prevent their regulatory approval, result in regulatory warning letters, product recalls, regulatory and manufacturing holds, or limit their commercial potential or result in other significant negative consequences.***

Results of our trials could reveal a high and unacceptable severity and prevalence of side effects, adverse events or unexpected characteristics. Combination immunotherapy that includes our current product candidates may be associated with more frequent adverse events or additional adverse events. Undesirable side effects or unacceptable toxicities caused by our other product candidates could cause us or regulatory authorities to interrupt, delay or halt clinical trials or order our clinical trials to be placed on clinical hold, and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other regulatory authorities for any or all targeted indications. The FDA or comparable foreign regulatory authorities may also require additional data, clinical trials, or preclinical studies should unacceptable toxicities arise. We may need to abandon development or limit development of that product candidate to certain uses or subpopulations in which the undesirable side effects or other characteristics are less prevalent, less severe, or more acceptable from a risk/benefit perspective. Even if we were to receive product approval, such approval could be contingent on inclusion of unfavorable information in our product labeling, such as limitations on the indicated uses for which the products may be marketed or distributed, a label with significant safety warnings, including boxed warnings, contraindications, and precautions, a label without statements necessary or desirable for successful commercialization, or requirements for costly post marketing testing and surveillance, or other requirements, including a REMS to monitor the safety or efficacy of the products, and in turn prevent us from commercializing and generating revenues from the sale of our current or future product candidates. In addition, these serious adverse effects may not be appropriately recognized or managed by the treating medical staff, as toxicities resulting from our other product candidates are not normally encountered in the general patient population and by medical personnel. They may have difficulty observing patients and treating toxicities, which may be more challenging due to personnel changes, shift changes, house staff coverage or related issues. This could lead to more severe or prolonged toxicities or even patient deaths, which could result in us or the FDA delaying, suspending or terminating one or more of our clinical trials and which could jeopardize regulatory approval. Any of these occurrences may materially harm our business, financial condition and prospects.

***The manufacture of our approved product and other product candidates is complex, and we may encounter difficulties in production, particularly with respect to process development, quality control, cGMP compliance, or scaling-up of our manufacturing capabilities. If we or our related parties, or any of our third-party manufacturers, encounter such difficulties, our ability to gain approval, or to provide adequate supply of our product candidates for clinical trials or our products for patients, if approved, could be delayed or stopped, or we may be unable to maintain a commercially viable cost structure.***

The manufacture of our approved product and other product candidates involves complex processes, especially for our biologics, vectors and cell therapy product candidates, which are complex, highly regulated and subject to multiple risks. As a result of the complexities, the cost to manufacture biologics, vectors, and cell therapies is generally higher than traditional small molecule chemical compounds, and the manufacturing process is less reliable and is more difficult to reproduce. The manufacture of fusion proteins, DNA and vaccine vectors, and cell therapy products require significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls. Manufacturers of cell therapy products

often encounter difficulties in production, particularly in scaling up initial production. These problems include difficulties with production costs and yields, quality control, including stability of the product or other product candidates and quality assurance testing, shortages of qualified personnel, and compliance with strictly enforced federal, state, local, and foreign regulations. We may also find that the manufacture of our approved product or other product candidates is more difficult than anticipated, resulting in an inability to produce a sufficient amount of our other product candidates for our clinical trials or, if approved, commercial supply. Even minor deviations from normal manufacturing processes could result in reduced production yields, product defects, and other supply disruptions. Our approved product and other product candidates are manufactured using processes developed or modified by us, our affiliates, or by our third-party collaborators that we may not utilize for more advanced clinical trials or commercialization.

Currently we manufacture our approved product and other product candidates in our own manufacturing facilities, facilities owned by entities affiliated with Dr. Soon-Shiong and/or through third-party CMOs. Our clinical trials will need to be conducted with product candidates and materials that were produced under cGMP and/or GTP regulations, which are enforced by regulatory authorities. Our approved product and other product candidates may compete with other products and product candidates for access to manufacturing facilities. Moreover, because of the complexity and novelty of our manufacturing process, there are only a limited number of manufacturers that operate under cGMP regulations and that are both capable of manufacturing our approved product and other product candidates for us and willing to do so. If our third-party CMOs cease manufacturing for us, we would experience delays in obtaining sufficient quantities of our approved product for commercial supply and other product candidates for clinical trials and, if approved, commercial supply of such future products. Further, our third-party CMOs may breach, terminate, or not renew our agreements with them. If we were to need to find alternative manufacturing facilities or transfer between existing facilities it may take us significant time to find a replacement, if we are able to find a replacement at all and it would significantly impact our ability to develop, obtain regulatory approval for or market our approved product and/or other product candidates, if approved. The commercial terms of any new arrangement could be less favorable than our existing arrangements and the expenses relating to the transfer of necessary technology and processes could be significant.

We and our suppliers and third-party CMOs must maintain compliance with cGMP requirements and other applicable regulatory requirements. Any failure to comply with these regulations may require us to cease sales of our approved product or repeat clinical trials, which would delay the regulatory review process of our other product candidates. We may not be able to demonstrate sufficient comparability between products manufactured in different runs at the same or at different facilities to allow for inclusion of the clinical results from patients treated with products from these different runs, in our product registrations or to ensure a cGMP process to qualify our other product candidates.

We are also required to register certain clinical trials and post the results of certain completed clinical trials on a government-sponsored database, ClinicalTrials.gov, within specified timeframes. Failure to do so could result in enforcement actions and adverse publicity.

Reliance on third-party manufacturers entails exposure to risks to which we would not be subject if we manufactured the product candidate ourselves, including:

- ability to negotiate manufacturing and quality agreements with third parties under commercially reasonable terms;
- reduced day-to-day control over the manufacturing process for our other product candidates as a result of using third-party manufacturers for all aspects of manufacturing activities;
- reduced control over the protection of our trade secrets, know-how, and other proprietary information from misappropriation or inadvertent disclosure or from being used in such a way as to expose us to potential litigation;
- termination or non-renewal of manufacturing agreements with third parties in a manner or at a time that may be costly or damaging to us or result in delays in the development or commercialization of our approved product or other product candidates; and
- disruptions to the operations of our third-party manufacturers or suppliers caused by conditions unrelated to our business or operations, including the bankruptcy or personnel turnover at the manufacturer or supplier.

Moreover, any problems or delays we or our third-party CMOs experience in preparing for commercial scale manufacturing of a product candidate may result in a delay in the FDA approval of the product candidate or may impair our ability to manufacture commercial quantities or such quantities at an acceptable cost, which could result in the delay, prevention, or impairment of clinical development and commercialization of our product candidates and could adversely affect our business. Furthermore, if we or our third-party CMOs fail to deliver the required commercial quantities of our product candidates on a timely basis and at reasonable costs, we would likely be unable to meet demand for our products and we would lose potential revenues. We may ultimately be unable to reduce the cost of goods for our other product candidates to levels that will allow for an attractive return on investment if and when those product candidates are commercialized.

In addition, the manufacturing process and facilities for our approved product and any other products that we may develop are subject to FDA and foreign regulatory authority approval processes, and we or our third-party CMOs will need to meet all applicable FDA and foreign regulatory authority requirements, including cGMP, on an ongoing basis. cGMP requirements include quality control, quality assurance and the maintenance of records and documentation. The FDA and other regulatory authorities enforce these requirements through facility inspections. Manufacturing facilities must submit to pre-approval inspections by the FDA that will be conducted after we submit our marketing applications, including BLAs and NDAs, to the FDA. Manufacturers are also subject to continuing FDA and other regulatory authority inspections following marketing approval. Further, we and our third-party CMOs must supply all necessary Chemistry, Manufacturing and Controls documentation in support of a BLA or NDA on a timely basis. Our or our third-party CMOs' manufacturing facilities may be unable to comply with our specifications, cGMP, and with other FDA, state, and foreign regulatory requirements, and there is no guarantee that we or our third-party CMOs will be able to successfully pass all aspects of a pre-approval or continued inspection by the FDA or other foreign regulatory authorities. For example, on May 9, 2023 the FDA delivered a CRL to us regarding the BLA filed in May 2022, indicating that the FDA had determined that it could not approve the original BLA submission in its initial form, and the FDA made recommendations to address the issues raised. The deficiencies in the CRL related to the FDA's pre-license inspection of the company's third-party CMOs, among other items. The CRL we received in response to our initial BLA submission required us to resubmit the BLA to the FDA addressing the issues in the CRL, resulting in additional expense and delay. In April 2024, the FDA approved ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors.

Poor control of production processes can lead to the introduction of adventitious agents or other contaminants, or to inadvertent changes in the properties or stability of our product or other product candidates that may not be detectable in final product testing. If microbial, viral, environmental, or other contaminants are discovered in our product or other product candidates or in the manufacturing facilities in which our product or other product candidates are made, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination which could delay commercial sales and clinical trials and adversely harm our business. If we or our third-party CMOs are unable to reliably produce products to specifications acceptable to the FDA or other regulatory authorities, or in accordance with the strict regulatory requirements, we may not obtain or maintain the initial or continued approvals we need to commercialize such products. There is no assurance that either we or our third-party CMOs will be able to manufacture our approved product or any subsequently approved product candidate to specifications acceptable to the FDA or other regulatory authorities, to produce our product or other product candidates in sufficient quantities to meet the requirements for the launch of such products, or to meet potential future demand.

Deviations from manufacturing requirements may further require remedial measures that may be costly and/or time-consuming for us or a third party to implement and may include the temporary or permanent suspension of a clinical trial or commercial sales or the temporary or permanent closure of a facility. Any such remedial measures imposed upon us or third parties with whom we contract could materially harm our business.

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

To the extent we use third-party CMOs, we are ultimately responsible for the manufacture of our products, once approved, and our other product candidates. A failure to comply with these requirements may result in regulatory enforcement actions against our manufacturers or us, including fines and civil and criminal penalties, which could result in imprisonment, suspension or restrictions of production, injunctions, delay or denial of product approval or supplements to approved products, clinical holds or termination of clinical trials, FDA Form 483s, warning or untitled letters, regulatory authority communications warning the public about safety issues with the biologic, refusal to permit the import or export of the products, product seizure, detention, or recall, operating restrictions, suits under the federal civil FCA, corporate integrity agreements, consent decrees, or withdrawal of product approval, certain of which we have received before, including but not limited to the previously disclosed untitled letters and the March 2026 FDA OPDP warning letter described elsewhere in this Quarterly Report.

Any of these challenges could cause us to cease commercial sales, 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 candidate, impair commercialization efforts, increase our cost of goods, and have a material adverse effect on our business, financial condition, results of operations and growth prospects.

***We may not be successful in managing the build-out of our manufacturing facilities and associated costs or satisfying manufacturing-related regulatory requirements.***

We have entered into facility leases for our planned manufacturing operations and related activities under which we are responsible for the build-out of the facility space and associated costs. The build-out of these facilities and related equipment purchases are complex and specialized and will involve substantial capital expenditures, and it could take longer, and cost more, than currently expected. Significant delays and/or cost overruns would result in higher expenditures and could be disruptive to operations, any of which could have an impact on our operations and financial condition. For example, we have a leasehold interest in the Dunkirk Facility as described below. We will need to plan and fund the additional build-out of, and purchase additional equipment for, the Dunkirk Facility in connection with our plan for full manufacturing operations. In addition, it is possible that, once built, the leased facilities may prove to be less conducive to our operations than is currently anticipated, resulting in operational inefficiencies or similar difficulties that could prove difficult or impossible to remediate and result in an adverse impact on our financial condition or results of operations.

We also may not successfully realize the anticipated benefits from the capital expenditures at such facilities based on factors such as delays and uncertainties regarding development, regulatory approval, and commercialization of our product candidates, as well as the potential to lose access to the leased facilities.

Further, in the future if we transition from our current third-party CMOs to our own manufacturing facilities, or to alternative third-party CMOs, for one or more of our products or other product candidates, including our approved product, we will need to conduct additional preclinical, analytical and/or clinical testing and obtain FDA approval before such manufacturing changes are implemented. If we are unsuccessful in demonstrating the comparability of supplies before and after a manufacturing change, such manufacturing change can result in a delay or disruption in our clinical development plan or our ability to commercialize any approved product. Any production shortfall that impairs the supply of our product or other product candidates could negatively impact our ability to sell our approved product, complete clinical trials, obtain regulatory approval, and commercialize our other product candidates. A product shortfall could have a material adverse effect on our business, financial condition and results of operations and adversely affect our ability to satisfy demand for our product or other product candidates, which could materially and adversely affect our revenue and results of operations.

In addition, our planned operations, including our development, testing, and future manufacturing activities, are subject to numerous environmental, health, and safety laws and regulations. These laws and regulations govern, among other things, the controlled use, handling, release, and disposal of and the maintenance of a registry for, hazardous materials and biological materials, such as chemical solvents, human cells, carcinogenic compounds, mutagenic compounds, and compounds that may have a toxic effect on reproduction, laboratory procedures and exposure to blood-borne pathogens. If we fail to comply with such laws and regulations, we could be subject to fines or other sanctions. Failure to successfully complete our build-outs and successfully operate our planned manufacturing facilities and satisfy manufacturing-related regulatory requirements could adversely affect the commercial viability of our product candidates and our business.

***Cell-based therapies and biologics rely on the availability of reagents, specialized equipment, and other specialty materials, which may not be available to us on acceptable terms or at all. For some of these reagents, equipment, and materials, we rely or may rely on sole source vendors or a limited number of vendors, which could impair our ability to manufacture and supply our approved product and any future products, if approved.***

We currently depend on a small number of suppliers for some of the materials used in, and processes required to develop, our approved product and other product candidates. For some of these reagents, equipment, and materials used in the manufacture of our approved product and other product candidates, we rely and we may in the future rely on sole source vendors or a limited number of vendors. Some of these suppliers may not have the capacity to support commercial scale or clinical trials and commercial products manufactured under cGMP by biopharmaceutical firms or may otherwise be ill-equipped to support our needs. We also do not have supply contracts with many of these suppliers and may not be able to obtain supply contracts with them on acceptable terms or at all. Accordingly, we may experience delays in receiving key materials and equipment to support clinical or commercial manufacturing. An inability to continue to source product from any of these suppliers could adversely affect our ability to satisfy demand for our approved product and other product candidates, which could adversely and materially affect our product sales and operating results or our ability to conduct clinical trials, either of which could significantly harm our business.

If any supplier with whom we contract fails to perform its obligations, we may be forced to enter into an agreement with a different supplier, which we may not be able to do on reasonable terms, if at all. In such scenario, our product could be delayed significantly as we establish alternative supply sources. In some cases, the technical skills required to manufacture our product or product candidates may be unique or proprietary to the original supplier and we may have difficulty, or there may be contractual restrictions prohibiting us from, transferring such skills to a back-up or alternate supplier, or we may be unable to transfer such skills at all. In addition, if we are required to change suppliers for any reason, we will be required to verify that the new supplier maintains facilities and procedures that comply with quality standards and with all applicable regulations. We will also need to verify that any new manufacturing process will produce our product according to the specifications previously submitted to the FDA or another regulatory authority. This process or re-qualification could take considerable time or resources, and any delay in the availability of product could significantly harm our business.

As we seek to develop and scale our manufacturing process, we expect that we will need to obtain rights to and supplies of certain materials and equipment to be used as part of that process. We may not be able to obtain rights to such materials on commercially reasonable terms, or at all, and if we are unable to alter our process in a commercially viable manner to avoid the use of such materials or find a suitable substitute, it would have a material adverse effect on our business. Even if we are able to alter our process so as to use other materials or equipment, such a change may lead to a delay in our clinical development and/or commercialization plans. If such a change occurs for a product candidate that is already in clinical testing, the change may require us to perform both *ex vivo* comparability studies and to collect additional data from patients prior to undertaking more advanced clinical trials.

***Because our approved product and other product candidates represent, and our other potential product candidates will represent, novel approaches to the treatment of disease, there are many uncertainties regarding the development, market acceptance, public opinion, third-party reimbursement coverage, and the commercial potential of our approved product and other product candidates, which may impact public perception of us and our approved product and other product candidates and which may adversely affect our ability to conduct our business and implement our business plans.***

Human immunotherapy products are a new category of therapeutics. We use relatively novel technologies involving ANKTIVA, hAd5 constructs, and cell-based therapies, and our NK cell platform utilizes a relatively novel technology involving the genetic modification of human cells and utilization of those modified cells in other individuals. Because this is a relatively new and expanding area of novel therapeutic interventions, there are many uncertainties related to development, marketing, reimbursement, and the commercial potential for our approved product and other product candidates. There can be no assurance as to the length of the trial period, the number of patients the FDA will require to be enrolled in the trials in order to establish the safety, efficacy, purity and potency of immunotherapy products, or that the data generated in these trials will be acceptable to the FDA to support marketing approval. Adverse public attitudes may adversely impact our ability to enroll patients in clinical trials. The FDA may take longer than usual to come to a decision on any BLA and/or NDA that we submit and may ultimately

determine that there is not enough data, information, or experience with our product candidates to support an approval decision. The FDA may also require that we conduct additional post-marketing studies or implement risk management programs, such as REMS, until more experience with our other product candidates is obtained. Finally, after increased usage, we may find that our product or other product candidates do not have the intended effect, do not work with other combination therapies or have unanticipated side effects, potentially jeopardizing initial or continuing regulatory approval and commercial prospects. More restrictive government regulations or negative public opinion could have an adverse effect on our business or financial condition and may delay or impair the commercialization of our approved product and development and commercialization of our product candidates or demand for our product or any products we may develop. Adverse events in our clinical trials, even if not ultimately attributable to our product candidates, and the resulting publicity could result in increased governmental regulation, unfavorable public perception, potential regulatory delays in the testing or approval of our potential product candidates, stricter labeling requirements for those product candidates that are approved and a decrease in demand for any such product candidates.

There is no assurance that the approaches offered by our approved product or other product candidates will gain broad acceptance among doctors or patients or that governmental agencies or third-party medical insurers will be willing to provide reimbursement coverage for our proposed product candidates. Public perception may be influenced by claims, such as claims that our technologies are unsafe, unethical or immoral and, consequently, our approach may not gain the acceptance of the public or the medical community. Negative public reaction to cell-based immunotherapy in general could result in greater government regulation and stricter labeling requirements of immunotherapy products, including our other product candidates, and could cause a decrease in the demand for our approved product and any other products we may develop. Moreover, our success will depend upon physicians specializing in the treatment of those diseases that our product or other product candidates target prescribing, and their patients being willing to receive treatments that involve the use of our product or other product candidates in lieu of, or in addition to, existing treatments they are already familiar with and for which greater clinical data may be available. The market for any products that we successfully develop will also depend on the cost of the products. Our goal is to reduce the cost of manufacturing and providing our therapies. However, unless we can reduce those costs to an acceptable amount, we may never be able to develop a commercially viable product. If we do not successfully develop and commercialize products based upon our approach or find suitable and economical sources for materials used in the production of our product or potential products, we will not become profitable, which would materially and adversely affect the value of our common stock. ANKTIVA and our other therapies may be provided to patients in combination with other agents provided by third parties or our affiliates. The cost of such combination therapy may increase the overall cost of therapy and may result in issues regarding the allocation of reimbursements between our therapy and the other agents, all of which may affect our ability to obtain reimbursement coverage for the combination therapy from governmental or private third-party medical insurers.

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

We face an inherent risk of product liability as a result of the commercialization of our approved product and clinical development, testing and manufacturing of our other product candidates. For example, we may be sued if our approved product or other 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 claim 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. Large judgments have been awarded in class action lawsuits based on therapeutics that had unanticipated side effects. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of our approved product or other product candidates. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in a regulatory investigation of the safety and effectiveness of our products, our third-party manufacturer's manufacturing processes and facilities or our marketing programs and potentially a recall of our products or more serious enforcement action, including limitations on the approved indications for which our product candidates may be used or suspension or withdrawal of approvals, decreased demand for our products, injury to our reputation, costs to defend the related litigation, a diversion of management's time and our resources, substantial monetary awards to trial participants or patients and a decline in our stock price.

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 our approved product or other products we may develop, alone or with corporate collaborators. Our insurance policies may also have various exclusions, and we may be subject to product liability claims for which we have no coverage. While we have obtained clinical trial insurance for our clinical trials, we may have to pay 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.

***We will face significant competition from other biotechnology and pharmaceutical companies and from non-profit institutions.***

Competition in the field of cancer and infectious disease therapy is intense and is accentuated by the rapid pace of technological development. We compete with a variety of multi-national biopharmaceutical companies and specialized biotechnology companies, as well as technology being developed at universities and other research institutions. These competitors have developed, may develop, and are developing product candidates and processes competitive with our approved product or other product candidates. Research and discoveries by others may result in breakthroughs which may render our approved product or other product candidates obsolete even before they generate any revenues. We believe that a significant number of products are currently under development, and may become commercially available in the future, for the treatment of conditions for which our product treats or for which we are developing product candidates. Many of our competitors have several therapeutic products that have already been developed, approved and successfully commercialized, or are in the process of obtaining regulatory approval for their therapeutic products in the U.S. and internationally. Many of our competitors, either alone or with their strategic partners, have substantially greater financial, technical, and human resources than we do, as well as significantly greater experience in the discovery and development of product candidates, obtaining FDA and other regulatory approvals of treatments and commercializing those treatments. Accordingly, our competitors may be more successful in obtaining approval of treatments and achieving widespread market acceptance, rendering our treatments obsolete or non-competitive, possibly even before we are able to enter the market. Accelerated merger and acquisition activity in the biotechnology and biopharmaceutical 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 third parties compete with us in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites and patient registration for clinical trials, as well as in acquiring technologies complementary to, or necessary for, our programs.

The availability and price of our competitors' products could limit the demand and the price we are able to charge for our approved product or any of our other product candidates, if approved. The level of generic competition and the availability of reimbursement from government and other third-party payors will also significantly affect the pricing and competitiveness of our products.

We may not be able to implement our business plan if the acceptance of our approved product or other product candidates is inhibited by price competition or the reluctance of physicians to switch from other methods of treatment to our approved product, or if physicians switch to other new therapies, drugs or biological products or choose to reserve our products for use in limited circumstances. We may be adversely impacted if any of these competitors gain market share as a result of new technologies, commercialization strategies or otherwise.

***We may seek orphan drug status or Breakthrough Therapy, Fast Track or RMAT designations or other designation from the FDA or comparable non-U.S. regulatory authorities for one or more of our product candidates, but even if any such designation or status is granted, it may not lead to a faster development process or regulatory review and may not increase the likelihood that our product candidates will receive marketing approval, and we may be subject to significant costs including those associated with EAPs, and be unable to maintain any benefits associated with such designations or status, including market exclusivity.***

We have been awarded *Breakthrough Therapy* and RMAT designations, and may seek in the future such designations for current or future product candidates. Receipt of a designation to facilitate product candidate development is within the discretion of the FDA. Accordingly, even if we believe one of our product candidates meets the criteria for a designation, the FDA may disagree. If we are unable to obtain such approval, we may be required to conduct additional preclinical studies or clinical trials beyond those that we contemplate, which could increase the expense of obtaining, and delay the receipt of, necessary marketing

approvals. In any event, the receipt of such a designation for our product candidates may not result in a faster development process, review, or approval compared to product candidates considered for approval under conventional FDA procedures and does not ensure ultimate marketing approval by the FDA. In addition, the FDA may later decide that the product candidates no longer meet the designation conditions. See Part I, Item 1. “*Business—Government Regulation—BLA/NDA Submission and Review by the FDA*” of our Annual Report filed with the SEC on February 23, 2026 for additional information regarding these designations.

Accelerated approval, if granted, is usually contingent on the sponsor’s agreement to conduct, in a diligent manner, additional post-approval confirmatory studies to verify and describe the drug’s clinical benefit, and the FDA is permitted to require, as appropriate, that such studies be underway prior to approval or within a specified period after the date of approval. Sponsors must also update the FDA on the status of these studies, and the FDA has increased authority to withdraw approval of a drug granted accelerated approval on an expedited basis if the sponsor fails to conduct such studies in a timely manner, or send the necessary updates to the FDA, or if such post-approval studies fail to verify the drug’s predicted clinical benefit. Prior to seeking accelerated approval, we will seek feedback from the FDA or comparable non-U.S. regulatory authorities and will otherwise evaluate our ability to seek and receive such accelerated approval. There can be no assurance that after our evaluation of the feedback and other factors we will decide to pursue or submit a BLA for accelerated approval or any other form of expedited development, review or approval. Similarly, there can be no assurance that after subsequent feedback from the FDA or comparable non-U.S. regulatory authorities, we will continue to pursue or apply for accelerated approval or any other form of expedited development, review or approval, even if we initially decide to do so. Furthermore, if we decide to submit an application for accelerated approval, there can be no assurance that such application will be accepted or that any approval will be granted on a timely basis, or at all. The FDA or other comparable non-U.S. regulatory authorities could also require us to provide expensive investigational drug at non-commercial pricing or at no cost as part of a designation-associated required EAP. The FDA or other comparable non-U.S. regulatory authorities could also require us to conduct further studies prior to considering our application or granting approval of any type, including, for example, if other products are approved via the accelerated pathway and subsequently converted by FDA to full approval. A failure to obtain accelerated approval or any other form of expedited development, review or approval for our product candidate would result in a longer time period to commercialization of such product candidate, could increase the cost of development of such product candidate, and could harm our competitive position in the marketplace. Moreover, even if we are able to obtain accelerated approval for any of our product candidates, there is no guarantee that post-approval studies will be able to confirm the clinical benefit, which could cause the FDA to withdraw our approval.

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug or biologic intended to treat a rare disease or condition or for which there is no reasonable expectation that the cost of developing and making available the drug or biologic will be recovered from sales in the U.S. If a product that has orphan drug designation subsequently receives the first FDA approval for the disease for which it has such designation, the product is entitled to orphan product exclusivity, which means that the FDA may not approve any other applications, including a full BLA to market the same drug or biologic for the same approved use or indication for seven years, except in limited circumstances. We may seek orphan drug status for one or more of our product candidates, but exclusive marketing rights in the U.S. may be lost if we seek approval for an indication broader than the orphan designated indication and may be lost if the FDA later determines that the request for designation was materially defective or if we are unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition. In response to *Catalyst Pharms., Inc. v. Becerra*, 14 F.4th 1299 (11th Cir. 2021), the FDA clarified in a January 2023 notice that it intends to continue to apply its longstanding interpretation of the regulations to matters outside of the scope of the *Catalyst* order. The Consolidated Appropriations Act of 2026, signed into law in February 2026, codified this longstanding FDA interpretation of the Orphan Drug Act, allowing the FDA to approve multiple versions of the same orphan drug for different sub-indications and subpopulations.

***As a condition of approval, the FDA may require that we implement various post-marketing requirements and conduct post-marketing studies, any of which would require a substantial investment of time, effort, and money, and which may limit our commercial prospects.***

As a condition of biologic licensing, the FDA is authorized to require that sponsors of approved BLAs implement various post-market requirements, including REMS and Phase 4 trials. In connection with the regulatory approval of ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors, we are required to comply with certain post-marketing commitments, including completion of our QUILT-3.032 clinical trial and annual reporting for up to four years, with a final report submission to the FDA by the end of 2029. If we receive approval of our other product candidates, the FDA may determine that similar or additional or more burdensome post-approval requirements are necessary to ensure that our product candidates are safe, pure and potent. For example, in connection with FDA approval of another company's drug, the FDA required significant post-marketing commitments, including a Phase 4 trial, revalidation of a test method, and a substantial REMS program that included, among other requirements, the certification of hospitals and their associated clinics that dispensed the drug, including the implementation of a training program and limited distribution only to certified hospitals and their associated clinics. To the extent that we are required to establish and implement any post-approval requirements, we will likely need to invest a significant amount of time, effort and money. Such post-approval requirements may also limit the commercial prospects of our product candidates.

***We have never commercialized a product candidate before our approved product, and we may lack the necessary expertise, personnel and resources to successfully commercialize any products on our own or together with suitable collaborators. We may be unable to establish effective marketing and sales capabilities or enter into agreements with third parties or related parties to market and sell our other product candidates, if they are approved, and as a result, we may be unable to generate product revenues.***

We have little to no prior experience in the marketing, sale and distribution of biopharmaceutical products. To achieve commercial success for our approved product and other product candidates, which we may license to others, we may rely on the assistance and guidance of those collaborators. In order to commercialize our approved product and our other product candidates for which we retain commercialization rights and marketing approval, if approved, we must continue to build out our marketing, sales and distribution capabilities, including a comprehensive healthcare compliance program, and/or arrange with third parties to perform these services, which will continue to take time and require significant financial expenditures, and could delay any product launch and we may not be successful in doing so. There are significant risks involved with building and managing a commercial infrastructure. We, our collaborators and third-party contractors, have to compete with other pharmaceutical and biotechnology companies to recruit, hire, train, manage and retain medical affairs, marketing, sales and commercial support personnel. Recruiting, training, and retaining a sales force is expensive and time-consuming and could delay any product launch. If the commercial launch of our approved product or any other product candidate for which we or our third-party contractors recruit a sales force and establish marketing capabilities is delayed or does not occur for any reason, we would have incurred these commercialization expenses prematurely or unnecessarily. These efforts may be costly, and our investment would be lost if we cannot retain or reposition our sales and marketing personnel. In the event we are unable to develop a commercial infrastructure, we may not be able to commercialize our current or future product candidates, which would limit our ability to generate product revenues. Even if we and/or our potential partners and/or third-party contractors are able to effectively establish a sales force and develop a marketing and sales infrastructure, such sales force and marketing teams may not be successful in commercializing our approved product or any other current or future product candidates. To the extent we rely on third parties to commercialize any products for which we obtain regulatory approval, which we are doing to a certain extent in connection with our approved product launch, we may have less control over their sales efforts and could be held liable if they failed to comply with applicable legal or regulatory requirements.

***If our approved product or any of our other product candidates do not achieve broad market acceptance, the revenues that we generate from their sales will be limited.***

We are in the process of commercializing our approved product. Our approved product and other product candidates, if approved by the appropriate regulatory authorities for marketing and sale, may not gain acceptance among physicians, patients, third-party payors, and others in the medical community. If our approved product or any other product candidate for which we obtain regulatory approval does not gain an adequate level of market acceptance, we may not generate significant product revenues or become profitable. Market acceptance of our approved product or any other product candidates by the medical community, patients and third-party payors will depend on a number of factors, some of which are beyond our control. For example, physicians are often reluctant to switch their patients, and patients may be reluctant to switch from existing therapies even when new and potentially more effective or safer treatments enter the market. Efforts to educate the medical community and

third-party payors on the benefits of our approved product and other product candidates may require significant resources and may not be successful. Even if the medical community accepts that our approved product and other product candidates are safe and effective for their approved indications, physicians and patients may not immediately be receptive to such approved product or other product candidates and may be slow to adopt them as an accepted treatment of the approved indications, including, for example, if third-party payors require high co-payments or if physicians perceive that reimbursement will not be available on a timely basis or at all. If our product or any of our other product candidates is approved but does not achieve an adequate level of market acceptance, we may not generate significant revenues and we may not become profitable. The degree of market acceptance of our approved product or any of our other product candidates will depend on a number of factors, including:

- the continued safety and efficacy of our approved product or other product candidates;
- the prevalence and severity of adverse events associated with such approved product or other product candidates;
- the clinical indications for which the products are approved and the approved claims that we may make for the products;
- limitations or warnings contained in the product's FDA-approved labeling, including potential limitations or warnings for such products that may be more restrictive than other competitive products or distribution and use restrictions imposed by the FDA with respect to such approved product or other product candidates or to which we agree as part of a mandatory REMS or voluntary risk management plan;
- changes in the standard of care for the targeted indications for such approved product or other product candidates;
- the relative difficulty of administration of our approved product or other product candidates;
- our ability to offer our approved product or other product candidates for sale at competitive prices, including the cost of treatment versus economic and clinical benefit in relation to alternative treatments or therapies;
- the availability of adequate coverage or reimbursement by third parties, such as insurance companies and other healthcare payors, and by government healthcare programs, including Medicare and Medicaid;
- the extent and strength of our marketing and distribution of such approved product or other product candidates;
- the safety, efficacy and other potential advantages over, and availability of, alternative treatments already used or that may later be approved for any of our intended indications;
- the timing of market introduction of our approved product or other product candidates and the availability of combination products like BCG, as well as competitive products;
- the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the extent and strength of our third-party manufacturer and supplier support;
- adverse publicity about the product or favorable publicity about competitive products; and
- potential product liability claims.

If our approved product or any other product candidate that we commercialize fails to achieve market acceptance, it could have a material and adverse effect on our business, financial condition, results of operations, and prospects.

***Our approved product and our product candidates may face competition sooner than anticipated.***

The enactment of the BPCIA created an abbreviated approval pathway for biological products that are biosimilar to or interchangeable with an FDA-licensed reference biological product. Under the BPCIA, the FDA cannot make an approval of an application for a biosimilar product effective until 12 years after the original branded product was approved under a BLA. Certain changes, however, and supplements to an approved BLA, and subsequent applications filed by the same sponsor, manufacturer, licensor, predecessor in interest or other related entity do not qualify for the 12-year exclusivity period.

Our approved product and/or product candidates may qualify for the BPCIA's 12-year period of exclusivity. There is a risk that any product candidates we may develop that are approved as a biological product under a BLA would not qualify for the 12-year period of exclusivity or that this exclusivity could be shortened due to congressional action or otherwise, or that the FDA will not consider our approved product or any other product candidates we may develop to be reference products for competing products, potentially creating the opportunity for generic competition sooner than anticipated. Additionally, this period of regulatory exclusivity does not block companies pursuing regulatory approval via their own traditional BLA, rather than via the abbreviated pathway. Even if we receive a period of BPCIA exclusivity for our approved product, if subsequent products do not include a modification to the structure of the product that impacts safety, purity, or potency, we may not receive additional periods of exclusivity for those products. Moreover, the extent to which a biosimilar, once approved, will be substituted for any one of our reference product candidates in a way that is similar to traditional generic substitution for non-biological products is subject to state pharmacy law. Medicare Part B encourages use of biosimilars by paying the provider the same percentage of the reference product average sale price as a mark-up, regardless of which product is reimbursed. It is also possible that payors will give reimbursement preference to biosimilars even over reference biologics absent a determination of interchangeability.

For our small molecular product candidates, if qualified, the regulatory exclusivity period is less than for our biological product candidates. The FD&C Act provides a five-year period of non-patent marketing exclusivity within the U.S. to the first applicant to gain approval of an NDA for a drug where the FDA has not previously approved any other new drug containing the same active molecule or ion responsible for the action of the drug substance. During the exclusivity period, the FDA may not accept for review an abbreviated NDA or a 505(b)(2) NDA submitted by another company for a generic version of such drug where the applicant does not own or have a legal right of reference to all the data required for approval. However, an application may be submitted after four years if it contains a certification of patent invalidity or non-infringement. The FD&C Act also provides three years of marketing exclusivity for an NDA, 505(b)(2) NDA or supplement to an existing NDA if new clinical investigations, other than bioavailability studies, which were conducted or sponsored by the applicant are deemed by the FDA to be essential to the approval of the application, for example, new indications, dosages or strengths of an existing drug. As such, we may face competition from generic versions of our small molecule product candidates, which will negatively impact our long-term business prospects and marketing opportunities.

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

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

***Our systems, infrastructure or data, or those used by our CROs, CMOs, clinical sites or other contractors or consultants, may or may be perceived to fail or suffer a cyberattack, security breach or other incident, including a breakdown or compromise of the confidentiality, integrity and availability of our systems, networks or data, which could adversely affect the operation of our business and reputation.***

We are and will be dependent upon information technology systems, infrastructure, and data. In the ordinary course of our business, we will directly or indirectly collect, store, transmit, and otherwise process sensitive and confidential information, including intellectual property, preclinical, and clinical trial data, proprietary business information, and personal information of our clinical trial patients and employees, including in our data centers and on our systems and networks or on those of third parties. The secure maintenance, transmission, and processing of data is critical to our operations. The multitude and complexity of our systems and those of our CROs, CMOs, clinical sites, or other contractors or consultants may subject them to various threats, including interruption, destruction, malicious intrusion, and random attack. Privacy or security breaches or other incidents, including by third parties, employees, contractors or others, may pose a risk that sensitive or confidential information, including our intellectual property, trade secrets or personal information of our employees, patients, or other business partners may be exposed to unauthorized persons or to the public. Further, as many of our employees work remotely, our reliance on our and third-party systems has increased substantially and is expected to continue to increase.

Despite the implementation of security measures, our systems, infrastructure and data, and those of our CROs, CMOs, clinical sites and other contractors and consultants, are subject to risks relating to cyberattacks, security breaches, or other incidents, including through viruses and other malware, employee error, unauthorized access, natural disasters, terrorism, war, fire, telecommunication and electrical failures, denial of service attacks, social engineering (including phishing attacks) and other means. As the cyberthreat landscape evolves, these cyberattacks are increasing in their frequency, sophistication and intensity and are becoming increasingly difficult to detect. The techniques used by cybercriminals change frequently, may not be recognized until launched and can originate from a wide variety of sources, including outside groups such as external service providers, organized crime affiliates, terrorist organizations or hostile foreign governments or agencies. Cyberattacks affect service reliability and threaten data confidentiality, integrity and availability. While we and our shared services partner, NantWorks, have invested, and continue to invest, in the protection of our data, systems, and infrastructure, there can be no assurance that our efforts, or the efforts of our partners, vendors, CROs, CMOs, clinical sites and other contractors and consultants, will be successful. Any failure or perceived failure in our systems, infrastructure or data, or to identify or prevent cyberattacks, security breaches or other incidents, including service interruptions could adversely affect our business and operations, result in the loss, unavailability, misuse, unauthorized use or acquisition, or other unauthorized processing of critical or sensitive information, and result in financial, legal, business or reputational harm. In addition, while we maintain cyber-liability insurance, our insurance may not be sufficient in type or amount to cover us against claims related to any such failures, security breaches, cyberattacks or other incidents, and there may be other losses that could potentially result from a service interruption, breach of our systems or loss of our critical or sensitive data not covered by such insurance.

If any such event were to occur, it could also cause interruptions in our operations, including a disruption of our product development programs. For example, the loss, corruption, or unavailability of clinical trial data from completed or ongoing clinical trials for a product candidate could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data or may limit our ability to effectively execute a product recall, if required. Any such event could result in liability, delays in the development and commercialization of product candidates, claims, demands or proceedings initiated by regulatory authorities or private parties, violations of laws, including laws that protect the privacy or security of personal information, significant liabilities, including regulatory penalties, and damage to our reputation and a loss of confidence in us and our ability to conduct clinical trials. In addition, we are adopting and exploring the use of AI in our business, and as an emerging and rapidly evolving technology, our use of AI introduces potential opportunities but also presents risks that could adversely affect our operations, information security and reputation. AI systems may produce inaccurate or flawed outputs due to flawed algorithms, or insufficient and/or erroneous training data. Reliance on flawed outputs could result in lower quality decision-making or prevent us from effectively utilizing AI in our business. We may also become vulnerable to operational disruptions if the AI technologies we use experience downtimes or are compromised by cyberattacks. If we do not effectively implement guardrails and train our staff on the safe and proper use of AI, or if our staff fail to effectively adhere to our established guardrails and training on the use of AI, we may experience adverse effects on our business, including data breaches, the loss of confidential information (including our intellectual property), unintentional disclosure of personal data, or other misuse of our proprietary information.

***A pandemic, epidemic or outbreak of an infectious disease, such as COVID-19, or the perception of its effects, may materially and adversely affect our business, operations and financial condition.***

Public health outbreaks, such as epidemics or pandemics may significantly disrupt our business. Such outbreaks pose the risk that we or our employees, contractors, suppliers, and other partners may be prevented from conducting business activities for an indefinite period of time due to the spread of the disease, due to shutdowns that may be requested or mandated by federal, state, and local governmental authorities or certain employers, or due to the economic consequences associated with the pandemic. Business disruptions could include disruptions or restrictions on our ability to travel, as well as temporary closures of our facilities and the facilities of our partners, clinical trial sites, service providers, suppliers, or contract manufacturers. For example, the COVID-19 pandemic caused a temporary disruption in our ability to recruit participants for our clinical trials in the calendar year 2020 and the first quarter of 2021. While it is not possible to predict whether another pandemic, epidemic, or infectious disease outbreak similar to COVID-19 will materialize, any measures taken by governments and local authorities in response to such future health crises have the potential to disrupt and delay the initiation of new clinical trials, the progress of our ongoing clinical trials and our preclinical activities, and potentially the manufacture or shipment of both drug substance and finished drug product of our approved product and our other product candidates for preclinical testing and clinical trials, may adversely impact our business, financial condition, or operating results.

## Risks Related to Reliance on Third Parties

*We have relied and will continue to rely on third parties and related parties to conduct some of our preclinical studies and clinical trials, manufacture our approved product and other product candidates, and perform many essential services for any products that we commercialize, including services related to sales and marketing, distribution, government price reporting, customer service, accounts receivable management, cash collection and adverse event reporting. Any failure by a third party, related party, or us to perform as expected, comply with legal and regulatory requirements, manufacture products in compliance with cGMP, or conduct clinical trials according to GCP guidelines, and in a timely manner, may delay or prevent our ability to commercialize ANKTIVA internationally, to seek or obtain incremental regulatory approvals for ANKTIVA or our other product candidates, or may subject us to regulatory sanctions.*

We have relied and will continue to rely on third parties and related parties to conduct some of our preclinical studies and clinical trials, manufacture our approved product and other product candidates, and perform many essential services for any products that we commercialize, including services related to sales and marketing, distribution, government price reporting, customer service, accounts receivable management, cash collection and adverse event reporting. Any failure by a third party, related party, or us to perform as expected, comply with legal and regulatory requirements, manufacture products in compliance with cGMP, or conduct clinical trials according to GCP guidelines, and in a timely manner, may delay or prevent our ability to commercialize ANKTIVA internationally, to seek or obtain incremental regulatory approvals for ANKTIVA or our other product candidates, or may subject us to regulatory sanctions.

Large-scale clinical trials require significant financial and management resources. We expect to be heavily reliant on third and related parties, including medical institutions, academic institutions, clinical investigators or CROs to conduct, supervise or monitor some or all aspects of our clinical trials, and in some cases, third-party CMOs to manufacture our approved product or other product candidates, which may force us to encounter delays and challenges that are outside of our control. Nevertheless, we are responsible for ensuring that each of our trials is conducted in accordance with the applicable trial protocol and legal, regulatory and scientific standards, and our reliance on CROs, clinical trial sites, and other third parties does not relieve us of these responsibilities. Our CROs and other third parties must communicate and coordinate with one another in order for our trials to be successful. We have a limited history of conducting clinical trials and have limited experience as a company in submitting and supporting the applications necessary to gain marketing approvals. Our relative lack of experience conducting clinical trials may contribute to our planned clinical trials not beginning or completing on time, if at all. Securing marketing approval also requires the submission of information about the product manufacturing process to, and inspection of manufacturing facilities and clinical trial sites by, applicable regulatory authorities.

For example, we will remain responsible for ensuring that each of our clinical trials is conducted in accordance with the general investigational plan and protocols for the trial and for ensuring that our preclinical studies are conducted in accordance with Good Laboratory Practice guidelines, as appropriate. Moreover, the FDA and comparable foreign regulatory authorities require us and the third parties upon which we intend to rely for conducting our clinical trials to comply with GCP guidelines for conducting, recording, and reporting the results of clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity, and confidentiality of trial participants are protected. Regulatory authorities enforce these requirements through periodic inspections (including pre-approval inspections once a BLA or NDA is filed with the FDA) of trial sponsors, clinical investigators, trial sites, and certain third parties including CMOs. If we, our CROs, clinical trial sites, or other third parties fail to comply with applicable GCP guidelines or other regulatory requirements, we or they may be subject to enforcement or other legal actions, the clinical data generated in our clinical trials may be deemed unreliable and have to be repeated, and our submission of marketing applications may be delayed or the FDA or comparable foreign regulatory authorities may require us to perform additional clinical trials before approving our marketing applications. We cannot assure you that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials comply with GCP guidelines.

We rely on third parties to manufacture, package, label, and ship our approved product and some of our other product candidates for the clinical trials that we conduct. Any performance failure on the part of these third parties could delay commercialization of our approved product or other product candidates or the clinical development or marketing approval of our product candidates producing additional losses and depriving us of potential product revenues.

Our CROs, clinical trial sites, and other third parties may also have relationships with other entities, some of which may be our competitors, for whom they may also be conducting clinical trials or other therapeutic development activities that could harm our competitive position. In addition, these third parties are not our employees, and except for remedies available to us under our agreements with them, we cannot control whether or not they devote sufficient time and resources to our ongoing clinical and preclinical programs. If these third parties conducting our clinical trials (i) do not successfully carry out their contractual duties, (ii) do not meet expected deadlines, (iii) experience work stoppages, (iv) do not conduct our clinical trials in accordance with regulatory requirements or our stated protocols, (v) need to be replaced, (vi) experience financial hardships, or (vii) terminate their agreements with us or if the quality or accuracy of the data they obtain is compromised due to the failure to adhere to our clinical trial protocols, GCP guidelines, or other regulatory requirements or for other reasons, our trials may need to be repeated, extended, delayed, or terminated, we may not be able to obtain, or may be delayed in obtaining, marketing approvals for our product candidates, we will not be able to, or may be delayed in our efforts to, successfully commercialize our product candidates, or we or they may be subject to regulatory enforcement actions. Additionally, we may need to conduct additional clinical trials or enter into new arrangements with alternative CROs, clinical investigators or other third parties, which we may not be able to do on commercially reasonable terms, or at all and which may involve additional cost and time and require management time and focus. As a result, delays could occur, which could compromise our ability to meet our desired development timelines. Furthermore, if any of the third parties conducting our clinical trials experience any financial hardships due to difficulties relating to the operation of their business, it could damage our business, financial condition, results of operations, and prospects. In addition, if an agreement with any of our collaborators terminates, our access to technology and intellectual property licensed to us by that collaborator may be restricted or terminate entirely, which may delay the continued development of our product candidates using the collaborator's technology or intellectual property or require us to stop development of those product candidates completely. As a result, our results of operations and the commercial prospects for our product candidates would be harmed, our costs could increase and our ability to generate revenues could be delayed. To the extent we are unable to successfully identify and manage the performance of third-party service providers in the future, our business may be materially and adversely affected.

We have and we expect to continue to retain third-party service providers to perform a variety of functions related to the sale of our approved product and current or future product candidates, key aspects of which will be out of our direct control. These service providers may provide key services related to sales, market access, distribution, customer service, accounts receivable management, state reporting, compliance support, and cash collection. If we retain a service provider, we will substantially rely on it as well as other third-party providers that perform services for us, including entrusting our inventories of products to their care and handling. If these third-party service providers fail to comply with applicable laws and regulations, fail to meet expected deadlines or otherwise do not carry out their contractual duties to us, or encounter physical or natural damage at their facilities, our ability to deliver product to meet commercial demand would be significantly impaired and we may be subject to regulatory enforcement action.

In addition, we may engage in the future with third parties to perform various other services for us relating to adverse event reporting, safety database management, fulfillment of requests for medical information regarding our product candidates, and related services. If the quality or accuracy of the data maintained by these service providers is insufficient, or these third parties otherwise fail to comply with regulatory requirements related to adverse event reporting, we could be subject to regulatory sanctions.

Additionally, we have contracted with one or more third parties to calculate and report pricing information mandated by various government programs and may enter into further contracts in the future. If a third party fails to timely report or adjust prices as required or makes a mistake in calculating government pricing information from transactional data in our financial records, it could impact our discount and rebate liabilities, and potentially subject us to regulatory sanctions or FCA lawsuits.

Our reliance on third and related parties can also present intellectual property-related risks. For example, collaborators may not properly obtain, maintain, enforce or defend intellectual property or proprietary rights relating to our product candidates or technology 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. Collaborators may also own or co-own intellectual property covering our product candidates or technology that results from our collaboration with them, and in such cases, we may not have the exclusive right to commercialize such intellectual property or such product candidates or technology. Collaborators may also gain access to our trade secrets or formulations and impact our ability to commercialize our proprietary technology. We may also need the cooperation of our collaborators to enforce or defend any intellectual property we contribute to or that arises out of our collaborations, which may not be provided to us.

We also anticipate that part of our strategy for pursuing the wide range of indications potentially addressed by ANKTIVA will involve further investigator-led clinical trials. While these trials generally provide us with valuable clinical data that can help form our future development strategy, we generally have less control over not only the conduct but also the design of these clinical trials. Third-party investigators may design clinical trials involving our product candidates with clinical endpoints that are more difficult to achieve or in other ways that increase the risk of negative clinical trial results compared to clinical trials we may design on our own. Negative results from investigator-led clinical trials, regardless of how the clinical trial was designed or conducted, could have a material adverse effect on our business and the perception of our product candidates.

Moreover, principal investigators for our clinical trials may serve as scientific advisors or consultants to us from time to time and receive compensation in connection with such services.

***If third-party manufacturers, wholesalers, and distributors fail to perform as expected, or fail to devote sufficient time and resources to our approved product or other product candidates, our clinical development may be delayed, our costs may be higher than expected or our other product candidates may fail to be approved, or we may fail to commercialize our approved product or any other product candidates, if approved.***

Our reliance on third-party manufacturers, wholesalers, and distributors exposes us to the following risks, any of which could delay FDA approval of our product candidates and commercialization of our approved product or any other product candidates, if approved, result in higher costs, or deprive us of potential product revenues:

- our CMOs, or other third parties we rely on, may encounter difficulties in achieving the volume of production needed to satisfy commercial demand, may experience technical issues that impact quality or compliance with applicable and strictly enforced regulations governing the manufacture of pharmaceutical products, and may experience shortages of qualified personnel to adequately staff production operations;
- our wholesalers and distributors could become unable to sell and deliver our approved product or other product candidates for regulatory, compliance, and other reasons;
- our CMOs, wholesalers, and distributors could breach or default on their agreements with us to meet our requirements for commercialization of our approved product or other product candidates;
- our CMOs, wholesalers, and distributors may not perform as agreed or may not remain in business for the time required to successfully produce, store, sell, and distribute our approved product or other product candidates and we may incur additional costs;
- our CMOs, wholesalers, and distributors may misappropriate our proprietary information; and
- if our CMOs, wholesalers, and distributors were to terminate our arrangements or fail to meet their contractual obligations, we may be forced to delay our commercial programs.

Our reliance on third parties reduces our control over our approved product and other product candidate development activities but does not relieve us of our responsibility to ensure compliance with all required legal, regulatory, and industry standards. For example, the FDA and other regulatory authorities require that our approved product, other product candidates and any other products that we may eventually commercialize be manufactured according to cGMP requirements. Any failure by our third-party manufacturers to comply with cGMP or maintain a compliance status acceptable to the FDA or other regulatory authorities or failure to scale up manufacturing processes, including any failure to deliver sufficient quantities of product candidates in a timely manner, could lead to a delay in, or failure to obtain, regulatory approval of any of our product candidates. On May 9, 2023, the FDA delivered a CRL to us regarding the BLA filed in May 2022, indicating that the FDA had determined that it could not approve the original BLA submission in its initial form, and the FDA made recommendations to address the issues raised. The deficiencies in the CRL related to the FDA's pre-license inspection of the company's third-party CMOs, among other items.

The CRL that we received in response to our initial BLA submission required us to resubmit the BLA to the FDA addressing the issues in the CRL. In April 2024, the FDA approved ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors. Our third-party manufacturers are subject to periodic inspections by the FDA and other regulatory authorities, and failure to comply with cGMP could be the basis for the FDA to issue a warning or untitled letter, withdraw approvals for our approved product or our other product candidates previously granted to us, or take other regulatory or legal action, including a request to recall or seize our approved product or our other product candidates, total or partial suspension of production, suspension of clinical trials, refusal to approve pending applications or supplemental applications, detention of product, refusal to permit the import or export of other product candidates, injunction, imposing civil penalties or pursuing criminal prosecution.

Additionally, as we scale up manufacturing of our approved product or other product candidates and conduct required stability testing, we may encounter additional challenges or cGMP issues. These issues may require refinement or resolution in order to proceed with commercial marketing of our approved product or any of our other product candidates, if approved. In addition, quality issues may arise during scale-up and validation of commercial manufacturing processes. Any issues in our manufacturing process could result in increased scrutiny by regulatory authorities, delays in our regulatory review process, increases in our operating expenses, or failure to obtain or maintain approval for our approved product or other product candidates. If such issues relate to an approved product, we may not be able to commercialize the approved product as we planned or fail to meet commercial demand, any of which can materially and adversely affect our position in the market.

***We use the Clinic, a related party, in some of our clinical trials which may expose us to significant regulatory risks. If our data for this site is not sufficiently robust or if there are any data integrity issues, we may be required to repeat such studies or contract with other clinical trial sites, which could delay and/or increase the cost of our development plans.***

The Clinic has conducted, is currently conducting, and in the future may conduct clinical trials involving our product candidates. The Clinic is a related party as it is owned by an officer of the company and additionally, NantWorks manages the administrative operations of the Clinic. Prior to June 30, 2019, one of the company's officers was an investigator or sub-investigator for certain of the company's trials conducted at the Clinic. NantWorks, which is wholly owned by Dr. Soon-Shiong, our Founder, Executive Chairman and Global Chief Scientific and Medical Officer, provides certain administrative services (and has loaned money) to the Clinic. Under certain circumstances, we may be required to report some of these relationships to the FDA.

Relying on a related-party clinical site to develop data that is used as the basis to support regulatory approval can expose us to significant regulatory risks. The FDA may conclude that a financial relationship between us, the Clinic and/or a principal investigator has created a conflict of interest or otherwise affected interpretation of the study. The FDA or comparable regulatory authorities may therefore question the integrity of the data generated at the applicable clinical trial site and the utility of the clinical trial itself may be jeopardized. If any data integrity, or regulatory non-compliance issues occur during the study, we may not be able to use the data for our regulatory approval. This could result in a delay in approval, or rejection, of our marketing applications by the FDA and may ultimately lead to the denial of regulatory approval of one or more of our product candidates.

***We have formed, and may in the future form or seek, strategic alliances or enter into collaborations with third parties or additional licensing arrangements, and we may not realize the benefits of such alliances or licensing arrangements. Conflicts may arise between us and our collaborators or strategic partners, and such strategic alliances, collaborations or licensing arrangements may not be successful.***

We have formed, and may in the future form or seek, strategic alliances, or enter into collaborations with third parties or additional licensing arrangements that we believe will complement or augment our development and commercialization efforts with respect to our approved product, other product candidates and any future product candidates that we may develop. We plan to collaborate with governmental, academic, and corporate partners, including affiliates, to improve and develop ANKTIVA and hAd5 constructs, and other cell therapies for new indications for use in combination with other therapies and to improve and develop other product candidates, which may expose us to additional risks, or we may not realize the benefits of such collaborations.

Because some of our collaborations are conducted at outside laboratories, and we do not have complete control over how the studies are conducted or reported, the results of such studies, which we may use as the basis for our conclusions, projections, or decisions with respect to our current or future product candidates, may be incorrect or unreliable, or may have a negative impact on us if the results of such studies are imputed to our product candidates or proposed indications, even if such imputation is improper. Additionally, we may use third-party data to analyze, reach conclusions or make predictions or decisions with respect to our product candidates that may be incomplete, inaccurate or otherwise unreliable.

We also plan to collaborate with governmental, academic and corporate partners, including affiliates, to improve and develop ANKTIVA and hAd5 constructs, cell therapies and other therapies for new indications for use in combination with other therapies and to improve and develop other product candidates, which may expose us to additional risks, or we may not realize the benefits of such collaborations.

Furthermore, conflicts may arise between us and our collaborators or strategic partners, and such strategic alliances, collaborations, or licensing arrangements may result in litigation, which is expensive and time consuming. For example, in 2019, Sorrento, with which we jointly established a new entity called NANTibody as a stand-alone biotechnology company, commenced litigation against us and certain of our officers and directors, alleging that we improperly caused NANTibody to acquire IgDraSol. Additionally, in 2020 we received a Request for Arbitration before the International Chamber of Commerce, International Court of Arbitration, served by Beike asserting a claim for breach of contract under our subsidiary Altor's license agreement with them. See Part II, Item 1. "[Legal Proceedings](#)" for more information regarding these disputes. Any such developments could harm our product development efforts, and additional disputes with our licensors or strategic collaborators may be expensive and time consuming.

In addition, collaborations involving our product candidates will be subject to numerous risks, which may include the following:

- collaborators, including their related or affiliated companies, may be entitled to receive exclusive rights for or involving our products;
- collaborators have significant discretion in determining the efforts and resources that they will apply to a collaboration;
- collaborators may not pursue development and commercialization of our product candidates or may elect not to continue or renew development or commercialization of our product candidates based on clinical trial results, changes in their strategic focus due to the acquisition of competitive products, availability of funding or other external factors, such as a business combination that diverts resources or creates competing priorities;
- collaborators may delay clinical trials, provide insufficient funding for a clinical trial, stop a clinical trial, abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;
- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with our product candidates;

- a collaborator with marketing and distribution rights to one or more products may not commit sufficient resources to their marketing and distribution;
- collaborators may not properly maintain, defend, or enforce our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability;
- disputes may arise between us and a collaborator that cause the delay or termination of the research, development, or commercialization of our product candidates, or that result in costly litigation or arbitration that diverts management attention and resources;
- collaborations may be terminated and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable product candidates;
- if an agreement with any collaborator terminates, our access to technology and intellectual property licensed to us by that collaborator may be restricted or terminate entirely, which may delay our continued development of our product candidates using the collaborator's technology or intellectual property or require us to stop development of those product candidates completely; and
- collaborators may own or co-own intellectual property covering our product candidates or technology that results from our collaborating with them, and in such cases, we may not have the exclusive right to commercialize such intellectual property.

As a result, if we enter into collaboration agreements and strategic partnerships or license our product candidates, we may not be able to realize the benefit of such transactions if we are unable to successfully integrate them with our existing operations and company culture, which could delay our timelines or otherwise adversely affect our business. Additionally, exclusive rights that we may grant in connection with collaboration agreements may limit our ability to enter into new or additional collaboration agreements or strategic partnerships if we experience issues with existing collaborations. We also cannot be certain that, following a strategic transaction or license, we will achieve the revenues or specific net income that justifies such transaction. Any delays in entering into new collaborations or strategic partnership agreements related to our product candidates could delay the development and commercialization of our product candidates in certain geographies for certain indications, which would harm our business prospects, financial condition, and results of operations.

Any of these relationships may require us to incur non-recurring and other charges, increase our near and long-term expenditures, issue securities that dilute our existing stockholders, or disrupt our management and business. In addition, we face significant competition in seeking appropriate strategic partners and the negotiation process is time-consuming and complex. Moreover, we may not be successful in our efforts to establish a strategic partnership or other alternative arrangements for our product candidates because they may be deemed to be at too early of a stage of development for collaborative effort and third parties may not view our product candidates as having the requisite potential to demonstrate safety and efficacy.

***If conflicts arise between us and our collaborators or strategic partners, these parties may act in a manner adverse to us and could limit our ability to implement our strategies.***

If conflicts arise between our corporate or academic collaborators or strategic partners and us, the other party may act in a manner adverse to us and could limit our ability to implement our strategies. Some of our existing academic collaborators and strategic partners are conducting multiple product development efforts. Such current or future collaborators or strategic partners could become our competitors in the future and could develop competing products, preclude us from entering into collaborations with their competitors, fail to obtain timely regulatory approvals, terminate their agreements with us prematurely or fail to devote sufficient resources to the commercialization of our approved product and the development and commercialization of our other product candidates. Competing product candidates, either developed by the collaborators or strategic partners or to which the collaborators or strategic partners have rights, may result in the withdrawal of our collaborator's or partner's support for our product or product candidates.

***Our use of joint ventures, strategic partnerships, and alliances may expose us to risks associated with jointly owned investments.***

We may operate parts of our business through joint ventures, strategic partnerships, supply agreements, collaborations, and/or alliances with other companies. While such arrangements may, in some cases, give us access to technologies that we may not otherwise have or may give us access to capital, they involve risks not otherwise present in our own investments, including: (i) we may not control the venture, and it may divert management time and resources; (ii) the partner(s) may not agree to distributions that we believe are appropriate; (iii) we may experience impasses or disputes with such partner(s) on certain decisions, which could require us to expend additional resources to resolve such impasses or disputes, including litigation or arbitration; (iv) our partner(s) may become insolvent or bankrupt, fail to fund their share of required capital contributions or fail to fulfil their obligations as a venture partner; (v) the arrangements governing these relationships may contain certain conditions or milestone events that may never be satisfied or achieved; (vi) our partner(s) may have business or economic interests that are inconsistent with our interests and may take actions contrary to our interests; (vii) we may suffer losses as a result of actions taken by the partner(s); (viii) conflicts may arise leading to disputes and efforts to terminate these arrangements and seek other remedies; and (ix) it may be difficult for us to exit if an impasse arises or if we desire to sell our interest for any reason. There can be no guarantee that the strategic partnerships that we currently have or may enter into will be successful. Furthermore, we may, in certain circumstances, be liable for the actions of our partners. Any of the foregoing risks could have a material adverse effect on our business, financial condition and results of operations.

***We are heavily dependent on our senior management, particularly Dr. Soon-Shiong, our Founder, Executive Chairman and Global Chief Scientific and Medical Officer, and a loss of a member of our senior management team in the future, even if only temporary, could harm our business.***

Our operations will be dependent upon the services of our executives and our employees who are engaged in research and development. If we lose the services of members of our senior management, particularly Dr. Soon-Shiong, our Founder, Executive Chairman and Global Chief Scientific and Medical Officer, for a short or an extended time, for any reason, we may not be able to find appropriate replacements on a timely basis, and our business, financial condition and results of operations could be materially adversely affected. Our existing operations and our future development depend to a significant extent upon the performance and active participation of certain key individuals, particularly Dr. Soon-Shiong. Although Dr. Soon-Shiong focuses heavily on our matters and is highly active in our management, he devotes a significant amount of his time to a number of different endeavors and companies, including NantHealth, Inc., NantMedia Holdings, LLC (which operates the Los Angeles Times) and NantWorks, which is a collection of multiple companies in the healthcare and technology space. The risks related to our dependence upon Dr. Soon-Shiong are particularly acute given his ownership percentage, the commercial and other relationships that we have with entities affiliated with him, his role in our company and his public reputation. We may also be dependent on additional funding from Dr. Soon-Shiong and his affiliates, which may not be available when needed and which he is under no obligation to provide.

To induce valuable employees to remain at our company, in addition to salary and cash incentives, we have provided, and plan to continue providing, equity incentive awards that vest over time. The value to employees of equity incentive awards 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. Despite our efforts to retain valuable employees, members of our management, scientific and development teams may terminate their employment with us on short notice. We do not have employment agreements with our named executive officers and do not maintain “key man” insurance policies on the lives of most of the members of our management.

***We will need to grow the size and capabilities of our organization, and we may experience difficulties in achieving and managing this growth.***

Our future financial performance and our ability to commercialize our approved product and other product candidates will depend, in part, on our ability to effectively manage any future growth, and our management may also have to divert a disproportionate amount of their attention away from day-to-day activities in order to devote a substantial amount of time to managing these growth activities. In order to develop our business in accordance with our business plan, we will have to hire additional qualified personnel, including in the areas of research, manufacturing, clinical trials management, regulatory affairs, and sales and marketing. We are continuing our efforts to recruit and hire the necessary employees to support our planned operations in the near term. However, competition for qualified personnel in the biotechnology and pharmaceuticals industry is intense due to the limited number of individuals who possess the skills and experience required, and no assurance can be given that we will be able attract, hire, retain and motivate the highly skilled employees that we need, on acceptable terms or at all.

Future growth will impose significant added responsibilities on members of management, including:

- identifying, recruiting, integrating, maintaining, and motivating additional employees;
- managing our internal development efforts effectively, including the clinical and FDA review process for our product candidates, while complying with our contractual obligations to contractors and other third parties; and
- improving our operational, financial and management controls, reporting systems, and procedures.

We currently rely, and for the foreseeable future we expect to rely, in substantial part, on certain independent organizations, advisors, and consultants to provide certain services. There can be no assurance that the services of these independent organizations, advisors, and consultants will continue to be available to us on a timely basis when needed, or that we can find qualified replacements on economically reasonable terms, or at all. In addition, if we are unable to effectively manage our outsourced activities or if the quality, compliance, or accuracy of the services provided by consultants is compromised for any reason, our clinical trials may be extended, delayed, or terminated, and we may not be able to obtain regulatory approval of our product candidates or otherwise advance our business.

If we are not able to effectively expand our organization by hiring new employees and expanding our groups of consultants and contractors, we may not be able to successfully implement the tasks necessary to further commercialize our approved product or develop and commercialize our other product candidates and, accordingly, may not achieve our research, development, and commercialization goals on a timely basis, or at all.

***If we engage in future acquisitions or strategic partnerships, this may increase our capital requirements, dilute our stockholders, cause us to incur debt or assume contingent liabilities, and subject us to other risks.***

We may evaluate various acquisitions and strategic partnerships, including licensing or acquiring complementary products, intellectual property rights, technologies, or businesses. Any potential acquisition or strategic partnership may entail numerous risks, including:

- assimilation of operations, intellectual property, and products of an acquired company or product, including difficulties associated with integrating new personnel;
- the diversion of our management's attention from our existing product programs and initiatives in pursuing such a strategic merger or acquisition;
- retention of key employees, the loss of key personnel, and uncertainties in our ability to maintain key business relationships;
- significant upfront milestone and/or royalty payments from which we may not realize the anticipated benefits;
- 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; and
- our inability to generate revenues from acquired technology and/or products sufficient to meet our objectives in undertaking the acquisition or even to offset the associated acquisition and maintenance costs.

Depending on the size and nature of future strategic acquisitions, we may acquire assets or businesses that require us to raise additional capital or to operate or manage businesses in which we have limited experience. Making larger acquisitions that require us to raise additional capital to fund the acquisition will expose us to the risks associated with capital raising activities. Acquiring and thereafter operating larger new businesses will also increase our management, operating and reporting costs and burdens (including increased cash requirements). In addition, if we undertake acquisitions, we may issue dilutive equity securities, assume or incur additional debt obligations or contingent liabilities, incur large one-time expenses and acquire intangible assets that could result in significant future amortization expense. Moreover, we may not be able to locate suitable acquisition opportunities and this inability could impair our ability to grow or obtain access to technology or products that may be important to the development of our business.

***A variety of risks associated with marketing our approved product and other product candidates internationally could materially adversely affect our business.***

We have received and plan to seek regulatory approval of our approved product and other product candidates outside of the U.S. and, accordingly, we expect that we will be subject to additional risks related to operating in foreign countries, both directly and through sales and distribution partnerships, including:

- differing regulatory requirements in foreign countries;
- ability of potential partners to execute on our behalf and the adequacy of agreements we enter into with such partners;
- unexpected changes in tariffs, trade barriers, price and exchange controls and other regulatory requirements;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- compliance with tax, employment, immigration, and labor laws for employees living or traveling abroad;
- foreign taxes, including withholding of payroll taxes;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenues, and other obligations incident to doing business in another country;
- difficulties staffing and managing foreign operations;
- workforce uncertainty in countries where labor unrest is more common than in the U.S.;
- differing payor reimbursement regimes, governmental payors or patient self-pay systems, and price controls;
- potential liability under the FCPA or comparable foreign regulations;
- 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 U.S.;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad;
- the impact of public health epidemics on the global economy, such as the coronavirus pandemic; and
- business interruptions resulting from geopolitical actions, including war and terrorism.

These and other risks associated with international operations may materially adversely affect our ability to attain or maintain profitable operations. See “[—We are subject to U.S. and certain foreign export and import controls, sanctions, embargoes, anti-corruption, anti-money laundering, data export, and foreign investment laws and regulations.](#)”

In particular, there is currently significant uncertainty about the future relationship between the U.S. and various other countries, including China and European countries as well as Mexico and Canada, with respect to trade policies, treaties, tariffs, taxes, and other limitations on cross-border operations. The U.S. government has made and continues to make significant additional changes in U.S. trade policy and may continue to take future actions that could negatively impact U.S. trade. For example, legislation has been introduced in Congress to limit certain U.S. biotechnology companies from using equipment or services produced or provided by select Chinese biotechnology companies, and others in Congress have advocated for the use of existing executive branch authorities to limit those Chinese service providers’ ability to engage in business in the U.S. The current administration, including the FDA, has increased its scrutiny of foreign drug manufacturing facilities and other contractors based in China, especially with respect to the transfer of biological materials, genetic data, and other health data of American patients to parties in China. We cannot predict what actions may ultimately be taken with respect to trade relations between the U.S. and China or other countries, what products and services may become subject to such actions or what actions may be taken by the other countries in retaliation. If we are unable to obtain or use services from existing service providers or become unable to export or sell our products to any of our customers or service providers, our business, liquidity, financial condition, and/or results of operations could be materially and adversely affected.

***We are party to a public-private partnership regarding our manufacturing facility in Dunkirk, New York, and our failure to meet the obligations of those agreements could materially impact our development, operations and prospects.***

In 2022, we acquired a leasehold interest in the Dunkirk Facility from Athenex with a lease term that commenced on October 1, 2021. On December 30, 2025, we executed a second amendment to the Dunkirk lease. To the extent we are able to address existing construction needs, we believe this will provide us with a state-of-the-art biotech production center that will expand and diversify our manufacturing capacity in the U.S. and the ability to scale production associated with certain of our product candidates.

We paid approximately \$40.0 million to Athenex, and the leasehold interest in the Dunkirk Facility was transferred to us. Pursuant to the terms of the second amendment to the Dunkirk lease, our annual lease payment is \$0.5 million per year for the three-year lease term, with an option to purchase the facility for \$1.00 at the end of the lease term assuming certain covenants related to capital and operational investments are met. We are eligible for certain sales-tax exemption savings during the development of the Dunkirk Facility, and certain property tax savings through at least the term of the amended lease, subject to certain terms and conditions.

In addition, we believe that the Dunkirk Facility has construction needs that may require approximately 12 to 18 months to complete in order for it to be used as intended, and which needs remain as a result of an ongoing dispute with the Dunkirk Facility's general contractor and stay related to Athenex's ongoing bankruptcy proceedings, as described below.

Failure to satisfy the obligations over the lease term, including the milestones we have committed to achieve, may give rise to certain rights and remedies of the lessor and other governmental authorities including, for example, termination of the lease agreement and other related agreements and loss of certain tax benefits received, subject to the terms and conditions of the applicable agreements. If we lose access to the Dunkirk Facility and related leased equipment, it could disrupt our operations and planned manufacturing activities, causing us to divert resources to find alternative facilities and could have an impact on our operations and financial performance. We may also be subject to lawsuits or claims for damages against us if we are unable to comply with our obligations under these arrangements or in connection with other aspects of the Dunkirk Facility, which could materially and adversely affect our business, results of operations, and financial condition.

In 2022, we were named as a defendant in a lawsuit filed by Exyte, the general contractor for the Dunkirk Facility, in New York state court arising from a construction agreement Exyte entered into with Athenex pertaining to construction of the Dunkirk Facility. We believe we are entitled to defense costs and indemnification and, accordingly, we have provided notice to Athenex. In 2023, Athenex, together with certain of its subsidiaries, filed voluntary petitions for relief under Chapter 11 of the United States Bankruptcy Court for the Southern District of Texas. The lawsuit with Exyte has remained stayed as a result of Athenex's bankruptcy proceedings and the construction needs of the Dunkirk Facility remain. The extent of the impact of the Athenex proceedings and its automatic stay will have on any continuing obligations Athenex may have under the purchase agreement remain unclear. We further believe Exyte's claims against us are without merit, and we intend to defend the claims vigorously. Further, the aforementioned litigation and bankruptcy have impacted our ability to address the construction needs at the Dunkirk Facility and may continue to have a negative impact on our efforts to operate the Dunkirk Facility.

***Our contractors and subcontractors may place liens on our projects, and if they then successfully foreclose on such projects, we may not be able to use such assets for our business.***

Under general property law, any contractor or subcontractor doing work on a project may attach a lien on the property with respect to which it does work to secure the dollar value of all labor and material furnished to the project. A valid lien holder could, after the lien is perfected, institute a collection suit, according to the lien, and if it were successful in obtaining a judgment, the real property and the equipment thereon could be foreclosed upon. If a contractor were to successfully foreclose on such liens, we may not then be able to use such assets to manufacture our products, and our business could be materially harmed.

## Risks Related to Healthcare and Other Government Regulations

*While we have one product approved by the U.S. FDA, the UK MHRA, the SFDA, the ISAF of the Macau Special Administrative Region of the People's Republic of China and have been granted conditional marketing authorization from the EC (EMA) for the EU, we may be unable to obtain additional U.S. or foreign regulatory approval and, as a result, may be unable to commercialize our other product candidates. We are, and will continue to be subject to ongoing extensive regulation, regulatory obligations and continued regulatory review, which may result in significant additional expense.*

Our approved product and other product candidates are subject to extensive governmental regulations relating to, among other things, the research, development, testing, manufacture, quality control, import, export, safety, effectiveness, labeling, packaging, storage, distribution, record keeping, approval, advertising, promotion, marketing, post-approval monitoring and post-approval reporting of drugs and therapeutic biologics. There is no guarantee that we will be able to comply or maintain compliance with these regulations. Violations of governmental regulations may result in regulatory actions that could negatively impact regulatory approval and commercialization of our drugs and therapeutics. Rigorous preclinical testing and clinical trials and an extensive regulatory review process are required to be successfully completed in the U.S. and in many foreign jurisdictions before a new drug or therapeutic biologic can be marketed. Satisfaction of these and other regulatory requirements is costly, lengthy, time-consuming, uncertain and subject to unanticipated delays and can vary substantially based upon the type, complexity and novelty of the products involved. We had previously received a CRL in response to our initial BLA submission, requiring us to resubmit the BLA to the FDA addressing the issues in the CRL. In April 2024, the FDA approved ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors. We are required to comply with certain post-marketing commitments, including completion of our QUILT-3.032 clinical trial and annual reporting for up to four years, with a final report submission to the FDA by the end of 2029.

During the fourth quarter of 2024, we submitted MAAs for ANKTIVA with BCG for the treatment of patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors to the EMA and the UK MHRA, which agencies accepted such MAAs for review in the first quarter of 2025. In the fourth quarter of 2025, we submitted MAAs for ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS and for ANKTIVA in combination with immune CPIs for the treatment of adult patients with metastatic NSCLC to the SFDA. These were the first such submissions for us, the regulatory review process is uncertain, and although we received approvals from the UK MHRA and SFDA and the EC (EMA) granted conditional marketing authorization in the EU, there can be no assurance that we will receive future approvals.

In July 2025, the UK MHRA granted marketing authorization for ANKTIVA in combination with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors. In January 2026, the SFDA granted full approval for ANKTIVA in combination with BCG for the treatment of adult patients with high-risk BCG-unresponsive NMIBC with CIS, with or without papillary tumors. In January 2026, the SFDA granted conditional approval for ANKTIVA in combination with immune CPIs for the treatment of adult patients with metastatic NSCLC with disease progression on or after standard of care (immune CPIs alone or in combination with chemotherapy). In February 2026, the EC (EMA) granted conditional marketing authorization in the EU for ANKTIVA in combination with BCG for adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors. In March 2026, we received regulatory approval from the ISAF of the Macau Special Administrative Region of the People's Republic of China for ANKTIVA in combination with BCG for adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors.

Other than our approved product, we have not received regulatory approval from the FDA, the UK MHRA, the SFDA, the EC (EMA), or the ISAF of the Macau Special Administrative Region of the People's Republic of China, or comparable foreign authorities for any other product candidate, and we may never receive such regulatory approval for any of our other product candidates or regulatory approval that will allow us to successfully commercialize such other product candidates. In addition, regulatory agencies may lack experience with our technologies and products, which may lengthen the regulatory review process, increase our development costs and delay or prevent their commercialization.

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 studies, clinical trials or other research. The number and types of preclinical studies and clinical trials that will be required for regulatory approval also vary depending on the product candidate, the disease or condition that the product candidate is designed to address and the regulations applicable to any particular product candidate. 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 and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our other product candidates.

Any delay in completing development or obtaining, or failing to obtain, required approvals would have a material and adverse effect on our ability to generate revenue from the particular product candidate for which we are developing and seeking approval. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we are not able to maintain regulatory compliance, we may lose any marketing approval that we may have obtained, be subject to other regulatory enforcement action, and we may not achieve or sustain profitability.

Further, regulatory agency reorganizations, layoffs due to reduction in force initiatives, government shutdowns, a lapse of U.S. government appropriations and other similar measures, such as those implemented at the FDA during early 2025, may impact the normal operations of the FDA as well as other federal agencies. FDA staffing levels and resources may not meet current review, approval, and inspection schedules, which could delay our anticipated timelines. In addition, fewer agency guidance documents could interfere with FDA programs or lead to more CRLs or refusals to approve products. Further, the FDA's "real-time" release of newly issued CRLs, if applicable to any of our product candidates, can materially impact our competitive advantage and intellectual property. It is unclear the extent and manner in which our industry, regulatory submissions and our clinical programs will be impacted by policies and regulations implemented under the current administration and FDA leadership. There is uncertainty in the industry regarding how federal agencies like the FDA will change in the coming years. To the extent the agency reorganization and other agency changes lead to disruptions in the FDA's operations, our correspondence and regulatory review processes with the FDA may be materially delayed.

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

Obtaining and maintaining regulatory approval of our approved product or other product candidates in one jurisdiction does not mean that we will be successful in obtaining or maintaining regulatory approval in other jurisdictions, however a failure or delay in obtaining regulatory approval in one jurisdiction may have a negative effect on the regulatory review process in others. Approval policies, procedures and requirements may vary among jurisdictions and can involve requirements and administrative review periods different from, and greater than, those in the U.S., including additional preclinical studies or clinical trials as clinical trials conducted in one jurisdiction may not be accepted by regulatory authorities in other jurisdictions. For example, even if the FDA 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. In many jurisdictions outside the U.S., 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 product candidates is also subject to approval.

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

***Failure to obtain regulatory approval in any targeted jurisdiction would prevent us from marketing our products to a larger patient population and reduce our commercial opportunities.***

In order to market our products in the EU, UK, U.S. and other jurisdictions, we and any collaboration partners must obtain separate regulatory approvals and comply with numerous and varying regulatory requirements. The time required to obtain approval in other countries may differ from that required to obtain FDA approval. The foreign regulatory approval process may include all of the risks associated with obtaining FDA approval as well as additional or different risks, and we may not obtain foreign regulatory approvals on a timely basis, if at all. Approval by the European Commission, the UK MHRA, the SFDA, the ISAF of the Macau Special Administrative Region of the People's Republic of China, or the FDA does not ensure approval by regulatory authorities in other countries, and approval by one foreign regulatory authority does not ensure approval by regulatory authorities in other foreign countries or by the FDA. We or any collaboration partners may not be able to file for regulatory approvals and may not receive necessary approvals to commercialize our products in the EU, UK and other foreign jurisdictions or for new product candidates and/or new indications in the U.S. Failure to obtain these approvals would harm our business, financial condition and results of operations.

***Even though we have received regulatory approval for our approved product, we will continue to be subject to ongoing regulatory requirements concerning it and our other product candidates, which may result in significant additional expenses. Additionally, our other product candidates, if approved, could be subject to labeling and other restrictions, and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our approved product or other product candidates.***

Any regulatory approvals that we receive for our product candidates may also be subject to limitations on the approved indicated uses for which the product may be marketed, or to conditions of approval, or contain requirements for potentially costly post-marketing testing, including Phase 4 clinical trials, and surveillance to monitor safety and efficacy. In addition, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion and recordkeeping for any approved product, including our current product, will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, including reporting of certain adverse events as well as continued compliance with cGMP and GCP guidelines for any clinical trials that we conduct post-approval.

Later discovery of previously unknown problems with an approved product, including adverse events of unanticipated severity or frequency, or with manufacturing operations or processes, or failure to comply with regulatory requirements, may result in, among other things:

- holds on clinical trials;
- restrictions on the marketing or manufacturing of the product, withdrawal of the product from the market, or voluntary or mandatory product recalls;
- imposition of a REMS, which may include distribution or use restrictions;
- requirements to conduct additional post-market clinical trials to assess the safety of the product;
- revisions to the labeling, including limitation on approved uses or the addition of additional warnings, contraindications or other safety information, including boxed warnings;
- manufacturing delays and supply disruptions where regulatory inspections identify observations of non-compliance requiring remediation;
- fines, FDA Form 483s, warning or untitled letters, certain of which we have received before, including but not limited to the previously disclosed untitled letters and the March 2026 FDA OPDP warning letter described elsewhere in this Quarterly Report;
- refusal by the FDA to approve pending applications or supplements to approved applications submitted by us, or withdrawal of product approvals;
- product seizure or detention, or refusal to permit the import or export of product candidates; and
- injunctions or the imposition of civil or criminal penalties.

The FDA's policies may change, and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our product candidates. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative action, either in the U.S. or abroad. If we are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or are not able to maintain regulatory compliance, we may lose any marketing approval that may have been obtained and we may not achieve or sustain profitability, which would adversely affect our business.

***If we are unable to establish sales, marketing and distribution capabilities, we may not be successful commercializing our approved product or our other product candidates, including in international markets, if and when they are approved.***

We are in the process of implementing our sales and marketing personnel hiring plan and building out key commercialization infrastructure in international markets where we have received regulatory approval for the commercialization of ANKTIVA. To achieve commercial success for any other product for which we obtain marketing approval, we may need to hire additional sales and marketing personnel.

In the U.S., we have built, and are continuing to build, a focused sales and marketing infrastructure to market our approved product and potentially other product candidates, if and when they are approved, including by partnering with experienced third party contractors. There are risks involved with establishing our own sales, marketing and distribution capabilities and entering into arrangements with third parties to perform these services. For example, recruiting and training a sales force is 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 capabilities is delayed or does not occur for any reason, including failure to receive marketing approval from the FDA, we would have prematurely or unnecessarily incurred these commercialization expenses. For example, we had previously hired sales and marketing personnel for a launch of our now-approved product, but we received a CRL from the FDA in May 2023. We may also inaccurately estimate the number of representatives needed to build our sales force, which may result in unnecessary expense or the inability to scale as quickly as needed. This may be costly, and our investment would be lost if we cannot retain or reposition our sales and marketing personnel. In addition, these same risks apply to potential global sales and distribution partners now that we have received approval for ANKTIVA in the UK and Saudi Arabia, and have been granted a conditional marketing authorization from the EC (EMA) for the EU.

Factors that may inhibit our efforts or our potential international commercial partner's efforts to commercialize our approved product and other product candidates, if approved include:

- the inability to recruit, train and retain adequate numbers of effective sales, marketing, reimbursement, customer service, medical affairs, and other support personnel;
- the inability of sales personnel to obtain access to physicians or increase market acceptance of our approved product or any other product candidate, if approved;
- the inability of reimbursement professionals to negotiate arrangements for coverage or adequate reimbursement by payors for our approved product or any other product candidate, if approved;
- the inability to price our approved product or any other product candidates, if approved, at a sufficient price point to ensure an adequate and attractive level of profitability;
- restricted or closed distribution channels that make it difficult to distribute our approved product or any other product candidates, if approved, to segments of the patient population; and
- unforeseen costs and expenses associated with creating an independent commercialization organization.

In international markets where we have received regulatory approval, if we are unable to either build our own commercial infrastructure or establish infrastructure with potential partners to execute commercialization on our behalf, we may be materially adversely affected, and our operations may not be profitable. If we do not establish sales, marketing and distribution capabilities successfully, we will not be successful in commercializing our approved product or any other product candidates, if approved.

***Problems related to large-scale commercial manufacturing could cause delays in product launches, an increase in product costs, product recalls or product shortages.***

Manufacturing finished drug products, especially in large quantities, is complex. Our product, and if our other product candidates receive regulatory approval, will require several manufacturing steps and may involve complex techniques to ensure quality and sufficient quantity, especially as the manufacturing scale increases. Our approved product and other product candidates will need to be made consistently and in compliance with a clearly defined manufacturing process pursuant to FDA regulations. Accordingly, it will be essential to be able to validate and control the manufacturing process to ensure that it is reproducible. Slight deviations anywhere in the manufacturing process, including obtaining materials, filling, labeling, packaging, storage, shipping, quality control and testing, may result in lot failures, delay in the release of lots, product recalls or spoilage. Success rates can vary dramatically at different stages of the manufacturing process, which can lower yields and increase costs. We may experience deviations in the manufacturing process that may take significant time and resources to resolve and, if unresolved, may affect manufacturing output and cause us to fail to satisfy contractual commitments, cause recalls, lead to delays in our clinical trials or result in litigation or regulatory action. Such actions would hinder our ability to meet contractual obligations and could cause material adverse consequences for our business.

***If we fail to comply with U.S. and foreign regulatory requirements, regulatory authorities could limit or withdraw any marketing or commercialization approvals we have or may receive and subject us to other penalties that could materially harm our business. For example, our GMP-in-a-Box may be regulated by the FDA as a medical device, and regulatory compliance for medical devices is expensive, complex and uncertain, and a failure to comply could lead to enforcement actions against us and other negative consequences for our business.***

The FDA and similar agencies regulate medical devices. All of our potential medical device products and material modifications will be subject to extensive regulation and clearance or approval from the FDA and non-U.S. regulatory agencies prior to commercial sale and distribution as well as after clearance or approval. Complying with these regulations is costly, time-consuming, complex and uncertain. For instance, before a new medical device, or a new intended use for an existing device, can be marketed in the U.S., a company must first submit a pre-market submission, such as a pre-market notification (510(k)), *De Novo* request, or PMA, and receive clearance, *De Novo* grant, or approval from the FDA, unless an exemption applies.

Any regulatory approvals that we receive for our approved product and other product candidates will require surveillance to monitor the safety and efficacy of the product. The FDA and similar agencies have significant pre- and post-market authority, including requirements related to product design, development, testing, laboratory and preclinical studies, clinical trials approval, manufacturing processes and quality (including suppliers), labeling, packaging, distribution, adverse event and deviation reporting, storage, shipping, pre-market clearance or approval, advertising, marketing, promotion, sale, import, export, product change, recalls, submissions of safety and effectiveness, post-market surveillance and reporting of deaths or serious injuries and certain malfunctions, and other post-marketing information and reports such as deviation reports, registration, product listing, annual user fees, and recordkeeping for our product candidates. The FDA may also require a REMS to approve our product candidates, which may impose further requirements or restrictions on the distribution or use of an approved drug or therapeutic biologic. The FDA may also require post-approval Phase 4 trials. Moreover, the FDA and comparable foreign regulatory authorities will continue to closely monitor the safety profile of any product even after approval.

Medical devices regulated by the FDA are subject to general controls which include: registration with the FDA; listing commercially distributed products with the FDA; complying with the QMSR; filing reports with the FDA of and keeping records relative to certain types of adverse events associated with devices under the medical device reporting regulation; assuring that device labeling complies with device labeling requirements; and reporting certain device field removals and corrections to the FDA. In addition to the general controls, some Class 2 medical devices are also subject to special controls. Most medical devices that require pre-market review by the FDA, including most Class 2 medical devices, require the submission of a 510(k) or a *De Novo* request and obtaining 510(k) clearance or *De Novo* grant prior to marketing the device. Some devices known as 510(k)-exempt devices can be marketed without prior clearance or approval from the FDA. Most Class 3 devices are subject to the FDA's PMA requirement.

The FDA can also refuse to clear or approve pre-market submissions for any medical device we develop. We may not be able to obtain the necessary clearances or approvals or may be unduly delayed in doing so, for any medical device products we develop, which could harm our business. Furthermore, even if we are granted regulatory clearances or approvals for any medical device products, they may include significant limitations on the indicated uses for the product, which may limit the market for the product.

In addition, we, our contractors, and our collaborators are and will remain responsible for FDA compliance. We and any of our collaborators, including our contract manufacturers, could be subject to periodic unannounced inspections by the FDA to monitor and ensure compliance with regulatory requirements. Application holders must further notify the FDA, and depending on the nature of the change, obtain FDA pre-approval for product and manufacturing changes. The cost of compliance with post-approval regulations may have a negative effect on our operating results and financial condition.

If the FDA or comparable foreign regulatory authorities become aware of new safety information or previously unknown problems after approval of our approved product or any of our other product candidates, including: (i) adverse events of unanticipated severity or frequency, (ii) that the product is less effective than previously thought, (iii) problems with our third-party manufacturers or manufacturing processes or (iv) failure to comply with regulatory requirements, or if we violate regulatory requirements at any stage, whether before or after marketing approval is obtained, we may face a number of regulatory consequences, including fines, warnings or untitled letters, holds on clinical trials, delay of approval or refusal by the FDA to

approve pending applications or supplements to approved applications, suspension or withdrawal of regulatory approval, product recalls and seizures, administrative detention of products, refusal to permit the import or export of products, operating restrictions or partial suspension or total shutdown of production, injunctions, consent decrees, civil penalties and criminal prosecution, among other consequences. Additionally, we may face unanticipated expenditures to address or defend such actions and customer notifications for repair, replacement or refunds. Any such restrictions could limit sales of the product. Any of these events could further have other material and adverse effects on our operations and business and could adversely impact our stock price and could significantly harm our business, financial condition, results of operations, and prospects.

The FDA also regulates the advertising and promotion of medical devices to ensure that the claims are consistent with their regulatory clearances or approvals, that there are adequate and reasonable data to substantiate the claims and that the promotional labeling and advertising is neither false nor misleading in any respect. If the FDA determines that any of our advertising or promotional claims are misleading, not substantiated or not permissible, we may be subject to enforcement actions, including warning letters, and we may be required to revise our promotional claims and make other corrections or restitutions. Failure to comply with applicable U.S. requirements regarding, for example, promoting, manufacturing, or labeling our medical device products, may subject us to a variety of administrative or judicial actions and sanctions, such as Form 483 observations, warning letters, untitled letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, civil penalties and criminal prosecution, certain of which we have received before, including but not limited to the previously disclosed untitled letters and the March 2026 FDA OPDP warning letter described elsewhere in this Quarterly Report. If any of our medical device products cause or contribute to a death or a serious injury or malfunction in certain ways, we will be required to report under applicable medical device reporting regulations, which can result in voluntary corrective actions or Agency enforcement actions.

If any of these events were to occur, it would have a material and adverse effect on our business, financial condition and results of operations.

***The FDA and other regulatory agencies actively enforce the laws and regulations prohibiting pre-approval promotion and the promotion of off-label uses. If we or our sales and marketing partners violate these laws and regulations, we could face civil liability or encounter regulatory investigations and significant regulatory penalties and sanctions.***

The FDA prohibits the pre-approval promotion of drugs as safe and effective for the purposes for which they are under investigation. Similarly, the FDA prohibits the promotion of approved drugs for new or unapproved indications. If the FDA finds that we have engaged in pre-approval promotion of our future product candidates, or if our approved product or any of our other product candidates are approved and we are found to have improperly promoted off-label uses of those products, we may become subject to significant liability.

The FDA and other regulatory agencies strictly regulate the promotional claims that may be made about prescription products, such as our approved product and other product candidates, if approved. In particular, an approved product may not be promoted for uses that are not approved by the FDA or such other regulatory agencies as reflected in the product's approved labeling. However, physicians may nevertheless prescribe our product, or any future approved product, to their patients in a manner that is inconsistent with the approved label, which is within their purview as part of their practice of medicine.

If we are found to have promoted off-label uses, however, we may become subject to significant liability. The U.S. federal government has levied large civil and criminal fines against companies for alleged improper promotion of off-label use and has enjoined several companies from engaging in off-label promotion. The FDA has also requested that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed. The FDA may also issue a public warning letter or untitled letter to the company. If we cannot successfully manage the promotion of our product or any future approved products, we could become subject to significant liability, which would materially adversely affect our business and financial condition.

For example, as previously disclosed, the FDA sent us two untitled letters dated September 9, 2025 and January 7, 2026 alleging that information on our webpages regarding ANKTIVA is false and misleading. Our responses and removal of the material addressed the alleged violations in the untitled letters as stated in the FDA response letter to us on January 27, 2026 for each untitled letter.

In addition, on March 13, 2026, we received an FDA OPDP warning letter regarding issues raised by a television advertisement and a guest appearance by our Executive Chairman on a podcast. In April 2026, we submitted a comprehensive response to the FDA where we addressed the concerns related to the podcast and informed the OPDP that the television advertisement was never aired. The response outlined our immediate and planned corrective actions and our ongoing commitment to ensuring all promotional communications for ANKTIVA are accurate, balanced, and compliant with FDA regulations. There can be no guarantee or assurance that the OPDP will find our corrective action adequate or that they will close out the matter timely.

***Inappropriate assumptions may be drawn based on results for patients who receive access to any of our non-approved product candidates through compassionate use, EAPs, or right to try access, which should not be viewed as representative of how the product candidate will perform in a well-controlled clinical trial.***

We often receive requests for compassionate use access to our investigational drugs by patients that do not meet the entry criteria for enrollment into our clinical trials. Generally, patients requesting compassionate use have no other treatment alternatives for life-threatening conditions. We evaluate each compassionate use request on an individual basis, and in some cases grant access to our investigational product candidates outside of our sponsored clinical trials if a physician certifies that the patient receiving treatment is critically ill and does not meet the entry criteria for one of our open clinical trials. Individual patient results from compassionate use access may not be used to support submission of a regulatory application, may not support approval of a product candidate, and should not be considered to be indicative of results from any ongoing or future well-controlled clinical trial. Before we can seek regulatory approval for any of our product candidates, we must demonstrate in well-controlled clinical trials statistically significant evidence that the product candidate is both safe and effective for the indication for which we are seeking approval. The results of our compassionate use program may not be used to establish safety or efficacy or regulatory approval.

In addition, some patients who receive access to product candidates prior to their commercial approval through compassionate use, EAPs, or right to try access have life-threatening illnesses and have exhausted all other available therapies. The risk for serious adverse events in this patient population is high, which could have a negative impact on the safety profile of ANKTIVA or future product candidates, which could cause significant delays or an inability to successfully commercialize ANKTIVA or future product candidates, which could materially harm our business. We may in the future need to restructure or pause any future compassionate use and/or EAP we initiate in order to perform the controlled clinical trials required for regulatory approval and successful commercialization of ANKTIVA or future product candidates, which could prompt adverse publicity or other disruptions related to current or potential participants in such programs.

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

Our approved product and our other product candidates, as well as any related technology, are subject to export control and import laws and regulations, including the Export Administration Regulations administered by BIS, customs regulations administered by U.S. Customs and Border Protection, and various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control. We are also subject to the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. §201, the U.S. Travel Act, the USA PATRIOT Act and possibly other state and national anti-bribery, anti-money laundering, customs, sanctions, export control, and foreign investment laws in countries in which we conduct activities.

Our product, product candidates, and technologies are subject to export control laws and regulations and our product, product candidates, and technologies, and activities are subject to trade and economic sanctions. As such, licenses or notices may be required to import products, technologies, and services from, or export, re-export, or transfer (in-country) products, technologies, and services to, certain countries, end users, or for certain end uses. For example, the U.S. government continues to add additional entities in China and elsewhere to restricted party lists impacting the ability of U.S. companies to provide products, technology, and services to and in some cases receive products, technologies, and services from, these entities. In addition, on January 15, 2025, BIS issued an interim final rule implementing targeted export controls on certain analytical instruments that are highly suitable for generating large, detailed biological datasets based upon the potential to exploit these techniques for asymmetric military advantage. The process for obtaining necessary licenses and making required notices may be time-consuming or unsuccessful, potentially causing delays in sales or losses of sales opportunities. Trade controls are complex and dynamic

regimes and monitoring and ensuring compliance can be challenging. Any failure to comply with these regimes could subject us to both civil and criminal penalties, including substantial fines, possible incarceration of responsible individuals for willful violations, possible loss of our export or import privileges, and reputational harm. In addition, investigating or defending against any such allegations, actions, or investigations will likely result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees.

Anti-corruption laws are interpreted broadly and prohibit companies and their employees, agents, representatives, business partners and third-party intermediaries from authorizing, promising, offering or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector. We use CROs abroad for clinical trials and we may engage other third-party intermediaries to sell our approved product or other product candidates and solutions abroad once we enter a commercialization phase for our approved product or such other product candidates and/or to obtain necessary permits, licenses, and other regulatory approvals. We or our employees, agents, representatives, business partners or third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We can be held liable for the corrupt or other illegal activities of these third-party intermediaries, our employees, representatives, business partners and agents, even if we do not explicitly authorize or have actual knowledge of such activities.

We have adopted an anti-corruption policy, which mandates compliance with the FCPA and other anti-corruption laws applicable to our business throughout the world. However, there can be no assurance that our employees, agents, representatives, business partners and third-party intermediaries will comply with this policy or such anti-corruption laws. Any allegations or violation of the FCPA or other applicable anti-corruption and anti-money laundering laws could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, fines, damages, adverse media coverage, severe criminal or civil sanctions, enforcement actions or suspension or debarment from government contracts, all of which may have an adverse effect on our reputation, business, results of operations, prospects and financial condition. In addition, responding to any action will likely result in a materially significant diversion of management's attention and resources and significant defense and compliance costs and other professional fees.

There is currently significant uncertainty about the future relationship between the U.S. and various other countries, most significantly China, with respect to trade restrictions, treaties, foreign investment laws, data transfer restrictions, and other limitations on cross-border operations. The U.S. government has made and continues to make significant additional changes in U.S. trade policy and may continue to take future actions that could negatively impact U.S. trade. For example, the President recently signed into law the National Defense Authorization Act of 2026, which includes Section 851 regarding "prohibition on contracting with certain biotechnology providers" (the BIOSECURE Act), which restricts federal government contracts, grants, and loans from being issued to companies that use biotechnology equipment or services from any designated "biotechnology company of concern," as part of such companies' performance of those agreements with the U.S. government. Once fully implemented through issuance of regulations, the BIOSECURE Act may ultimately limit certain U.S. biotechnology companies from using equipment or services produced or provided by Chinese biotechnology companies that meet the designation criteria of the new law, or certain affiliated entities. In addition, even if we do not seek any covered federal government contracts, grants, or loans, commercial partners, government agencies, or other third parties may view our business less favorably if we contract with entities that ultimately become biotechnology companies of concern. Other new regulations could affect the transfer of certain types of data abroad, including to China; for example, the Department of Justice issued a final rule which took effect in April 2025 that places limitations, and in some cases prohibitions, on certain transfers of sensitive personal data to business partners located in China and other designated countries, or with other specified links to China and other designated countries. These rules also may broadly require us to extract promises from other third-party service providers that they will not transfer data we share with them onward to parties linked to countries of concern.

We cannot predict what actions may ultimately be taken with respect to trade relations between the U.S. and China or other countries, what products and services may be subject to such actions or what actions may be taken by the other countries in retaliation. If we are unable to obtain or use services from existing service providers or become unable to export or sell our products to any of our customers, our business, liquidity, financial condition, and/or results of operations would be materially and adversely affected.

***Recent and further changes in the tariff and trade policies of the U.S. or of other countries could increase manufacturing and sourcing costs, decrease demand for our offerings, disrupt supply chains, or otherwise adversely affect our business and financial condition.***

There is currently significant uncertainty about the future relationship between the U.S. and its trading partners, most significantly China, with respect to trade policies, tariffs, taxes, and similar policies affecting cross-border operations. For example, the U.S. government has made and continues to make significant additional changes in U.S. trade policy, specifically tariffs, and may continue to take future actions that could negatively impact our business. Since 2025, the U.S. government has significantly escalated tariffs on the import of goods from most U.S. trading partners generally between 10% and 125%, including through the use of trade authorities provided under Section 232 of the Trade Expansion Act of 1962, on items such as (i) commodity-grade steel and aluminum, (ii) articles of steel and aluminum, (iii) copper, (iv) automobiles and automobile parts, (v) certain semiconductors, (vi) certain pharmaceuticals and pharmaceutical products (beginning in July 2026); and (vii) other items; under Section 301 of the Trade Act of 1974, on items from countries such as China and Brazil; and under Section 122 of the Trade Act of 1974 as a 10% “temporary import surcharge” on imports from most U.S. trading partners. In addition, the U.S. Department of Commerce has initiated Section 232 investigations into additional products, and the U.S. Trade Representative has initiated Section 301 investigations into the trade policies and actions of additional countries. When these investigations are complete, the U.S. government may decide to levy additional tariffs on these or other products and/or countries.

Tariffs previously imposed under the IEEPA beginning in February 2025, including “reciprocal” tariffs imposed on almost all U.S. trading partners and “fentanyl-related” tariffs on certain products of China, Canada, and Mexico, ceased collection in February 2026 following a U.S. Supreme Court ruling holding that IEEPA did not provide authority for these actions. The U.S. government is currently in the process of rolling out systems to automate the processing of refund claims for amounts previously paid in connection with the IEEPA tariffs, but the availability, timing, and amount of any due refunds may not be certain.

In response to these and other U.S. trade measures, China, Canada, and other affected countries have taken or threatened retaliatory actions to respond, with measures that include the imposition of retaliatory tariffs on imports of products of U.S. origin, the imposition of export controls on a wide array of products (including rare earth metals and other critical minerals), and other actions. The adoption of retaliatory actions by affected countries has prompted and could prompt the U.S. to further increase its tariff measures, and continued escalation of tariffs and trade measures could result in the outbreak of a trade war.

The trade and tariff policies of the U.S. and other countries are currently fluid and subject to further changes. The U.S. government may also impose new tariffs under new or additional authorities, the amount, scope, and duration of which are currently uncertain. The U.S. government also continues to negotiate trade policies with U.S. trading partners, which may result in further changes with respect to tariffs, export controls, and other related matters. While we will make efforts to mitigate the impacts of escalated tariffs on our business, we may be unsuccessful in fully mitigating these effects, or unable to do so at reasonable cost. Recent increases in the tariffs imposed by the U.S. or other countries may (i) have an uncertain effect on the manufacture of our products, including, without limitation, affecting the availability of our products, or of materials used in our products; (ii) affect the prices at which our products, or materials used in our products, may be obtained; (iii) result in customers delaying orders pending further clarity in the tariff landscape; and (iv) have other effects. In addition, these tariff actions may also indirectly affect our business through impacts on our customers, vendors, suppliers, and other counterparties, who may themselves be directly affected by some or all of these tariff actions, or indirectly affected by macroeconomic effects resulting from these or other tariff related actions, including potential risks associated with inflation or economic recession. Should the trade relationships between the U.S. and its trading partners remain strained or worsen, our business, liquidity, financial condition, and/or results of operations may therefore be materially and adversely affected.

***Our failure to comply with state, national and/or international privacy and security laws and regulations could lead to government enforcement actions and significant penalties against us and adversely impact our operating results.***

There are numerous laws and regulations at the federal and state levels addressing privacy and security concerns, and some state laws apply more broadly than HIPAA and associated regulations. For example, the CCPA, which went into effect on January 1, 2020, provides, among other things, certain privacy and security obligations for covered companies and certain privacy rights to California consumers, including the right to opt out of certain sales of their personal information. The CCPA also provides for civil penalties as well as a private right of action with statutory damages for certain data breaches, thereby potentially increasing risks associated with a data breach. Although the CCPA includes limited exceptions, including for certain personal information collected as part of certain clinical trials or other biomedical research studies, it may regulate or impact our

processing of personal information depending on the context. Additionally, the CPRA was approved by California voters in November 2020. The CPRA significantly modifies the CCPA, which may require us to modify our practices and policies and may further increase our compliance costs and potential liability. Certain states have also enacted or proposed privacy laws governing health information, including for example, Washington's My Health, My Data Act and Nevada's Senate Bill 370, and all 50 states have enacted laws imposing obligations to provide notification of certain security breaches of personal information. Additionally, several states have enacted or proposed laws similar to the CCPA, such as in Alabama, Colorado, Connecticut, Delaware, Florida, Indiana, Iowa, Kentucky, Minnesota, Montana, Nebraska, New Hampshire, New Jersey, New York, Oklahoma, Rhode Island, Tennessee, Texas, Utah, and Virginia. These laws reflect a trend toward more stringent privacy laws in the U.S. and have prompted a number of proposals for new federal and state-level privacy laws. The U.S. Department of Justice also has issued rules regarding certain bulk sensitive personal data transfers. We cannot yet determine the impact these laws or changes may have on our business and operations but anticipate they could increase our compliance costs and potential liability, impair our ability to collect, use or otherwise process personal information, expose us to greater liability and require us to modify our practices and policies in an effort to comply.

There are also various laws and regulations in other jurisdictions relating to privacy and security. For example, EU member states and other foreign jurisdictions, including the UK and Switzerland, have adopted data protection laws and regulations which impose significant compliance obligations on us. The collection, use, and other processing of personal data, including patient or health data, in the European Economic Area, may be governed by the GDPR. The GDPR, which is wide-ranging in scope and applies extraterritorially, imposes, among other things, requirements relating to the consent of the individuals to whom the personal data relates, the notices provided to such individuals, the security and confidentiality of personal data, data breach notification, the adoption of appropriate privacy governance, including policies, procedures, training and audits, and the use of third-party processors in connection with the processing of personal data. The GDPR also imposes strict rules on the transfer of personal data out of the EU, including to the U.S., provides data protection authorities with enforcement authority and imposes large penalties for non-compliance, including the potential for fines of up to €20 million or up to 4% of the total worldwide annual global revenues of the noncompliant entity, whichever is greater. GDPR requirements apply not only to third-party personal data transfers, but also to transfers of personal data between us and our subsidiaries, including employee information. In addition, in January 2021, following its exit from the EU, the UK generally transposed the GDPR into its domestic law with its own version of the GDPR, referred to as the UK GDPR. The UK GDPR and separate data protection legislation, the Data Protection Act, impose obligations similar to the GDPR in most material respects and provide for fines of up to £17.5 million or up to 4% of the total worldwide annual global revenues of the noncompliant entity, whichever is greater. The UK enacted the UK Data (Use and Access) Act 2025 on June 19, 2025, which made targeted amendments to the UK GDPR and the Data Protection Act. Numerous other jurisdictions worldwide maintain laws and regulations relating to cross-border data transfer, data localization, and other aspects of privacy, security, and data protection.

Complying with numerous, complex, and changing laws and regulations is expensive and difficult. Any actual or alleged failure to comply with any privacy or security law or regulation, or security breach or other incident, including those involving the misappropriation, loss, or other unauthorized use, disclosure or other processing of sensitive or confidential patient, consumer or other personal information, whether by us, one of our CROs or business associates or another third party, could adversely affect our business, financial condition, and results of operations, and could subject us to investigations, litigation, and other proceedings, material fines and penalties, compensatory, special, punitive and statutory damages, consent orders regarding our privacy and security practices, requirements that we provide notices, credit monitoring services and/or credit restoration services or other relevant services to impacted individuals, adverse actions against our licenses to do business, reputational damage, and injunctive relief. The enactment of, and changes to, privacy and security laws and regulations have increased our responsibility and potential liability, including in relation to the personal data that we process and our clinical trials, and we may be required to put in place additional mechanisms in an effort to comply with applicable laws and regulations, which could divert management's attention and increase our cost of doing business. In addition, any new law or regulation relating to privacy and security, or any applicable industry standard, may increase our costs of doing business. In this regard, we expect that there will continue to be new proposed laws, regulations and industry standards relating to privacy and security in the U.S., the UK, the EU, and other jurisdictions, and we cannot determine the impact such future laws, regulations and standards may have on our business.

We cannot assure you that our CROs or other third-party service providers with access to our or our customers', suppliers', trial patients' and employees' personal information or other sensitive or confidential information will not breach applicable laws or regulations or contractual obligations imposed by us, or that they will not experience security breaches or incidents, which could have a corresponding effect on our business, including putting us in breach of our obligations under privacy and security laws and regulations and/or which could in turn adversely affect our business, results of operations and financial condition. We cannot assure you that the measures and safeguards we have taken will protect us from the foregoing risks, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

***We and our third-party contractors must comply with environmental, health and safety laws and regulations. A failure to comply with these laws and regulations could expose us to significant costs or liabilities.***

We and any of our third-party contract manufacturers or suppliers are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, generation, manufacture, storage, treatment and disposal of hazardous materials and wastes. Hazardous chemicals, including flammable and biological materials, are involved in certain aspects of our business, and we cannot eliminate the risk of injury or contamination from the use, generation, manufacture, distribution, storage, handling, treatment or disposal of hazardous materials and wastes. In the event of contamination or injury, or failure to comply with such environmental, health and safety laws and regulations, we could be held liable for any resulting damages, fines and penalties associated with such liability, which could exceed our assets and resources.

Although we will 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 biological or hazardous materials or wastes arising out of and in the course of employment, this insurance may not provide adequate coverage against potential liabilities. We do not maintain comprehensive insurance coverage for liabilities arising from medical or hazardous materials, environmental liability or toxic tort claims that may be asserted against us in connection with our storage or disposal of biological or hazardous materials.

Environmental, health and safety laws and regulations are becoming increasingly more stringent. We may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our research, development or production efforts, which could harm our business, prospects, financial condition or results of operations. Our failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

***Coverage and reimbursement may be limited or unavailable in certain market segments for our approved product or other product candidates, which could make it difficult for us to sell our approved product or other product candidates profitably.***

In both domestic and foreign markets, sales of our approved product or other product candidates, if approved, depend on the availability of coverage and adequate reimbursement from third-party payors. Third-party payors, whether domestic or foreign, or governmental or commercial, are developing increasingly sophisticated methods of controlling healthcare costs. Regulatory authorities and third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications, which could affect our ability or that of our collaborators to sell our product candidates profitably. In addition, third-party payors are requiring higher levels of evidence of the benefits and clinical outcomes of new technologies and are challenging the prices charged. Patients who are provided medical treatment for their conditions generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. Patients are unlikely to use our approved product or other product candidates unless coverage is provided, and reimbursement is adequate to cover a significant portion of the cost of our approved product or other product candidates. Such third-party payors include government health programs such as Medicare and Medicaid, managed care providers, private health insurers and other organizations. Obtaining coverage and adequate reimbursement from governmental healthcare programs, such as Medicare and Medicaid, and commercial payors is critical to new product acceptance. In addition, because our approved product and other product candidates represent new approaches to the treatment of cancer, we cannot accurately estimate the potential revenues from our approved product or other product candidates.

Government authorities and third-party payors decide which drugs and treatments they will cover and the amount of reimbursement. Coverage decisions may depend upon clinical and economic standards that disfavor new drug products when more established or lower cost therapeutic alternatives are already available or subsequently become available. These payors may not view our approved product or other future products, if any, as cost-effective, and coverage and reimbursement may not be available to our customers, or those of our collaborators, or may not be sufficient to allow our approved product or other future approved products, if any, to be marketed on a competitive basis. If reimbursement is not available, or is available only to limited levels, our product and other product candidates may be competitively disadvantaged, and we, or our collaborators, may not be able to successfully commercialize our approved product or other product candidates. Alternatively, securing favorable reimbursement terms may require us to compromise pricing and prevent us from realizing an adequate margin over cost. Reimbursement by a third-party payor may depend upon a number of factors, including, but not limited to, the third-party payor's determination that use of a product is:

- a covered benefit under its health plan;
- safe, effective and medically necessary;
- appropriate for the specific patient;
- cost-effective; and
- neither experimental nor investigational.

In the U.S., no uniform policy of coverage and reimbursement for products exists among third-party payors. Therefore, coverage and reimbursement 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 will require us to provide scientific and clinical support for the use of our approved product and our other product candidates, if approved, to each payor separately, with no assurance that coverage and adequate reimbursement will be obtained. Moreover, the factors noted above have continued to be the focus of policy and regulatory debate that has, thus far, shown the potential for movement towards permanent policy changes; this trend is likely to continue, and may result in more or less favorable impacts on pricing. The recent and ongoing series of congressional hearings relating to drug pricing has presented heightened attention to the biopharmaceutical industry, creating the potential for political and public pressure, while the potential for resulting legislative or policy changes presents uncertainty. Congress has considered and may continue to consider legislation that, if passed, could have significant impact on prices of prescription drugs covered by Medicare, including limitations on drug price increases. The impact of these regulations and any future healthcare measures and agency rules on us and the pharmaceutical industry as a whole is currently unknown. Further, changes in the leadership of the FDA and other federal agencies may lead to new policies, changes in regulations, or disruptions to the operations of the federal agencies, any of which may impact our clinical development plans. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our approved product and other product candidates if approved. Complying with any new legislation and regulatory changes could be time-intensive and expensive, resulting in a material adverse effect on our business.

Prices paid for a drug also vary depending on the class of trade. Prices charged to government customers are subject to price controls, including ceilings, and private institutions obtain discounts through group purchasing organizations. Net prices for drugs may be further reduced by mandatory discounts or rebates required by government healthcare programs and demanded by private payors. It is also common for market conditions to warrant multiple discounts to different customers on the same unit, such as purchase discounts to institutional care providers and rebates to the health plans that pay them, which reduces the net realization on the original sale.

In addition, federal programs impose penalties on manufacturers of drugs marketed under a BLA or NDA, in the form of mandatory additional rebates and/or discounts if commercial prices increase at a rate greater than the Consumer Price Index-Urban, and these rebates and/or discounts, which can be substantial, may impact our ability to raise commercial prices. For example, under the American Rescue Plan Act of 2021, the statutory cap on Medicaid Drug Rebate Program rebates that manufacturers pay to state Medicaid programs has been eliminated. Elimination of this cap may require pharmaceutical manufacturers to pay more in rebates than they receive on the sale of products, which could have a material impact on our business. In August 2022, Congress passed the IRA, which includes prescription drug provisions that have significant implications for the pharmaceutical industry and Medicare beneficiaries, including allowing the federal government to negotiate a

maximum fair price for certain high-priced single source Medicare drugs, imposing penalties and excise tax for manufacturers that fail to comply with the drug price negotiation requirements, requiring inflation rebates for all Medicare Part B and Part D drugs, with limited exceptions, if their drug prices increase faster than inflation, and redesigning Medicare Part D to reduce out-of-pocket prescription drug costs for beneficiaries, among other changes. Only high-expenditure single-source drugs that have been approved for at least 7 years (11 years for single-source biologics) can qualify for negotiation, with the negotiated price taking effect 2 years after the selection year. For 2026, the first year in which negotiated prices become effective, CMS selected 10 high-cost Medicare Part D drugs in 2023, negotiations began in 2024, and the negotiated maximum fair price for each drug has been announced. CMS has selected 15 additional Medicare Part D drugs for negotiated maximum fair pricing in 2027. For 2028, up to an additional 15 drugs, which may be covered under either Medicare Part B or Part D, will be selected, and for 2029 and subsequent years, up to 20 additional Medicare Part B or Part D drugs will be selected. Various industry stakeholders, including certain pharmaceutical companies and the Pharmaceutical Research and Manufacturers of America, have initiated lawsuits against the federal government asserting that the price negotiation provisions of the IRA are unconstitutional. Further, the current administration has issued executive orders focused on decreasing prescription drug prices, including directing the Secretary of HHS to establish a mechanism through which American patients can buy drugs directly from manufacturers who sell at a 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 U.S. In November 2025, CMS announced a voluntary initiative called the GENEROUS Model (GENERating cost Reductions fOr U.S. Medicaid Model) to introduce the option of MFN pricing to the Medicaid program, whereby a drug manufacturer may voluntarily offer supplemental rebates to participating state Medicaid programs for a manufacturer's covered outpatient drugs. Government agreements with pharmaceutical companies and other measures that use MFN pricing targets for prescription drugs or that increase generic and biosimilar drug entry sooner than expected, can have a material adverse effect on our industry, ability to set adequate pricing for new drugs to recover R&D costs, ability to attract potential investors and potential buyers in the future, or the pricing of our approved product in the U.S. and in foreign countries. We cannot predict the full impact of the Executive Orders and other actions focused on reducing prescription drug prices or increasing domestic drug manufacturing capacity, or other measures that may be implemented by the current administration related to drug pricing, drug supply chain and manufacturing in the U.S. The impact of ongoing and future judicial challenges, legislative, executive, and administrative actions and any future healthcare measures and agency rules on us and the pharmaceutical industry as a whole is unclear. Cost control initiatives could cause us, or our collaborators, to decrease, discount, or rebate a portion of the price we, or they, might establish for products, which could result in lower than anticipated product revenues. If the prices realized for our approved product or other product candidates, if any, decrease or if governmental and other third-party payors do not provide adequate coverage or reimbursement, our prospects for revenues and profitability will suffer.

Even if we obtain coverage for a given product, the resulting approved reimbursement payment rates might not be high enough to allow us to establish or maintain a market share sufficient to realize a sufficient return on our or their investments or achieve or sustain profitability or may require co-payments that patients find unacceptably high. If payors subject our approved product or other product candidates to maximum payment amounts or impose limitations that make it difficult to obtain reimbursement, providers may choose to use therapies which are less expensive when compared to our approved product or other product candidates. Additionally, if payors require high co-payments, beneficiaries may decline our therapies and seek alternative therapies and physicians may be reluctant to recommend our approved product to their patients. We may need to conduct post-marketing studies in order to demonstrate the cost-effectiveness of any future products to the satisfaction of physicians and other target customers and third-party payors. Such studies might require us to commit a significant amount of management time and financial and other resources. Our future products might not ultimately be considered cost-effective. Adequate third-party coverage and reimbursement might not be available to enable us to maintain price levels sufficient to realize an appropriate return on investment in product development.

We, and our collaborators, cannot be sure that coverage will be available for our approved product or any other product candidate that we, or they, commercialize and, if available, that the reimbursement rates will be adequate. Further, the net reimbursement for drug products may be subject to additional reductions if there are changes to laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the U.S. An inability to promptly obtain coverage and adequate payment rates from both government-funded and private payors for any of our product candidates for which we obtain marketing approval could have a material adverse effect on our operating results, our ability to raise capital needed to commercialize products, and our overall financial condition.

There have been, and likely will continue to be, legislative and regulatory proposals at the federal and state levels directed at broadening the availability of healthcare and containing or lowering the cost of healthcare. We cannot predict the initiatives that may be adopted in the future. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare and/or impose price controls may adversely affect:

- the demand for our approved product or other product candidates if we obtain regulatory approval;
- our ability to set a price that we believe is fair for our approved product and other product candidates;
- our ability to generate revenues and achieve or maintain profitability;
- the level of taxes that we are required to pay; and
- the availability of capital.

Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors, which may adversely affect our future profitability. A possible challenge for our approved product and other product candidates arises from the fact that they may potentially be used in an inpatient setting. Inpatient reimbursement generally relies on stringent packaging rules that may mean that there is no separate payment for our approved product or other product candidates. Additionally, data used to set the payment rates for inpatient admissions is usually several years old and would not take into account all of the additional therapy costs associated with the administration of our other product candidates. If special rules are not created for reimbursement for immunotherapy treatments such as our approved product or other product candidates, hospitals might not receive enough reimbursement to cover their costs of treatment, which will have a negative effect on their adoption of our approved product or other product candidates.

Further, the codes used by providers to bill for our approved product could also affect reimbursement. J-codes are codes maintained by the CMS, which are a component of the HCPCS and are typically used to report injectable drugs that ordinarily cannot be self-administered. In October 2024, we were assigned a J-code for ANKTIVA, which became effective in January 2025. To date, we do not have a specific J-code for any of our other product candidates. We cannot guarantee that a J-code will be granted for any of our other product candidates, if approved. To the extent separate coverage or reimbursement is available for our product candidates, if approved, and a specific J-code is not available, physicians would need to use a non-specific miscellaneous J-code to bill third-party payors for these physician-administered drugs. Because miscellaneous J-codes may be used for a wide variety of products, health plans may have more difficulty determining the actual product used and billed for the patient. These claims must often be submitted with additional information and manually processed, which can create delays in claims processing times as well as increasing the likelihood for claim denials and claim errors and as a result, we may experience slower than expected commercial sales for such product candidates if approved and until a J-code is assigned.

***We may face difficulties from changes to current regulations and future legislation.***

In the U.S. and some foreign jurisdictions, there have been a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval of our approved product or other product candidates, restrict or regulate post-approval activities, and affect our ability, or the ability of our collaborators, to profitably sell any products for which we obtain marketing approval. We expect that current laws, as well as other federal and state healthcare reform measures that may be adopted in the future, may result in more rigorous coverage criteria, increased regulatory burdens and operating costs, decreased revenues from our biopharmaceutical product candidates, decreased potential returns from our development efforts, and additional downward pressure on the price that we, or our collaborators, may receive for any approved products.

Since enactment of the ACA in 2010, in both the U.S. and certain foreign jurisdictions, there have been a number of legislative and regulatory changes to the health care system that could impact our ability to sell our approved product or other product candidates profitably. These changes included aggregate reductions of Medicare payments to providers of up to 2% per fiscal year, effective April 1, 2013, which, due to subsequent legislative amendments, will stay in effect through 2032, with the exception of a temporary suspension implemented under various COVID-19 relief legislation. In January 2013, the American Taxpayer Relief Act of 2012 was approved which, among other things, reduced Medicare payments to several providers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. These laws may result in additional reductions in Medicare and other healthcare funding, which could have a material adverse effect on customers for our approved product or other product candidates, if approved, and accordingly, our financial operations.

Since its enactment, various portions of the ACA have been subject to judicial and constitutional challenges. 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 future litigation or healthcare measures will impact our business, financial condition and results of operations. Complying with any new legislation or reversing changes implemented under the ACA could be time-intensive and expensive, resulting in a material adverse effect on our business.

Any reduction in reimbursement from Medicare or other government healthcare programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenues, attain profitability, or commercialize our approved product or other product candidates.

Legislative and regulatory proposals may also be made to expand post-approval requirements and restrict sales and promotional activities for drugs. We cannot be sure whether additional legislative changes will be enacted, or whether the FDA regulations, guidance, or interpretations will be changed, or what the impact of such changes on the marketing approvals of our approved product or other product candidates, if any, may be. In addition, increased scrutiny by 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. Recently, the United States Supreme Court overruled the *Chevron* doctrine, which gives deference to regulatory agencies' statutory interpretations in litigation against federal government agencies, such as the FDA, where the law is ambiguous. This landmark Supreme Court decision may invite more companies and other stakeholders to bring lawsuits against the FDA to challenge longstanding decisions and policies of the FDA, including the FDA's statutory interpretations of market exclusivities and the "substantial evidence" requirements for drug approvals, which could undermine the FDA's authority, lead to uncertainties in the industry, and disrupt the FDA's normal operations, any of which could delay the FDA's review of our regulatory submissions. We cannot predict the full impact of this decision, future judicial challenges brought against the FDA, or the nature or extent of government regulation that may arise from future legislation or administrative action.

In addition, there have been increasing legislative efforts and enforcement interest in the U.S. with respect to drug pricing practices, including Congressional inquiries and proposed federal and state legislation designed to, among other things, bring more transparency to drug pricing, reduce the cost of prescription drugs under Medicare, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. As discussed above, in August 2022, Congress passed the IRA, which includes prescription drug provisions that have significant implications for the pharmaceutical industry and Medicare beneficiaries, including allowing the federal government to negotiate a maximum fair price for certain high-priced single source Medicare drugs, imposing penalties and excise tax for manufacturers that fail to comply with the drug price negotiation requirements, requiring inflation rebates for all Medicare Part B and Part D drugs, with limited exceptions, if their drug prices increase faster than inflation, and redesigning Medicare Part D to reduce out-of-pocket prescription drug costs for beneficiaries, among other changes. Various stakeholders have initiated lawsuits against the federal government asserting that the price negotiation provisions of the IRA are unconstitutional. The impact of these judicial challenges, future litigation in view of the Supreme Court's overturn of the *Chevron* decision, legislative, executive, and administrative actions and any future healthcare measures and agency rules implemented by the government on us and the pharmaceutical industry as a whole is unclear. 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. For example, the FDA has 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 in the U.S. directed at broadening the availability of healthcare and containing or lowering the cost of healthcare. The ACA and any further changes in the law or regulatory framework that reduce our revenues or increase our costs could also have a material and adverse effect on our business, financial condition and results of operations. We expect that additional state and federal healthcare reform measures will be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for our current product candidates and any future product candidates or additional pricing pressures.

***Governments outside the U.S. tend to impose strict price controls, which may adversely affect our revenues, if any.***

In international markets, reimbursement and health care payment systems vary significantly by country, and many countries have instituted price ceilings on specific products and therapies. In some countries, particularly the countries of the EU, the pricing of prescription pharmaceuticals is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a product. To obtain coverage and reimbursement or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of our product candidate to other available therapies. There can be no assurance that our product candidates will be considered cost-effective by third-party payors, that an adequate level of reimbursement will be available, or that the third-party payors' reimbursement policies will not adversely affect our ability to sell our product candidates profitably. If reimbursement of our product or other product candidates is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, our business could be harmed, possibly materially.

***Our employees, independent contractors, consultants, commercial partners, principal investigators, CROs, CMOs, suppliers and vendors may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements.***

We are exposed to the risk of employee fraud or other illegal activity by our employees, independent contractors, consultants, commercial partners, principal investigators, CROs, CMOs, suppliers and vendors. Misconduct by these parties could include intentional, reckless and/or negligent conduct that fails to: comply with the laws of the FDA and other similar foreign regulatory bodies, provide true, complete and accurate information to the FDA and other similar foreign regulatory bodies, comply with manufacturing standards we have established, comply with healthcare fraud and abuse laws in the U.S. and similar foreign fraudulent misconduct laws, or report financial information or data accurately or to disclose unauthorized activities to us. As we begin commercializing our approved product and may in the future commercialize our other product candidates, if any, in the U.S., 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, the promotion, sales and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws and regulations 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, marketing and promotion, structuring and commission(s), certain customer incentive programs and other business arrangements. Activities subject to these laws also involve the improper use of information obtained in the course of patient recruitment for clinical trials, which could result in regulatory sanctions and serious harm to our reputation.

It is not always possible to identify and deter misconduct or other improper activities by our employees or third parties that we engage for our business operations and the precautions we take to detect and prevent inappropriate conduct may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with such laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a material adverse effect on our business, financial condition, results of operations and prospects, including the imposition of significant fines or other sanctions, including exclusion from government healthcare programs, and serious harm to our reputation. In addition, the approval and commercialization of any of our product candidates outside the U.S. will also likely subject us to foreign equivalents of the healthcare laws mentioned above, among other foreign laws. Efforts to ensure that our business arrangements will comply with applicable healthcare laws may involve substantial costs.

***Our relationships with health care professionals, institutional providers, principal investigators, consultants, potential customers and third-party payors are, and will continue to be, subject, directly and indirectly, to federal and state health care fraud and abuse, false claims, marketing expenditure tracking and disclosure, government price reporting, and privacy and security laws. If we are unable to comply, or have not fully complied, with such laws, we could face significant penalties and liabilities.***

Our business operations and activities may be directly or indirectly subject to various federal and state fraud and abuse laws, including, without limitation, the federal Anti-Kickback Statute and the federal FCA. As we begin commercializing our approved product and may in the future commercialize our other product candidates, if any, in the U.S., our potential exposure under such laws will increase significantly, and our costs associated with compliance with such laws are also likely to increase.

Our current and future arrangements with healthcare professionals, clinical investigators, CROs, third-party payors and customers may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which we market, sell and distribute our products for which we obtain marketing approval. In addition, we may be subject to laws of the federal government and state governments in which we conduct our business relating to privacy and security with respect to patient or health data. The laws that may affect our ability to operate include, but are not limited to:

- the U.S. federal Anti-Kickback Statute, which prohibits, among other things, persons and entities from soliciting, receiving or providing remuneration, directly or indirectly, to induce either the referral of an individual for a healthcare item or service, or the purchasing or ordering of an item or service, for which payment may be made under a federal healthcare program such as Medicare or Medicaid;
- the U.S. federal false claims and civil monetary penalties laws, including the federal civil FCA, which prohibit, among other things, individuals or entities from knowingly presenting or causing to be presented, claims for payment by government funded programs such as Medicare or Medicaid that are false or fraudulent, and which may apply to us by virtue of statements and representations made to customers or third parties;
- HIPAA, which created additional federal criminal statutes that prohibit, among other things, knowingly and willfully executing or attempting to execute a scheme to defraud healthcare programs, as well as;
- HIPAA, as amended by HITECH, which imposes requirements on certain types of people and entities relating to the privacy, security, and transmission of PHI, and requires notification to affected individuals and regulatory authorities of certain breaches of the privacy or security of PHI, and other U.S. laws and foreign laws that govern the privacy or security of health or patient data;
- the federal Physician Payment Sunshine Act, which requires certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid, or the Children's Health Insurance Program, to report annually to the CMS information related to payments and other transfers of value to covered recipients, including physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors), other healthcare providers (such as physician assistants and nurse practitioners) and teaching hospitals, and ownership and investment interests held by physicians and their immediate family members, which is published in a searchable form on an annual basis;
- federal criminal laws that prohibit executing a scheme to defraud any healthcare benefit program or making, or causing to be made, false statements relating to healthcare matters;
- the federal Civil Monetary Penalties Law, which prohibits, among other things, offering or transferring remuneration to a federal healthcare beneficiary that a person knows or should know is likely to influence the beneficiary's decision to order or receive items or services reimbursable by the government from a particular provider or supplier;
- the FCPA, the U.K. Bribery Act of 2010, and other local anti-corruption laws that apply to our international activities; and
- state laws comparable to each of the above federal laws, such as, for example, anti-kickback and false claims laws that may be broader in scope and also apply to commercial insurers and other non-federal payors, requirements for mandatory corporate regulatory compliance programs, and laws relating to patient or health data, privacy or security. Other 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, and require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures.

We expect to incur increased costs of compliance with such laws and regulations as they continue to evolve. If we or our contractors are unable to comply, or have not fully complied, with such laws, we could face penalties, including, without limitation, civil, criminal, and administrative penalties, damages, monetary fines, disgorgement, possible exclusion from participation in Medicare, Medicaid and other federal and state health care programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment or restructuring of our operations. Any of these could adversely affect our business, financial condition, and results of operations.

As we grow our business and expand our sales organization or rely on distributors outside of the U.S., we would be at increased risk of violating these laws or our internal policies and procedures. The risk of us being found in violation of these or other laws and regulations is further increased by the fact that many have not been fully interpreted by the regulatory authorities or the courts, and their provisions are open to a variety of interpretations. Any action brought against us for violation of these or other laws or regulations, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management's attention from the operation of our business.

***Personnel changes, disruptions at the FDA, the SEC and other government agencies caused by layoffs, agency reorganizations, funding cuts or shortages could hinder their ability to hire and retain key leadership and other personnel, prevent new products from being developed or commercialized in a timely manner, or otherwise prevent those agencies from performing normal business functions, which could negatively impact our business and the approval of our future BLA submissions, as well as adversely affect the U.S. and global economy and our liquidity, financial condition and earnings.***

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 and related government shutdowns, the ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the Agency have fluctuated in recent years as a result. In addition, government funding of the SEC and other government agencies on which our operations may rely is subject to the impacts of political events, which are inherently fluid and unpredictable. Changes in the leadership of the FDA and other federal agencies may also lead to new policies and changes in the regulations and operations of the FDA, including resignations, mass layoffs, Agency reorganization, and measures implemented by the Department of Government Efficiency, any of which may impact our clinical development plans.

Disruptions at the FDA and other agencies, including disruptions due to public health concerns, resurgence of COVID-19 cases, travel restrictions, or staffing shortages, may slow the time necessary for new drugs to be reviewed and/or approved by necessary government agencies, which could adversely affect our business. For example, over the last several years, the U.S. government has shut down several times and certain regulatory agencies, such as the FDA and the SEC, in some instances have had to furlough critical FDA, SEC and other government employees and stop critical activities. If a prolonged government shutdown occurs in the future, including as a result of any failure by the U.S. federal government to increase the debt ceiling, it could significantly impact the ability of the FDA and the SEC to timely review and process our submissions, as well as cause interest rates and borrowing costs to further increase, which may negatively impact our ability to access the debt markets, including the corporate bond markets, on favorable terms, which could have a material adverse effect on our business, financial condition and results of operations and/or our BLA submissions.

## **Risks Related to Intellectual Property**

***If we are unable to obtain, maintain, protect and enforce patent protection and other proprietary rights for our approved product, other product candidates, and other technologies in development, we may not be able to compete effectively or operate profitably, and our ability to prevent our competitors from commercializing similar or identical technology would be adversely affected.***

Our success is dependent in large part on our obtaining, maintaining, protecting and enforcing patents and other proprietary rights in the U.S. and other countries with respect to our approved product and other product candidates and technology and on our ability to avoid infringing the intellectual property and other proprietary rights of others. Certain of our intellectual property rights are licensed from other entities, and as such the preparation and prosecution of any such patents and patent applications was not performed by us or under our control. Furthermore, patent law relating to the scope of claims in the biotechnology field in which we operate is still evolving and, consequently, patent positions in our industry may not be as strong as in other more well-established fields. The patent positions of biotechnology and pharmaceutical companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved and has been the subject of much litigation in recent years. No consistent policy regarding the breadth of claims allowed in biotechnology patents has emerged to date. As a result, the issuance, scope, validity, enforceability, or commercial value of our patent rights remain highly uncertain.

Any future patents we obtain may not be sufficiently broad to prevent others from using our technology or from developing competing therapeutics and technology. There is no guarantee that any of our pending patent applications will result in issued or granted patents, any of our issued or granted patents will not later be found to be invalid or unenforceable, or any issued or granted patents will include claims sufficiently broad to cover our product candidates and technology, or to provide meaningful protection from our competitors. Our owned or in-licensed pending and future patent applications may not result in patents being issued that protect our ANKTIVA and hAd5 constructs, cell-based therapies or other product candidates and technologies that 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 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 that we own or in-license may be challenged, narrowed, circumvented, or invalidated by third parties. Consequently, we do not know whether our ANKTIVA and hAd5 constructs, cell-based therapies or other product candidates and 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 growth prospects.

The issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability and it is uncertain how much protection, if any, will be provided by our patents, including if they are challenged in the courts or patent offices or in other proceedings, such as re-examinations or oppositions, which may be brought in the U.S. or foreign jurisdictions to challenge the validity of a patent. A third party may challenge the validity or enforceability of a patent after its issuance. It is possible that a competitor may successfully challenge our patents or that a challenge will result in limiting their coverage. Moreover, it is possible that competitors may infringe our patents or successfully avoid the patented technology through design innovation. To counter infringement or other unauthorized use, we may be required to file infringement claims, which can be expensive and time consuming, even if we were successful in stopping the violation of our patent rights.

We or our licensors may be subject to a third-party preissuance submission of prior art to the USPTO, or become involved in opposition, derivation, revocation, reexamination, post-grant and *inter partes* review, or interference proceedings or other similar proceedings challenging our owned or licensed patent rights. Should third parties file patent applications, or be issued patents claiming technology also used or claimed by our licensor(s) or by us in any future patent application, we, or one of our licensors, may be required to participate in interference proceedings in the USPTO to determine priority of invention for those patents or patent applications that are subject to the first-to-invent law in the U.S., or may be required to participate in derivation proceedings in the USPTO for those patents or patent applications that are subject to the first-inventor-to-file law in the U.S. We may be required to participate in such interference or derivation proceedings involving our issued patents and pending applications. We may also be required to participate in post-grant challenge proceedings, such as oppositions in a foreign patent office, which challenge our or our licensor's priority of invention or other features of patentability with respect to our owned or in-licensed 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 patent protection of our ANKTIVA and hAd5 constructs, cell-based therapies or other product candidates and technologies. An adverse determination in any of the type of submissions described above, proceeding or litigation could reduce the scope of, or invalidate or render unenforceable, our owned or in-licensed patent rights, allow third parties to commercialize our ANKTIVA and hAd5 constructs, cell-based therapies or other product candidates or technologies and compete directly with us, without payment to us, or result in our inability to manufacture or commercialize products without infringing third-party patent rights.

If we or our collaborators are unsuccessful in any such proceeding or other priority or inventorship dispute, we may be required to cease using the technology or to obtain and maintain license rights from prevailing third parties, including parties involved in any such interference proceedings or other priority or inventorship disputes. A prevailing party in that case may not offer us a license on commercially acceptable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors and other third parties access to the same technologies licensed to us, and it could require us to make substantial licensing and royalty payments. 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. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

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 sufficient rights to exclude others from commercializing products similar or identical to ours.

Some of our owned and in-licensed patents and patent applications are, and may in the future be, co-owned with third parties. In addition, certain of our licensors co-own the patents and patent applications we in-license with other third parties with whom we do not have a direct relationship. Our exclusive rights to certain of these patents and patent applications are 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 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. 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 growth prospects.

***If any of our owned or in-licensed patent applications 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 U.S. 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 owned and licensed patents. With respect to both in-licensed and owned intellectual property, we cannot predict whether the patent applications we and our licensors 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 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. Additionally, recent reforms and changes at government agencies of the U.S. and those of non-U.S. jurisdictions could increase the uncertainties and costs surrounding the prosecution or maintenance of our patent applications, and the maintenance, enforcement, or defense of our issued patents. For example, the ability of the USPTO and other applicable patent authorities to properly administer their functions is highly dependent on the levels of funding available to the agency and their ability to retain key personnel and fill key leadership appointments, among various factors. Termination of employees or delays in replacing or hiring for key positions could significantly impact the ability of the USPTO and other applicable patent authorities to fulfill their functions and could greatly impact our ability to timely and adequately prosecute or maintain our patent applications, and our ability to timely and adequately maintain, enforce, or defend our issued patents. 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, CMOs, 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 U.S. and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain whether we or our licensors were the first to make the inventions claimed in any of our owned or licensed patents or pending patent applications, or that we or our licensors were the first to file for patent protection of such inventions.

***We or our licensors, collaborators, or any future strategic partners may become subject to third-party claims or litigation alleging infringement of patents or other proprietary rights or seeking to invalidate patents or other proprietary rights, and we may need to resort to litigation to protect or enforce our patents or other intellectual property or the patents or other intellectual property of our licensors, all of which could be expensive, time-consuming and unsuccessful, may delay or prevent the development and commercialization of our product candidates, or may put our patents and other proprietary rights at risk.***

If we or one of our licensors initiate legal proceedings against a third party to enforce a patent covering one of our product candidates or other technologies, the defendant could counterclaim that the patent is invalid and/or unenforceable or that we infringe their patents. In patent litigation in the U.S., defendant counterclaims alleging invalidity and/or unenforceability are commonplace, and there are numerous grounds upon which a third party can assert invalidity or unenforceability of a patent. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, including lack of novelty, obviousness, or non-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 other applicable body, or made a misleading statement, during prosecution. Third parties may also raise similar claims before administrative bodies in the U.S. or abroad, even outside the context of litigation. Such mechanisms include re-examination, post grant review, *inter partes* review, interference proceedings, derivation proceedings, and equivalent proceedings in foreign jurisdictions (e.g., opposition proceedings).

With respect to the validity question, for example, we cannot be certain that there is no invalidating prior art, of which we, our licensor, our or our licensor's patent counsel and the patent examiner were unaware during prosecution. Moreover, even if our patents were to survive such a litigation challenge to their validity, the patents might still be held to be valid but unenforceable if a court were to decide that the patents are being enforced in a manner inconsistent with the antitrust laws, or that the patents were obtained through deceit during patent office examination or other such failure of sufficient candor to the patent office. If a third party were to prevail on a legal assertion of invalidity and/or unenforceability, we would lose at least part, and perhaps all, of the patent protection on our product candidates. Such a loss of patent protection could have a material adverse impact on our business, financial condition, results of operations and prospects.

The cost to us of any litigation or other proceeding relating to intellectual property rights, even if resolved in our favor, could be substantial. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources, including our scientists and management, from our business.

An adverse result in any litigation or defense proceeding could put one or more of our owned or licensed patents at risk of being invalidated, held unenforceable, or interpreted narrowly, and could put our patent applications at risk of not being issued. Such proceedings could result in revocation or cancellation of, or amendment to, our patents in such a way that they no longer cover our product candidates or technologies. If the outcome of litigation is adverse to us, third parties may be able to use our patented invention without payment to us. In addition, in an infringement proceeding, there is a risk that a court may decide that one or more of our patents is not valid or is unenforceable and that we do not have the right to stop the other party from using the inventions. There is also the risk that, even if the validity of our patents were upheld, a court would refuse to stop the other party on the grounds that its activities are not covered by, that is, do not infringe, our patents. 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.

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 better 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. The outcome following legal assertions of invalidity and unenforceability is unpredictable. 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.

***The use of our technology and product or our other product candidates could potentially conflict with the rights of others, and third-party claims of intellectual property infringement, misappropriation or other violation against us, our licensors or our collaborators may prevent or delay the development and commercialization of our product, product candidates and technologies.***

Our commercial success depends in part on our, our licensors' and our collaborators' ability to avoid 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 biopharmaceutical industry. Our potential competitors or other parties may have, develop or acquire patent or other intellectual property rights that they could assert against us. If they do so, then we may be required to alter our approved product or other product candidates, pay licensing fees or cease our development and commercialization activities with respect to the applicable approved product or product candidates or technologies. If our approved product or other product candidates conflict with patent or other intellectual property rights of others, such parties could bring legal actions against us or our collaborators, licensees, suppliers or customers, claiming damages and seeking to enjoin manufacturing, use and marketing of the affected products.

Although we have conducted FTO analyses of the patent landscape with respect to our approved product or other product candidates and continue to undertake FTO analyses of our manufacturing processes, no FTO analysis can be considered exhaustive because patent applications do not publish for 18 months and the claims of patent applications can change over time. We may not be aware of patents that have already been issued and that a competitor or other third party might assert are infringed by our approved product or other product candidates or technologies. It is also possible that we could be found to have infringed patents owned by third parties of which we are aware, but which we do not believe are relevant to our approved product or other product candidates or 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 approved product or other product candidates or technologies may infringe. Furthermore, patent and other intellectual property rights in biotechnology remains an evolving area with many risks and uncertainties. As such, we may not be able to ensure that we can market our approved product or other product candidates without conflict with the rights of others.

If intellectual property-related legal actions asserted against us are successful, in addition to any potential liability for damages (including treble damages and attorneys' fees for willful infringement), we could be enjoined from, or required to obtain a license to continue, manufacturing, promoting the use of or marketing the affected products. We may not prevail in any legal action and a required license under the applicable patent or other intellectual property may not be available on acceptable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors and other third parties access to the same technologies licensed to us, and it could require us to make substantial licensing and royalty payments. We also could be required to redesign our infringing products, which may be impossible or require substantial time and monetary expenditure.

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. 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. 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. The occurrence of any of the foregoing 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 approved product and other product candidates.***

As is the case with other immunotherapy and biopharmaceutical companies, our success is dependent on intellectual property, particularly patents. Obtaining and enforcing patents in the biopharmaceutical industry involves both technological and legal complexity, and is therefore costly, time-consuming and inherently uncertain. In addition, the U.S. has recently enacted and is currently implementing wide-ranging patent reform legislation. Assuming that other requirements for patentability are met, prior to March 2013, in the U.S., the first to invent the claimed invention was entitled to the patent, while outside the U.S., the first to file a patent application was entitled to the patent. After March 2013, under the America Invents Act enacted in September 2011, the U.S. transitioned to a first-to-file system in which, assuming that other requirements for patentability are met, the first inventor to file a patent application will be entitled to the patent on an invention regardless of whether a third party was the first to invent the claimed invention. A third party that files a patent application in the USPTO after March 2013, but

before us could therefore be awarded a patent covering an invention of ours even if we had made the invention before such third party made it. This will require us to be cognizant of the time from invention to filing of a patent application. Since patent applications in the U.S. and most other countries are confidential for a period of time after filing or until issuance, we cannot be certain that we or our licensors were the first to either file any patent application related to our product candidates or other technologies or invent any of the inventions claimed in our or our licensor's patents or patent applications. The America Invents Act also includes a number of significant changes that affect the way patent applications will be 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. Therefore, the America Invents Act and its implementation could increase the uncertainties and costs surrounding the prosecution of our owned or in-licensed patent applications and the enforcement or defense of our owned or in-licensed issued patents, all of which could have a material adverse effect on our business, financial condition, results of operations, and prospects.

Additionally, United States Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by Congress, the federal courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future. For example, the United States Supreme Court held in *Amgen v. Sanofi* (2023) that a functionally claimed genus was invalid for failing to comply with the enablement requirement of the Patent Act. While we do not believe that any of the patents owned or licensed by us will be found invalid based on the foregoing, we cannot predict how future decisions by Congress, the federal courts or the USPTO may impact the value of our patents.

***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 patent applications are due to be paid to the USPTO and foreign patent agencies in several stages over the lifetime of a patent. The USPTO and various foreign governmental patent agencies require compliance with several procedural, documentary, fee payment and other similar provisions during the patent application process. In certain circumstances, we rely on our licensors to pay these fees and take the necessary actions to comply with these requirements. While an inadvertent lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. In such an event, our competitors might be able to enter the market with similar or identical products or technology, which would have a material adverse impact on our business, financial condition, results of operations and prospects.

***Our rights to develop and commercialize our product candidates and technologies are subject, in part, to the terms and conditions of licenses granted to us by others.***

License agreements may not provide exclusive rights to use certain licensed intellectual property and technology in all relevant fields of use and in all territories in which we may wish to commercialize our technology and product candidates in the future. As a result, we may not be able to prevent competitors or other third parties from developing and commercializing competitive products that also utilize technology that we have in-licensed.

In addition, subject to the terms of any such license 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 patents and patent applications covering the technology that we license from third parties. We cannot be certain that our in-licensed or out-licensed patents and patent applications that are controlled by our licensors or licensees will be prepared, filed, prosecuted, maintained, enforced, and defended in a manner consistent with the best interests of our business. If our licensors or licensees fail to prosecute, maintain, enforce, and defend such patents, or lose rights to those patents or patent applications, the rights we have

licensed may be reduced or eliminated, our right to develop and commercialize our approved product and any of our product candidates that are subject of such licensed rights could be adversely affected, and we may not be able to prevent competitors from making, using and selling competing products. In addition, even where we have the right to control patent prosecution of patents and patent applications we have licensed to and from third parties, we may still be adversely affected or prejudiced by actions or inactions of our licensees, our licensors and their counsel that took place prior to the date upon which we assumed control over patent prosecution.

Furthermore, our owned and in-licensed patents may be subject to a reservation of rights by one or more third parties. For example, certain of our in-licensed intellectual property was funded in part by the U.S. government. As a result, the U.S. government may have certain rights to such 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 we have licensed that was 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 practical application of the government-funded technology, or because action is necessary to alleviate health or safety needs, to meet requirements of federal regulations, or to give preference to U.S. industry. In addition, our rights in such inventions may be subject to certain requirements to manufacture products embodying such inventions in the U.S. in certain circumstances if this requirement is not waived. Any exercise by the U.S. government of such rights 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 growth prospects.

***If we fail to comply with our obligations in the agreements under which we license intellectual property rights from third parties or otherwise experience disruptions to our business relationships with our licensors, we may be required to pay damages and we could lose license rights that are important to our business.***

We have entered into license agreements with third parties and may need to obtain additional licenses from others to advance our research or allow commercialization of our product candidates. We may be unable to obtain certain additional licenses 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, 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 or product candidates or continue to utilize our existing technology, which could harm our business, financial condition, results of operations and growth 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, 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 license agreements, and we expect our future agreements, will impose various development, diligence, commercialization, and other obligations on us. Certain of our license agreements also require us to meet development timelines, or to exercise commercially reasonable efforts to develop and commercialize licensed products, in order to maintain the licenses. In spite of our efforts, our licensors might conclude that we have materially breached our obligations under such license agreements and might therefore terminate the license agreements, thereby removing or limiting our ability to develop and commercialize products and technology covered by these license agreements. If these in-licenses are terminated, or if the underlying patents fail to provide the intended exclusivity, competitors or other third parties would have the freedom to seek regulatory approval of, and to market, products identical to ours and we may be required to cease our commercialization of our approved product or the development and commercialization of certain of our other 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 licensing agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;

- the sublicensing of patent and other rights under our collaborative development relationships;
- our diligence obligations under the license agreement and what activities satisfy those diligence obligations;
- the inventorship and ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners; and
- the priority of invention of patented technology.

In addition, the agreements under which we currently 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 licensed prevent or impair our ability to maintain our current licensing arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected product or product candidates, which could have a material adverse effect on our business, financial conditions, results of operations and growth prospects.

***We have limited foreign intellectual property rights and may not be able to protect our intellectual property rights in various jurisdictions throughout the world.***

We have limited intellectual property rights outside the U.S. Filing, prosecuting and defending patents on our approved product and other product candidates in all countries throughout the world would be prohibitively expensive, and our intellectual property rights in some countries outside the U.S. can be less extensive than those in the U.S. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the U.S. Consequently, we may not be able to prevent third parties from practicing our inventions in all countries outside the U.S., or from selling or importing products made using our inventions in and into the U.S. 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 U.S. These products may compete with our product or our other product candidates 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 biopharmaceutical products, which could make it difficult for us to stop the infringement of our patents or marketing of competing products in violation of our proprietary rights generally. Proceedings to enforce our patent rights in foreign jurisdictions could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate, and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant commercial advantage from the intellectual property that we develop or license.

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 patent. If we or any of our 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.

Geo-political actions in the U.S. and in foreign countries could increase the uncertainties and costs surrounding the prosecution or maintenance of our patent applications or those of any current or future licensors and the maintenance, enforcement or defense of our issued patents or those of any current or future licensors. For example, the U.S. and foreign government actions related to the Russia-Ukraine war may limit or prevent filing, prosecution and maintenance of patent applications in Russia. Government actions may also prevent maintenance of issued patents in Russia. These actions could result in abandonment or lapse of our patents or patent applications, resulting in partial or complete loss of patent rights in Russia. If such an event were to occur, it could have a material adverse effect on our business. In addition, a decree was adopted by the Russian government in March 2022 allowing Russian companies and individuals to exploit inventions owned by patentees that have citizenship or nationality in, are registered in, or have a predominately primary place of business or profit-making activities in the U.S. and other countries that Russia has deemed unfriendly without consent or compensation. Consequently, we would not be able to prevent third parties from practicing our inventions in Russia or from selling or importing products made using our inventions in and into Russia. In another example, in April of 2025, the Brazilian government enacted a law allowing for the suspension of obligations related to foreign entity's intellectual property rights in response to actions by foreign countries, including the U.S. Also, in March 2025, the Chinese government issued regulations for implementation of the 2021 Anti-Foreign Sanctions Act. These regulations expand the Chinese government's ability to seize certain assets, including intellectual property, of foreign entities, in response to foreign sanctions, including those by the U.S. Accordingly, our competitive position may be impaired, and our business, financial condition, results of operations and prospects may be adversely affected.

***We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed trade secrets or other confidential information of third parties or claims asserting ownership of what we regard as our own intellectual property.***

We have received confidential and proprietary information from third parties and their employees and contractors. In addition, we plan to employ and contract with individuals who were previously employed at other biotechnology or pharmaceutical companies. We may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed the trade secrets or other confidential information of these third parties or our employees' former employers. Litigation may be necessary to defend against or pursue these claims. Even if we are successful in resolving these claims, litigation could result in substantial cost and be a distraction to our management and employees.

In addition, while it is our policy to require our employees, consultants and independent 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. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, and prospects.

***We may not be able to license or acquire new or necessary intellectual property rights or technology from third parties.***

An element of our intellectual property strategy is to license intellectual property rights and technologies from third parties and/or our affiliates. Other parties, including our competitors or our affiliates, may have patents relevant to our business, may have already filed patent applications relevant to our business, and are likely filing patent applications potentially relevant to our business. In order to avoid infringing these patents, we may find it necessary or prudent to obtain licenses to such patents from such parties. In addition, with respect to any patents we co-own with other parties, including our affiliates, we may require licenses to such co-owners' interest to such patents. The licensing or acquisition of intellectual property rights is a competitive area, and other 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. No assurance can be given that we will be successful in licensing any additional rights or technologies from third parties and/or our affiliates. Our inability to license the rights and technologies that we have identified, or that we may in the future identify,

could have a material adverse impact on our ability to complete the development of our product candidates or to develop additional product candidates. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors and other third parties access to the same technologies licensed to us, and it could require us to make substantial licensing and royalty payments. Failure to obtain any necessary rights or licenses may detrimentally affect our planned development of our current or future additional product candidates and could increase the cost, and extend the timelines associated with our development, of such other products, and we may have to abandon development of the relevant program or product candidate. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

***If we do not obtain patent term extension and data exclusivity for our approved product or any other 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, including our approved product, one or more of our owned or in-licensed 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 per new drug, 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 Patent Certificate. However, we may not be granted an extension in the U.S. 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 rights in our patents and other intellectual property.***

We or our licensors may be subject to claims that former employees, collaborators or other third parties have an interest in our owned or in-licensed patents, trade secrets, or other intellectual property, including as an inventor or co-inventor. For example, we or our licensors may have disputes arising from conflicting obligations of employees, consultants or others who are involved in developing our product candidates. Litigation may be necessary to defend against these and other claims challenging inventorship, or our or our licensors' ownership of our owned or in-licensed patents, trade secrets or other intellectual property. If we or our licensors fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights, such as exclusive ownership of or right to use valuable intellectual property. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees. 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 ANKTIVA, hAd5 technologies and constructs, cell therapies, and other product candidates and 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. Trade secrets and know-how can be difficult to protect. We expect our trade secrets and know-how will over time be disseminated within the industry through independent development, the publication of journal articles describing the methodology, and the movement of personnel from academic to industry scientific positions.

We seek to protect these trade secrets and other proprietary technology, in part, by entering into nondisclosure and confidentiality agreements with parties who have access to them, such as our employees, corporate collaborators, outside scientific collaborators, CROs, CMOs, consultants, advisors, and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants as well as 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. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret is difficult, expensive, and time-consuming, and the outcome is unpredictable. In addition, some courts inside and outside the U.S. 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.

***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, 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 approved product or other product candidates or utilize similar technology but that are not covered by the claims of the patents that we license or may own;
- we, our current or future licensors or collaborators, might not have been the first to make the inventions covered by the issued patent or pending patent application that we license or own now or in the future;
- we, 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 on 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 in order to maintain certain trade secrets or know-how, and a third party may subsequently file a patent 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 Common Stock**

***Dr. Soon-Shiong, our Founder, Executive Chairman, Global Chief Scientific and Medical Officer and principal stockholder, has significant interests in other companies which may conflict with our interests.***

Our Founder, Executive Chairman and Global Chief Scientific and Medical Officer, Dr. Soon-Shiong, is also the founder of NantWorks. The various NantWorks companies are currently exploring opportunities in the immunotherapy, oncology, infectious disease, and inflammatory disease fields. In particular, we have agreements with a number of related parties that provide services, technology and equipment for use in their efforts to develop their product pipelines. Dr. Soon-Shiong holds a controlling interest, either directly or indirectly, in these entities. Consequently, Dr. Soon-Shiong's interests may not be aligned with our other stockholders, and he may from time to time be incentivized to take certain actions that benefit his other interests and that our other stockholders do not view as being in their interest as investors in our company. In addition, other companies affiliated with Dr. Soon-Shiong may compete with us for business opportunities or, in the future, develop products that are competitive with ours (including products in other therapeutic fields which we may target in the future). Moreover, even if they do not directly relate to us, actions taken by Dr. Soon-Shiong and the companies with which he is involved could impact us.

We are also pursuing supply arrangements for various investigational agents controlled by affiliates to be used in their clinical trials. If Dr. Soon-Shiong were to cease his affiliation with us or NantWorks, these entities may be unwilling to continue these relationships with us on commercially reasonable terms, or at all, and as a result may impede our ability to control the supply chain for our combination therapies. These collaboration agreements do not typically specify how sales will be apportioned between the parties upon successful commercialization of the product. As a result, we cannot guarantee that we will receive a percentage of the revenue that is at least proportional to the cost that we will incur in commercializing the product candidate.

We have entered into shared services agreements with NantWorks, pursuant to which the respective parties and their affiliates provide corporate, general and administrative and other support services to each other. If Dr. Soon-Shiong was to cease his affiliation with us or with NantWorks, we may be unable to establish or maintain this relationship with NantWorks on a commercially reasonable basis, if at all. As a result, we could experience a lack of business continuity due to loss of historical and institutional knowledge and new employees and/or new service providers lack of familiarity with business processes, operating requirements, policies and procedures, and we may incur additional costs as new employees and/or service providers gain necessary experience. In addition, the loss of the services of NantWorks might significantly delay or prevent the commercialization of our approved product or the development of our other product candidates or achievement of other business objectives by diverting management's attention to transition matters and identification of suitable replacements, if any, and could have a material adverse effect on our business and results of operations.

***Dr. Soon-Shiong, through his voting control of the company, has the ability to control actions that require stockholder approval.***

Dr. Soon-Shiong, through his direct and indirect ownership of the company's common stock, has voting control of the company. As of March 31, 2026, Dr. Soon-Shiong and his affiliates owned approximately 62.50% of our common stock outstanding. Dr. Soon-Shiong and his affiliates also own our outstanding convertible promissory note, certain warrants and stock options to purchase shares of our common stock, and certain CVRs as described under "[—Conversion of our related-party promissory note, exercise of outstanding warrants and options to purchase our common stock, the achievement of the milestone under our outstanding CVRs, and potential additional equity issuances may dilute the ownership interest of existing stockholders or may otherwise depress the price of our common stock](#)" below.

Dr. Soon-Shiong is in a position to control the outcome of corporate actions that require, or may be accomplished by, stockholder approval, including amending the Certificate of Incorporation and Bylaws of the company, the election or removal of directors and transactions involving a change of control. Dr. Soon-Shiong's controlling ownership could limit the ability of the remaining stockholders of the company to influence corporate matters, and the interests of Dr. Soon-Shiong may not coincide with the company's interests or the interests of its remaining stockholders.

In addition, pursuant to the Nominating Agreement between us and Cambridge, an entity that Dr. Soon-Shiong controls, Cambridge has the ability to designate one director to be nominated for election to the Board of Directors for as long as Cambridge continues to hold at least 20% of the issued and outstanding shares of our common stock. Dr. Soon-Shiong was selected by Cambridge to hold this board seat. Dr. Soon-Shiong and his affiliates will therefore have significant influence over management and significant control over matters requiring stockholder approval, including the annual election of directors and significant corporate transactions, such as a merger or other sale of our company or its assets, for the foreseeable future. This control will limit stockholders' ability to influence corporate matters and, as a result, we may take actions that our stockholders do not view as beneficial. As a result, the market price of our common stock could be adversely affected.

***Conversion of our related-party promissory note, exercise of outstanding warrants and options to purchase our common stock, the achievement of the milestone under our outstanding CVRs, and potential additional equity issuances may dilute the ownership interest of existing stockholders or may otherwise depress the price of our common stock.***

As of March 31, 2026, our indebtedness was comprised of a \$480.0 million December 2024 Convertible Promissory Note held by an entity affiliated with Dr. Soon-Shiong that is convertible into shares of our common stock under certain circumstances. The December 2024 Convertible Promissory Note bears interest at Term SOFR plus 8.0% per annum, which provides that the noteholder has the option to convert all (but not less than all) of the outstanding principal amount and accrued but unpaid interest into shares of the company's common stock at a conversion price of \$5.4270 per share (subject to appropriate adjustment from time to time for any stock dividend, stock split, combination of shares, reorganization, recapitalization, reclassification, or other similar event). In January 2026, we entered into a letter amendment that now permits the note holder to convert any portion of the outstanding principal amount of the December 2024 Convertible Promissory Note into fully paid and nonassessable shares of the company's common stock at any time prior to the maturity date.

In addition, as of March 31, 2026, we had outstanding warrants, stock options and unvested RSU awards covering the issuance of up to:

- 47,862,136 shares of our common stock subject to warrants with exercise prices ranging from \$3.1010 to \$3.2946 per share, which are currently exercisable with expiration dates ranging from of July 24, 2026 to July 28, 2030 (these warrants were issued to certain institutional investors);
- any shares of our common stock that may be issued upon the exercise of the \$5.0 million option held by Oberland, for which the price per share shall be determined by the 30-day trailing volume weighted-average price of our common stock, calculated from the date of exercise, and which option is exercisable by Oberland until the earliest of (i) December 29, 2028, (ii) a change of control of the company, or (iii) a sale of substantially all of the company's assets;
- 5,394,736 shares of our common stock subject to stock options and RSU awards issued to Dr. Soon-Shiong that are outstanding as of March 31, 2026, of which 2,459,294 shares subject to stock options that are vested and exercisable and 2,935,442 are subject to stock option and RSU awards that are unvested and, with respect to stock options, unexercisable; and
- 1,638,000 shares of our common stock at an exercise price of \$3.24 per share exercisable from the 30th day following the achievement of a performance-based vesting condition pertaining to building manufacturing capacity to support supply requirements for ANKTIVA (which has not yet been satisfied) with an expiration date on the tenth anniversary of such initial exercise date (this warrant was issued to an affiliate of Dr. Soon-Shiong).

In addition, as of March 31, 2026, we had outstanding an aggregate of approximately \$300.6 million CVRs outstanding that were issued to the former stockholders of Altor, including Dr. Soon-Shiong and certain affiliates, which such stockholders may choose to receive either in cash or shares of our common stock based upon an average of closing prices on a 20-trading day trailing period, upon the first calendar year prior to December 31, 2026 in which worldwide net sales of ANKTIVA exceed \$1.0 billion. ANKTIVA with BCG for the treatment of adult patients with BCG-unresponsive NMIBC with CIS, with or without papillary tumors was approved for commercial sale in April 2024, but there can be no assurance that such sales milestone will be achieved. Dr. Soon-Shiong and his related party hold approximately \$139.8 million of such CVRs, and have irrevocably agreed to receive shares of the company's common stock in satisfaction of their CVRs.

The conversion or exchange of some or all of our outstanding promissory note into shares of our common stock, the exercise of any of our outstanding warrants and stock options, and the decision of the holders of our CVRs to receive shares of our common stock could dilute the ownership interests of existing stockholders. Any sales in the public market of our outstanding promissory note or warrants, or our common stock issuable upon conversion of our outstanding promissory note or exercise of the warrants or options, could adversely affect prevailing market prices of our common stock.

***The market price of our common stock has been and may continue to be volatile, and investors may have difficulty selling their shares.***

Although our common stock is listed on the Nasdaq Global Select Market, the market for our shares has demonstrated varying levels of trading activity. You may not be able to sell your shares quickly or at the market price if trading in shares of our common stock is not active. Further, an inactive market may also impair our ability to raise capital by selling shares of our common stock and may impair our ability to enter into strategic partnerships or acquire companies or products by using our shares of common stock as consideration.

The stock market in general and the market for biopharmaceutical companies in particular have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. The market 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, including:

- our ability to successfully commercialize our approved product or our failure to advance our other product candidates;
- the commencement, enrollment or results of the planned clinical trials of our non-FDA-approved product candidates or any future clinical trials we may conduct, or changes in the development status of such product candidates;
- any delay in our regulatory submissions for our approved product or our product candidates and any adverse development or perceived adverse development with respect to the applicable regulatory authority's review of such submissions, including without limitation the FDA's issuance of a CRL or an RTF letter or a request for additional information;
- adverse results or delays in clinical trials;
- our decision to initiate a clinical trial, not to initiate a clinical trial or to terminate an existing clinical trial;
- adverse regulatory decisions, including failure to receive regulatory approval of our approved product in new markets or of our other product candidates;
- changes in laws or regulations applicable to our approved product or other product candidates, including but not limited to clinical trial requirements for approvals;
- additions or departures of key scientific or management personnel;
- unanticipated serious safety concerns related to the use of our approved product or other product candidates;
- announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships, joint ventures or capital commitments;
- our ability to effectively manage our growth;
- variations in our quarterly operating results, including those driven by liability accounting associated with embedded derivatives and fair value measurement;
- our liquidity position, RIPA liability covenants and the amount and nature of any debt we may incur;
- announcements that our revenue or income are below or that costs or losses are greater than analysts' expectations;

- publication of research reports about us or our industry, or immunotherapy in particular, or positive or negative recommendations or withdrawal of research coverage by securities analysts;
- changes in the market valuations of similar companies;
- sales of large blocks of our common stock;
- fluctuations in stock market prices and volumes;
- disputes or other developments relating to proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our technologies;
- significant lawsuits, including patent or stockholder litigation;
- the perception of our clinical trial results by retail investors, which investors may be subject to the influence of information provided by third-party investor websites and independent authors distributing information on the internet;
- general economic slowdowns;
- government-imposed lockdowns, supply chain disruptions, and adverse economic effects from a potential pandemic, epidemic, or outbreak of an infectious disease, in the U.S. and abroad;
- geopolitical tensions and war, including the war in Ukraine and ongoing conflicts in Gaza and Yemen;
- coordinated actions by independent third-party actors to affect the price of certain stocks, coordinated via the internet and otherwise; and
- other factors described in this “*Risk Factors*” section.

In the past, securities class action litigation has often been instituted against companies, including ImmunityBio, following periods of volatility in the market price of a company’s securities. This type of litigation could result in substantial costs and a diversion of management’s attention and resources, which would harm our business, operating results, or financial condition.

***We have been subject to securities class action, shareholder derivative litigation, and other litigation and may be subject to similar or other litigation in the future, all of which will require significant management time and attention, result in significant legal expenses and may result in unfavorable outcomes, which may have a material adverse effect on our business, operating results and financial condition, and negatively affect the price of our common stock.***

We are, and may in the future become, subject to various legal proceedings and claims that arise in or outside the ordinary course of business. The results of the shareholder derivative actions and any future legal proceedings cannot be predicted with certainty. Also, our insurance coverage may be insufficient, our assets may be insufficient to cover any amounts that exceed our insurance coverage, and we may have to pay damage awards or otherwise may enter into a settlement arrangement in connection with such claims. Any such payments or settlement arrangements in current or future litigation could have a material adverse effect on our business, operating results, or financial condition. Even if the plaintiffs’ claims are not successful, current or future litigation could result in substantial costs and significantly and adversely impact our reputation and divert management’s attention and resources, which could have a material adverse effect on our business, operating results and financial condition, and negatively affect the price of our common stock. In addition, such lawsuits may make it more difficult to finance our operations.

For example, on March 26, 2026, a putative securities class action complaint, captioned *Douglas v. ImmunityBio, Inc. et al.*, No. 2:26-cv-03261, was filed in the United States District Court for the Central District of California against the company and our Executive Chairman, asserting violations of Sections 10(b) and 20(a) of the Exchange Act stemming from the company’s receipt of a warning letter from the FDA’s OPDP regarding a television advertisement (which never aired) and a podcast interview. The complaint alleges that the statements made in the television advertisement and podcast were knowingly and materially false and misleading. Shareholder derivative actions predicated on the same purported conduct alleged in the securities class action also have been filed. See Part II, Item 1. “[Legal Proceedings](#)” for more information.

***Future sales and issuances of our common stock or rights to purchase common stock, including pursuant to our equity incentive plan, could result in additional dilution of the percentage ownership of our stockholders and could cause our stock price to fall.***

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, including shares obtained from the conversion or exchange of our convertible promissory note, exercise of our warrants, satisfaction of our CVRs, or the exercise or settlement of our equity incentive awards, the market price of our common stock could decline significantly. In addition, our Founder, Executive Chairman and Global Chief Scientific and Medical Officer, Dr. Soon-Shiong, and his affiliates owned approximately 62.5% of our common stock outstanding as of March 31, 2026. Sales of stock by Dr. Soon-Shiong and his affiliates could have an adverse effect on the trading price of our common stock.

Pursuant to the 2025 Plan, which was approved by our stockholders on June 18, 2025, our Board of Directors or its duly authorized committee is authorized to grant equity awards to our employees, directors, and consultants. Initially, the aggregate number of shares of our common stock that was able to be issued pursuant to equity awards under the 2025 Plan was 46,088,027 shares, plus the number of shares subject to awards granted under the 2015 Plan that expire or otherwise terminate without having been exercised in full or are forfeited to or repurchased by us (provided that the maximum number of shares that could (and can) be added to the 2025 Plan pursuant to awards under the 2015 Plan is 32,359,674 shares). As a result of the 2025 Plan, our stockholders may experience additional dilution.

Certain holders of our common stock are entitled to certain rights with respect to the registration of their shares under the Securities Act, including the shares purchased by affiliates of Oberland in connection with our entry into the RIPA. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act, except for shares held by our affiliates as defined in Rule 144 under the Securities Act. Any sales of securities by these stockholders could have an adverse effect on the market price of our common stock.

In addition, we expect that additional capital may be needed in the future to continue our planned operations, including our commercialization efforts, conducting clinical trials, regulatory approval efforts, expanded research and development activities, and costs associated with operating as a public company. To raise capital, we may sell common stock, preferred stock, convertible securities, or other equity securities (including warrants) in one or more transactions at prices and in a manner we determine from time to time. If we sell common stock, preferred stock, convertible securities, or other equity securities, existing investors may be materially diluted, and new investors could gain rights, preferences, and privileges senior to the holders of our common stock. The issuance of additional shares of common stock or warrants to purchase common stock, perception that such issuances may occur, or the exercise of outstanding warrants or other equity securities will have a material dilutive impact on existing stockholders and could have a material negative effect on the market price of our common stock.

***We have incurred and will continue to incur costs as a result of operating as a public company and our management has been and will be required to devote substantial time to compliance initiatives and corporate governance practices, including maintaining an effective system of internal control over financial reporting.***

As a public company listed in the U.S., we have incurred and will continue to incur significant additional legal, accounting, and other expenses as a result of operating as a public company. In addition, changing laws, regulations and standards relating to corporate governance and public disclosure, including Sarbanes-Oxley and regulations implemented by the SEC and Nasdaq, may increase legal and financial compliance costs and make some activities more time consuming. These laws, regulations and standards are subject to varying interpretations and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. We intend to invest resources to create a larger finance function with additional personnel to comply with evolving laws, regulations and standards, and this investment will result in increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. If, notwithstanding our efforts to comply with new laws, regulations and standards, we fail to comply, regulatory authorities may initiate legal proceedings against us, and our business may be harmed. As of June 30, 2025, we are a large accelerated filer.

As a public company in the U.S., we are required, pursuant to Section 404 of Sarbanes-Oxley to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting, and as a large accelerated filer, we expect that compliance with the auditor attestation requirements of Section 404(b) of the Sarbanes-Oxley Act will substantially increase our compliance costs. The controls and other procedures are designed to ensure that information required to be disclosed by us in the reports that we file with the SEC is disclosed accurately and is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms.

In the normal course of business our controls and procedures may become inadequate because of changes in conditions or the degree of compliance with these policies or procedures may deteriorate and material weaknesses in our internal control over financial reporting may be discovered. We may err in the design or operation of our controls, and all internal control systems, no matter how well designed and operated, can provide only reasonable assurance that the objectives of the control system are met. Because there are inherent limitations in all control systems, there can be no absolute assurance that all control issues have been or will be detected. If we are unable, or are perceived as unable, to produce reliable financial reports due to internal control deficiencies, investors could lose confidence in our reported financial information and operating results, which could result in a negative market reaction.

To fully comply with Section 404, we may need to retain additional employees to supplement our current finance staff, and we may not be able to do so in a timely manner, or at all. In addition, in the process of evaluating our internal control over financial reporting, we expect that certain of our internal control practices will need to be updated to comply with the requirements of Section 404 and the regulations promulgated thereunder, and we may not be able to do so on a timely basis, or at all. In the event that we are not able to demonstrate compliance with Section 404 in a timely manner, or are unable to produce timely or accurate financial statements, we may be subject to sanctions or investigations by regulatory authorities, such as the SEC or Nasdaq, and investors may lose confidence in our operating results and the price of our common stock could decline. Furthermore, if we are unable to certify that our internal control over financial reporting is effective and in compliance with Section 404, we may be subject to sanctions or investigations by regulatory authorities, such as the SEC or stock exchanges, and investors could lose confidence in the accuracy and completeness of our financial reports, which could hurt our business, the price of our common stock and our ability to access the capital markets.

Operating as a public company makes it more expensive for us to obtain directors' and officers' liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for us to attract and retain qualified persons to serve on the Board of Directors, on committees of the Board of Directors, or as members of senior management.

***If a restatement of our consolidated financial statements were to occur, our stockholders' confidence in the company's financial reporting in the future may be affected, which could in turn have a material adverse effect on our business and stock price.***

If any material weaknesses in our internal control over financial reporting are discovered or occur in the future, our consolidated financial statements may contain material misstatements, and we could be required to restate our financial results. In addition, if we are unable to successfully remediate any future material weaknesses in our internal controls or if we are unable to produce accurate and timely financial statements, our stock price may be adversely affected, and we may be unable to maintain compliance with applicable stock exchange listing requirements.

***We have not paid cash dividends in the past and do not expect to pay dividends in the future. Any return on investment may be limited to the value of our common stock.***

We have never paid cash dividends on our common stock and do not anticipate paying cash dividends for the foreseeable future. The payment of dividends on our common stock will depend on earnings, financial condition, and other business and economic factors affecting us at such time as the Board of Directors may consider relevant. If we do not pay dividends, our common stock may be less valuable because a return on your investment will only occur if our stock price appreciates.

***Because we are relying on the exemptions from corporate governance requirements as a result of being a “controlled company” within the meaning of the Nasdaq listing standards, you do not have the same protections afforded to stockholders of companies that are subject to such requirements.***

Our Founder, Executive Chairman and Global Chief Scientific and Medical Officer, Dr. Soon-Shiong, and entities affiliated with him, control a majority of our common stock. As a result, we are a controlled company within the meaning of the Nasdaq listing standards. Under these rules, a company of which more than 50% of the voting power is held by an individual, a group or another company is a controlled company and may elect not to comply with certain Nasdaq corporate governance requirements, including (1) the requirement that a majority of the Board of Directors consist of independent directors and (2) the requirement that we have a Nominating and Corporate Governance Committee that is composed entirely of independent directors with a written charter addressing the committee’s purpose and responsibilities. Accordingly, you do not have the same protections afforded to stockholders of companies that are subject to all of the Nasdaq corporate governance requirements. However, our Board of Directors is currently comprised of a majority of independent directors, and we currently have a Nominating and Corporate Governance Committee and the majority of the members of such committee are independent directors.

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

The trading market for our common stock and the value of our warrants will depend on the research and reports that securities or industry analysts publish about us or our business. We do not have any control over these analysts. There can be no assurance that analysts will cover us or provide favorable coverage. If one or more of the analysts who cover us downgrade our stock or change their opinion of our stock, our share price would likely decline. If one or more of these analysts cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which could cause our share price or trading volume to decline.

***Holders of our CVRs that are payable contingent upon us achieving certain milestones may not receive any further consideration.***

In connection with our 2017 acquisition of Altor, we issued CVRs under which we agreed to pay the prior stockholders of Altor approximately \$304.0 million of contingent consideration upon the successful regulatory approval of a BLA by the FDA, or foreign equivalent, for ANKTIVA by December 31, 2022, and approximately \$304.0 million of contingent consideration upon calendar-year worldwide sales of ANKTIVA exceeding \$1.0 billion prior to December 31, 2026, with amounts payable in cash or shares of our common stock or a combination thereof.

With respect to the regulatory milestone CVR agreement, the FDA approved our BLA in April 2024, which was after the milestone date set forth in such CVR agreement. The FDA did not approve our BLA on or before December 31, 2022, and therefore the regulatory milestone was not met, and the regulatory milestone CVR agreement terminated in accordance with its terms. With respect to the sales milestone CVR agreement, there can be no assurance that such sales milestone will be achieved. Accordingly, holders of our CVRs that are payable contingent upon us achieving the aforementioned milestones may not receive any further consideration. Further, failure to achieve the milestones set forth in our CVR agreements may give rise to disputes with the holders of such CVRs. For example, the shareholder representative for the holders of regulatory milestone CVRs has notified us that it is exploring, and intends to pursue, claims on behalf of such holders based on our alleged failure to use commercially reasonable efforts to secure FDA approval of the BLA on or before the December 31, 2022 milestone date. To the extent claims are filed regarding our CVR agreements, we could be subject to monetary awards that may be substantial notwithstanding our vigorous defense, and even if such claims are not successful, litigation could result in substantial costs, adversely impact our reputation, and divert management’s attention and resources, which could have a material adverse effect on our business, operating results, and financial condition.

***We are not subject to the provisions of Section 203 of the DGCL, which could negatively affect your investment.***

We elected in our Amended and Restated Certificate of Incorporation to not be subject to the provisions of Section 203 of the DGCL. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a business combination with an interested stockholder 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. A business combination includes a merger, asset sale, or other transaction resulting in a financial benefit to the interested stockholder. An interested stockholder is a person who, together with affiliates and associates, owns (or, in certain cases, within three years prior, did own) 15% or more of the corporation's voting stock. Our decision not to be subject to Section 203 will allow, for example, our Founder, Executive Chairman and Global Chief Scientific and Medical Officer (who, with members of his immediate family and entities affiliated with him, owned, in the aggregate, approximately 62.5% of our common stock outstanding as of March 31, 2026) to transfer shares in excess of 15% of our voting stock to a third-party free of the restrictions imposed by Section 203. This may make us more vulnerable to takeovers that are completed without the approval of our Board of Directors and/or without giving us the ability to prohibit or delay such takeovers as effectively.

***Some provisions of our charter documents and Delaware law may have anti-takeover effects that could discourage an acquisition of us by others, even if an acquisition would be beneficial to our stockholders and may prevent attempts by our stockholders to replace or remove our current management.***

Provisions in our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws, as well as provisions of Delaware law, could make it more difficult for a third party to acquire us or increase the cost of acquiring us, even if doing so would benefit our stockholders. These provisions include:

- a requirement that special meetings of stockholders be called only by the board of directors, president or chief executive officer;
- advance notice requirements for stockholder proposals and nominations for election to the board of directors; and
- the authority of the board of directors to issue preferred stock on terms determined by the board of directors without stockholder approval and which preferred stock may include rights superior to the rights of the holders of common stock.

These anti-takeover provisions and other provisions in our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws could make it more difficult for stockholders or potential acquirers to obtain control of our Board of Directors or initiate actions that are opposed by the then-current Board of Directors and could also delay or impede a merger, tender offer, or proxy contest involving our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing or cause us to take other corporate actions you desire. Any delay or prevention of a change of control transaction or changes in our Board of Directors could cause the market price of our common stock to decline.

***Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.***

Our Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. In addition, as permitted by Section 145 of the DGCL, our Amended and Restated Bylaws, and our indemnification agreements that we have entered into with our directors and officers provide that:

- We will indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful.
- We may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law.

- We are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification.
- We are not obligated pursuant to our Amended and Restated Bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnitees except with respect to proceedings authorized by our Board of Directors or brought to enforce a right to indemnification.
- The rights conferred in our Amended and Restated Bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons.
- We may not retroactively amend our Bylaws provisions to reduce our indemnification obligations to directors, officers, employees and agents.

To the extent that a claim for indemnification is brought by any of our directors or officers, it would reduce the amount of funds available for use in our business.

***Our Bylaws provide that the Delaware Court of Chancery 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 other employees.***

Our Amended and Restated Bylaws provides that the Delaware Court of Chancery (or, if the Delaware Court of Chancery does not have jurisdiction, the federal district court for the District of Delaware) is the sole and exclusive forum for any state law claims for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a breach of fiduciary duty owed by any of our directors, officers or other employees or our stockholders, (iii) any action asserting a claim against us arising pursuant to any provisions of the DGCL, or as to which the DGCL confers jurisdiction on the Delaware Court of Chancery, our Amended and Restated Certificate of Incorporation or our Amended and Restated Bylaws (including the interpretation, validity or enforceability thereof), or (iv) any action asserting a claim against us that is governed by the internal affairs doctrine; provided, that these choice of forum provisions do not apply to suits brought to enforce a duty or liability created by the Securities Act, the Exchange Act, or any other claim for which the federal courts have exclusive jurisdiction. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Our Amended and Restated Bylaws provide that the federal district courts are the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. The choice of forum provision 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 such lawsuits against us and our directors, officers and other employees. If a court were to find the choice of forum provision contained in the Amended and Restated Bylaws to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business and financial condition. Any person or entity purchasing or otherwise acquiring any interest in shares of our common stock shall be deemed to have notice of and to have consented to the provisions of our Amended and Restated Bylaws described above.

**ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.**

**(a) Recent Sales of Unregistered Securities**

None.

**(b) Issuer Purchases of Equity Securities**

None.

**ITEM 3. DEFAULTS UPON SENIOR SECURITIES.**

None.

**ITEM 4. MINE SAFETY DISCLOSURES.**

Not applicable.

**ITEM 5. OTHER INFORMATION.**

**(a) Adoption and Termination (including Modification) of Rule 10b5-1 and Certain Other Trading Arrangements by Directors and Officers**

On February 27, 2026, Ms. Cheryl Cohen, an independent member of our Board of Directors, adopted a written plan for the sale of up to 268,245 shares of our common stock that is intended to satisfy the affirmation defense conditions of Rule 10b5-1(c) under the Exchange Act. The plan will expire on January 31, 2027, or on any earlier period on which all of the shares have been sold.

On March 12, 2026, Mr. Michael Blaszyk, an independent member of our Board of Directors, adopted a written plan for the sale of up to 795,479 shares of our common stock that is intended to satisfy the affirmation defense conditions of Rule 10b5-1(c) under the Exchange Act. The plan will expire on December 31, 2026, or on any earlier period on which all of the shares have been sold.

On March 13, 2026, Ms. Christobel Selecky, an independent member of our Board of Directors, adopted a written plan for the sale of up to 388,986 shares of our common stock that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act. The plan will expire on May 31, 2027, or on any earlier date on which all of the shares have been sold.

Other than noted above, none of our directors or officers, as defined in Rule 16a-1(f) under the Exchange Act, adopted or terminated a Rule 10b5-1 trading plan or arrangement or a non-Rule 10b5-1 trading plan or arrangement, as defined in Item 408(c) of Regulation S-K, during the three months ended March 31, 2026.

**ITEM 6. EXHIBITS.**

The documents listed below are incorporated by reference or are filed or furnished with this Quarterly Report, in each case as indicated therein (numbered in accordance with Item 601 of Regulation S-K).

| Exhibit Number | Description of Exhibit                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.1            | <a href="#">Restated Certificate of Incorporation of ImmunityBio, Inc. (incorporated by reference to Exhibit 3.1 to the company's Annual Report on Form 10-K filed with the SEC on February 23, 2026).</a>                                                                                                                                                                                                          |
| 3.2            | <a href="#">Amended and Restated Bylaws of ImmunityBio, Inc. effective as of March 10, 2021 (incorporated by reference to Exhibit 3.2 to the company's Quarterly Report on Form 10-Q filed with SEC on August 12, 2021).</a>                                                                                                                                                                                        |
| 10.1           | <a href="#">Second Amendment to Revenue Interest Purchase Agreement, dated as of March 30, 2026, by and among ImmunityBio, Inc., the Guarantors party thereto, the Purchasers party thereto, and Infinity SA LLC, as Collateral Agent and Administrative Agent for the Purchasers (incorporated by reference to Exhibit 10.1 to the company's Current Report on Form 8-K filed with the SEC on March 31, 2026).</a> |
| 10.2           | <a href="#">Amendment dated January 23, 2026 to the Second Amended and Restated Promissory Note by and between ImmunityBio, Inc. and Nant Capital, LLC (incorporated by reference to Exhibit 10.1 to the company's Current Report on Form 8-K filed with the SEC on January 26, 2026).</a>                                                                                                                          |
| 10.3#+*        | <a href="#">Offer of Employment Letter between ImmunityBio, Inc. and Regan Lauer, effective November 1, 2021.</a>                                                                                                                                                                                                                                                                                                   |
| 10.4#*         | <a href="#">ImmunityBio, Inc. 2025 Equity Incentive Plan and Forms of Agreement thereunder.</a>                                                                                                                                                                                                                                                                                                                     |
| 31.1*          | <a href="#">Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a) and 15(d)-14(a) of the Securities Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>                                                                                                                                                                                                  |
| 31.2*          | <a href="#">Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a) and 15(d)-14(a) of the Securities Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>                                                                                                                                                                                                  |
| 32.1**         | <a href="#">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.</a>                                                                                                                                                                                                                                              |
| 32.2**         | <a href="#">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.</a>                                                                                                                                                                                                                                              |
| 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).                                                                                                                                                                                                                                              |
| 101.SCH        | Inline XBRL Taxonomy Extension Schema Document.                                                                                                                                                                                                                                                                                                                                                                     |
| 101.CAL        | Inline XBRL Taxonomy Extension Calculation Linkbase Document.                                                                                                                                                                                                                                                                                                                                                       |
| 101.DEF        | Inline XBRL Taxonomy Extension Definition Linkbase Document.                                                                                                                                                                                                                                                                                                                                                        |
| 101.LAB        | Inline XBRL Taxonomy Extension Label Linkbase Document.                                                                                                                                                                                                                                                                                                                                                             |
| 101.PRE        | Inline XBRL Taxonomy Extension Presentation Linkbase Document.                                                                                                                                                                                                                                                                                                                                                      |
| 104            | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).                                                                                                                                                                                                                                                                                                                           |

\* Filed herewith.

\*\* The certifications attached as Exhibits 32.1 and 32.2 that accompany this Quarterly Report are deemed furnished and not filed with the SEC and are not to be incorporated by reference into any filing of ImmunityBio, Inc. under the Securities Act or the Exchange Act, whether made before or after the date of this Quarterly Report, irrespective of any general incorporation language contained in such filing.

# Indicates a management contract or compensatory plan.

+ Some information has been redacted pursuant to Item 601 of Regulation S-K. The company agrees to furnish the SEC a copy of any redacted information upon request.

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.

IMMUNITYBIO, INC.

*Registrant*

Date: May 7, 2026

By: /s/ Richard Adcock  
Richard Adcock  
Chief Executive Officer  
*(Principal Executive Officer)*

Date: May 7, 2026

By: /s/ David C. Sachs  
David C. Sachs  
Chief Financial Officer  
*(Principal Financial Officer)*

[ \*\*\* ] = CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY BRACKETS, IS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION PURSUANT TO RULE 24B-2 OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.



October 12, 2021 (revised)

Regan Lauer

[ \*\*\* ]

RE: Offer of Employment

Dear Regan:

I am pleased to offer you a position with ImmunityBio, Inc. (the "Company"), as its SVP, Accounting effective November 1, 2021 (or such other date as may be agreed between you and the Company). The expectation is that this position will change to Chief Accounting Officer (a Section 16 executive officer position) effective upon, and subject to, approval by the Company's Board of Directors at its next regular meeting in the ordinary course, and you agree to accept such appointment on approval. You will work remotely and travel as needed for business purposes. You will report to Chief Financial Officer. In this position, your duties will include the duties set forth in Exhibit A hereto, in addition to other duties that may be assigned to you from time to time. The terms of our offer are as follows:

1. **Starting Salary.** Your starting salary will be \$300,000 if you work an entire year, to be paid in accordance with the Company's payroll practices in effect from time to time. The Company may withhold from all amounts payable to you such federal, state and local taxes as may be required to be withheld pursuant to applicable law or regulation.
2. **Bonus.** You shall be eligible to participate in the annual discretionary bonus plan for this position. For bonus plan year 2021 (payable in 2022), you will receive a bonus equal to 66% of the target bonus of 40% of your base salary; to receive the bonus, you must remain continuously employed through, and still be employed by the Company, on the date any such bonus is paid. An employee earns a bonus only if employed on the payment day and having not indicated an intent to resign. For 2022 (payable in 2023) and beyond, the discretionary target bonus is 40% percent of your base salary, subject to such performance targets and other factors, as may be determined in the sole and absolute discretion of the Company's board of directors. As the annual bonus is subject to the attainment of performance targets, it may be paid at, above or below target levels. In order to receive any bonus payment, you must remain continuously employed through, and still be employed by the Company on, the date any such bonus is paid. An employee earns a bonus only if employed on payment day and has not indicated an intent to resign.

3. **Benefits.** During your employment with the Company, you will be eligible to participate in any regular health insurance, retirement and other employee benefit plans established by the Company for its employees from time to time. Benefits, if any, will be subject to satisfaction of eligibility requirements and the plan terms. The Company's benefit plans are subject to amendment, modification or termination by the Company at any time. As a regular full-time exempt employee, you are eligible to participate in an informal flexible time off program: employees have the authority to use their judgment and discretion and take temporary periods of time away from work as vacation, without loss of pay, as their work permits.
4. **Equity.** In addition, if you decide to join us, subject to the approval of the Company's board of directors, you may receive an estimated equity award valued at \$400,000 (SUBJECT TO BOARD APPROVAL) under the Company's Amended and Restated 2015 Equity Incentive Plan (the "Plan"), with the number of RSUs underlying the award to be calculated based on a trailing 20-trading day average closing stock price as of the grant date, and to be granted at the time of the Company's next grant cycle in the ordinary course. The RSUs will entitle you to one share of the Company's Common Stock for each vested RSUs and shall vest as follows: 1/3 of the RSUs will vest on the date that is eighteen (18) months after the grant date, 1/3 of the RSUs will vest on the date that is twenty-four (24) months after the grant date, and 1/3 of the RSUs will vest on the date that is thirty-six (36) months after the grant date, in each case subject to your continued employment through each applicable vesting date. This equity award shall be subject to the terms and conditions of the Plan and applicable Award Agreement, including vesting requirement and other terms and conditions. No right to any stock is earned or accrued until such time that vesting occurs, nor does this grant confer any right to continue vesting or employment. The aforementioned award is subject to approval of the Compensation Committee of the Board of Directors in its sole discretion, including vesting and other terms and conditions.
5. **Severance.** In the event that the Company terminates your employment without Cause, the Company shall pay you a single cash payment equal to 18 weeks of your then-current annual base salary, less all applicable federal, state and local withholdings and deductions; provided, that you will not be entitled to any such severance payment unless you execute and return to the Company a general release in favor of, and in a form satisfactory to, the Company and you do not revoke such release during any applicable revocation period prescribed by law, and such release becomes effective within 60 days following your termination date. For the avoidance of doubt, and notwithstanding anything herein to the contrary, you will not be entitled to any severance payment if (a) the Company terminates your employment for Cause, (b) you resign or otherwise terminate your employment with the Company, (c) your employment is terminated by reason of your death or Disability. The Company shall make any such severance payment on the 60th day following the date on which termination occurs, subject to any required delay to satisfy the requirements of Section 409(A) as provided below.

For purposes of this letter, the term "Cause" shall mean any of the following: (a) your material breach of any agreement with the Company, including the Employee Confidentiality and Invention Assignment Agreement (or similar agreement), or any policy of the Company, which breach, if curable, has not been cured within twenty (20) days following written notice to you thereof; (b) your conviction of a felony or any other crime involving dishonesty, breach of trust, moral turpitude, or physical harm to any person (including the Company or any of its employees); (c) your act of fraud, misconduct, intentional misrepresentation or dishonesty in connection with your duties or otherwise with the business of the Company; (d) your material breach in the performance of your duties, including insubordination or excessive tardiness, or failure to implement or follow a lawful policy or directive of the Company, in each case where such failure, if curable, is not cured

within twenty (20) days following written notice to you thereof; (e) your commission of any act or omission of gross negligence or willful misconduct in the performance of your duties; or (f) you being under the influence of alcohol or non-prescription drugs, during work activities, except that “Cause” shall not include your proper use of prescription drugs with a valid prescription or proper use of over-the-counter medications in accordance with the manufacturer’s recommendations or a physician’s directions or your modest consumption of alcohol during business dinners or other work-related social events. For purposes of this letter, “Disability” shall mean (i) you become eligible for the Company’s long-term disability benefits or (ii) in the reasonable opinion of the Company, you have been unable to carry out the essential responsibilities and functions of your position by reason of any physical or mental impairment, with or without any reasonable accommodation, for more than ninety (90) consecutive days or more than one hundred twenty (120) days in any twelve (12) month period.

To the extent necessary to comply with Section 409A(a)(2)(B)(i) of the Internal Revenue Code of 1986, as amended (the “Code”) (relating to payments made to certain “key employees” of certain publicly-traded companies), any severance payments payable under the terms of this letter which constitute deferred compensation subject to Code Section 409A to which you would otherwise be entitled during the six (6) month period immediately following your separation from service will be paid on the earlier of (i) the first business day following the expiration of such six (6) month period or (ii) your death. The Company and you agree that they will reasonably cooperate with each other to avoid the imposition of any additional taxes, interest and/or penalty under Section 409A of the Code.

6. **Confidentiality and Arbitration.** As an employee of the Company, you will have access to certain confidential information of the Company and you may, during the course of your employment, develop certain information or inventions that will be the property of the Company. As a condition of your employment, you are also required to sign and comply with applicable Company agreements, including but not limited to, Arbitration, At-Will Employment, Confidential Information and Proprietary Information and Invention Assignment agreements. The Proprietary Information and Invention Assignment Agreement requires, among other provisions, the assignment of patent rights to any invention made during your employment at the Company, and non-disclosure of Company proprietary information. In the event of any dispute or claim relating to or arising out of our employment relationship, with the exception of claims covered by the Proprietary Information and Invention Assignment Agreement you and the Company agree that (i) any and all disputes between you and the Company shall be fully and finally resolved by binding arbitration, (ii) you are waiving any and all rights to a jury trial but all court remedies will be available in arbitration, (iii) all disputes shall be resolved by a neutral arbitrator who shall issue a written opinion, (iv) the arbitration shall provide for adequate discovery, and (v) the Company shall pay all the arbitration fees, except an amount equal to the filing fees you would have paid had you filed a complaint in a court of law. Such arbitration will be conducted in accordance with the Judicial Arbitration Mediation Services (“JAMS”) Employment Rules which can be found at [www.jamsadr.com/rules-employment-arbitration](http://www.jamsadr.com/rules-employment-arbitration). Please note that we must receive such signed agreements on or before your first day of employment.

7. **At Will Employment.** While we look forward to a long and profitable relationship, should you decide to accept our offer, you will be an at-will employee of the Company, which means either the Company or you can terminate the employment relationship for any reason, at any time, with or without prior notice and with our without cause. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) should be regarded by you as ineffective. Further, your participation in any benefit program is not intended to, and does not confer on you, any right to continued employment for any particular period of time. Any modification or change in your at will employment status may only occur by way of a written employment agreement signed by you and the Chief Executive Officer and President of the Company.
8. **Performance of Duties.** You shall devote your full time and attention to your duties and the performance of the services and shall serve the Company diligently and to your best abilities. Your services shall be exclusive to the Company during the term hereof, and you shall not accept any other employment or position, or engage in any other business enterprise, of any nature, without the prior written consent of the Company. Notwithstanding the foregoing, nothing in this Paragraph 7 shall restrict your incidental engagement with or employment by any not-for-profit charities, religious organizations or other similar enterprises.
9. **Authorization to Work.** Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation demonstrating that you have authorization to work in the United States. If you have questions about this requirement, which applies to U.S. citizens and non-U.S. citizens alike, you may contact our personnel office.
10. **Background Check.** This offer is contingent upon a successful employment verification of criminal, education, employment background. This offer can be rescinded based upon data received in the verification.
11. **Miscellaneous.** The terms of this offer letter and the relationship of the parties in connection with the subject matter hereof will be construed and enforced according to the laws of the State of Delaware, without giving effect to the conflicts of the law rules. Notwithstanding anything else herein, this Agreement is personal to you and neither the Agreement nor any rights hereunder may be assigned by you. The Company may assign this Agreement to any of its affiliates or to any successor to all or substantially all of the business and/or assets of the Company which assumes in writing or by operation of law, the obligations of the Company hereunder.
12. **Acceptance.** This offer will remain open until October 11, 2021. If you decide to accept our offer, and I hope you will, please sign the enclosed copy of this letter in the space indicated and return it to me. Your signature will acknowledge that you have read and understood and agreed to the terms and conditions of this offer letter and the attached documents, if any. Should you have anything else that you wish to discuss, please do not hesitate to call me.

We look forward to the opportunity to welcome you to the Company.

Very truly yours,  
/s/ Emily Arison  
Human Resources

I have read and understood this offer letter and hereby acknowledge, accept and agree to the terms as set forth above *including that I am an at-will employee* and further acknowledge that no other commitments were made to me as part of my employment offer except as specifically set forth herein.

/s/ Regan Lauer  
Regan Lauer

Date signed: 10-12-2021

Enclosures  
Original Letter  
Exhibit A

## **EXHIBIT A**

[ \*\*\*\* ]

## IMMUNITYBIO, INC.

## 2025 EQUITY INCENTIVE PLAN

1. Purposes of the Plan; Award Types.

(a) Purposes of the Plan. The purposes of this Plan are to attract and retain personnel for positions with the Company Group, to provide additional incentive to Employees, Directors, and Consultants (collectively, "Service Providers"), and to promote the success of the Company's business.

(b) Award Types. The Plan permits the grant of Incentive Stock Options to any ISO Employee and the grant of Non-statutory Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, and Performance Awards to any Service Provider.

2. Definitions. The following definitions are used in this Plan:

(a) "Administrator" means the Board or any Committee that, from time to time, administers the Plan in whole or in part in accordance with Section 4 of the Plan.

(b) "Applicable Laws" means the legal and regulatory requirements relating to the administration of equity-based awards and the related issuance of Shares, including requirements under:

- (i) U.S. federal and state corporate laws,
- (ii) U.S. federal and state securities laws,
- (iii) U.S. federal and state tax laws, including the Code,
- (iv) any stock exchange or quotation system on which the Common Stock is listed or quoted, and

(v) only to the extent applicable with respect to an Award or Awards, the tax, securities, exchange control, and other laws of any jurisdictions other than the United States where such Award or Awards are, or will be, granted under the Plan.

Reference to a section of an Applicable Law or regulation related to that section includes that section or regulation, any valid regulation or formal regulatory guidance of general or direct applicability promulgated under that section, and any comparable provision of any future legislation, regulation, or formal regulatory guidance of general or direct applicability amending, supplementing or superseding that section or regulation.

(c) "Award" means a grant under the Plan of Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, or Performance Awards.

(d) "Award Agreement" means the written or electronic agreement setting forth the terms applicable to an Award granted under the Plan. The Award Agreement is subject to the terms of the Plan.

(e) "Board" means the Board of Directors of the Company.

(f) "Change in Control" means the occurrence of any of the following events:

(i) A change in the ownership of the Company which occurs on the date that any one person, or more than one person acting as a group ("Person"), acquires ownership of the stock of the

Company that, together with the stock held by such Person, constitutes more than 50% of the total voting power of the stock of the Company; provided, that for this subsection, the acquisition of additional stock by any one Person, who prior to such acquisition is considered to own more than 50% of the total voting power of the stock of the Company will not be considered a Change in Control. Further, if the stockholders of the Company immediately

before such change in ownership continue to retain immediately after the change in ownership, in substantially the same proportions as their ownership of shares of the Company's voting stock immediately prior to the change in ownership, direct or indirect beneficial ownership of 50% or more of the total voting power of the stock of the Company or of the ultimate parent entity of the Company, such event shall not be considered a Change in Control under this Section 2(f)(i). For this purpose, indirect beneficial ownership shall include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company, as the case may be, either directly or through one or more subsidiary corporations or other business entities; or

(ii) A change in the effective control of the Company which occurs on the date a majority of members of the Board is replaced during any 12-month period by Directors whose appointment or election is not endorsed by a majority of the members of the Board prior to the appointment or election. For purposes of this Section 2(f)(ii), if any Person is considered already to be in effective control of the Company, the acquisition of additional control of the Company by the same Person during the 12-month period will not be considered a Change in Control; or

(iii) A change in the ownership of a substantial portion of the Company's assets which occurs on the date that any Person acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person or Persons) assets from the Company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of the Company immediately prior to such acquisition or acquisitions; provided, that for this Section 2(f)(iii), the following will not constitute a change in the ownership of a substantial portion of the Company's assets:

(1) a transfer to an entity that is controlled by the Company's stockholders immediately after the transfer, or

(2) a transfer of assets by the Company to:

(A) a stockholder of the Company (immediately before the asset transfer) in exchange for or with respect to the Company's stock,

(B) an entity, 50% or more of the total value or voting power of which is owned, directly or indirectly, by the Company,

(C) a Person, that owns, directly or indirectly, 50% or more of the total value or voting power of all the outstanding stock of the Company, or

(D) an entity, at least 50% of the total value or voting power of which is owned, directly or indirectly, by a Person described in Section 2(f)(iii)(2)(A) to Section 2(f)(iii)(2)(C).

For this definition, gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets. For this definition, persons will be acting as a group if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the Company. For the avoidance of doubt, wholly-owned subsidiaries of the Company shall not be considered "Persons" for purposes of this Section 2(f).

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(iv) A transaction will not be a Change in Control:

(1) unless the transaction qualifies as a change in control event within the meaning of Code Section 409A; or

(2) if a primary purpose is to (x) change the jurisdiction of the Company's incorporation, or (y) create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

(g) "Code" means the U.S. Internal Revenue Code of 1986, as amended.

(h) "Committee" means a committee of one or more Directors and/or other individuals satisfying Applicable Laws appointed by the Board or a duly authorized committee of the Board in accordance

- (i) “Common Stock” means the common stock of the Company.
- (j) “Company” means ImmunityBio, Inc., a Delaware corporation, or any of its successors.
- (k) “Company Group” means the Company, any Parent or Subsidiary of the Company, and any entity that, from time to time and at the time of any determination, directly or indirectly, is in control of, is controlled by or is under common control with the Company.
- (l) “Consultant” means any natural person engaged by a member of the Company Group to render bona fide services to such entity, provided the services (i) are not in connection with the offer or sale of securities in a capital raising transaction, and (ii) do not directly promote or maintain a market for the Company’s securities. A Consultant must be a person to whom the issuance of Shares registered on Form S-8 under the Securities Act is permitted. For purposes of clarity, engagement through a third party to render bona fide services to a member of the Company Group is considered engagement by such member of the Company Group for purposes of this definition.
- (m) “Director” means a member of the Board.
- (n) “Disability” means total and permanent disability as defined in Section 22(e)(3) of the Code, provided that in the case of Awards other than Incentive Stock Options, the Administrator in its discretion may determine whether a permanent and total disability exists in accordance with uniform and non-discriminatory standards adopted by the Administrator from time to time.
- (o) “Dividend Equivalent” means a credit, payable in cash or Shares, made at the discretion of the Administrator or as otherwise provided by the Plan, to the account of a Participant in an amount equal to the dividends or other distributions paid or provided on one Share for each Share represented by an Award of Restricted Stock Units or Performance Award held by such Participant. Dividend Equivalents may be subject to the same vesting restrictions as the related Shares subject to an Award, at the discretion of the Administrator.
- (p) “Employee” means any person, including Officers and Directors, treated by any member of the Company Group as an employee. However, with respect to Incentive Stock Options, an Employee must be employed by the Company or any Parent or Subsidiary of the Company (such an Employee, an “ISO Employee”). Neither service as a Director nor payment of a director’s fee by the Company will be sufficient on its own to constitute “employment” by the Company.

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- (q) “Exchange Act” means the U.S. Securities Exchange Act of 1934.
- (r) “Exchange Program” means a program under which (i) outstanding Awards may be surrendered or cancelled in exchange for awards of the same type (which may have higher or lower Exercise Prices and/or different terms), awards of a different type, and/or cash, (ii) Participants would have the opportunity to transfer any outstanding Awards to a financial institution or other person or entity selected by the Administrator, and/or (iii) the Exercise Price of an outstanding Award is increased or reduced. The Administrator will determine the terms and conditions of any Exchange Program in its sole discretion.
- (s) “Exercise Price” means the price payable per Share to exercise an Award.
- (t) “Expiration Date” means the last possible day on which an Option or Stock Appreciation Right may be exercised. Any exercise must be completed before midnight U.S. Pacific Time between the Expiration Date and the following date.
- (u) “Fair Market Value” means, as of any date, the value of a Share, determined as follows:
  - (i) If the Common Stock is listed on any established stock exchange or a national market system, including without limitation the New York Stock Exchange, the Nasdaq Global Select Market, the Nasdaq Global Market or the Nasdaq Capital Market of The Nasdaq Stock Market, the Fair Market Value will be the closing sales price for a Share (or the closing bid, if no sales were reported) as quoted on such exchange or system on the day of determination, as reported in *The Wall Street Journal* or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted by a recognized securities dealer but selling prices are not reported, its Fair Market Value is the mean between the high bid and low asked prices for the Common Stock on the day of determination (or, if no bids and asks were reported on that date on the last Trading Day such bids and asks were reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable; or

(iii) If there is no established market for the Common Stock, the Fair Market Value will be determined in good faith by the Administrator.

Notwithstanding the foregoing, if the determination date for the Fair Market Value occurs on a weekend, holiday or other day other than a Trading Day, the Fair Market Value will be the price as determined under subsections (u)(i) or (u)(ii) above on the immediately preceding Trading Day, unless otherwise determined by the Administrator. In addition, for purposes of determining the fair market value of a Share for any reason other than the determination of the Exercise Price of Options or Stock Appreciation Rights, fair market value will be determined by the Administrator in a manner compliant with Applicable Laws and applied consistently for such purpose. Note that the determination of fair market value for purposes of Tax Withholding Obligations may be made in the Administrator's sole discretion subject to Applicable Laws and is not required to be consistent with the determination of fair market value for other purposes.

(v) "Fiscal Year" means a fiscal year of the Company.

(w) "Grant Date" means the date an Award is granted pursuant to the Plan as described in Section 4(c).

(x) "Incentive Stock Option" means an Option that is intended to qualify and by its terms does qualify as an incentive stock option within the meaning of Code Section 422.

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(y) "Legal Beneficiary" means (i) if permitted by the Administrator, the person designated by the Participant as the Participant's beneficiary prior to the Participant's death, pursuant to a form acceptable to the Administrator, in its sole discretion, or (ii) if no such beneficiary has been designated by the Participant prior to the Participant's death, the personal representative of the Participant's estate or the person(s) to whom the Participant's Award is transferred in accordance with the laws of descent and distribution.

(z) "Non-statutory Stock Option" means an Option that by its terms either does not qualify or is not designated as an Incentive Stock Option.

(aa) "Officer" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

(bb) "Option" means a right to acquire Shares granted under Section 6.

(cc) "Outside Director" means a Director who is not an Employee.

(dd) "Parent" means a "parent corporation," whether now or hereafter existing, as defined in Code Section 424(e). Unless the context reasonably requires otherwise, references in the Plan or an Award Agreement to "Parent" will refer to a Parent of the Company.

(ee) "Participant" means the holder of an Award.

(ff) "Performance Awards" means an Award which may be earned in whole or in part upon attainment of performance goals or other vesting criteria as the Administrator may determine and which may be cash- or stock-denominated and may be settled for cash, Shares or other securities or a combination of the foregoing under Section 10.

(gg) "Performance Period" means Performance Period as defined in Section 10(a)

(hh) "Period of Restriction" means a period during which the transfer of Shares of Restricted Stock is subject to restrictions and therefore that those Shares are subject to a substantial risk of forfeiture. Such restrictions may be based on the passage of time, the achievement of target levels of performance, or the occurrence of other events as determined by the Administrator.

- (ii) “Plan” means this 2025 Equity Incentive Plan.
- (jj) “Prior Plan” means the Company’s 2015 Equity Incentive Plan, as amended from time to time.
- (kk) “Restricted Stock” means Shares issued pursuant to an Award under Section 8 or issued pursuant to the early exercise of an Option or Stock Appreciation Right.
- (ll) “Restricted Stock Unit” means a bookkeeping entry representing an amount equal to the Fair Market Value, granted under Section 9. Each Restricted Stock Unit represents an unfunded and unsecured obligation of the Company.
- (mm) “Section 409A” means Code Section 409A.
- (nn) “Securities Act” means the U.S. Securities Act of 1933.
- (oo) “Service Provider” means an Employee, Director or Consultant.

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- (pp) “Share” means a share of Common Stock as adjusted in accordance with Section 13 of the Plan.
- (qq) “Stock Appreciation Right” means an Award granted under Section 7.
- (rr) “Subsidiary” means a “subsidiary corporation,” whether now or hereafter existing, as defined in Code Section 424(f). Unless the context reasonably requires otherwise, references in the Plan or an Award Agreement to “Subsidiary” will refer to a Subsidiary of the Company.
- (ss) “Tax Withholding Obligations” means tax, social insurance and social security liability or premium obligations in connection with the Awards, including, without limitation, (i) all federal, state, and local income, employment, fringe benefit and any other taxes (including the Participant’s U.S. Federal Insurance Contributions Act (FICA) obligation) that the Company or any Parent or Subsidiary of the Company has either agreed to withhold or has an obligation to withhold, and (ii) any other taxes or social insurance or social security liabilities or premium the responsibility for which the Participant has, or has agreed to bear, with respect to such Award, the Shares subject to, or other amounts or property payable under, an Award, or otherwise associated with or related to participation in the Plan and with respect to which the Company or any Parent or Subsidiary of the Company has either agreed to withhold or has an obligation to withhold.
- (tt) “Ten Percent Owner” means an Employee who, at the time an Incentive Stock Option is granted to such Employee, owns stock representing more than 10% of the voting power of all classes of stock of the Company or any Parent or Subsidiary of the Company, as determined in accordance with Code Section 422.
- (uu) “Trading Day” means a day that the primary stock exchange, national market system or other trading platform, as applicable, upon which the Common Stock is listed (or otherwise trades regularly, as determined by the Administrator in its sole discretion) is open for trading.
- (vv) “Transaction” means a Change in Control or merger of the Company with or into another entity.
- (3) Stock Subject to the Plan.
  - (a) Allocation of Shares to Plan. The maximum aggregate number of Shares that may be subject to Awards and issued or sold under the Plan is:
    - (i) 45,090,732 Shares, plus
    - (ii) any Shares subject to awards granted under the Prior Plan that, on or after the date of stockholder approval of this Plan, expire or otherwise terminate without having been exercised in full, are tendered to or withheld by the Company for payment of an exercise price or for tax withholding obligations, or are forfeited to or repurchased by the Company due to failure to vest, with the maximum number of Shares to be added to this Plan under this clause (ii) equal to 32,359,674 Shares, plus

(iii) any additional Shares that become available for issuance under the Plan under Section 3(b).

The Shares may be authorized but unissued Common Stock or Common Stock issued and then reacquired by the Company.

(b) Share Reserve Return.

(i) Options and Stock Appreciation Rights. If an Option or Stock Appreciation Right expires or becomes unexercisable without having been exercised in full or is surrendered under an Exchange Program, the unissued Shares subject to the Option or Stock Appreciation Right will become available for future issuance under the Plan.

(ii) Stock Appreciation Rights. Shares issued upon the exercise of a Stock Appreciation Right (i.e., the net Shares issued) will not become available for future issuance under the Plan; all remaining Shares originally subject to the Stock Appreciation Right will become available for future issuance under the Plan.

(iii) Full-Value Awards. Shares issued pursuant to Awards of Restricted Stock, Restricted Stock Units, or stock-settled Performance Awards that are reacquired by, or forfeited to, the Company due to failure to vest will become available for future issuance under the Plan.

(iv) Withheld Shares. Shares used to pay the exercise price of an Award or to satisfy Tax Withholding Obligations related to an Award will become available for future issuance under the Plan.

(v) Cash-Settled Awards. If any portion of an Award under the Plan is paid to a Participant in cash rather than Shares, that cash payment will not reduce the number of Shares available for issuance under the Plan and if such Award was denominated in Shares, the underlying Shares will become available for future issuance under the Plan.

(c) Incentive Stock Options. The maximum number of Shares that may be issued upon the exercise of Incentive Stock Options will equal 300% of the aggregate Share number stated in Section 3(a) plus, to the extent allowable under Code Section 422, any Shares that become available for issuance under the Plan under Section 3(b).

(d) Adjustment. The numbers provided in Sections 3(a) and 3(c) will be adjusted as a result of changes in capitalization and any other adjustments under Section 13.

(e) Substitute Awards. If the Administrator grants Awards in substitution for equity compensation awards outstanding under a plan maintained by an entity acquired by or that becomes a part of any member of the Company Group, the grant of those substitute Awards will not decrease the number of Shares available for issuance under the Plan.

(f) Share Reserve. The Company, during the term of this Plan, will at all times reserve and keep available such number of Shares as is sufficient to satisfy the requirements of the Plan.

(4) Administration of the Plan.

(a) Procedure.

(i) Different Committees may administer the Plan with respect to different groups of Service Providers.

(ii) To the extent permitted by Applicable Laws, the Board or a Committee of the Board may delegate to one or more individuals the authority to exercise some or all powers of the Administrator.

(b) Powers of the Administrator. Subject to the provisions of the Plan, and, in the case of a Committee or delegated individuals under Section 4(a)(ii) of the Plan, subject to the specific duties delegated or limitations specified, the Administrator will have the authority, in its sole discretion, to:

(i) determine Fair Market Value;

(ii) approve forms of Award Agreements for use under the Plan;

(iii) determine the Awards to be granted hereunder from time to time and select the Service Providers to whom such Awards are granted;

(iv) determine the number of Shares to be covered by each Award granted hereunder;

(v) determine the terms and conditions, not inconsistent with the terms of the Plan, of each Award granted hereunder, including but not limited to the exercise price, the time or times when the Award may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding the Award or the Shares relating thereto, based in each case on such factors as the Administrator may determine;

(vi) temporarily suspend the exercisability of any Award if the Administrator deems such suspension to be necessary or appropriate for administrative purposes (including, if applicable, a determination of whether a termination of a Participant's status as a Service Provider is for "cause" (as defined in the applicable Award Agreement) that results in the forfeiture of the vested portion of an Award held by such Participant, to the extent provided in the applicable Award Agreement) or to comply with Applicable Laws, provided that, to the extent permitted by Applicable Laws, such suspension must be lifted prior to the expiration of the maximum term and post-termination exercisability period of an Award;

(vii) institute and determine the terms and conditions of an Exchange Program, including, subject to Section 19(c), implementing an Exchange Program unilaterally without the consent of the applicable Award holder(s) or the stockholders of the Company;

(viii) construe and interpret the terms of the Plan and all Awards granted pursuant to the Plan;

(ix) establish, amend and rescind rules and regulations and adopt sub-plans relating to the Plan, including rules, regulations and sub-plans for the purposes of facilitating compliance with applicable non-U.S. laws, easing the administration of the Plan and/or obtaining tax-favorable treatment for Awards granted to Service Providers located outside the U.S., in each case as the Administrator may deem necessary or advisable;

(x) modify or amend each Award (subject to Section 19), including the authority to extend the post-termination exercisability period of any Awards and to extend the maximum term of an Option (subject to Section 6(d));

- (xi) allow Participants to satisfy Tax Withholding Obligations in any manner permitted by Section 16;
- (xii) determine whether Awards will be settled in Shares, cash or in any combination thereof;
- (xiii) make all other determinations deemed necessary or advisable for administering the Plan, including authorizing any person to take any steps and execute, on behalf of the Company, any documents required for an Award previously granted by the Administrator to be effective; and
- (xiv) allow Participants to defer the receipt of the payment of cash or the delivery of Shares otherwise due to any such Participants under an Award.
- (c) Grant Date. The Grant Date of an Award will be the date that the Administrator makes the determination granting such Award or may be a later date if such later date is designated by the Administrator on the date of the determination or under an automatic grant policy. Notice of the determination will be provided to each Participant within a reasonable time after the Grant Date.
- (d) Waiver. The Administrator may waive any terms, conditions or restrictions.
- (e) Fractional Shares. Except as otherwise provided by the Administrator, any fractional Shares that result from the adjustment of Awards will be canceled. Any fractional Shares that result from vesting percentages will be accumulated and vested on the date that an accumulated full Share is vested.
- (f) Electronic Delivery. The Company may deliver by e-mail or other electronic means (including posting on a website maintained by the Company or by a third party under contract with the Company or another member of the Company Group) all documents relating to the Plan or any Award and all other documents that the Company is required to deliver to its security holders (including prospectuses, annual reports and proxy statements).
- (g) Choice of Law; Choice of Forum. The Plan, all Awards and all determinations made and actions taken under the Plan, to the extent not otherwise governed by the laws of the United States, will be governed by the laws of the State of Delaware without giving effect to principles of conflicts of law. For purposes of litigating any dispute that arises under this Plan, a Participant's acceptance of an Award is his or her consent to the jurisdiction of the State of Delaware, and agreement that any such litigation will be conducted in Delaware Court of Chancery, or the federal courts for the United States for the District of Delaware, and no other courts, regardless of where a Participant's services are performed.
- (h) Effect of Administrator's Decision. The Administrator's decisions, determinations and interpretations will be final and binding on all Participants and other persons and will be given the maximum deference permitted by Applicable Laws. A prior decision, determination or interpretation with respect to the Plan or an Award made by a person who had not been delegated proper authority to make such decision, determination or interpretation will have effect as of the time it was originally made if and to the extent that the Board or a Committee of the Board formally adopts such prior decision, determination or interpretation.
- (5) Eligibility. Non-statutory Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units and Performance Awards may be granted to all types of Service Providers. Incentive Stock Options may be granted only to ISO Employees.
- (6) Stock Options.

(a) Stock Option Award Agreement. Each Option will be evidenced by an Award Agreement that specifies the number of Shares subject to the Option, its Exercise Price, its Expiration Date, and such other terms and conditions as the Administrator determines. Each Option will be designated as either an Incentive Stock Option or a Non-statutory Stock Option. An Option not designated as an Incentive Stock Option is a Non-statutory Stock Option.

(b) Exercise Price. The Exercise Price for the Shares to be issued upon exercise of an Option

will be determined by the Administrator and stated in the Award Agreement, subject to the following:

(i) In the case of an Incentive Stock Option:

(1) granted to a Ten Percent Owner, the Exercise Price for the Shares to be issued will be no less than 110% of the Fair Market Value on the date of grant; and

(2) granted to any ISO Employee other than a Ten Percent Owner, the Exercise Price for the Shares to be issued will be no less than 100% of the Fair Market Value on the date of grant.

(ii) In the case of a Non-statutory Stock Option, the Exercise Price for the Shares to be issued will be no less than 100% of the Fair Market Value on the date of grant.

(iii) Notwithstanding the foregoing, Options may be granted with an Exercise Price of less than 100% of the Fair Market Value on the date of grant (i) pursuant to a transaction described in, and in a manner consistent with, Code Section 424(a) or (ii) if the applicable Service Provider receiving the Option is located in a non-U.S. country or jurisdiction and, to the knowledge of the Company, is not subject to the income tax laws of the United States.

(c) Form of Consideration. The Administrator will determine the acceptable form(s) of consideration for exercising an Option. Unless the Administrator determines otherwise, the consideration may consist of any one or more or combination of the following, to the extent permitted by Applicable Laws:

(i) Cash (including a wire transfer or other cash equivalents);

(ii) check (or its equivalent);

(iii) promissory note, if and to the extent approved by the Administrator;

(iv) other Shares that have a fair market value on the date of surrender equal to the aggregate Exercise Price of the Shares as to which such Option will be exercised. To the extent not prohibited by the Administrator, this will include the ability to tender Shares to exercise the Option and then use the Shares received on exercise to exercise the Option with respect to additional Shares;

(v) consideration received by the Company under a cashless exercise arrangement (whether through a broker or otherwise) implemented by the Company for the exercise of Options that has been approved by the Administrator, if and to the extent permitted by the Company with respect to a particular Award;

(vi) consideration received by the Company under a net exercise arrangement under which Shares are withheld from otherwise deliverable Shares that has been approved by the Administrator, if and to the extent permitted by the Company with respect to a particular Award; and

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(vii) any other consideration or method of payment to issue Shares (provided that other forms of considerations may only be approved by the Administrator).

The Administrator has the power to remove or limit any of the above forms of consideration for exercising an Option, except for the payment of cash, at any time, including after the grant of an Option, in its sole discretion.

(d) Term of Option. The term of each Option will be determined by the Administrator and stated in the Award Agreement, provided that, in the case of an Incentive Stock Option: (a) granted to a Ten Percent Owner, the Option may not be exercisable after the expiration of five years from the date such Option is granted, or such shorter term as may be provided in the Award Agreement; and (b) granted to an ISO Employee other than a Ten Percent Owner, the Option may not be exercisable after the expiration of ten years from the date such Option is granted term, or such shorter term as may be provided in the Award Agreement.

(e) Incentive Stock Option Limitations.

(i) To the extent that the aggregate fair market value of the shares with respect to

which incentive stock options under Code Section 422(b) are exercisable for the first time by a Participant during any calendar year (under all plans and agreements of the Company Group) exceeds \$100,000, the incentive stock options whose value exceeds \$100,000 will be treated as non-statutory stock options. Incentive stock options will be considered in the order in which they were granted. For this purpose, the fair market value of the shares subject to an option will be determined as of the grant date of each option.

(ii) If an Option is designated in the Administrator action that granted it as an Incentive Stock Option but the terms of the Option do not comply with Sections 6(b) and 6(d), then the Option will not qualify as an Incentive Stock Option.

(f) Exercise of Option. An Option is exercised when the Company receives: (x) a notice of exercise (in such form and in accordance with the procedures as the Administrator may specify from time to time) from the person entitled to exercise the Option and (y) full payment for the Shares with respect to which the Option is exercised (together with applicable Tax Withholding Obligations). Shares issued upon exercise of an Option will be issued in the name of the Participant. Until the Shares are issued (as evidenced by the entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to an Option, despite the exercise of the Option. The Company will issue (or cause to be issued) such Shares promptly after the Option is exercised. Unless otherwise provided by the Administrator, an Option may not be exercised for a fraction of a Share. Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan (except as provided in Section 3(b)) and for purchase under the Option, by the number of Shares as to which the Option is exercised.

(i) Termination of Relationship as a Service Provider. If a Participant ceases to be a Service Provider, other than upon such cessation as the result of the Participant's death or Disability, the Participant may exercise his or her Option within 30 days of such cessation, or such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement or Section 6(d), as applicable) to the extent that the Option is vested on the date of cessation; provided that, if so determined by the Administrator and specified in the applicable Award Agreement, if a Participant ceases to be a Service Provider as a result of the termination of the Participant's status as a Service Provider for "cause" (as defined in the applicable Award Agreement), the period of time in which the Participant may exercise the Participant's Option may be less than 30 days following such cessation or the Option (including any portion of the Option that has vested) may immediately terminate upon such cessation. Unless otherwise provided by the Administrator, if on the date of cessation the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the

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Plan on the date of cessation. If after cessation the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by that Option will revert to the Plan.

(ii) Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within 6 months of cessation, or such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement or Section 6(d), as applicable) to the extent the Option is vested on the date of cessation. Unless otherwise provided by the Administrator, if on the date of cessation due to Disability the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan on the date of cessation. If after cessation the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Shares covered by that Option will revert to the Plan.

(iii) Death of Participant. If a Participant dies while a Service Provider, the Option may be exercised within 6 months following the Participant's death, or within such longer period of time as is specified in the Award Agreement (but in no event later than the expiration of the term of such Option as set forth in the Award Agreement or Section 6(d), as applicable) to the extent that the Option is vested on the date of death, by the deceased Participant's Legal Beneficiary. Unless otherwise provided by the Administrator or set forth in the Award Agreement or other written agreement authorized by the Administrator between the Participant and the Company or any of its Subsidiaries or Parents, as applicable, if on the date of cessation due to death the Participant is not vested as to his or her entire Option, the Shares covered by the unvested portion of the Option will revert to the Plan on the date of cessation. If after cessation the Participant's Legal Beneficiary does not exercise the Option within the time specified herein, the Option will terminate, and the Shares covered by such Option will revert to the Plan. If the Option is exercised pursuant to this Section 6(f)(iii), the deceased Participant's Legal Beneficiary will be subject to the terms of this Plan and the Award Agreement, including but not limited to the restrictions on transferability and forfeitability applicable to the deceased Participant.

(g) Expiration of Options. Subject to Section 6(d), an Option's Expiration Date will be set forth in the Award Agreement. An Option may expire before its expiration date under the Plan (including pursuant to Sections 6(f), 13, 14, or 17(d)) or under the Award Agreement.

(h) Tolling of Expiration. If exercising an Option prior to its expiration is not permitted because of Applicable Laws, other than the rules of any stock exchange or quotation system on which the Common Stock is listed or quoted, the Option will remain exercisable until 30 days after the first date on which exercise no longer would be prevented by such provisions; provided that this tolling of expiration shall not apply if and to the extent the holder of such Option is a United States taxpayer and the tolling would result in a violation of Section 409A such that the Option would be subject to additional taxation under Section 409A. If this would result in the Option remaining exercisable past its Expiration Date, then unless earlier terminated pursuant to Section 14, the Option will remain exercisable only until the end of the later of (i) the first day on which its exercise would not be prevented by Section 20(a) and (ii) its Expiration Date.

7. Stock Appreciation Rights.

(a) Stock Appreciation Right Award Agreement. Each Stock Appreciation Right grant will be evidenced by an Award Agreement that will specify the number of Shares subject to the Stock Appreciation Right, its per share Exercise Price, its Expiration Date, and such other terms and conditions as the Administrator determines.

(b) Exercise Price. The Exercise Price of a Stock Appreciation Right will be determined by the Administrator, subject to the following:

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(i) The Exercise Price will be no less than 100% of the Fair Market Value on the date of grant.

(ii) Notwithstanding the foregoing, Stock Appreciation Rights may be granted with an Exercise Price of less than 100% of the Fair Market Value on the date of grant (1) pursuant to a transaction described in, and in a manner consistent with, Code Section 424(a) or (2) if the applicable Service Provider receiving the Stock Appreciation Right is located in a non-U.S. country or jurisdiction and, to the knowledge of the Company, is not subject to the income tax laws of the United States.

(c) Payment of Stock Appreciation Right Amount. Payment upon Stock Appreciation Right exercise may be made in cash, in Shares (which, on the date of exercise, have an aggregate fair market value equal to the amount of payment to be made under the Award), or any combination of cash and Shares, with the determination of form of payment made by the Administrator. When a Participant exercises a Stock Appreciation Right, he or she will be entitled to receive a payment from the Company equal to:

(i) the excess, if any, of the fair market value per Share on the date of exercise over the Exercise Price multiplied by

(ii) the number of Shares with respect to which the Stock Appreciation Right is exercised.

(d) Term of Stock Appreciation Right. The term of each Stock Appreciation Right will be determined by the Administrator and stated in the Award Agreement.

(e) Exercise of Stock Appreciation Right. A Stock Appreciation Right is exercised when the Company receives a notice of exercise (in such form as the Administrator may specify from time to time) from a person entitled to exercise the Stock Appreciation Right. Shares issued upon exercise of a Stock Appreciation Right will be issued in the name of the Participant. Until the Shares are issued (as evidenced by the entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder will exist with respect to the Shares subject to a Stock Appreciation Right, despite the exercise of the Stock Appreciation Right. The Company will issue (or cause to be issued) such Shares promptly after the Stock Appreciation Right is exercised. Unless provided otherwise by the Administrator, a Stock Appreciation Right may not be exercised for a fraction of a Share. Exercising a Stock Appreciation Right in any manner will decrease the number of Shares thereafter available under the Stock Appreciation Right by the number of Shares as to which the Stock Appreciation Right is exercised.

(f) Expiration of Stock Appreciation Rights. A Stock Appreciation Right's Expiration Date will be set forth in the Award Agreement. A Stock Appreciation Right may expire before its expiration date under the Plan (including pursuant to Sections 13, 14, or 17(c)) or under the Award Agreement. Notwithstanding the foregoing, the rules of Section 6(f) relating to exercise also will apply to Stock Appreciation Rights.

(g) Tolling of Expiration. If exercising a Stock Appreciation Right prior to its expiration is not permitted because of Applicable Laws, other than the rules of any stock exchange or quotation system on which the Common Stock is listed or quoted, the Stock Appreciation Right will remain exercisable until 30 days after the first date on which exercise no longer would be prevented by such provisions; provided that this tolling of expiration shall not apply if and to the extent the holder of such Stock Appreciation Right is a United States taxpayer and the tolling would result in a violation of Section 409A such that the Stock Appreciation Right would be subject to additional taxation under Section 409A. If this would result in the Stock Appreciation Right remaining exercisable past its Expiration Date, then unless earlier terminated pursuant to Section 14, the

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Stock Appreciation Right will remain exercisable only until the end of the later of (i) the first day on which its exercise would not be prevented by Section 20(a) and (ii) its Expiration Date.

8. Restricted Stock.

(a) Restricted Stock Award Agreement. Each Award of Restricted Stock will be evidenced by an Award Agreement that will specify the number of Shares subject to the Award of Restricted Stock and such other terms and conditions as the Administrator determines. For the avoidance of doubt, Restricted Stock may be granted without any Period of Restriction (e.g., fully vested stock bonuses). Unless the Administrator determines otherwise, Shares of Restricted Stock will be held in escrow while subject to any Period of Restriction.

(b) Restrictions.

(i) Except as provided in this Section 8(b) or the Award Agreement, while unvested, Shares of Restricted Stock may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated.

(ii) While unvested, Service Providers holding Shares of Restricted Stock may exercise full voting rights with respect to those Shares, unless the Administrator determines otherwise.

(iii) Service Providers holding Shares covered by an Award of Restricted Stock will not be entitled to receive dividends and other distributions paid with respect to such Shares while such Shares are unvested, unless the Administrator provides otherwise. If the Administrator provides that dividends and distributions will be received and any such dividends or distributions are paid in cash they will be subject to the same provisions regarding forfeitability as the Shares with respect to which they were paid and if such dividend or distributions are paid in Shares, the Shares will be subject to the same restrictions on transferability and forfeitability as the Shares with respect to which they were paid and, unless the Administrator determines otherwise, the Company will hold such dividends until the restrictions on the Shares with respect to which they were paid have lapsed.

(iv) Except as otherwise provided in this Section 8(b) or an Award Agreement, Shares covered by an Award of Restricted Stock will be released from escrow, if applicable, when practicable after the end of the applicable Period of Restriction.

(v) The Administrator may impose (prior to grant) or remove (at any time) any restrictions on Shares covered by an Award of Restricted Stock.

9. Restricted Stock Units.

(a) Restricted Stock Unit Award Agreement. Each Award of Restricted Stock Units will be evidenced by an Award Agreement that will specify the number of Restricted Stock Units subject to the Award of Restricted Stock Units and such other terms and conditions as the Administrator determines.

(b) Vesting Criteria. The Administrator will set vesting criteria, if any, that, depending on the extent to which the criteria are met, will determine the number of Restricted Stock Units paid out to the Participant. The Administrator may set vesting criteria on any basis determined by the Administrator.

(c) Vested Restricted Stock Units. Upon meeting any applicable vesting criteria, the Participant will have vested in the Restricted Stock Units and the Restricted Stock Units will be settled as

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determined in Section 9(d). The Administrator may reduce or waive any criteria that must be met to vest in the Restricted Stock Units.

(d) Form and Timing of Settlement. Settlement of vested Restricted Stock Units will be made at the time(s) set forth in the Award Agreement. Vested Restricted Stock Units will be settled in cash, Shares, or a combination of both, pursuant to the terms set forth in the Award Agreement. Service Providers holding Restricted Stock Units will not be entitled to receive Dividend Equivalents with respect to such Restricted Stock Units, unless the Administrator provides otherwise.

10. Performance Awards.

(a) Award Agreement. Each Performance Award will be evidenced by an Award Agreement that will specify the specify any time period during which any performance objectives or other vesting provisions, if any, will be measured ("Performance Period"), and such other terms and conditions as the Administrator determines.

(b) Objectives or Vesting Provisions and Other Terms. The Administrator will set objectives or vesting provisions that, depending on the extent to which the objectives or vesting provisions are met, will determine the value of the payout for the Performance Awards. The Administrator may set vesting criteria based upon the achievement of Company-wide, divisional, business unit, or individual goals (that may include continued employment or service) or any other basis determined by the Administrator in its sole discretion.

(c) Form and Timing of Payment. Payment of earned Performance Awards will be made at the time(s) specified in the Award Agreement. Payment with respect to earned Performance Awards will be made in cash, in Shares of equivalent value, or any combination of cash and Shares, with the determination of form of payment made by the Administrator at the time of payment or, in the discretion of the Administrator, at the time of grant. Service Providers holding Performance Awards will not be entitled to receive Dividend Equivalents with respect to such Performance Awards, unless the Administrator provides otherwise.

(d) Value of Performance Awards. Each Performance Award's threshold, target, and maximum payout values will be established by the Administrator on or before the Grant Date.

(e) Earning Performance Awards. After an applicable Performance Period has ended, the holder of a Performance Award will be entitled to receive a payout for the Performance Award earned by the Participant over the Performance Period. The Administrator may reduce or waive any performance objectives or other vesting provisions for such Performance Award.

11. Leaves of Absence/Reduced or Part-time Work Schedule/Transfer Between Locations/Change of Status.

(a) Leaves of Absence/Reduced or Part-time Work Schedule/Transfer Between Locations. Unless the Administrator provides otherwise or as otherwise required by Applicable Laws, vesting of Awards granted hereunder will be adjusted or suspended during any unpaid leave of absence in accordance with the Company's leave of absence policy in effect at the time of such leave. A Participant will not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or within the Company Group. In addition, unless the Administrator provides otherwise or as otherwise required by Applicable Laws, if, after the date of grant of a Participant's Award, the Participant commences working on a part-time or reduced work schedule basis, the vesting of such Award will be adjusted in accordance with the Company's reduced work schedule/ part-time policy then in effect.

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Adjustments or suspensions of vesting pursuant to this Section shall be accomplished in a manner that is exempt from or complies with the requirements of Code Section 409A and the regulations and guidance thereunder.

(b) Employment Status. A Participant will not cease to be a Service Provider in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company (or member of the Company Group) or between the Company or any member of the Company Group.

(c) Incentive Stock Options. With respect to Incentive Stock Options, no such leave may exceed 3 months, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then 6 months following the first day of such leave any Incentive Stock Option held by a Participant will cease to be treated as an Incentive Stock Option and will be treated for tax purposes as a Non-statutory Stock Option.

12. Transferability of Awards. Unless determined otherwise by the Administrator, or otherwise required by Applicable Laws, an Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Participant, only by the Participant. If the Administrator makes an Award transferable, the Award will be limited by any additional terms and conditions imposed by the Administrator. Any unauthorized transfer of an Award will be void.

13. Adjustments; Dissolution or Liquidation.

(a) Adjustments. If any extraordinary dividend or distribution (whether in cash, Shares, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, reclassification, repurchase, or exchange of Shares or other securities of the Company, other change in the corporate structure of the Company affecting the Shares, or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any of its successors) affecting the Shares occurs (including a Change in Control), the Administrator, to prevent diminution or enlargement of the benefits or potential benefits intended to be provided under the Plan, will adjust the number and class of shares that may be delivered under the Plan and/or the number, class, and/or price of shares covered by each outstanding Award, and the numerical Share limits in Section 3. Notwithstanding the foregoing, the conversion of any convertible securities of the Company and ordinary course repurchases of Shares or other securities of the Company will not be treated as an event that will require adjustment.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, the Administrator will notify each Participant of such proposed action in writing or electronically, at such time prior to the effective date of such proposed action as the Administrator determines. To the extent it has not been previously exercised (with respect to an Option or Stock Appreciation Right), vested (with respect to Restricted Stock) or settled (with respect to any other Awards), an Award will terminate immediately prior to the consummation of that proposed action.

14. Change in Control or Merger.

(a) Administrator Discretion. If a Transaction occurs, each outstanding Award will be treated as the Administrator determines (subject to the provisions of this Section 14), without a Participant's consent, including that such Award be continued by the successor corporation or a Parent or Subsidiary of the successor corporation (or an affiliate thereof) or that the vesting of any such Awards may accelerate automatically upon consummation of a Transaction.

(b) Identical Treatment Not Required. The Administrator need not take the same action or actions with respect to all Awards or portions thereof or with respect to all Participants. The Administrator may take different actions with respect to the vested and unvested portions of an Award. The Administrator will not be required to treat all Awards similarly in the Transaction.

(c) Continuation. An Award will be considered continued if, following the Transaction:

(i) the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the Transaction, the consideration (whether stock, cash, or other securities or property) received in the Transaction by holders of Shares for each Share held on the effective date of the Transaction (and if holders were offered a choice of consideration, the type of consideration received by the holders of a majority of the outstanding Shares) and the Award otherwise is continued in accordance with its terms (including vesting criteria), subject to Section 14(c)(iii) below and Section 13(a); provided that if the consideration received in the Transaction is not solely common stock of the successor corporation or its Parent, the Administrator may, with the consent of the successor corporation, provide for the consideration to be received upon exercising an Option or Stock Appreciation Right or upon the payout of a Restricted Stock Unit, or Performance Award, for each Share subject to such Award, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the Transaction; provided further, for the avoidance of doubt, the Administrator may determine that, for purposes of this Section 14(c) of the Plan, the Company is the successor corporation with respect to some or all Awards; or

(ii) the Award is terminated in exchange for an amount of cash and/or property, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant's rights as of the date of the occurrence of the Transaction. Any such cash or property may be subjected to any escrow applicable to holders of Common Stock in the Transaction. If as of the date of the occurrence of the Transaction the Administrator determines that no amount would have been attained upon the exercise of such Award or realization of the Participant's rights, then such Award may be terminated by the Company without payment. The amount of cash or property can be subjected to vesting and paid to the Participant over the vesting schedule of the Award as in effect immediately prior to the Transaction.

(iii) Notwithstanding anything in this Section 14(c) to the contrary, an Award that vests, is earned or paid-out upon the satisfaction of one or more performance goals will not be considered assumed if the Company or its successor modifies any of such performance goals without the Participant's consent, in all cases, unless specifically provided otherwise under the applicable Award Agreement or other written agreement authorized by the Administrator between the Participant and the Company or any Parent or Subsidiary of the Company, as applicable; provided, however, a modification to such performance goals only to reflect the successor corporation's post-Transaction corporate structure will not invalidate an otherwise valid Award assumption.

(d) Modification. The Administrator will have authority to modify Awards in connection with a Transaction, without a Participant's consent:

(i) in a manner that causes the Awards to lose their tax-preferred status or re-start any holding or other period required to achieve beneficial tax treatment;

(ii) to terminate any right a Participant has to exercise an Option or Stock Appreciation Right prior to vesting in the Shares subject to the Award (i.e., "early exercise"), so that following the closing of the Transaction the Option or Stock Appreciation Right may only be exercised only to the extent it is vested;

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(iii) to reduce the Exercise Price subject to the Award in a manner that is disproportionate to the increase in the number of Shares subject to the Award, as long as the amount that would be received upon exercise of the Award immediately before and immediately following the closing of the Transaction is equivalent and the adjustment complies with U.S. Treasury Regulation Section 1.409A-1(b)(v)(D); and

(iv) to suspend a Participant's right to exercise an Option during a limited period of time preceding and or following the closing of the Transaction without Participant consent if such suspension is administratively necessary or advisable to permit or facilitate the closing of the Transaction.

(e) Non-Continuation. If the successor corporation does not continue an Award (or some

portion such Award), the Participant will fully vest in (and have the right to exercise) 100% of the then-unvested Shares subject to his or her outstanding Options and Stock Appreciation Rights, all restrictions on 100% of the Participant's outstanding Restricted Stock and Restricted Stock Units will lapse, and, regarding 100% of Participant's outstanding Awards with performance-based vesting, all performance goals or other vesting criteria will be treated as achieved at 100% of target levels and all other terms and conditions met, in all cases, unless specifically provided otherwise under the applicable Award Agreement or other written agreement authorized by the Administrator between the Participant and the Company or any Parent or Subsidiary of the Company, as applicable. In no event will vesting of an Award accelerate as to more than 100% of the Award. Unless specifically provided otherwise under the applicable Award Agreement or other written agreement authorized by the Administrator between the Participant and the Company or any Parent or Subsidiary of the Company, as applicable, if Options or Stock Appreciation Rights are not continued when a Transaction occurs, the Administrator will notify the Participant at such time prior to the effective date of such Transaction as the Administrator determines in writing or electronically that the Participant's vested Options or Stock Appreciation Rights (after considering the applicable vesting acceleration, if any) will be exercisable for a period of time determined by the Administrator in its sole discretion and all of the Participant's Options or Stock Appreciation Rights will terminate upon the expiration of such period (whether vested or unvested).

15. Outside Director Grants.

(a) With respect to Awards granted to an Outside Director, in the event of a Change in Control, the Participant will fully vest in and have the right to exercise outstanding Options and/or Stock Appreciation Rights as to all of the Shares underlying such Award, including those Shares which otherwise would not be vested or exercisable, all restrictions on other outstanding Awards will lapse, and, with respect to Awards with performance-based vesting, all performance goals or other vesting criteria will be deemed achieved at 100% of target levels and all other terms and conditions met, unless specifically provided otherwise under the applicable Award Agreement, a Company policy related to Director compensation, or other written agreement authorized by the Administrator between the Participant and the Company or any of its Subsidiaries or Parents, as applicable, that specifically references this default rule.

(b) No Outside Director may be paid, issued or granted, in any Fiscal Year, cash retainer fees and equity awards (including any Awards issued under this Plan) with an aggregate value greater than \$750,000 (increased to \$1,000,000 in connection with the Outside Director's initial year of service), with the value of each equity award based on its grant date fair value (determined in accordance with U.S. generally accepted accounting principles) for purposes of this limit. Any cash compensation paid, or Awards granted to an individual for his or her services as an Employee or as a Consultant (other than as an Outside Director), will not count for purposes of the limitation under this Section 15(b).

16. Tax Matters.

(a) Withholding Requirements. Prior to the delivery of any Shares or cash under an Award (or exercise thereof) or such earlier time as any Tax Withholding Obligations are due, the Company may deduct

or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy any Tax Withholding Obligations with respect to such Award or Shares subject to an Award (including upon grant, vesting, exercise or settlement of an Award, as applicable).

(b) Withholding Arrangements. The Administrator, in its sole discretion and under such procedures as it may specify from time to time, may elect to satisfy such Tax Withholding Obligations, in whole or in part (including in combination) by (without limitation) (i) requiring the Participant to pay cash, check or other cash equivalents, (ii) withholding otherwise deliverable cash (including cash from the sale of Shares issued to the Participant) or Shares having a fair market value equal to the amount required to be withheld or such greater amount (including up to a maximum statutory amount) as the Administrator may determine or permit if such amount does not result in unfavorable financial accounting treatment, as the Administrator determines, (iii) requiring the sale of Shares issued pursuant to an Award (or exercise thereof) having a fair market value equal to the minimum statutory amount applicable in a Participant's jurisdiction or any greater amount as the Administrator may determine or permit if such greater amount would not result in unfavorable financial accounting treatment, as the Administrator determines, (iv) requiring the Participant to deliver to the Company already-owned Shares having a fair market value equal to the minimum statutory amount required to be withheld or any greater amount as the Administrator may determine or permit if such greater amount would not result in unfavorable financial accounting treatment, as the Administrator determines, (v) requiring the Participant to engage in a cashless exercise transaction (whether through a broker or otherwise) implemented by the Company in connection

with the Plan, (vi) having the Company or any Parent or Subsidiary of the Company withhold from wages or any other cash amount due or to become due to the Participant and payable by the Company or any Parent or Subsidiary of the Company, or (vii) such other consideration and method of payment for the meeting of Tax Withholding Obligations as the Administrator may determine to the extent permitted by Applicable Laws, provided that, in all instances, the satisfaction of the Tax Withholding Obligations will not result in any adverse accounting consequence to the Company, as the Administrator may determine. The fair market value of the Shares to be withheld or delivered will be determined as of the date the tax is required to be withheld or such other date as Administrator determines is applicable or appropriate with respect to the Tax Withholding Obligations calculation.

(c) Compliance With Code Section 409A. Unless the Administrator determines that compliance with Section 409A is desired, it is intended that Awards will be designed and operated so that they are either exempt or excepted from the application of Section 409A or comply with any requirements necessary to avoid the imposition of additional tax under Code Section 409A(a)(1)(B) so that the grant, payment, settlement and deferral will not be subject to the additional tax or interest applicable under Section 409A and the Plan and each Award Agreement will be interpreted consistent with this intent. This Section 16(c) of the Plan is not a guarantee to any Participant of the consequences of his or her Awards. Except as otherwise provided by the Administrator, each payment or benefit under this Plan and under each Award Agreement is intended to constitute a separate payment for purposes of U.S. Treasury Regulation Section 1.409A-2(b)(2).

(d) Responsibility for Tax Consequences. In no event will the Company or any Parent or Subsidiary of the Company have any responsibility, liability or obligation to reimburse, indemnify or hold harmless any Participant for any taxes that may be imposed or other costs that may be incurred with respect to an Award as a result of Section 409A or any other Applicable Laws. The Company (i) makes no representations or undertakings regarding the treatment of any Tax Withholding Obligations in connection with any aspect of an Award, including, but not limited to, the grant, vesting, exercise or settlement of an Award, as applicable, the subsequent sale of Shares acquired in connection with an Award and the issuance of any dividends or other distributions in connection with an Award, and (ii) does not commit to and is under no obligation to structure the terms of an Award to reduce or eliminate a Participant's liability for Tax Withholding Obligations or achieve any particular tax result.

17. Other Terms.

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(a) No Effect on Employment or Service. Neither the Plan nor any Award will confer upon a Participant any right with respect to continuing the Participant's relationship as a Service Provider with the Company or any member of the Company Group, as applicable, nor will they interfere with the Participant's right, or the right of the Company or any member of the Company Group, to terminate that relationship at any time, with or without cause, to the extent permitted by Applicable Laws.

(b) Interpretation and Rules of Construction. The words "include," "includes" and "including" when used herein shall be deemed in each case to be followed by the words "without limitation."

(c) Plan Governs. In the event of a conflict between the terms and conditions of the Plan and the terms and conditions of any Grant Agreement, the terms and conditions of the Plan will prevail.

(d) Forfeiture Events.

(i) All Awards granted under the Plan will be subject to recoupment under any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other Applicable Laws. In addition, the Administrator may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Administrator determines necessary or appropriate, including without limitation to any reacquisition right regarding previously acquired Shares or other cash or property. Unless this Section 17(d)(i) is specifically mentioned and waived in an Award Agreement or other document, no recovery of compensation under a clawback policy or otherwise will be an event that triggers or contributes to any right of a Participant to resign for "good reason" or "constructive termination" (or similar term) under any agreement with the Company or a member of the Company Group.

(ii) The Administrator may specify in an Award Agreement that the Participant's rights, payments, and benefits with respect to an Award will be subject to reduction, cancellation, forfeiture, or recoupment upon the occurrence of specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include, but will not be limited to, termination of such

Participant's status as Service Provider for cause or any specified action or inaction by a Participant that would constitute cause for termination of such Participant's status as a Service Provider.

(e) Dividend Equivalents. The Administrator, in its discretion, may provide in the Award Agreement evidencing any Award that the Participant will be entitled to receive Dividend Equivalents with respect to the payment of cash dividends on Shares having a record date prior to the date on which the Awards are settled or forfeited. Dividend Equivalents, if any, will be credited to an Award in such manner and subject to such terms and conditions as determined by the Administrator in its sole discretion.

18. Term of Plan. Subject to Section 21, the Plan will become effective upon the later to occur of (x) its adoption by the Board or (y) its approval by the Company's stockholders. The Plan will continue in effect for a term of ten (10) years from the first to occur of the Board or stockholder approval of the Plan, unless terminated earlier under Section 19 of the Plan.

19. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Administrator, in its sole discretion, may amend, alter, suspend or terminate the Plan or any part thereof, at any time and for any reason.

(b) Stockholder Approval. The Company will obtain stockholder approval of any Plan amendment to the extent necessary or desirable to comply with Applicable Laws.

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(c) Consent of Participants Generally Required. Subject to Section 19(d) below, no amendment, alteration, suspension or termination of the Plan or an Award under it will materially impair the rights of any Participant without a signed, written agreement authorized by the Administrator between the Participant and the Company. Termination of the Plan will not affect the Administrator's ability to exercise the powers granted to it regarding Awards granted under the Plan prior to such termination.

(d) Exceptions to Consent Requirement.

(i) A Participant's rights will not be deemed to have been materially impaired by any amendment, alteration, suspension or termination if the Administrator determines in its sole discretion that such action taken as a whole, does not materially impair the Participant's rights; and

(ii) Subject to any limitations of Applicable Laws, the Administrator may amend the terms of any one or more Awards without the affected Participant's consent even if it does materially impair the Participant's right if such amendment is done:

- (1) in a manner specified by the Plan,
- (2) to maintain the qualified status of the Award as an Incentive Stock Option under Code Section 422,
- (3) to change the terms of an Incentive Stock Option, if such change results in impairment of the Award only because it impairs the qualified status of the Award as an Incentive Stock Option under Code Section 422 or resets the Incentive Stock Option holding periods applicable to the Award,
- (4) to clarify the manner of exemption from Code Section 409A or compliance with any requirements necessary to avoid the imposition of additional tax or interest under Code Section 409A(a)(1)(B), or
- (5) to comply with other Applicable Laws.

20. Conditions Upon Issuance of Shares.

(a) Legal Compliance. The Company will make good faith efforts to comply with all Applicable Laws related to the issuance of Shares. The Company will not issue Shares pursuant to an Award, including without limitation upon exercise or vesting thereof, as applicable, unless the issuance and delivery of such Shares and exercise or vesting of the Award, as applicable, will comply with Applicable Laws. If required by the Administrator, issuance will be further subject to the approval of counsel for the Company with respect to such compliance. If the Company determines it to be impossible or impractical to obtain authority from any regulatory

body having jurisdiction or to complete or comply with the requirements of any Applicable Laws, registration or other qualification of the Shares under any state, federal or non-U.S. law or under the rules and regulations of the U.S. Securities and Exchange Commission, the stock exchange on which Shares of the same class are then listed, or any other governmental or regulatory body, which authority, registration, qualification or rule compliance is deemed by the Company's counsel to be necessary or advisable for the issuance and sale of any Shares hereunder, the Company will be relieved of any liability regarding the failure to issue or sell such Shares as to which such authority, registration, qualification or rule compliance was not obtained and the Administrator reserves the authority, without the consent of a Participant, to terminate or cancel Awards with or without consideration in such a situation.

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(b) Investment Representations. As a condition to the exercise or vesting of an Award, the Company may require the person exercising or vesting in such Award to represent and warrant during any such exercise or vesting that the Shares are being purchased only for investment and with no present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required.

(c) Failure to Accept Award. If a Participant has not accepted an Award to the extent such acceptance has been requested or required by the Company or has not taken all administrative and other steps (e.g., setting up an account with a broker designated by the Company) necessary for the Company to issue Shares upon the vesting, exercise, or settlement of the Award prior to the date that a portion of the Award is scheduled to vest, then the Award will be cancelled on such date and the Shares subject to the Award will revert to the Plan for no additional consideration unless otherwise provided by the Administrator.

21. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company within 12 months after the date the Plan is adopted by the Board. Such stockholder approval will be obtained in the manner and to the degree required under Applicable Laws.

**IMMUNITYBIO, INC.  
2025 EQUITY INCENTIVE PLAN**

**NOTICE OF STOCK OPTION GRANT AND STOCK OPTION AGREEMENT**

Capitalized terms that are not defined in this Notice of Stock Option Grant and Stock Option Agreement (the “Notice of Grant”), the Terms and Conditions of Stock Option Grant, the Non-U.S. Appendix attached hereto as Exhibit B and all other exhibits to these documents (all together, the “Agreement”) have the meanings given to them in the ImmunityBio, Inc. 2025 Equity Incentive Plan (the “Plan”).

The Participant has been granted an Option according to the terms below and subject to the terms and conditions of the Plan and this Agreement:

|                           |                                                                 |
|---------------------------|-----------------------------------------------------------------|
| Participant               | _____                                                           |
| Participant I.D.          | _____                                                           |
| Grant Number              | _____                                                           |
| Grant Date                | _____                                                           |
| Vesting Commencement Date | _____                                                           |
| Number of Shares Granted  | _____                                                           |
| Exercise Price per Share  | _____                                                           |
| Total Exercise Price      | _____                                                           |
| Type of Option            | _____ Incentive Stock Option<br>_____ Nonstatutory Stock Option |
| Expiration Date           | _____                                                           |

Vesting Schedule:

Subject to the conditions set forth in this Agreement, this Option shall be exercisable, in whole or in part, according to the following vesting schedule (as such vesting schedule may be amended or modified from time to time in accordance with this Agreement and the Plan):

[1/3<sup>rd</sup> of the Shares subject to this Option shall vest on each of the first, second and third year anniversary of the Vesting Commencement Date (and if there is no corresponding day, on the last day of the month), subject to Participant continuing to be a Service Provider through each such date.]

For the avoidance of doubt, in the event of any conflict, discrepancy, or inconsistency between the vesting schedule set forth above and the document or action of the Board or its authorized committee approving this Option pursuant to the Plan (the “Approval”), the Approval shall govern the initial vesting terms. Any portion of this Option that shall vest on a monthly basis per such vesting schedule shall vest on the same day of the applicable vesting month as the Vesting Commencement Date set forth above (and if there is no corresponding day, on the last day of such month), subject to Participant continuing to be a Service Provider through each such date.

In addition to the vesting terms set forth above for this award, this Option’s vesting will be accelerated in accordance with any vesting acceleration provisions approved by the Administrator. If the Participant ceases to be a Service Provider for any or no reason before he or she fully vests in this Option, the unvested portion of this Option will terminate according to the terms of Section 4 of this Agreement.

Adjustments to Vesting Schedule:

Notwithstanding the aforementioned vesting schedule, in accordance with Section 11 of the Plan, unless the Administrator provides otherwise or as otherwise required by Applicable Laws, (a) the vesting schedule of this Option will be adjusted or suspended during any leave of absence in accordance with the Company’s leave of absence and/or reduced work schedule and/or part-time policy in effect at the time of such leave and (b) if, after the Grant Date of this Option, Participant commences working on a part-time or reduced work schedule basis, the vesting schedule will be adjusted in accordance with the Company’s reduced work schedule/ part-time policy then in effect.

Exercise of Option:

- (a) If the Participant dies or his or her status as a Service Provider is terminated due to his or her Disability, the vested portion of this Option will remain exercisable for [12 months] after the Participant ceases to be a Service Provider. For any other termination of status as a Service Provider, the vested portion of this Option will remain exercisable for [3 months] after the Participant ceases to be a Service Provider.
- (b) If a Transaction occurs, Section 14 of the Plan may further limit this Option’s exercisability.
- (c) This Option will not be exercisable after the Expiration Date, except as may be permitted in accordance with Section 6(h) of the Plan (which tolls expiration in very limited cases when there are legal restrictions on exercise).

The Participant’s signature below (or Participant’s electronic signature or other electronic acknowledgement or acceptance of this Agreement or Award) indicates that:

- (i) He or she agrees that this Option is granted under and governed by the terms and conditions of the Plan and this Agreement, including their exhibits and appendices.
- (ii) He or she understands that the Company is not providing any tax, legal, or financial advice and is not making any recommendations regarding his or her participation in the Plan or his

or her acquisition or sale of Shares.

- (iii) He or she has reviewed the Plan and this Agreement, has had an opportunity to obtain the advice of personal tax, legal, and financial advisors prior to signing this Agreement, and fully

understands all provisions of the Plan and Agreement. He or she will consult with his or her own personal tax, legal, and financial advisors before taking any action related to the Plan.

- (iv) He or she has read and agrees to each provision of Sections 10, 11 and 12 of this Agreement.
- (v) He or she will notify the Company of any change to the contact address below.
- (vi) He or she acknowledges and agrees that this Option will be subject to recoupment under any clawback policy that the Company adopts pursuant to Section 17(d) of the Plan.
- (vii) He or she acknowledges and agrees that, unless the Administrator provides otherwise, if the Participant fails to execute this Agreement prior to the date that any portion of this Option would vest pursuant to the Vesting Schedule set forth above (such date, the "First Vesting Date"), this Option will be forfeited by Participant in its entirety for no consideration (and the Shares underlying this Award will return to the Plan) on the First Vesting Date.

#### PARTICIPANT

\_\_\_\_\_  
Signature

Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

### **EXHIBIT A**

#### **TERMS AND CONDITIONS OF STOCK OPTION GRANT**

1. Grant. The Company grants the Participant an Option to purchase Shares of Common Stock as described in the Notice of Grant. If there is a conflict between the Plan, this Agreement, or any other agreement with the Participant governing this Option, those documents will take precedence and prevail in the following order: (a) the Plan, (b) the Agreement, and (c) any other agreement between the Company and the Participant governing this Option.

If the Notice of Grant designates this Option as an Incentive Stock Option ("ISO"), this Option is intended to qualify as an ISO under Code Section 422. Even if this Option is designated an ISO, to the extent it first become exercisable as to more than \$100,000 in any calendar year, the portion in excess of \$100,000 is not an ISO under Code Section 422(d) and that portion will be a Nonstatutory Stock Option ("NSO"). In addition, if the

Participant exercises this Option after three (3) months have passed since he or she ceased to be an employee of the Company or a Parent or Subsidiary of the Company, it generally will no longer be an ISO (however, different rules apply to cessation of employee status due to death or Disability). If there is any other reason this Option (or a portion of it) will not qualify as an ISO, to the extent of such nonqualification, this Option will be an NSO. The Participant understands that he or she will have no recourse against the Administrator, any member of the Company Group, or any officer or director of a member of the Company Group if any portion of this Option is not an ISO.

2. Vesting. This Option will only be exercisable (also referred to as vested) under the Vesting Schedule in the Notice of Grant, Section 3 of this Agreement, or Section 14 of the Plan. Shares scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest unless the Participant continues to be a Service Provider until the time such vesting is scheduled to occur.

3. Administrator Discretion. The Administrator has the discretion to accelerate the vesting of any portion of this Option. In that case, this Option will be vested as of the date and to the extent specified by the Administrator.

4. Forfeiture upon Cessation of Status as a Service Provider. Upon the Participant's termination as a Service Provider for any reason, this Option will immediately stop vesting and any portion of this Option that has not yet vested will be immediately forfeited for no consideration upon the date that Participant ceases to be a Service Provider for any reason, in all cases, subject to Applicable Laws. For purposes of this Option, the Participant's status as a Service Provider will be considered to be terminated as of the date the Participant is no longer actively providing services to the Company, or if different, the Participant's employer (the "Employer") or the Subsidiary or Parent to which the Participant is providing services (the Employer, Subsidiary or Parent, as applicable, the "Service Recipient") or other member of the Company Group (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction where the Participant is a Service Provider or the terms of the Participant's employment or service agreement, if any), and unless otherwise expressly provided in this Agreement or determined by the Administrator, the Participant's right to vest in this Option under the Plan, if any, will terminate as of such date and the Participant's right to exercise the Option after termination, if any, will be measured from such date, and will not be extended by any notice period (e.g., the Participant's period of service would not include any

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contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is a Service Provider or the terms of the Participant's employment or service agreement, if any). The Administrator shall have the exclusive discretion to determine when the Participant is no longer actively providing services for purposes of this Option (including whether the Participant may still be considered to be providing services while on a leave of absence).

5. Death of Participant. Any distribution or delivery to be made to the Participant under this Agreement will, if he or she is then deceased, be made to the administrator or executor of his or her estate or, if the Administrator permits, his or her designated beneficiary, unless otherwise required to comply with Applicable Laws. Any such transferee must furnish the Company with (a) written notice of his or her status as transferee, and (b) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any laws or regulations that apply to the transfer.

6. Exercise of Option.

(a) Right to Exercise. This Option may be exercised only before its Expiration Date and only under the Plan and this Agreement.

(b) Method of Exercise. To exercise this Option, the Participant must deliver and the Administrator must receive an exercise notice according to procedures determined by the Administrator. The exercise notice must:

(i) state the number of Shares as to which this Option is being exercised ("Exercised Shares"),

- (ii) make any representations or agreements required by the Company,
- (iii) be accompanied by a payment of the total exercise price for all Exercised Shares, and
- (iv) be accompanied by a payment of all required Tax Withholdings for all Exercised Shares.

This Option is exercised when both the exercise notice and payments due under Sections 6(b)(iii) and 6(b)(iv) have been received by the Company for all Exercised Shares. The Administrator may designate a particular exercise notice to be used, but until a designation is made, the exercise notice attached to this Agreement as Exhibit C may be used.

7. Method of Payment. The Participant may pay the total exercise price for Exercised Shares by any of the following methods or a combination of methods:

- (a) cash;
- (b) check;
- (c) wire transfer;
- (d) consideration received by the Company under a formal cashless exercise program adopted by the Company; or

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(e) surrender of other Shares, as long as the Company determines that accepting such Shares does not result in any adverse accounting consequences to the Company. If Shares are surrendered, the value of those Shares will be the fair market value for those Shares on the date they are surrendered.

A non-U.S. resident's methods of exercise may be restricted by the terms and condition of any appendix to this Agreement for the Participant's country (the "Appendix").

8. Tax Obligations.

(a) Tax Withholding.

(i) No Shares will be issued to the Participant until he or she makes satisfactory arrangements (as determined by the Administrator) for the payment of Tax Withholdings. If the Participant is a non-U.S. employee, the method of payment of Tax Withholdings may be restricted by any Appendix. If the Participant fails to make satisfactory arrangements for the payment of any Tax Withholdings under this Agreement at the time of an attempted Option exercise, the Company may refuse to honor the exercise and refuse to deliver the Shares, to the extent permitted by Applicable Laws.

(ii) The Company also has the right (but not the obligation) to satisfy any Tax Withholdings: (a) by reducing the number of Shares otherwise deliverable to the Participant; (b) by requiring payment by cash or check made payable to the Company and/or any Service Recipient with respect to which the withholding obligation arises; (c) by deduction of such amount from salary, wages or other compensation payable to the Participant; or (d) in any combination of the foregoing, or any other method determined by the Administrator to be compliance with Applicable Laws.

(iii) The Company may withhold or account for Tax Withholdings by considering statutory or other withholding rates, including minimum or maximum rates applicable in the Participant's jurisdiction(s). In the event of over-withholding, the Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Common Stock), or if not refunded, the Participant may seek a refund from the local tax authorities. In the event of under-withholding, the Participant may be required to pay any additional Tax Withholdings directly to the applicable tax authority or to the Company and/or the Employer(s). If the obligation for Tax Withholdings is satisfied by withholding in Shares, for tax purposes, the Participant will be deemed to have been issued the full number of Shares exercised, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax Withholdings.

(iv) Further, if the Participant is subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable or tax withholding event, the Company or the Employer(s) or former Employer(s) may withhold or account for tax in more than one jurisdiction.

(v) Regardless of any action of the Company or the Employer(s), the Participant acknowledges that the ultimate liability for all Tax Withholdings and any and all additional taxes related to the Option, the Shares or other amounts or property delivered under the Option and the Participant's participation in the Plan is and remains his or her responsibility and may exceed the amount actually withheld by the Company or the Employer(s). The Participant further acknowledges that the Company and the Employer(s) (1) make no representations or undertakings regarding the

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treatment of any Tax Withholdings in connection with any aspect of this Option; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of this Option to reduce or eliminate his or her liability for Tax Withholdings or achieve any particular tax result.

(vi) For U.S. taxpayers, under Code Section 409A, a stock right (such as this Option) that vests after December 31, 2004 (or that vested on or prior to such date but which was materially modified after October 3, 2004) that was granted with a per share exercise price that is determined by the U.S. Internal Revenue Service (the "IRS") to be less than the fair market value of an underlying share on the date of grant (a "discount option") may be considered "deferred compensation." A stock right that is a "discount option" may result in (1) income recognition by the recipient of the stock right prior to the exercise of the stock right, (2) an additional 20% U.S. federal income tax, and (3) potential penalty and interest charges. The "discount option" may also result in additional U.S. state income, penalty and interest tax to the recipient of the stock right. Participant is hereby notified that the Company cannot and has not guaranteed that the IRS will agree that the per Share exercise price of this Option equals or exceeds the fair market value of a Share on the Grant Date in a later examination. Participant is hereby notified that if the IRS determines that this Option was granted with a per Share exercise price that was less than the fair market value of a Share on the Grant Date, Participant shall be solely responsible for Participant's costs related to such a determination.

(b) Tax Reporting. This Section 8(b) applies if the Participant is a U.S. income taxpayer. If this Option is partially or wholly an ISO, and if the Participant sells or otherwise disposes of any the Shares acquired by exercising the ISO portion on or before the later of (i) the date two (2) years after the Grant Date, or (ii) the date one (1) year after the date of exercise, he or she may be subject to withholding of Tax Withholdings by the Company on the compensation income recognized by him or her and must immediately notify the Company in writing of the disposition.

9. Rights as Stockholder. The Participant's or any other person's rights as a stockholder of the Company (including the right to vote and to receive dividends and distributions) will not begin until Shares have been issued and recorded on the records of the Company or its transfer agents or registrars.

10. Acknowledgements and Agreements. The Participant's signature on the Notice of Grant accepting this Option indicates that:

(a) HE OR SHE ACKNOWLEDGES AND AGREES THAT THE VESTING OF THIS OPTION IS EARNED ONLY BY CONTINUING AS A SERVICE PROVIDER AND THAT BEING HIRED, GRANTED THIS OPTION, AND EXERCISING THIS OPTION WILL NOT RESULT IN VESTING.

(b) HE OR SHE FURTHER ACKNOWLEDGES AND AGREES THAT THIS OPTION AND AGREEMENT DO NOT CREATE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND WILL NOT INTERFERE IN ANY WAY WITH HIS OR HER RIGHT OR THE RIGHT OF THE EMPLOYER(S) TO TERMINATE HIS OR HER RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE, SUBJECT TO APPLICABLE LAWS.

(c) The Participant agrees that this Agreement and its incorporated documents reflect all agreements on its subject matters and that he or she is not accepting this Agreement based on any promises, representations, or inducements other than those reflected in the Agreement.

(d) The Participant understands that exercise of this Option is governed strictly by Sections 6, 7, and 8 of this Agreement and that failure to comply with those Sections could result in the expiration of this Option, even if an attempt was made to exercise.

(e) The Participant agrees that the Company's delivery of any documents related to the Plan or this Option (including the Plan, the Agreement, the Plan's prospectus and any reports of the Company provided generally to the Company's stockholders) to him or her may be made by electronic delivery, which may include but does not necessarily include the delivery of a link to a Company intranet or the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail, or any other means of electronic delivery specified by the Company. If the attempted electronic delivery of such documents fails, the Participant will be provided with a paper copy of the documents. The Participant acknowledges that he or she may receive from the Company a paper copy of any documents that were delivered electronically at no cost to him or her by contacting the Company by telephone or in writing. The Participant may revoke his or her consent to the electronic delivery of documents or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents.

(f) The Participant may deliver any documents related to the Plan or this Option to the Company by e-mail or any other means of electronic delivery approved by the Administrator, but he or she must provide the Company or any designated third party administrator with a paper copy of any documents if his or her attempted electronic delivery of such documents fails.

(g) The Participant accepts that all good faith decisions or interpretations of the Administrator regarding the Plan and Awards under the Plan are binding, conclusive, and final. No member of the Administrator will be personally liable for any such decisions or interpretations.

(h) The Participant agrees that the Plan is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended, or terminated by the Company at any time, to the extent permitted by the Plan.

(i) The Participant agrees that the grant of this Option is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of options, or benefits in lieu of options, even if options have been granted in the past.

(j) The Participant agrees that any decisions regarding future Awards will be in the Company's sole discretion.

(k) The Participant agrees that he or she is voluntarily participating in the Plan.

(l) The Participant agrees that this Option and any Shares acquired under the Plan are not intended to replace any pension rights or compensation.

(m) The Participant agrees that this Option, any Shares acquired under the Plan, and their income and value are not part of normal or expected compensation for any purpose, including for calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits, or similar payments.

(n) The Participant agrees that the future value of the Shares underlying this Option is unknown, indeterminable, and cannot be predicted with certainty.

(o) The Participant understands that if the underlying Shares do not increase in value, this Option will have no intrinsic monetary value.

(p) The Participant understands that if this Option is exercised, the value of each Share received on exercise may increase or decrease in value, even below the Exercise Price.

(q) The Participant agrees that no member of the Company Group is liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of this Option or of any amounts due to him or her from the exercise of this Option or the subsequent sale of any Shares acquired upon exercise.

(r) Unless otherwise provided in the Plan or by the Administrator in its discretion, this Option and the benefits evidenced in this Agreement do not create any entitlement to have this Option or any such benefits transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares.

(s) The Participant agrees that he or she has no claim or entitlement to compensation or damages from any forfeiture of this Option resulting from the termination of his or her status as a Service Provider (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where he or she is a Service Provider or the terms of his or her service agreement, if any).

11. Data Privacy.

(a) *The Participant voluntarily consents to the collection, use and transfer, in electronic or other form, of his or her personal data as described in this Agreement and any other Award materials ("Data") by and among, as applicable, the Employer(s), the Company and any member of the Company Group for the exclusive purpose of implementing, administering, and managing his or her participation in the Plan.*

(b) *The Participant understands that the Company and the Employer(s) may hold certain personal information about him or her, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company, details of all equity awards or any other entitlement to stock awarded, canceled, exercised, vested, unvested or outstanding in his or her favor, for the exclusive purpose of implementing, administering, and managing the Plan.*

(c) *The Participant understands that Data will be transferred to one or more a stock plan service provider(s) selected by the Company, which may assist the Company with the implementation, administration, and management of the Plan. The Participant understands that the recipients of the*

*Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than his or her country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Participant authorizes the Company and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing his or her participation in the Plan.*

*(d) The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan. The Participant understands that if he or she resides in certain jurisdictions outside the United States, to the extent required by Applicable Laws, he or she may, at any time, request access to Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents given by accepting this Option, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing these consents on a purely voluntary basis. If the Participant does not consent or if he or she later seeks to revoke his or her consent, his or her engagement as a Service Provider with the Employer(s) will not be adversely affected; the only consequence of refusing or withdrawing his or her consent is that the Company will not be able to grant him or her awards under the Plan or administer or maintain awards. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan (including the right to retain this Option). The Participant understands that he or she may contact his or her local human resources representative for more information on the consequences of his or her refusal to consent or withdrawal of consent.*

12. Insider Trading Restrictions/Market Abuse Laws. The Participant acknowledges that he or she may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions including, but not limited to, the United States and the Participant's country of residence, which may affect the Participant's ability to acquire or sell Shares or rights to Shares (e.g., this Option) under the Plan during such time as the Participant is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Participant placed before the Participant possessed inside information. Furthermore, the Participant could be prohibited from (i) disclosing the inside information to any third party and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. The Participant should keep in mind third parties includes fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. The Participant is responsible for ensuring compliance with any applicable restrictions and should consult with his or her personal legal advisor on this matter.

13. Foreign Asset/Account Reporting Requirements. Depending on the Participant's country, the Participant may be subject to foreign asset/account, exchange control and/or tax reporting requirements as a result of the vesting or exercise of this Option, the acquisition, holding and/or transfer of Shares or cash resulting from participation in the Plan and/or the opening and maintaining of a brokerage or bank account in connection with the Plan. The Participant may be required to report such assets, accounts, account balances and values, and/or related transactions to the applicable authorities in his or her country. The Participant may also be required to repatriate sale proceeds or other funds

received as a result of his or her participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that he or she is responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting and other requirements. The Participant further understands that he or she should consult the Participant's personal tax and legal advisors, as applicable on these matters.

(a) Address for Notices. Any notice to be given to the Company under the terms of this Agreement must be addressed to the Company at ImmunityBio, Inc., 3530 John Hopkins Court, San Diego, California 92121, USA until the Company designates another address in writing.

(b) Non-Transferability of Option. This Option may not be transferred other than by will or the applicable laws of descent or distribution and may be exercised during the lifetime of the Participant only by him or her or his or her representative following a Disability.

(c) Binding Agreement. If this Option is transferred, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors, and assigns of the parties to this Agreement.

(d) Additional Conditions to Issuance of Stock. In accordance with Section 20 of the Plan, if at any time the Company determines, in its discretion, that the listing, registration, qualification or rule compliance of the Shares upon any securities exchange or under any U.S. or non-U.S. federal, state or local law the tax Code and related regulations or under the rulings or regulations of the United States Securities and Exchange Commission or any other governmental regulatory body or the clearance, consent or approval of the United States Securities and Exchange Commission or any other governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to Participant hereunder, such issuance will not occur unless and until such listing, registration, qualification, rule compliance, clearance, consent or approval will have been completed, effected or obtained free of any conditions not acceptable to the Company.

(e) Captions. Captions provided in this Agreement are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

(f) Agreement Severable. If any provision of this Agreement is held invalid or unenforceable, that provision will be severed from the remaining provisions of this Agreement and the invalidity or unenforceability will have no effect on the remainder of the Agreement.

(g) Non-U.S. Appendix. This Option is subject to any special terms and conditions set forth in any Appendix. If the Participant relocates to a country included in the Appendix, the special terms and conditions for that country will apply to him or her to the extent the Company determines that applying such terms and conditions is necessary or advisable for legal or administrative reasons.

(h) Imposition of Other Requirements. The Company reserves the right to impose other requirements on this Option and the Shares subject to this Option, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

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(i) Choice of Law; Choice of Forum. The Plan, this Agreement, this Option, and all determinations made and actions taken under the Plan, to the extent not otherwise governed by the laws of the United States, will be governed by the laws of the State of Delaware without giving effect to principles of conflicts of law. For purposes of litigating any dispute that arises under the Plan, the Participant's acceptance of this Option is his or her consent to the jurisdiction of the State of Delaware and his or her agreement that any such litigation will be conducted in the Delaware Court of Chancery or the federal courts for the United States for the District of Delaware and no other courts, regardless of where he or she is performing services.

(j) Modifications to the Agreement. The Plan and this Agreement constitute the entire understanding of the parties on the subjects covered. The Participant expressly warrants that he or she is not accepting this Agreement in reliance on any promises, representations, or inducements other than those contained herein. Other than as specified in Section 19(d) of the Plan, modifications to this Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company. The Company reserves the right to revise the Agreement as it deems necessary or advisable, in its sole discretion and without the consent of the Participant, to comply with Code Section 409A, to otherwise avoid imposition of any additional tax or income recognition under Code Section 409A in connection with this Option, or to comply with other Applicable Laws.

(k) Waiver. The Participant acknowledges that a waiver by the Company of a breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement or of any subsequent breach of this Agreement by him or her.

(l) Language. If Participant has received this Agreement, or any other document related to this Option and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

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## **EXHIBIT B**

### **APPENDIX TO STOCK OPTION AGREEMENT**

#### ***Terms and Conditions***

This Appendix to Stock Option Agreement (the “**Appendix**”) includes additional terms and conditions that govern this Option granted to the Participant under the Plan if he or she resides in one of the countries listed below on the Grant Date or he or she moves to one of the listed countries. Unless otherwise defined herein, capitalized terms used but not defined herein shall have the same meanings as set forth in the Plan and this Agreement.

If the Participant is a citizen or resident of a country (or if the Participant is considered as such for local law purposes) other than the one in which the Participant is currently residing and/or working, or if the Participant transfers to another country after being granted the Option, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will be applicable to the Participant.

#### ***Notifications***

This Appendix may also include information regarding exchange controls and certain other issues of which the Participant should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other Applicable Laws in effect in the respective countries as of [DATE] 2025. Such Applicable Laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the information in this Appendix as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the Participant sells Shares acquired under the Plan.

In addition, the information contained in this Appendix is general in nature and may not apply to the

Participant’s particular situation, and the Company is not in a position to assure him or her of a particular result. The Participant is advised to seek appropriate professional advice as to how the Applicable Laws in his or her country may apply to his or her situation.

Finally, if the Participant is a citizen or resident of a country other than the one in which he or she is currently working, transfers employment after this Option is granted, or is considered a resident of another country for local law purposes, the information in this Appendix may not apply to him or her, and the Administrator will determine to what extent the terms and conditions in this Appendix apply.

**Countries**

[Insert]

**EXHIBIT C**

**IMMUNITYBIO, INC.  
2025 EQUITY INCENTIVE PLAN  
EXERCISE NOTICE**

ImmunityBio, Inc.  
3530 John Hopkins Court  
San Diego, California 92121  
Attention: Stock Administration

|                                                     |  |
|-----------------------------------------------------|--|
| Purchaser Name:                                     |  |
| Grant Date of Stock Option (the “ <b>Option</b> ”): |  |
| Grant Number:                                       |  |
| Exercise Date:                                      |  |
| Number of Shares Exercised:                         |  |
| Per Share Exercise Price:                           |  |
| Total Exercise Price:                               |  |
| Exercise Price Payment Method:                      |  |
| Tax Withholdings Payment Method:                    |  |

The information in the table above is incorporated in this Exercise Notice.

1.       **Exercise of Option.** Effective as of the Exercise Date, I elect to purchase the Number of Shares Exercised (“**Exercised Shares**”) under the Stock Option Agreement for this Option (the “**Agreement**”) for the Total Exercise Price. Capitalized terms used but not defined in this Exercise Notice have the meanings given to them in the 2025 Equity Incentive Plan (the “**Plan**”) and/or the Agreement.

2. **Delivery of Payment.** With this Exercise Notice, I am delivering the Total Exercise Price and any required Tax Withholdings to be paid in connection with the purchase of the Exercised Shares. I am paying my total purchase price by the Exercise Price Payment Method and the Tax Withholdings by the Tax Withholdings Payment Method.

3. **Representations of Purchaser.** I acknowledge that:

(a) I have received, read, and understood the Plan and the Agreement and agree to be bound by their terms and conditions.

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(b) The exercise will not be completed until this Exercise Notice, Total Exercise Price, and all Tax-Related Payments are received by the Company.

(c) I have no rights as a stockholder of the Company (including the right to vote and receive dividends and distributions) on the Exercised Shares until the Exercised Shares have been issued and recorded on the records of the Company or its transfer agents or registrars.

(d) No adjustment will be made for a dividend or other right for which the record date is before the date of issuance, except for adjustments under Section 13 of the Plan.

(e) There may be adverse tax consequences to exercising this Option, and I am not relying on the Company for tax advice and have had an opportunity to obtain the advice of personal tax, legal, and financial advisors prior to exercising.

(f) The modification and choice of law provisions of the Agreement also govern this Exercise Notice.

4. **Entire Agreement; Choice of Law; Choice of Forum.** The Plan and the Agreement are incorporated by reference. This Exercise Notice, the Plan, and the Agreement are the entire agreement of the parties with respect to this Options and this exercise and supersede in their entirety all prior undertakings and agreements of the Company and Purchaser with respect to their subject matter. The Plan, the Agreement, and this Exercise Notice, to the extent not otherwise governed by the laws of the United States, will be governed by the laws of the State of Delaware without giving effect to principles of conflicts of law. For purposes of litigating any dispute that arises under the Plan (including without limitation under this Exercise Notice), the Participant consents to the jurisdiction of the State of Delaware and any such litigation being conducted in the Delaware Court of Chancery or the federal courts for the United States for the District of Delaware and no other courts, regardless of where he or she is performing services.

Submitted by:

PURCHASER

\_\_\_\_\_  
Signature

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**IMMUNITYBIO, INC.  
2025 EQUITY INCENTIVE PLAN**

**NOTICE OF RESTRICTED STOCK UNIT AWARD AND  
RESTRICTED STOCK UNIT AGREEMENT**

Capitalized terms that are not defined in this Notice of Restricted Stock Unit Award and Restricted Stock Unit Agreement (the “Notice of Grant”), the Terms and Conditions of Restricted Stock Unit Award, the Non-U.S. Appendix attached hereto as Exhibit B and all other exhibits to these documents (all together, the “Agreement”) have the meanings given to them in the ImmunityBio, Inc. 2025 Equity Incentive Plan (the “Plan”).

The Participant has been granted this Restricted Stock Unit (“RSU”) award according to the terms below and subject to the terms and conditions of the Plan and this Agreement, as follows:

|                           |       |
|---------------------------|-------|
| Participant               | _____ |
| Participant I.D.          | _____ |
| Grant Number              | _____ |
| Grant Date                | _____ |
| Vesting Commencement Date | _____ |
| Number of RSUs Granted    | _____ |

Vesting Schedule:

Subject to the acceleration of vesting provisions herein, the RSUs subject to this Agreement will vest as follows:

[1/3<sup>rd</sup> of the RSUs will be scheduled to vest on each of the first, second and third year anniversary of the Vesting Commencement Date (and if there is no corresponding day, on the last day of the month), subject to the Participant continuing to be a Service Provider through the applicable vesting date.]

If the Participant ceases to be a Service Provider for any or no reason before he or she fully vests in these RSUs, the unvested RSUs will terminate according to the terms of Section 5 of this Agreement.

The Participant’s signature below (or Participant’s electronic signature or other electronic acknowledgement or acceptance of this Agreement or Award) indicates that:

(i) He or she agrees that this Restricted Stock Unit award is granted under and governed by the

terms and conditions of the Plan and this Agreement, including their exhibits and appendices.

(ii) He or she understands that the Company is not providing any tax, legal, or financial advice and is not making any recommendations regarding his or her participation in the Plan or his or her acquisition or sale of Shares.

(iii) He or she has reviewed the Plan and this Agreement, has had an opportunity to obtain the advice of personal tax, legal, and financial advisors prior to signing this Agreement, and fully understands all provisions of the Plan and Agreement. He or she will consult with his or her own personal tax, legal, and financial advisors before taking any action related to the Plan.

(iv) He or she has read and agrees to each provision of Sections 9, 10 and 11 of this Agreement.

(v) He or she will notify the Company of any change to the contact address below.

(vi) He or she acknowledges and agrees that unless otherwise required to comply with Applicable Laws, these RSUs will be subject to recoupment under any clawback policy that the Company adopts pursuant to Section 17(d) of the Plan.

(vii) He or she acknowledges and agrees that, unless the Administrator provides otherwise, if the Participant fails to execute this Agreement prior to the date that any portion of this Award would vest pursuant to the Vesting Schedule set forth above (such date, the "First Vesting Date"), this Award will be forfeited by Participant in its entirety for no consideration (and the Shares underlying this Award will return to the Plan) on the First Vesting Date.

PARTICIPANT

\_\_\_\_\_  
Signature

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**TERMS AND CONDITIONS OF RESTRICTED STOCK UNIT AWARD**

1. Grant. The Company grants the Participant an award of RSUs as described in the Notice of Grant. If there is a conflict between the Plan, this Agreement, or any other agreement with the Participant governing these RSUs, those documents will take precedence and prevail in the following order: (a) the Plan, (b) the Agreement, and (c) any other agreement between the Company and the Participant governing these RSUs.

2. Company's Obligation to Pay. Each RSU is a right to receive a Share on the date it vests. Until an RSU vests, the Participant has no right to payment of the Share. Before a vested RSU is paid, the RSU is an unsecured obligation of the Company, payable (if at all) only from the Company's general assets. A vested RSU will be paid to the Participant (or in the event of his or her death, to his or her estate or such other person as specified in Section 6 below) in whole Shares. Subject to the provisions of Section 4(b) and notwithstanding anything in the Plan to the contrary, each vested RSU that has met all requirements for settlement under this Agreement will be settled no later than the applicable Settlement Deadline. "Settlement Deadline" with respect to a particular vested RSU means as soon as practicable after vesting (but no later than sixty (60) days following the vesting date (or, if earlier, no later than March 15 of the calendar year following the calendar year in which occurs the first date on which the applicable RSU is no longer subject to a substantial risk of forfeiture for purposes of Section 409A)). If any RSU has not met all the requirements for settlement under this Agreement in a manner that would allow it to be settled by the applicable Settlement Deadline, such RSU will be forfeited as of immediately following the applicable Settlement Deadline. In no event will Participant be permitted, directly or indirectly, to specify the taxable year or date of settlement of any RSUs under this Agreement. For the avoidance of doubt, there may be multiple Settlement Deadlines, with each such Settlement Deadline corresponding to a particular RSU.

3. Vesting. These RSUs will vest only under the Vesting Schedule in the Notice of Grant, Section 4 of this Agreement, or Section 14 of the Plan. RSUs scheduled to vest on a certain date or upon the occurrence of a certain condition will not vest unless the Participant continues to be a Service Provider until the time such vesting is scheduled to occur.

4. Acceleration; Amendment.

(a) Discretionary Acceleration or Amendment. The Administrator may, pursuant to its authority under, and in accordance with, Section 4(b)(v), Section 4(b)(x), Section 4(b)(xiii) and Section 9(c) of the Plan, in its discretion, unilaterally (x) accelerate, in whole or in part, the vesting of these RSUs, (y) waive or decrease some or all of the requirements required for vesting of unvested RSUs at any time, or (z) waive or decrease some or all of the requirements for settlement of RSUs at any time, in each case, subject to the terms of the Plan but without the need for Participant consent in any instance, and subject to Section 13(j) of this Agreement; provided, however, that no such acceleration, waiver or decrease shall occur or be effective unless such modification would result in this RSU award remaining exempt or excepted from the requirements of Code Section 409A pursuant to the "short-term deferral" exception or another exception or exemption under Code Section 409A, or otherwise complying with Code Section 409A, in each case such that none of this

Agreement, the RSUs provided under this Agreement, or Shares issuable hereunder will be subject to the additional tax imposed under Code Section 409A. If so modified, the vesting date with respect to the applicable RSUs will be deemed for all purposes of this Agreement to be the date specified by the Administrator (provided, that, for purposes of determining the applicable settlement deadline under Section 1 of this Agreement with respect to such RSUs, the vesting date will be deemed to be no later than the first date on which the RSUs are no longer subject to a substantial risk of forfeiture for purposes of Code Section 409A). The settlement of RSUs through Shares pursuant to this Section 4(a) shall in all cases be no later than the applicable settlement deadline as set forth in Section 1 of this Agreement and at a time or in a manner that is exempt from, or complies with, Code Section 409A. The prior sentence may be superseded in a future agreement or amendment to this Agreement only by direct and specific reference to such sentence.

(b) The Company's intent is that this RSU award be exempt or excepted from the requirements of Code Section 409A. However, in an abundance of caution, the Company is including in this subsection, certain Code Section 409A rules that only apply if these RSUs are not exempt or excepted, and then only in certain circumstances. Specifically, Code Section 409A contains rules that must apply to these RSUs if (a) they are not exempt or excepted from Code Section 409A, (b) the Company has any stock that is publicly traded on an established securities market or otherwise at the time Participant's service terminates, (c) Participant receives acceleration of vesting of these RSUs in connection with a termination of service, and (d) at the time of such termination, Participant is considered a "specified employee" under the Code Section 409A rules. Should these rules ever become applicable to Participant's RSUs, then notwithstanding anything in the Plan, this Agreement or any other agreement (whether entered into before, on or after the Grant Date) to the contrary, if the vesting of these RSUs is accelerated in connection with Participant's termination as a Service Provider (provided that such termination is a "separation from service" within the meaning of Code Section 409A, as determined by the Company), other than due to Participant's death, and if (x) Participant is a U.S. taxpayer and a "specified employee" within the meaning of Code Section 409A at the time of such termination as a Service Provider and (y) the settlement of such accelerated RSUs will result in the imposition of additional tax under Code Section 409A if such settlement is on or within the six (6) month period following Participant's termination as a Service Provider, then the settlement of such accelerated RSUs will not occur until the date six (6) months and one (1) day following the date of Participant's termination as a Service Provider, unless the Participant dies following his or her termination as a Service Provider, in which case, the Shares subject to these RSUs will be settled and issued to the Participant's administrator or executor of his or her estate as soon as practicable following his or her death (subject to Section 6).

5. Forfeiture upon Cessation of Status as a Service Provider. Upon the Participant's termination as a Service Provider for any reason, these RSUs will immediately stop vesting and any of these RSUs that have not yet vested will be forfeited by the Participant for no consideration upon the date that Participant ceases to be a Service Provider for any reason, in all cases, subject to Applicable Laws. For the avoidance of doubt, service during any portion of the vesting period shall not entitle the Participant to vest in a pro rata portion of unvested RSUs. For purposes of the RSUs, the Participant's status as a Service Provider will be considered to be terminated as of the date the Participant is no longer providing services to the Company, or if different, the Participant's employer (the "Employer") or the Subsidiary or Parent to which the Participant is providing services (the Employer, Subsidiary or Parent, as applicable, the "Service Recipient") or other member of the Company Group (regardless of the reason for such termination and whether or not later found to be invalid or in breach of employment laws in the jurisdiction

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where the Participant is a Service Provider or the terms of the Participant's employment or service agreement, if any), and unless otherwise expressly provided in this Agreement or determined by the Administrator, the Participant's right to vest in the RSUs under the Plan, if any, will terminate as of such date and will not be extended by any notice period (e.g., the Participant's period of service would not include any contractual notice period or any period of "garden leave" or similar period mandated under employment laws in the jurisdiction where the Participant is a Service Provider or the terms of the Participant's employment or service agreement, if any). The Administrator shall have the exclusive discretion to determine when the Participant is no longer providing services for purposes of the RSUs (including whether the Participant may still be considered to be providing services while on a leave of absence).

6. Death of Participant. Any distribution or delivery to be made to the Participant under this Agreement will, if he or she is then deceased, be made to the administrator or executor of his or her estate or, if the Administrator permits, his or her designated beneficiary, unless otherwise required to comply with Applicable Laws. Any such transferee must furnish the Company with (a) written notice of his or her status as transferee, and (b) evidence satisfactory to the Company to establish the validity of the transfer and compliance with any laws or regulations that apply to the transfer.

7. Tax Obligations.

(a) Tax Withholding.

(i) No Shares will be issued to the Participant until he or she makes satisfactory arrangements (as determined by the Administrator) for the payment of Tax Withholdings. If the Participant is a non-U.S. employee, the method of payment of Tax Withholdings may be restricted by any Appendix (as defined below). If the Participant fails to make satisfactory arrangements for the payment of any Tax Withholdings under this Agreement when any of these RSUs otherwise are supposed to vest or Tax Withholdings related to RSUs otherwise are due, he or she will permanently forfeit the applicable RSUs and any right to receive Shares under such RSUs, and such RSUs will be returned to the Company at no cost to the Company, to the extent permitted by Applicable Laws.

(ii) The Company has the right (but not the obligation) to satisfy any Tax Withholdings by withholding from proceeds of a sale of Shares acquired upon payment of these RSUs arranged by the Company (on the Participant's behalf pursuant to this authorization without further consent).

(iii) The Company also has the right (but not the obligation) to satisfy any Tax Withholdings: (a) by reducing the number of Shares otherwise deliverable to the Participant, and this will be the method by which such tax withholding obligations are satisfied until the Company determines otherwise, subject to Applicable Laws; (b) by requiring payment by cash or check made payable to the Company and/or any Service Recipient with respect to which the withholding obligation arises; (c) by deduction of such amount from salary, wages or other compensation payable to the Participant; or (d) in any combination of the foregoing, or any other method determined by the Administrator to be compliance with Applicable Laws.

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(iv) The Company may withhold or account for Tax Withholdings by considering statutory or other withholding rates, including minimum or maximum rates applicable in the Participant's jurisdiction(s). In the event of over-withholding, the Participant may receive a refund of any over-withheld amount in cash (with no entitlement to the equivalent in Common Stock), or if not refunded, the Participant may seek a refund from the local tax authorities. In the event of under-withholding, the Participant may be required to pay any additional Tax Withholdings directly to the applicable tax authority or to the Company and/or the Employer(s). If the obligation for Tax Withholdings is satisfied by withholding in Shares, for tax purposes, the Participant will be deemed to have been issued the full number of Shares subject to the vested RSUs, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax Withholdings.

(v) Further, if the Participant is subject to taxation in more than one jurisdiction between the Grant Date and the date of any relevant taxable or tax withholding event, the Company or the Employer(s) or former Employer(s) may withhold or account for tax in more than one jurisdiction.

(vi) Regardless of any action of the Company or the Employer(s), the Participant acknowledges that the ultimate liability for all Tax Withholdings and any and all additional taxes related to the Award, the Shares or other amounts or property delivered under the Award and the Participant's participation in the Plan is and remains his or her responsibility and may exceed the amount actually withheld by the Company or the Employer(s). The Participant further acknowledges that the Company and the Employer(s) (1) make no representations or undertakings regarding the treatment of any Tax Withholdings in connection with any aspect of these RSUs and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of these RSUs to reduce or eliminate his or her liability for Tax Withholdings or achieve any particular tax result.

(b) Code Section 409A. It is the intent of this Agreement that it and all issuances and benefits to U.S. taxpayers hereunder be exempt or excepted from the requirements of Code Section 409A pursuant to the "short-term deferral" exception under Code Section 409A, or otherwise be exempted or excepted from, or comply with, Code Section 409A, so that none of this Agreement, the RSUs provided under this Agreement, or Shares issuable thereunder will be subject to the additional tax imposed under Code Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be so exempt or excepted, or to so comply. Each issuance upon settlement of the RSUs under this Agreement is intended to constitute a separate payment for purposes

of Treasury Regulation Section 1.409A-2(b)(2). In no event will any member of the Company Group have any liability or obligation to reimburse, indemnify, or hold harmless Participant for any taxes that may be imposed, or other costs incurred, on Participant as a result of Code Section 409A.

8. Rights as Stockholder. The Participant's or any other person's rights as a stockholder of the Company (including the right to vote and to receive dividends and distributions) will not begin until Shares have been issued and recorded on the records of the Company or its transfer agents or registrars.

9. Acknowledgements and Agreements. The Participant's signature on the Notice of Grant accepting these RSUs indicates that:

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(a) HE OR SHE ACKNOWLEDGES AND AGREES THAT THE VESTING OF THESE RSUS IS EARNED ONLY BY CONTINUING AS A SERVICE PROVIDER AND THAT BEING HIRED OR BEING GRANTED THESE RSUS WILL NOT RESULT IN VESTING.

(b) HE OR SHE FURTHER ACKNOWLEDGES AND AGREES THAT THESE RSUS AND THIS AGREEMENT DO NOT CREATE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED ENGAGEMENT AS A SERVICE PROVIDER FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL AND WILL NOT INTERFERE IN ANY WAY WITH HIS OR HER RIGHT OR THE RIGHT OF THE EMPLOYER(S) TO TERMINATE HIS OR HER RELATIONSHIP AS A SERVICE PROVIDER AT ANY TIME, WITH OR WITHOUT CAUSE, SUBJECT TO APPLICABLE LAWS.

(c) The Participant agrees that this Agreement and its incorporated documents reflect all agreements on its subject matters and that he or she is not accepting this Agreement based on any promises, representations, or inducements other than those reflected in the Agreement.

(d) The Participant agrees that the Company's delivery of any documents related to the Plan or these RSUs (including the Plan, the Agreement, the Plan's prospectus, and any reports of the Company provided generally to the Company's stockholders) to him or her may be made by electronic delivery, which may include but does not necessarily include the delivery of a link to a Company intranet or to the Internet site of a third party involved in administering the Plan, the delivery of the document via email, or any other means of electronic delivery specified by the Company. If the attempted electronic delivery of such documents fails, the Participant will be provided with a paper copy of the documents. The Participant acknowledges that he or she may receive from the Company a paper copy of any documents that were delivered electronically at no cost to him or her by contacting the Company by telephone or in writing. The Participant may revoke his or her consent to the electronic delivery of documents or may change the electronic mail address to which such documents are to be delivered (if the Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents.

(e) The Participant may deliver any documents related to the Plan or these RSUs to the Company by e-mail or any other means of electronic delivery approved by the Administrator, but he or she must provide the Company or any designated third party administrator with a paper copy of any documents if his or her attempted electronic delivery of such documents fails.

(f) The Participant accepts that all good faith decisions or interpretations of the Administrator regarding the Plan and Awards under the Plan are binding, conclusive, and final. No member of the Administrator will be personally liable for any such decisions or interpretations.

(g) The Participant agrees that the Plan is established voluntarily by the Company, is discretionary in nature, and may be amended, suspended, or terminated by the Company at any time, to the extent

permitted by the Plan.

(h) The Participant agrees that the grant of these RSUs is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants of restricted stock

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units or benefits in lieu of restricted stock units, even if restricted stock units have been granted in the past.

(i) The Participant agrees that any decisions regarding future Awards will be in the Company's sole discretion.

(j) The Participant agrees that he or she is voluntarily participating in the Plan.

(k) The Participant agrees that these RSUs and any Shares acquired under these RSUs, and the income from and value of same, are not intended to replace any pension rights or compensation.

(l) The Participant agrees that these RSUs, any Shares acquired under these RSUs, and the income from and value of same, are not part of normal or expected compensation for any purpose, including, but not limited to, calculating any severance, resignation, termination, redundancy, dismissal, end-of-service payments, bonuses, holiday pay, long-service awards, pension or retirement or welfare benefits, or similar payments.

(m) The Participant agrees that the future value of the Shares underlying these RSUs is unknown, indeterminable, and cannot be predicted with certainty.

(n) The Participant agrees that no member of the Company Group is liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of these RSUs or of any amounts due to him or her from the payment of these RSUs or the subsequent sale of any Shares acquired upon such payment.

(o) Unless otherwise provided in the Plan or by the Administrator in its discretion, the RSUs and the benefits evidenced in this Agreement do not create any entitlement to have the RSUs or any such benefits transferred to, or assumed by, another company, nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares.

(p) The Participant agrees that he or she has no claim or entitlement to compensation or damages from any forfeiture of these RSUs resulting from the termination of his or her status as a Service Provider (for any reason whatsoever, whether or not later found to be invalid or in breach of employment laws in the jurisdiction where he or she is a Service Provider or the terms of his or her service agreement, if any).

10. Data Privacy.

(a) *The Participant voluntarily consents to the collection, use and transfer, in electronic or other form, of his or her personal data as described in this Agreement and any other Award materials ("Data") by and among, as applicable, the Employer(s), the Company and any member of the Company Group for the exclusive purpose of implementing, administering, and managing his or her participation in the Plan.*

(b) *The Participant understands that the Company and the Employer(s) may hold certain personal information about him or her, including, but not limited to, his or her name, home address and telephone number, date of birth, social insurance number or other identification number, salary,*

*nationality, job title, any shares of stock or directorships held in the Company, details of all equity awards or any other entitlement to stock awarded, canceled, exercised, vested, unvested or outstanding in his or her favor, for the exclusive purpose of implementing, administering, and managing the Plan.*

*(c) The Participant understands that Data will be transferred to one or more stock plan service provider(s) selected by the Company, which may assist the Company with the implementation, administration, and management of the Plan. The Participant understands that the recipients of the Data may be located in the United States or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than his or her country. The Participant understands that if he or she resides outside the United States, he or she may request a list with the names and addresses of any potential recipients of the Data by contacting his or her local human resources representative. The Participant authorizes the Company and any other possible recipients that may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purposes of implementing, administering and managing his or her participation in the Plan.*

*(d) The Participant understands that Data will be held only as long as is necessary to implement, administer and manage his or her participation in the Plan. The Participant understands that if he or she resides in certain jurisdictions outside the United States, to the extent required by Applicable Laws, he or she may, at any time, request access to Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents given by accepting these RSUs, in any case without cost, by contacting in writing his or her local human resources representative. Further, the Participant understands that he or she is providing these consents on a purely voluntary basis. If the Participant does not consent or if he or she later seeks to revoke his or her consent, his or her engagement as a Service Provider with the Employer(s) will not be adversely affected; the only consequence of refusing or withdrawing his or her consent is that the Company will not be able to grant him or her awards under the Plan or administer or maintain awards. Therefore, the Participant understands that refusing or withdrawing his or her consent may affect his or her ability to participate in the Plan (including the right to retain these RSUs). The Participant understands that he or she may contact his or her local human resources representative for more information on the consequences of his or her refusal to consent or withdrawal of consent.*

11. Insider Trading Restrictions/Market Abuse Laws. The Participant acknowledges that he or she may be subject to insider trading restrictions and/or market abuse laws in applicable jurisdictions including, but not limited to, the United States and the Participant's country of residence, which may affect the Participant's ability to acquire or sell Shares or rights to Shares (e.g., RSUs) under the Plan during such time as the Participant is considered to have "inside information" regarding the Company (as defined by the laws in the applicable jurisdictions). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Participant placed before the Participant possessed inside information. Furthermore, the Participant could be prohibited from (i) disclosing the inside information to any third party and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. The Participant should keep in mind third parties includes fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable insider trading policy of the Company. The Participant is responsible for ensuring compliance with any applicable restrictions and should consult with his or her personal legal advisor on this matter.

12. Foreign Asset/Account Reporting Requirements. Depending on the Participant's country, the Participant may be subject to foreign asset/account, exchange control and/or tax reporting requirements as a result of the vesting of the RSUs, the acquisition, holding and/or transfer of Shares or cash resulting from participation in the Plan and/or the opening and maintaining of a brokerage or bank account in connection with the Plan. The Participant may be required to report such assets, accounts, account balances and values, and/or related transactions to the applicable authorities in his or her country. The Participant may also be required to repatriate sale proceeds or other funds received as a result of his or her participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that he or she is responsible for ensuring compliance with any applicable foreign asset/account, exchange control and tax reporting and other requirements. The Participant further understands that he or she should consult the Participant's personal tax and legal advisors, as applicable on these matters.

13. Miscellaneous.

(a) Address for Notices. Any notice to be given to the Company under the terms of this Agreement must be addressed to the Company at ImmunityBio, Inc., 3530 John Hopkins Court, San Diego, California 92121, USA until the Company designates another address in writing.

(b) Non-Transferability of RSUs. These RSUs may not be transferred other than by will or the applicable laws of descent or distribution.

(c) Binding Agreement. If any RSUs are transferred, this Agreement will be binding upon and inure to the benefit of the heirs, legatees, legal representatives, successors, and assigns of the parties to this Agreement.

(d) Additional Conditions to Issuance of Stock. In accordance with Section 20 of the Plan, if at any time the Company determines, in its discretion, that the listing, registration, qualification or rule compliance of the Shares upon any securities exchange or under any U.S. or non-U.S. federal, state or local law the tax Code and related regulations or under the rulings or regulations of the United States Securities and Exchange Commission or any other governmental regulatory body or the clearance, consent or approval of the United States Securities and Exchange Commission or any other governmental regulatory authority is necessary or desirable as a condition to the issuance of Shares to Participant hereunder, such issuance will not occur unless and until such listing, registration, qualification, rule compliance, clearance, consent or approval will have been completed, effected or obtained free of any conditions not acceptable to the Company. If any such listing, registration, qualification, rule compliance, clearance, consent or approval has not been completed by the applicable Settlement Deadline with respect to a Restricted Stock Unit in a manner that would allow it to be settled by the applicable Settlement Deadline, such Restricted Stock Unit will be forfeited as of immediately following the Settlement Deadline for no consideration and at no cost to the Company. Subject to the terms of this Agreement and the Plan, the Company shall not be required to issue any certificate or certificates for Shares hereunder prior to the lapse of such reasonable period of time following the date of vesting of a Restricted Stock Unit as the Administrator may establish from time to time for reasons of administrative convenience and any such certificate may be in book entry form.

(e) Captions. Captions provided in this Agreement are for convenience only and are not to serve as a basis for interpretation or construction of this Agreement.

(f) Agreement Severable. If any provision of this Agreement is held invalid or

unenforceable, that provision will be severed from the remaining provisions of this Agreement and the invalidity or unenforceability will have no effect on the remainder of the Agreement.

(g) Non-U.S. Appendix. These RSUs are subject to any special terms and conditions set forth in any appendix to this Agreement for the Participant's country (the "Appendix"). If the Participant relocates to a country included in the Appendix, the special terms and conditions for that country will apply to him or her to the extent the Company determines that applying such terms and conditions is necessary or advisable for legal or administrative reasons.

(h) Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the RSUs and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing; provided, however, that no such imposition of other requirements shall occur or be effective unless such imposition would result in these RSUs remaining exempt or excepted from the requirements of Code Section 409A pursuant to the "short-term deferral" exception or another exception or exemption under Code Section 409A, or otherwise complying with Code Section 409A, in each case such that none of this Agreement, the RSUs provided under this Agreement, or Shares, cash or other property issuable hereunder will be subject to the additional tax imposed under Code Section 409A.

(i) Choice of Law; Choice of Forum. The Plan, this Agreement, these RSUs, and all determinations made and actions taken under the Plan, to the extent not otherwise governed by the laws of the United States, will be governed by the laws of the State of Delaware without giving effect to principles of conflicts of law. For purposes of litigating any dispute that arises under the Plan, the Participant's acceptance of these RSUs is his or her consent to the jurisdiction of the State of Delaware and his or her agreement that any such litigation will be conducted in the Delaware Court of Chancery or the federal courts for the United States for the District of Delaware and no other courts, regardless of where he or she is performing services.

(j) Modifications to the Agreement. The Plan and this Agreement constitute the entire understanding of the parties on the subjects covered. The Participant expressly warrants that he or she is not accepting this Agreement in reliance on any promises, representations, or inducements other than those contained herein. Other than as specified in Section 19(d) of the Plan, modifications to this Agreement or the Plan can be made only in an express written contract executed by a duly authorized officer of the Company. Notwithstanding anything in the Plan or this Agreement to the contrary, but subject to Section 13(h), the Administrator may, without the consent of the Participant, modify this Agreement in any of the following manners: (a) take any action permitted by Section 4 of this Agreement, including to waive or decrease, in whole or in part, some or all of the requirements required for vesting of all or a portion of the unvested RSUs; or (b) waive or decrease some or all of the requirements for settlement of RSUs. The Company reserves the right to revise this Agreement as it deems necessary or advisable, in its sole

discretion and without the consent of the Participant, to comply with Code Section 409A, to otherwise avoid imposition of any additional tax or income recognition under Code Section 409A in connection with these RSUs, or to comply with other Applicable Laws.

(k) Waiver. The Participant acknowledges that a waiver by the Company of a breach of any provision of this Agreement will not operate or be construed as a waiver of any other provision of this Agreement or of any subsequent breach of this Agreement by him or her.

(l) Language. The Participant acknowledges that the Participant is sufficiently proficient in English, or has consulted with an advisor who is sufficiently proficient in English, so as to allow the Participant to understand the terms of this Agreement. If Participant has received this Agreement, or any other document related to these RSUs and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

## **EXHIBIT B**

### **APPENDIX TO RESTRICTED STOCK UNIT AGREEMENT**

#### ***Terms and Conditions***

This Appendix to Restricted Stock Unit Agreement (the “Appendix”) includes additional terms and conditions that govern these RSUs granted to the Participant under the Plan if he or she resides and/or works in one of the countries listed below on the Grant Date or he or she moves to one of the listed countries. Unless otherwise defined herein, capitalized terms used but not defined herein shall have the same meanings as set forth in the Plan and the Agreement.

If the Participant is a citizen or resident of a country (or if the Participant is considered as such for local law purposes) other than the one in which the Participant is currently residing and/or working, or if the Participant transfers to another country after being granted the RSUs, the Company will, in its discretion, determine the extent to which the terms and conditions contained herein will be applicable to the Participant.

#### ***Notifications***

This Appendix may also include information regarding securities laws, exchange controls and certain other issues of which the Participant should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, and other Applicable Laws in effect in the respective countries as of [DATE] 2025. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the information in this Appendix as the only source of information relating to the

consequences of participation in the Plan because the information may be out of date at the time the Participant vests in or sells the Shares acquired under the Plan.

In addition, the information contained in this Appendix is general in nature and may not apply to the Participant's particular situation, and the Company is not in a position to assure him or her of a particular result. The Participant is advised to seek appropriate professional advice as to how the relevant laws in his or her country may apply to his or her situation.

Finally, if the Participant is a citizen or resident of a country other than the one in which he or she is currently residing and/or working, transfers employment after these RSUs are granted, or is considered a resident of another country for local law purposes, the information in this Appendix may not apply to him or her, and the Administrator will determine to what extent the terms and conditions in this Appendix apply.

***Countries***

[Insert]

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER  
PURSUANT TO  
EXCHANGE ACT RULES 13a-14(a)/15d-14(a),  
AS ADOPTED PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Richard Adcock, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ImmunityBio, 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 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: May 7, 2026

By: /s/ Richard Adcock  
 Richard Adcock  
 Chief Executive Officer and President  
 (Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER  
PURSUANT TO  
EXCHANGE ACT RULES 13a-14(a)/15d-14(a),  
AS ADOPTED PURSUANT TO SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, David C. Sachs, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ImmunityBio, 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 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: May 7, 2026

By: /s/ David C. Sachs  
David C. Sachs  
Chief Financial Officer  
(Principal Financial Officer)

**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**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Richard Adcock, the Chief Executive Officer of ImmunityBio, Inc. (the “Company”), hereby certify, that, to my knowledge:

- i. the Quarterly Report of the Company on Form 10-Q for the quarter ended March 31, 2026 (the “Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- ii. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2026

By: /s/ Richard Adcock

Richard Adcock  
Chief Executive Officer and President  
(*Principal Executive Officer*)

**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**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, David C. Sachs, the Chief Financial Officer of ImmunityBio, Inc. (the “Company”), hereby certify, that, to my knowledge:

- i. the Quarterly Report of the Company on Form 10-Q for the quarter ended March 31, 2026 (the “Report”), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- ii. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 7, 2026

By: /s/ David C. Sachs

David C. Sachs

Chief Financial Officer

*(Principal Financial Officer)*